

TMF Group Holding B.V.


 TMF
GROUP
€45,000,000 Floating Rate Senior Secured Notes due 2018**€20,000,000 9.875% Fixed Rate Senior Notes due 2019**

TMF Group Holding B.V., a private limited liability company incorporated under the laws of the Netherlands (the “Issuer” or “TMF”) is offering (the “Offering”) €45,000,000 aggregate principal amount of its Floating Rate Senior Secured Notes due 2018 (the “Additional Senior Secured Notes”) and is also offering €20,000,000 aggregate principal amount of its 9.875% Fixed Rate Senior Notes due 2019 (the “Additional Senior Notes”) and, together with the Additional Senior Secured Notes, the “Additional Notes”). A portion of the proceeds of the Offering will be used to finance the proposed acquisition (the “Acquisition”) by the Issuer of KCS Limited (“KCS” or the “Target”).

The Additional Senior Secured Notes are being offered under an indenture (the “Senior Secured Notes Indenture”) dated December 7, 2012 (the “Initial Issue Date”) pursuant to which the Issuer has issued €405,000,000 aggregate principal amount of its Floating Rate Senior Secured Notes due 2018 (the “Existing Senior Secured Notes”) and, together with the Additional Senior Secured Notes, the “Senior Secured Notes”). The Additional Senior Secured Notes will have the same terms as the Existing Senior Secured Notes and will constitute a single class of debt securities with the Existing Senior Secured Notes under the Senior Secured Notes Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. Interest on the Additional Senior Secured Notes will be payable quarterly in arrears on March 1, June 1, September 1, and December 1. The Senior Secured Notes will mature on December 1, 2018.

The Additional Senior Notes are being offered under an indenture (the “Senior Notes Indenture”) and, together with the Senior Secured Notes Indenture, the “Indentures”) dated the Initial Issue Date pursuant to which the Issuer issued €175,000,000 aggregate principal amount of its 9.875% Fixed Rate Senior Notes due 2019 (the “Existing Senior Notes”) and, together with the Additional Senior Notes, the “Senior Notes”). The Additional Senior Notes will have the same terms as the Existing Senior Notes and will constitute a single class of debt securities with the Existing Senior Notes under the Senior Notes Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase. Interest on the Senior Notes is payable semi annually in arrears on June 1 and December 1. The Senior Notes will mature on December 1, 2019.

The Issuer may redeem all or part of the Senior Secured Notes by paying a specified redemption price.

Prior to December 1, 2015, the Issuer may, at its option, redeem all or a portion of the Senior Notes by paying 100% of the principal amount of the relevant Senior Notes redeemed plus accrued and unpaid interest to the redemption date and the relevant “make-whole” premium. The Issuer may redeem the Senior Notes, at its option, on or after December 1, 2015, in whole or in part, at the redemption prices set forth in this offering memorandum (the “Offering Memorandum”). In addition, the Issuer may redeem up to 35% of the Senior Notes on or prior to December 1, 2015 with the net proceeds of certain equity offerings at a redemption price equal to 109.875% of the principal amount of the Senior Notes to be redeemed.

The Issuer may also redeem all, but not less than all, of the Senior Secured Notes or the Senior Notes in the event of certain developments affecting taxation. Upon the occurrence of certain change of control events, the Issuer will be required to offer to repurchase the Senior Secured Notes and the Senior Notes (together with the Senior Secured Notes, the “Notes”) at 101% of the principal amount thereof, plus accrued and unpaid interest.

The Additional Senior Secured Notes will be senior obligations of the Issuer and rank equally in right of payment with all other existing and future senior debt of the Issuer, including the Existing Senior Secured Notes. The Additional Senior Secured Notes will be guaranteed on a senior basis (the “Senior Secured Note Guarantees”) by the subsidiaries of the Issuer that guarantee the Existing Senior Secured Notes (the “Guarantors”). The Additional Senior Notes will be senior obligations of the Issuer and will be guaranteed (the “Senior Note Guarantees,” and, together with the Senior Secured Note Guarantees, the “Guarantees”) on a senior subordinated basis by the Guarantors.

The Additional Senior Secured Notes will be secured by first-ranking security interests granted on an equal and ratable first-priority basis over the same assets that secure the Existing Senior Secured Notes (the “Collateral”). See “Description of the Senior Secured Notes—Security.” In the event of enforcement of the Collateral, the holders of the Senior Secured Notes will receive proceeds from the Collateral only after the lenders under the Revolving Credit Facility (as defined herein) (or any replacement facilities) and counterparties to certain hedging obligations have been repaid in full. See “Description of Other Indebtedness—Intercreditor Agreement.”

The Existing Senior Secured Notes and the Existing Senior Notes (together with the Existing Senior Secured Notes, the “Existing Notes”) are listed on the Official List of the Luxembourg Stock Exchange and are admitted to trading on the Euro MTF Market. Application has been made to list the Additional Notes on the Official List of the Luxembourg Stock Exchange and to admit the the Additional Notes to trading on the Euro MTF Market. There are no assurances that the Additional Notes will be listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market. The Euro MTF Market of the Luxembourg Stock Exchange is not a regulated market within the meaning of the provisions of Directive 2004/39/EC on markets in financial instruments, as amended.

Investing in the Notes involves a high degree of risk. See “Risk Factors” beginning on page 22.

Additional Senior Secured Note Price: 101.000% plus accrued interest from June 1, 2014

Additional Senior Note Price: 108.750% plus accrued interest from June 1, 2014

The Additional Notes and the Existing Notes will be issued in registered form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. The Additional Notes are offered pursuant to an exemption from the obligation to publish a prospectus as set forth in Article 3, paragraph 2 of the Prospectus Directive. This document has not been approved by any competent authority in the European Economic Area for purposes of the Prospectus Directive and has not been prepared in accordance with and is not a prospectus within the meaning of the Prospectus Directive and the E.C. Prospectus Regulation 809/2004, as amended, including E.U. Prospectus Regulation 486/2012, and the rules promulgated thereunder.

The Additional Notes will be represented on issue by one or more global notes, which will be delivered through Euroclear Bank SA/NV (“Euroclear”) and Clearstream Banking S.A., *société anonyme*, Luxembourg (“Clearstream”) and their participants, on or about August 5, 2014 (the “Issue Date”). You should be advised that trading of the Notes may be affected by the T+10 settlement.

The Notes and the Guarantees have not been and will not be registered under the Securities Act or the securities laws of any other jurisdiction. The Additional Notes may not be offered or sold within the United States, except to qualified institutional buyers in accordance with Rule 144A under the Securities Act and in offshore transactions in accordance with Regulation S under the Securities Act. You are hereby notified that sellers of the Additional Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For further details about eligible offerees and resale restrictions, see “Important Information about this Offering Memorandum,” “Plan of Distribution” and “Offering and Transfer Restrictions.”

Sole Global Coordinator and Bookrunner

Goldman Sachs International

The date of this Offering Memorandum is July 22, 2014.

IMPORTANT INFORMATION ABOUT THIS OFFERING MEMORANDUM

You should base your decision to invest in the Additional Notes solely on information contained in this Offering Memorandum. Neither we nor Goldman Sachs International (the “Initial Purchaser”) have authorized anyone to provide you with any different information.

You should rely only on the information contained in this Offering Memorandum or to which we have referred you. We have not authorized anyone to provide you with information that is different. This Offering Memorandum may only be used in jurisdictions where it is legal to offer and sell the Additional Notes. The information in this Offering Memorandum may only be accurate on the date of this Offering Memorandum.

We are offering the Additional Notes, and the Guarantors are issuing the Guarantees in respect thereof, in the United States in reliance on an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. If you purchase the Additional Notes, you will be deemed to have made certain acknowledgments, representations and warranties as detailed under “*Offering and Transfer Restrictions*.” You may be required to bear the financial risk of an investment in the Additional Notes for an indefinite period. Neither we nor the Initial Purchaser are making an offer to sell the Additional Notes in any jurisdiction where the offer and sale of the Additional Notes is prohibited. We do not make any representation to you that the Additional Notes are a legal investment for you. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose.

Each prospective purchaser of the Additional Notes must comply with all applicable laws and rules and regulations in force in any jurisdiction in which it purchases, offers or sells the Additional Notes and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Additional Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither we nor the Initial Purchaser shall have any responsibility therefor.

Neither the U.S. Securities and Exchange Commission (the “SEC”), any U.S. state securities commission nor any non-U.S. securities authority nor other authority has approved or disapproved of the Additional Notes or determined if this Offering Memorandum is truthful or complete. Any representation to the contrary is a criminal offense.

We accept responsibility for the information contained in this Offering Memorandum. We have made all reasonable inquiries and confirm to the best of our knowledge, information and belief that the information contained in this Offering Memorandum with regard to us and our subsidiaries and affiliates and the Additional Notes is true and accurate in all material respects, that the opinions and intentions expressed in this Offering Memorandum are honestly held and that we are not aware of any other facts, the omission of which would make this Offering Memorandum or any statement contained herein, misleading in any material respect. The information in this Offering Memorandum is current only as of the date on the cover, and our business or financial condition and other information in this Offering Memorandum may change after that date. You should consult your own legal, tax and business advisors regarding an investment in the Additional Notes. Information in this Offering Memorandum is not legal, tax or business advice.

The Initial Purchaser makes no representation or warranty, express or implied, as to, and assume no responsibility for, the accuracy or completeness of the information contained in this Offering Memorandum. Nothing contained in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchaser as to the past or the future.

We have prepared this Offering Memorandum solely for use in connection with the offer of the Additional Notes. You agree that you will hold the information contained in this Offering Memorandum and the transactions contemplated hereby in confidence. You may not distribute this Offering Memorandum to any person, other than a person retained to advise you in connection with the purchase of the Additional Notes.

We and the Initial Purchaser may reject any offer to purchase the Additional Notes in whole or in part, sell less than the entire principal amount of the Additional Notes offered hereby or allocate to any purchaser less than all of the Additional Notes for which it has subscribed.

The information set out in relation to sections of this Offering Memorandum describing clearing and settlement arrangements, including the section entitled “*Book-Entry, Delivery and Form*,” is subject to a

change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream currently in effect. Although we accept responsibility for accurately summarizing the information concerning Euroclear or Clearstream, we accept no further responsibility in respect of such information.

We cannot guarantee that our application to listing on the Official List of the Luxembourg Stock Exchange for the admission of the Additional Notes to trading on the Euro MTF Market will be approved as of the settlement date for the Additional Notes or at any time thereafter, and settlement of the Additional Notes is not conditional on obtaining this listing.

The Additional Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable securities laws of any other jurisdiction pursuant to registration or exemption therefrom. Prospective purchasers should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time. See “*Offering and Transfer Restrictions*.”

In connection with the issuance of the Additional Notes, Goldman Sachs International (the “Stabilizing Manager”) (or any person acting on behalf of the Stabilizing Manager) may over-allot Additional Notes or effect transactions with a view to supporting the market price of the Additional Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager (or any person acting on behalf of the Stabilizing Manager) will undertake stabilizing action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Additional Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of the Additional Notes and 60 days after the date of the allotment of the Additional Notes.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955, AS AMENDED (“RSA 421-B”), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE OF THE STATE OF NEW HAMPSHIRE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO U.S. INVESTORS

Each purchaser of the Additional Notes will be deemed to have made the representations, warranties and acknowledgements that are described in this Offering Memorandum under “*Offering and Transfer Restrictions*.” The Notes have not been and will not be registered under the Securities Act or the securities laws of any state of the United States and are subject to certain restrictions on transfer. Prospective purchasers are hereby notified that the seller of any Additional Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain further restrictions on resale or transfer of the Additional Notes, see “*Offering and Transfer Restrictions*.” The Notes may not be offered to the public within any jurisdiction. By accepting delivery of this Offering Memorandum, you agree not to offer, sell, resell transfer or deliver, directly or indirectly, any Notes to the public.

NOTICE TO CERTAIN EUROPEAN INVESTORS

The Netherlands

In the Netherlands, the Additional Notes may be offered only to qualified investors (gekwalficeerde beleggers) within the meaning of section 1:1 of the Dutch Financial Supervision Act (Wet op het financieel toezicht). This Offering Memorandum has not been approved by, registered or filed with the Netherlands Authority for the Financial Markets.

United Kingdom

This Offering Memorandum is for distribution only to, and is only directed at, persons who (i) are investment professionals, being persons having professional experience in matters relating to investments and who fall within the definition set out in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, (the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, partnerships or high value trusts, etc.) of the Financial Promotion Order or (iii) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 as amended (“FSMA”)) in connection with the issue or sale of any Additional Notes may otherwise lawfully be communicated (all such persons together being referred to as “relevant persons”). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

Switzerland

This Offering Memorandum, as well as any other material relating to the Additional Notes which are the subject of the offering contemplated by this Offering Memorandum, do not constitute an issue prospectus pursuant to article 652a and/or article 1156 of the Swiss Code of Obligations and may not comply with the Directive for Notes of Foreign Borrowers of the Swiss Bankers Association. The Additional Notes will not be listed on the SIX Swiss Exchange Ltd., and, therefore, the documents relating to the Additional Notes, including, but not limited to, this Offering Memorandum, do not claim to comply with the disclosure standards of the Swiss Code of Obligations and the listing rules of SIX Swiss Exchange Ltd. and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange Ltd. The Additional Notes are being offered in Switzerland by way of a private placement (i.e. to a small number of selected investors only), without any public advertisement and only to investors who do not purchase the Additional Notes with the intention to distribute them to the public. The investors will be individually approached directly from time to time. This Offering Memorandum, as well as any other material relating to the Additional Notes, is personal and confidential and does not constitute an offer to any other person. This Offering Memorandum, as well as any other material relating to the Additional Notes, may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without the Issuer’s express consent. This Offering Memorandum, as well as any other material relating to the Additional Notes, may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

Grand Duchy of Luxembourg

This Offering Memorandum has not been approved by and will not be submitted for approval to the *Commission de Surveillance du Secteur Financier* (the “CSSF”, i.e. the Luxembourg financial services authority), or a competent authority of another EU Member State for notification to the CSSF, for the purposes of public offering or sale of the Additional Notes in the Grand Duchy of Luxembourg. Accordingly, the Additional Notes may not be offered or sold to the public in the Grand Duchy of Luxembourg, directly or indirectly, and neither this Offering Memorandum nor any other circular, prospectus, form of application, advertisement, communication or other material may be distributed, or otherwise made available in, from, or published in, the Grand Duchy of Luxembourg except for the sole purpose of the admission to trading of the Additional Notes on the Euro MTF Market and to listing of the Additional Notes on the Official List of the Luxembourg Stock Exchange and except in circumstances which do not constitute a public offer of securities to the public, subject to prospectus requirements, in accordance with the Luxembourg law of 10 July 2005 relating to prospectuses for securities, as

amended (the “Luxembourg Prospectus Act”), implementing the Prospectus Directive. Consequently, this Offering Memorandum and any other offering circular, prospectus, form of application, advertisement or other material may only be distributed to (i) Luxembourg qualified investors as defined in the Luxembourg Prospectus Act (ii) no more than 149 prospective investors, which are not qualified investors and/or (iii) in any other circumstance contemplated by the Luxembourg Prospectus Act.

NOTICE ON FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains “forward-looking” statements within the meaning of securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this Offering Memorandum, including, without limitation, those regarding the Issuer’s intentions, beliefs or current expectations concerning, among other things, its future financial conditions and performance, results of operations and liquidity; its strategy, plans, objectives, prospects, growth goals and targets; future developments in the markets in which it participates or is seeking to participate; and anticipated regulatory changes in the industry in which it operates. These, forward-looking statements can be identified by the use of forward-looking terminology, including the terms “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “guidance,” “intend,” “may,” “plan,” “project,” “should,” “risk,” “will” and other similar expressions that are predictions of or otherwise indicate future events or trends identifying forward-looking statements.

Forward-looking statements involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future and that are in some cases beyond our control. We caution you that forward-looking statements are not guarantees of future performance and that these risks, uncertainties and factors may cause our actual results, performance or achievements to differ materially from (and be more negative than) those expressed or implied by the forward-looking statements (and from past results, performances or achievements) in this Offering Memorandum. In addition, even if our financial condition, results of operations and cash flows, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Offering Memorandum, those results or developments may not be indicative of results or developments in subsequent periods. Factors that may cause these differences include, but are not limited to, the risks described under “*Risk Factors*,” “*Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*.” These factors include, but are not limited to:

- adverse legal, administrative or regulatory proceedings;
- our ability to maintain adequate insurance coverage;
- regulation of our business and our relationship with regulators;
- damage to our business reputation;
- global economic conditions;
- our ability to implement our business strategy
- inability to successfully integrate acquired businesses;
- dependence on senior management team;
- liability based on actions of our joint venture partners, employees, co-owners and agents of certain of our group companies and subcontractors;
- dependence on local employees;
- failure to establish and maintain effective internal controls;
- impact of competition on our business;
- our ability to expand into a particular jurisdiction required by current or potential clients;
- our ability to retain clients;
- a relatively large share of our revenue is generated in Benelux;
- levels of foreign direct investment;

- significant changes to regulation of our clients;
- risks/costs relating to compliance with law and regulation;
- exchange control restrictions;
- information technology connectivity;
- expected results of acquired businesses, including the Target;
- wage increases;
- our reliance on single source information technology products;
- changes in client demand for our services;
- tax risks;
- risks related to our substantial leverage;
- changes in currency exchange rates;
- general risks relating to the Additional Notes;
- risks related to our ownership;
- the other risks described under “*Risk Factors*”; and
- other statements contained in this Offering Memorandum regarding matters that are not historical facts.

You should not place undue reliance on these forward-looking statements because they reflect our judgment at the date of this Offering Memorandum. Forward-looking statements are not intended to give any assurances as to future results.

INDUSTRY AND MARKET DATA

Certain information relating to our industry and market position used or referenced in this Offering Memorandum was obtained from internal surveys, market research, publicly available information and industry publications. Unless otherwise indicated, all sources for industry data and statistics are estimates or forecasts contained in or derived from internal or industry sources we believe to be reliable. Market data used throughout this Offering Memorandum was obtained from independent industry publications and other publicly available information. Such data, as well as internal surveys, industry forecasts and market research, while believed to be reliable, have not been independently verified, and neither we nor the Initial Purchaser make any representation or warranty as to the accuracy or completeness of the information set forth in this Offering Memorandum. In addition, in certain cases we have made statements in this Offering Memorandum regarding our industry and position in the industry based on our experience and our own investigation of market conditions. We cannot assure you that any of these assumptions are accurate or correctly reflect our position in the industry, and none of our internal surveys or information have been verified by independent sources.

Market data and statistics are inherently predictive and speculative and are not necessarily reflective of actual market conditions. Such statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that (i) the markets are defined differently, (ii) the underlying information was gathered by different methods and (iii) different assumptions were applied in compiling the data. Accordingly, the market statistics included in this Offering Memorandum should be viewed with caution and no representation or warranty is given by any person as to their accuracy.

CERTAIN DEFINITIONS AND PRESENTATION OF FINANCIAL AND OTHER DATA

Definitions

As used in this Offering Memorandum:

- “Americas” means the countries of North and South America;

- “Asia Pacific” or “APAC” means the countries of the Asia Pacific region, including China, Australia, Japan and India;
- “Benelux” means Belgium, the Netherlands and Luxembourg;
- “Big-Four” means the member firms of PricewaterhouseCoopers International Limited, KPMG International Cooperative, Deloitte Touche Tohmatsu Limited and Ernst & Young Global Limited;
- “British pounds sterling,” “pounds sterling” or “£” means the lawful currency of the United Kingdom;
- “BVI Qualifying Holding” means in relation to a licensee, the ownership or interest in the licensee or in any holding company of the licensee by a person of (a) more than 50% of the voting rights of the licensee; or (b) a significant interest in the licensee which gives the person a considerable advantage in the voting rights of the licensee if the remaining votes in the licensee are not voted on;
- “Collateral” means the collateral described under “*Description of the Senior Secured Notes—Security.*”
- “Doughty Hanson” means Doughty Hanson & Co V, which comprises two English Limited Partnerships (Doughty Hanson & Co V Limited Partnerships Numbers One and Two); although this definition does not include co-investment interests, (i) references in this Offering Memorandum to Doughty Hanson’s percentage shareholding includes co-investment interests held by employees of Doughty Hanson & Co Managers Limited or group companies, and (ii) where certain rights are stated to be vested in Doughty Hanson, such rights may actually be vested in or exercisable by Doughty Hanson & Co Managers Limited or an affiliate;
- “Dutch Qualifying Holding” means a direct or indirect interest of at least 10% of the issued share capital or comparable interest, or the ability to directly or indirectly exercise votes of at least 10% or a comparable control;
- “EMEA” means Europe, the Middle East and Africa, excluding Benelux;
- “Equity Trust” means Equity Trust Holdings S.à r.l. and its subsidiaries;
- “Euro,” “euro” or “€” means the single currency introduced at the start of the third stage of European Economic Monetary Union pursuant to the treaty establishing the European Union;
- “European Screening Lists” means the lists of individuals, entities, organizations and other identified subjects published in the context of counter terrorism measures pursuant to (i) the Annex belonging to articles 1 and 4 of the Joint Viewpoints 2001/931 of the European Council; of 27 December 2001 regarding the specific application of counter terrorism measures, (ii) article 2, third paragraph, of Regulation (EC) nr. 2590/2001 of the European Council of 27 December 2001 and (iii) Annex I belonging to Regulation (EC) nr. 881/2002 of the European Council of 27 May 2002;
- “Group,” “us,” “we” or “our” means the Issuer and its subsidiaries unless the context requires otherwise;
- “Guarantors” means TMF Corporate Secretarial Services Ltd; TMF Management (UK) Ltd; TMF Management Holding UK Ltd; TMF Trustee Ltd.; TMF VAT Services Ltd; TMF Holding UK Limited; EQ Audit S.à r.l.; Equity Trust Holdings S.à r.l.; Immobilière Vauban S.A.; Internationale Pyramide Holdings (Luxembourg) S.A.; Manacor (Luxembourg) S.A.; TMF Corporate Services S.A.; TMF Luxembourg Holding S.A.; TMF Spain S.A.; Clear Management Company B.V.; TMF Netherlands B.V.; Nationale Trust Maatschappij N.V.; TMF Holding International B.V.; Tradman FS Holding B.V.; TMF (B.V.I.) Ltd; TMF FundServices B.V.; TMF Group B.V.; TMF Group Invest Two B.V.; TMF Holding B.V.; Tradman Netherlands B.V.; TMF North America B.V.; TMF Structured Finance Services B.V.; Venture Support B.V.; Lord Securities Corporation; and TMF US Holding Inc.;
- “IFRS” means International Financial Reporting Standards as adopted by the European Union;
- “Initial Purchaser” means Goldman Sachs International;
- “Intercreditor Agreement” means that certain intercreditor agreement dated on the Initial Issue Date between, among others, TMF Group HoldCo B.V. as Parent, TMF Group Holding B.V. as the company, certain subsidiaries of the Parent as Original Debtors, the RCF Agent, the Trustee, the Security Agent, the RCF Finance Parties, the Hedge Counterparties, Intra-Group Lenders and the Shareholder Creditors (each as defined therein);

- “Issuer” or “TMF Group Holding” means TMF Group Holding B.V.;
- “KYC” means know-your-customer compliance procedures;
- “Luxembourg Qualifying Holding” means any direct or indirect holding in an undertaking which represents 10% or more of the capital or of the voting rights, subject to provisions of the Luxembourg laws on transparency requirements and the Luxembourg law conditions regarding the consolidation of voting rights, or which makes it possible to exercise a significant influence over the management of that undertaking;
- “RCF” or “Revolving Credit Facility” means that certain €70,000,000 senior revolving facility agreement that we entered into on the Initial Issue Date between, among others, TMF Group HoldCo B.V. as the Parent, TMF Group Holding B.V. as the company, certain subsidiaries of the Parent as original borrowers and original guarantors, the mandated lead arrangers, the security trustee, the facility agent and the lenders (each as defined therein);
- “Senior Notes Indenture” means the indenture governing the Senior Notes between, among others, the Issuer, the Guarantors and the Trustee, dated on the Initial Issue Date;
- “Senior Secured Notes Indenture” means the indenture governing the Senior Secured Notes between, among others, the Issuer, the Guarantors and the Trustee, dated on the Initial Issue Date;
- “Subordinated Shareholder Funding” means those loans described under “*Relationship and Transactions with Related Parties—Subordinated Shareholder Funding*”; and
- “U.S. dollar” or “US\$” or “\$” means the lawful currency of the United States.

Presentation of Historical Financial Information

Unless otherwise indicated, the historical consolidated financial information presented herein has been prepared in accordance with IFRS as adopted for use in the European Union.

This Offering Memorandum includes the following historical financial information:

- Audited Consolidated Financial Statements of TMF Group Holding B.V. as of and for the years ended December 31, 2011, 2012, 2013 (the “Consolidated Financial Statements”);
- Unaudited Condensed Consolidated Interim Financial Statements of TMF Group Holding B.V. as of and for the three month periods ended March 31, 2013 and 2014 (the “Unaudited Condensed Consolidated Interim Financial Statements”).

The Consolidated Financial Statements have been audited by PricewaterhouseCoopers Accountants N.V.

Certain loans between two indirect subsidiaries of TMF Group Holding B.V. were not accrued under financial assets since January 1, 2010, and as a result, such loans were not presented as financial assets. We determined that adjustments were required to be presented as financial assets, with an impact on the finance income line item on our consolidated income statement of €5.3 million and €5.7 million for 2010 and 2011, respectively. Accordingly, we also restated associated line items for 2010

and 2011 to account for this change. The table below shows the change to finance income and its impact on the results for the period and total equity:

	As of and for the Year Ended December 31,			
	2010	2010 (Restated)	2011	2011 (Restated)
	(€ in millions)			
<i>Change to Results for the period</i>				
Finance income	2.4	7.7	7.1	12.8
Finance expenses	(58.9)	(58.9)	(108.5)	(108.5)
Net finance costs	(56.5)	(51.2)	(101.4)	(95.7)
Results before income tax	(10.2)	(4.5)	(74.6)	(67.5)
Income tax expense	(6.7)	(7.2)	(6.7)	(6.7)
Results for the period	(17.5)	(11.7)	(81.3)	(74.2)
<i>Change to Total equity</i>				
Total equity as of January 1	(189.3)	(189.3)	(130.9)	(126.8)
Change in accounting policy	—	0.7	—	—
Revised total equity as of January 1	(189.3)	(190.0)	(130.9)	(126.8)
Results for the period	(17.5)	(11.7)	(81.3)	(74.2)
Cash flow hedges	—	—	(6.4)	(6.4)
Remeasurement of IAS 19R	—	(0.9)	—	(0.4)
Translation movements	9.9	9.9	11.2	11.2
Total other comprehensive income	(9.9)	9.0	4.8	4.3
Total comprehensive income	(7.6)	(2.7)	76.5	(69.9)
Non-controlling interests arising on business combinations .	—	—	2.0	2.0
Dividends paid	—	—	(5.0)	(5.0)
Capital contributions	65.9	65.9	81.7	81.7
Total transactions with owners	65.9	65.9	78.7	78.7
Total equity	(130.9)	(126.8)	(128.7)	(118.0)

Changes in our financial results include the impact of changes in foreign currency exchange rates and acquisitions. We provide “constant currency” calculations to explain the impact of these items. When we use the term “constant currency,” it means that we have translated financial data for a period into euros using the same foreign currency exchange rates that we used to translate financial data for the previous period. We believe that this calculation is a useful measure, indicating the actual growth of our operations. We use constant currency results in our analysis of subsidiary and segment performance. We also use constant currency when analyzing our performance against that of our competitors. Substantially all of our subsidiaries derive revenues and incur expenses within a single country and, consequently, do not generally incur currency risks in connection with the conduct of their normal business operations. Changes in foreign currency exchange rates primarily impact only reported earnings and not our actual cash flow or economic condition.

The financial information for the twelve months ended March 31, 2014 is unaudited and has been calculated by aggregating the results of operations data for the year ended December 31, 2013 and the three months ended March 31, 2014, and subtracting the results of operations data for the three months ended March 31, 2013.

Certain numerical figures included in this Offering Memorandum have been subject to rounding adjustments. Thus, discrepancies in tables between totals and the sums of the amounts listed may occur due to such rounding.

The financial information included in this Offering Memorandum is not intended to comply with the applicable accounting requirements of the Securities Act and the related rules and regulations that would apply if the Notes were to be registered in the United States.

Other Financial Information

The financial information included in this Offering Memorandum includes some measures which are not accounting measures within the scope of IFRS and which we use to assess the financial performance of our businesses. These measures include Adjusted EBITDA, Adjusted EBITDA margin and other ratios that use Adjusted EBITDA, and Cash Conversion. We define Adjusted EBITDA as results from operating

activities before depreciation, amortization, impairment charges, income tax expense, net finance costs and other income/(expenses), as set forth in our consolidated statement of income. For the year ended December 31, 2013 and the three months ended March 31, 2013 and 2014, we define other income/(expenses) to include acquisition and litigation costs. We define EBITDA as results from operating activities before depreciation, amortization, impairment charges, income tax expense and net finance costs.

Adjusted EBITDA, Adjusted EBITDA margin and similar measures are used by different companies for differing purposes and are often calculated in ways that reflect the circumstances of those companies. You should exercise caution in comparing Adjusted EBITDA and Adjusted EBITDA margin as reported by us with EBITDA and EBITDA margin (or Adjusted EBITDA and Adjusted EBITDA margin) as reported by other companies. Adjusted EBITDA as presented here differs from the definition of “Consolidated EBITDA” contained in the Indentures. Neither Adjusted EBITDA nor Adjusted EBITDA margin is a measurement of performance under IFRS and you should not consider either of Adjusted EBITDA or Adjusted EBITDA margin as an alternative to (a) operating profit or profit for the period (as determined in accordance with IFRS) as a measure of our operating performance, (b) cash flows from operating, investing and financing activities as a measure of our ability to meet our cash needs, or (c) any other measures of performance or liquidity under IFRS. Management believes that Adjusted EBITDA and Adjusted EBITDA margin are relevant measures for assessing our performance because they are adjusted for certain items which are non-recurring or which management believes are not indicative of our underlying operating performance. Adjusted EBITDA has been adjusted for other income (expenses) to remove the effects of certain charges that we believe are not indicative of our underlying operating performance. These charges relate primarily to substantial one-off acquisition, due diligence, start-up, redundancy and restructuring costs. Some of these types of costs may be of recurring nature but we do not adjust for any other items that we believe to occur in the normal course of business.

Adjusted EBITDA and Adjusted EBITDA margin and ratios that we then measure have limitations as analytical tools and you should not consider them in isolation or as a substitute for an analysis of our results as reported under IFRS. Some of these limitations are:

- they do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, our working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on our debt;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often need to be replaced in the future and Adjusted EBITDA, Adjusted EBITDA margin and other ratios that use Adjusted EBITDA do not reflect any cash requirements that would be necessary for such replacements;
- some of the exceptional items that we eliminate in calculating Adjusted EBITDA, Adjusted EBITDA margin and other ratios that use Adjusted EBITDA reflect cash payments that were made, or will in the future be made; and
- the fact that other companies in our industry may calculate Adjusted EBITDA, Adjusted EBITDA margin and other ratios that use Adjusted EBITDA differently than we do, which limits their usefulness as comparative measures.

A reconciliation of Adjusted EBITDA and Adjusted EBITDA margin is presented in “*Summary Historical Consolidated Financial and Other Data—Selected Operating and Financial Data.*”

We define Cash Conversion as cash generated from operations divided by Adjusted EBITDA.

We believe that the presentation of Cash Conversion provides useful information to investors because it is an operational performance measure that shows how much of our Adjusted EBITDA is converted into net cash flows from operations. Cash Conversion is not a measure determined in accordance with IFRS, and may not be defined and calculated by other companies in the same manner.

Other Data

Number of Client Entities

Our results of operations are impacted by the number of clients we service. We calculate our number of client entities as of any period as the number of client entities billed in that period, even if such client entities are owned by the same beneficial owner. For example, we may bill the local subsidiary of a multinational corporation for payroll services in one jurisdiction and bill another local subsidiary of the same multinational corporation in a different jurisdiction for company secretarial services and would record the transactions as being with two client entities even though ultimately owned by the same multinational corporation. However, the number of client entities does not include those entities that we establish and service as part of the operations of our international incorporations division which assists clients in setting up and registering entities primarily in the British Virgin Islands. Where we refer to “clients” (instead of “client entities”) we mean the larger business organization or ultimate beneficial owner for which we service client entities.

Full Time Equivalent (“FTE”)

FTEs in a period are calculated by taking the average of the number of contracted permanent employees of the Group at the beginning of a financial period and at the end of the same financial period. Employees who work on a part-time basis are counted as the relevant fraction of a full time employee. The number of employees of the Group exclude those nominee employees in certain jurisdictions nominally on the payroll of the Group for purposes of the employment laws of a relevant jurisdiction but whose salaries are paid by Group clients. The number of employees of the Group also excludes inactive employees whose employment with the Group has not yet ended. The number of FTEs reported in our Consolidated Financial Statements excludes these nominee and inactive employees and was reported as 4,199, 4,217 and 4,419 in the years ended December 31, 2011, 2012 and 2013 and 4,349 and 4,634 in the three months ended March 31, 2013 and 2014.

Revenue per FTE

We use revenue per FTE as an indicator of our operating performance. Revenue per FTE is calculated as revenues for a period divided by FTEs for that period. Revenue per FTE is presented as an approximate amount and rounded to the nearest hundred euros.

Jurisdictions

We refer to our presence in jurisdictions as meaning our presence in countries, overseas territories and dependencies, but not regional states, local municipalities or similar jurisdictional entities.

EXCHANGE RATE INFORMATION

U.S. dollar per Euro

The following table sets forth, for the periods indicated, the high, low, average and period end European Central Bank ("ECB") Daily Setting Rate for U.S. dollars expressed as \$1.00 per euro.

U.S. Dollar per Euro

	\$ per €1.00			
	High	Low	Period average ⁽¹⁾	Period end
Year				
2011	1.4814	1.2939	1.4000	1.2939
2012	1.3454	1.2134	1.2928	1.3183
2013	1.3814	1.2805	1.2179	1.3783
2014 (through July 21)	1.3927	1.3500	1.3707	1.3518
Month				
February 2014	1.3813	1.3495	—	1.3813
March 2014	1.3942	1.3732	—	1.3788
April 2014	1.3872	1.3700	—	1.3850
May 2014	1.3953	1.3607	—	1.3607
June 2014	1.3645	1.3528	—	1.3658
July 2014 (through July 21)	1.3688	1.3532	—	1.3518

(1) The average rates are calculated using the average of the exchange rates on the last business day of each month during the relevant period.

These rates may differ from the actual rates used in the preparation of the consolidated financial statements and other financial information appearing in this Offering Memorandum. We make no representation that U.S. dollar or euro amounts referred to in this Offering Memorandum have been, could have been or could, in the future, be converted into euro or U.S. dollar, as the case may be, at any particular rate, if at all. On July 21, 2014, the ECB Daily Setting Rate was \$1.3518 per €1.00.

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SUMMARY

This summary highlights certain information contained in this Offering Memorandum. This summary does not contain all the information you should consider before investing in the Additional Notes. You should read this entire Offering Memorandum carefully, including "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the financial statements and the notes to those financial statements elsewhere in this Offering Memorandum.

We are a leading global provider of high value business services to clients operating and investing globally. We focus on providing highly specialized and business-critical financial, legal and human resource administrative services that enable our clients to operate their corporate structures, finance vehicles and investment funds in different geographical locations. We operate from 116 offices in 82 jurisdictions across the Americas, Asia Pacific, Europe and the Middle East. The range of services covers:

- *Corporate services*—integrated legal, administrative and accounting services for companies' operations from inception through day-to-day functions to liquidation;
- *Structured finance services*—creating and administering financial vehicles for securitization transactions, structured asset leasing and project finance transactions;
- *Fund services*—back office functions for a wide range of investment funds, including the preparation of accounts and daily net asset value ("NAV") calculations; and
- *Private client services*—administering corporate structures for high net worth individuals for wealth planning purposes.

Across our range of services, we offer our clients a core set of competencies that form the heart of our product offering including:

- *Financial administrative services.* We provide a range of financial, accounting and reporting services to assist our clients with their financial reporting in a transparent, up-to-date and accurate manner. We prepare statutory accounts to comply with local law requirements and offer international management and consolidated reporting in accordance with major accounting standards. We also provide assistance with the registration, recovery and compliance with value-added taxes ("VAT"), insurance premium tax ("IPT") and other indirect taxes. In addition, we provide investment fund clients with fund accounting and valuation services.
- *Legal administrative services.* We provide a variety of legal administrative services to our clients in connection with establishing and maintaining financing and holding companies and other structures in compliance with applicable local laws. These services include establishing corporate entities to serve as finance companies or as operating companies, as well as managing corporate compliance procedures, such as organizing and recording board and shareholders' meetings. We also provide domiciliary and management services, as well as local representatives and directors with the necessary expertise, required for clients to conduct business in a particular jurisdiction.
- *Human resource administrative services.* We provide a wide range of human resource and payroll services, including payroll processing, management reporting and cost analysis and outsourced human resource services. Our specialists can act as a client's local human resources function, preparing employment contracts and guidelines, providing employee training assistance and securely maintaining personal confidential information.

Our service offerings enable our clients to focus on their core operations while we ensure that critical local administrative functions, that clients may have less experience in providing, are performed to a high standard. In doing so, we help our clients (i) gain access to specialized local knowledge, including regulatory, tax and financial reporting expertise that would be challenging or inefficient to develop internally, (ii) reduce the risks and distractions of managing complex accounting, legal and human resource regulations in multiple countries, (iii) control costs by taking over the back office administration and reporting functions of their international offices that are not large enough to justify the administrative overhead, (iv) simplify operations by providing a single point-of-contact from anywhere in the world, often resulting in increased transparency for our clients, and (v) execute globalization plans swiftly and flexibly by using our worldwide network of local offices and experts to assist on administrative matters.

In the twelve months ended March 31, 2014, we generated revenue of €401.0 million and Adjusted EBITDA of €108.9 million. A significant proportion of our overall revenue comes from our long-standing

clients. Our strategy for winning new business includes cross-selling and up-selling to these existing clients, but it also focuses on building relationships with new clients across our business segments. In the twelve months ended March 31, 2014, 78.1% of our revenue was generated from our corporate services business segment, and 63.5% of our revenue was generated from our Benelux and EMEA segments. Although a significant portion of our revenue is produced by our operations in Benelux, this revenue is generated by clients from all over the world seeking to use our services in the perceived tax efficient jurisdictions of the Netherlands and Luxembourg to service their international corporate structures. As a result, a significant portion of this revenue is not directly tied to economic activity in the Benelux region. We plan to continue to expand our operations into new markets in the Asia-Pacific region and the Americas through organic growth and acquisitions.

Across our range of services, we have a diverse client base that includes multinational companies of varying sizes, insurance and real estate companies, financial institutions, listed and private companies as well as high net-worth individuals. Our clients include companies using international subsidiaries to conduct foreign commercial operations, and foreign entities to create more efficient overall corporate structures. As of March 31, 2014, we provide services to more than 36,600 client entities. Our client base is relatively fragmented, with the largest 20 clients contributing less than 6% of our revenue in 2013. Our client entity retention rate was approximately 85% in each of the years from 2011 through 2013 and in the first three months of 2014, reflecting the largely recurring nature of our business, which we believe makes our business generally less susceptible to global business cycles. Management believes that this percentage of client entity retention understates our underlying client retention as a number of our client entities (e.g. Special Purpose Vehicle (“SPV”) financing entities) have a finite life and are replaced over time. Such replacements are reflected as a loss of client entities (in calculating retention rates) even though we typically retain the replacement business. A large proportion of our client base consists of long-standing clients and these continuing relationships have been critical to our growth.

Our current global reach and breadth of expertise mean that we are one of the few business services organizations able to offer clients global solutions while also being positioned as a neutral execution-only service provider (meaning, we are not affiliated with an accounting, financial or law firm) and thus do not have similar issues with being conflicted out of taking on new work. We believe that we are well-positioned to continue to benefit from the growing opportunities presented by the globalization of business and the growing trend of businesses outsourcing support functions.

Strengths

We believe that our success to date and our potential for future growth are primarily attributable to the following strengths:

A Leading Provider of High Value Business Services with a Broad Geographic Footprint and Service Offering

We are a leading global provider of high value business-critical financial, legal and human resource administrative services with an established track record and strong reputation for delivering quality service to our clients. In addition, we benefit from being a neutral, execution-only provider as we are not affiliated with an accounting, tax, financial or law firm. Because we do not have such affiliations, we can provide clients with a broad range of services that many international accounting and legal firms cannot or do not offer due to conflicts issues.

We are able to offer our clients multiple competencies across several service areas in end-markets around the globe. By comparison, many of our competitors do not offer all of our services or do not offer services in all of the jurisdictions where we have a presence, either due to a lack of local expertise or conflict of interest. We currently have 116 offices in 82 jurisdictions, including major developing markets such as Brazil, India, Russia and China, which enables clients to conduct business globally using a single service provider (as opposed to multiple service providers across different jurisdictions). This provides us with the opportunity to service our clients as they expand geographically. For example, in the event that a client wishes to expand its corporate structure or close and shift operations to a new country, we are able to provide the same services across a number of jurisdictions while maintaining a comparable quality of service. This gives us a significant advantage over competitors who lack this global footprint (such as locally-operated accounting firms) when working with multinational businesses.

Local Expertise and Provision of Value Added Services

We offer a range of customized service offerings to help our clients manage various administrative, corporate compliance and reporting requirements. Through our experienced global workforce, we provide clients with access to local expertise across our offices, enabling them to operate their business in many jurisdictions with confidence and we believe at a lower cost than if such businesses performed those services on their own.

We provide a range of financial, accounting and reporting services to assist our clients with their financial reporting in a transparent, up-to-date and accurate manner. We also provide non-advisory services to our clients to establish and maintain financing, holding and other structures in compliance with applicable local laws. We provide a range of flexible and scalable human resource and payroll services at the local level in the jurisdictions in which we operate. These services cover numerous aspects of employee-related administrative affairs, including payroll processing, management reporting and cost analysis and outsourced human resource services.

The majority of the services we provide ensure that our clients' administrative and financial processes are compliant with relevant regulations. Thus, our services are critical to our clients from a financial, reputational and risk management perspective. The effectiveness of our services depends on a combination of local knowledge of relevant regulatory frameworks and expertise. Such a combination can be costly for our clients to develop internally in each of their jurisdictions of operation and, frequently, our clients do not have the local scale or desire to perform these functions themselves. Our services not only generally reduce operating costs for our clients, but also typically reduce initial start-up costs associated with entering a new jurisdiction, increase the speed at which our clients can set up new subsidiaries and preserve operational flexibility by allowing our clients to scale their operations up or down with greater ease. As a result, our services allow our clients to focus their resources on revenue generating operations and reduce associated administrative, compliance and reporting expenses, without sacrificing the integrity of such functions.

We believe the price we charge for the services we offer is often a lesser consideration for our clients, given the potential impact to their business if there are errors or deadlines that are not met. This is important to our continued success as we believe the key purchasing criteria for our clients has historically been the quality of the service provided and our local knowledge and expertise. We believe our clients' satisfaction is evidenced by our high client entity retention rates of approximately 85% in each of the years from 2011 through 2013 and in the first three months of 2014. We believe that this high retention rate is also driven by the depth of our knowledge of our clients' activities and the regions in which we operate, which cannot be easily reproduced by potential new entrants in the market.

We are focused on winning business in the high value, expertise-reliant segment of the business services market. We generally seek to avoid competing with the mainstream Business Process Outsourcing ("BPO") service providers or in standardized segments where services are commoditized and primarily driven by cost. By comparison, we believe the competitive advantage of our financial, administrative and human resource administrative services lies with the quality of work we can provide. Accordingly, instead of relying solely on cost advantages, we rely on our skilled local specialists (many of whom have professional qualifications) and a correspondingly strong reputation among existing clients and established service providers, such as law, tax and accountancy firms (which we refer to as "business referrers"), to foster client confidence in our quality. We believe that this in turn has resulted in a significant source of client introductions which we believe is difficult for new service providers to replicate.

Resilient Business Model Based on Stable Revenue Generation and Strong Cash Conversion

Once established, the services we provide to clients have historically had a high degree of predictability, with macro-economic fluctuations in any particular country or globally generally having limited impact on our clients' requirements for our financial, legal and human resource administrative services or on the number of existing structures that we service. For instance, many of our services, such as statutory accounting and corporate filings by our clients, are legally required on an annual basis regardless of a client's overall financial or operational performance.

One of the advantages of our business model is that shorter-term macro-economic trends that are detrimental to many other businesses can increase demand for our services. For example, while businesses may seek to reduce overall headcount in a recession which can reduce demand for our

payroll administrative services in a given jurisdiction, a global business may seek to move this headcount to a lower wage jurisdiction where we also provide payroll administrative services, or may seek to otherwise adapt its corporate structure to changing economic conditions by expanding into new markets. Such practices can result in an increase in demand for our corporate services.

Generally, our service contracts generate revenue based on either a fixed fee, an hourly rate, or both. We have a relatively stable client base with client entity retention rates of approximately 85% in each of the years from 2011 through 2013 and in the first three months of 2014, which reflects the largely recurring nature of our business. This has historically resulted in generally predictable revenue generation that provides us visibility over a significant portion of our expected annual revenue at the commencement of each financial year.

We also benefit from strong Cash Conversion, which was 99%, 101% and 92% in 2011, 2012 and 2013, respectively. We are a service-focused business with relatively limited need for land, plant or equipment or, compared to more generic business process outsourcing providers, complex IT infrastructures and we therefore have limited requirements for capital expenditure. We also have limited working capital needs because our customer receivables are partially offset by advanced payments from customers.

Favorable Global Economic and Regulatory Trends

We expect that growth in our business will continue to be driven by the trend towards globalization, exhibited by multi-national corporations expanding outside of their home jurisdiction. In expanding operations globally, we believe that our clients and potential clients will likely increasingly rely on outside service providers to deal with the global trend towards increasing regulation and an emphasis on transparency of corporate and financial activities. We expect these trends to continue to support the expansion of our business in the near- to medium-term. In particular, we expect to benefit from the following trends:

- *Continued international expansion by businesses.* The international expansion of our current and potential clients drives our business. As companies expand into new geographies, it is often easier to engage us to provide administrative support so that clients do not need to invest in local infrastructure (particularly where they are establishing only a small presence) and can instead focus on their core business. Rising levels of foreign direct investment across international borders from advanced economies to developing economies and between advanced and developing economies in recent years has helped us expand our business, and we expect that this increasing globalization will help us to continue to grow.
- *Increasingly stringent regulatory regimes.* The global trend of increased regulation and enforcement thereof has emphasized the importance of local regulatory and compliance expertise. The wide variety of local legal and regulatory requirements highlights the need for specific local expertise, especially for businesses that lack the critical mass to obtain and maintain such expertise in-house. Increasingly complex regulatory and tax environments and differing accounting standards in individual geographies drive demand for our book-keeping and reporting services.
- *Increased transparency and independence.* The recent economic crises have led to increased demand for transparency in accounting and reporting. For example, in our structured financial services and fund services businesses, the demand for more current and accurate reporting as to the performance of a structure or a fund, and demand for independence in administration of such structures, has created increased demand for our services from our fund and structured vehicle clients.
- *Evolving client needs.* Our clients increasingly outsource non-core functions and demand global solutions for their outsourced administrative services needs. For example, it is easier, and we believe often cheaper, for a client to engage a single reliable firm to perform their book-keeping, local reporting and human resources administration services across a number of countries than to engage different providers in each country.

We think our global network of offices provides an effective platform for capitalizing on these trends and the scalability and resources to take advantage of growth in any particular market. We expect that these trends will also attract new clients and provide us with opportunities to cross-sell to existing clients.

Diverse Customer Base

We have a diverse client base, including approximately 40% of the Fortune Global 500. Across our range of services, we have a diverse client base which includes multinational companies of varying sizes, insurance and real estate companies, financial institutions, listed and private companies as well as high net-worth individuals. As of March 31, 2014, we provide services to more than 36,600 client entities, with the largest 20 clients contributing less than 6% of our revenue in 2013. We work with organizations located in a broad range of geographies across a spectrum of industries, and we have formed specialized teams with the necessary sector experience to ensure the continued quality of our service offerings. This industry-focused approach has enabled us to offer a comprehensive suite of specific tailored services to clients and to leverage these capabilities to win additional clients. For example, our expertise in servicing a particular industry also enables us to develop client relationships that may involve only a few tasks upon our initial engagement, but can later develop into a broader engagement whereby we provide a client with new services or the same services in new jurisdictions.

Experienced Executive Management Team, with Incentives at Local Management Level to Grow Our Business

We have a highly experienced executive management team at the global level with in-depth industry knowledge. Our Chief Executive Officer, Hugo van Vredenburg, has over twenty years of business experience and prior to joining us served as the Chief Executive Officer of Equity Trust, a position he held from 2005, where he developed a detailed insight into our industry.

Gordon Stuart, our Chief Financial Officer and a qualified accountant, has significant outsourcing industry experience, having worked with both private equity backed and publicly listed companies in this sector.

In addition, our Chief Operating Officer, Frederik van Tuyll has served in significant management roles in the sector. Mr. van Tuyll joined Equity Trust in 1994.

We provide management at the local level with incentives to continue to grow our business. We have encouraged an entrepreneurial approach within our management, operating a relatively flat management structure with managers across each of our regions and business lines reporting directly to a regional director.

Our managers are incentivized and empowered to drive their individual businesses forward under regional and central guidance from the Group on strategic directives and policies. In addition, our management has a significant equity stake in the business, from the executive board to local management teams. We believe this ensures that all levels of our management team are incentivized to achieve our overall business plan.

Strategy

The key components of our strategy are as follows:

Continued Growth Through Penetration of Our Existing Client Base

We have a broad and diverse client base that includes many leading global corporations. We believe that there are significant opportunities to provide additional services to our existing clients, and we intend to leverage our extensive service range and expertise to cross-sell other services to our existing customers. To that end, we created a global sales force that proactively manages client accounts and seeks to broaden the array of services we provide to our clients. We also intend to continue to leverage our international network to offer our services to clients in any jurisdiction where they do business. For example, we provide administrative services in some countries where clients operate but not in others. We intend to use our broad geographic footprint to provide our clients with a seamless service and single point of contact wherever in the world they look to do business.

Further Growth of Our Network

Our growth strategy is based primarily on balanced organic growth. We intend to continue to expanding our operations in countries where we see compelling growth opportunities, such as the United States, Brazil, Russia, India, China, Norway and Indonesia. We pursue organic growth by expanding the size of our existing offices to service new clients, providing additional types of services, and opening offices in

new countries or expanding the number of our offices in a country. In the last twelve months, we have opened new offices in Qatar and Canada. We typically open new offices when we have requests from existing clients to provide services in new locations. These are often in locations where we have previously referred client work to a third-party provider and have determined that future business prospects will be sufficient to cover the costs associated with opening a new office. We intend to continue to increase the scale of our global network through organic growth in regions where our existing clients are present and where we see attractive opportunities to win new clients.

We may also expand our operations through acquisitions that meet our investment criteria. We have grown our business in the past through acquisitions with a targeted and disciplined acquisition strategy that we expect to continue to apply to make acquisitions going forward if suitable opportunities arise. In the final quarter of 2013, we acquired Accepta A.S., one of the Norway's largest accounting groups. In January 2014, we acquired the assets and liabilities of PT Tass Axia Solusi, an Indonesian company, which expanded our presence in Indonesia. To expand our other fund services offerings, we also acquired the non-controlling interest in the Custom House Group in January 2014, which was subject to regulatory approval, which we received in the second quarter of 2014. In July 2014, we entered into a share purchase agreement (the "Share Purchase Agreement") pursuant to which we agreed to purchase 100% of the share capital of KCS, an independent pan-Asian corporate services provider specializing in corporate accounting, corporate secretarial and payroll services.

Expand Our Range of Services, Including Through Strategic Arrangements

We continually assess the range of services we offer to meet the diverse needs of our clients. We have recently begun offering clients assistance with the registration, recovery and compliance with IPT and other indirect taxes, including the payment and collection of refunds. We also now provide structuring services for aircraft, vessel and other significant asset leasing arrangements, as well as royalty fee administration, process agent services and loan agency services. We continually evaluate the market demand for our services to determine whether there are additional opportunities for us to expand the range of services we provide.

We are also focused on expanding our range of strategic arrangements where we can complement the services being provided by other market participants. For instance, we have collaborated with a global payroll services company to jointly bid for service contracts where our geographic scope and presence in multiple markets can complement that global service company's payroll services expertise. We believe that such strategic partnerships can help us take advantage of opportunities where either our geographic scope or broad service offering can complement the services of our partner to jointly serve key clients on projects we might not otherwise be able to win individually.

Continued Integration of Our Global Network

Our business has evolved from a combination of separate businesses around the globe into a global network of 116 offices in 82 jurisdictions. Due to the importance of local expertise and client contact, our offices each have a local managing director that reports to their respective regional director. As our business has grown, we have increasingly integrated the operations of our offices, implementing group-wide strategies as well as a group-wide sales function, in an effort to realize the economies of scale enabled by our expansion. We also seek to achieve efficiencies by leveraging group-wide infrastructure for several key functions. We are continuing the integration of our IT infrastructure across many of our offices, and our key business application now covers a large portion of our offices.

Trading Update

We believe that our revenue for the second quarter of 2014 will be marginally higher than our revenue for the second quarter of 2013. We believe that our Adjusted EBITDA for the second quarter of 2014 will be marginally lower than our Adjusted EBITDA for the second quarter of 2013.

The above information is not intended to be a comprehensive statement of our financial or operational results for the full year 2014. The preliminary estimates above were prepared based on a number of assumptions and estimates that are subject to inherent uncertainties and subject to change. Accordingly, our actual results for the full year 2014 may vary from our preliminary estimates above, and such variations could be material. See "Notice on Forward-Looking Statements" and "Risk Factors" for a more complete discussion of certain of the factors that could affect our future performance and results of operation.

Our Sponsor

Doughty Hanson is a leading private equity firm specializing in investments in businesses headquartered in or whose businesses are primarily based in Europe. Doughty Hanson traces its history back to 1985 when Nigel Doughty and Richard Hanson started working together on European buyout investments. It is based in London, United Kingdom, with additional offices across Europe.

The Acquisition

On July 12, 2014 (the “Signing Date”), we entered into a Share Purchase Agreement pursuant to which we agreed to purchase 100% of the share capital of KCS, an independent pan-Asian corporate services provider specializing in corporate accounting, corporate secretarial and payroll services from UCL Asia Partners L.P. (“UCL” or the “Seller”). We expect the Acquisition to be completed in the second half of 2014. In the event that we do not complete the Acquisition, we intend to allocate the net proceeds to working capital and general corporate purposes, which may include future acquisitions. See “*Use of Proceeds*.”

KCS is a pan-Asian corporate services provider that has approximately 470 employees throughout 14 locations in Asia Pacific, with a particularly strong presence in China. KCS provides a comprehensive set of corporate services, consisting primarily of (i) corporate accounting and financial services, including management accounts and other internal finance functions, outsourcing for bookkeeping and financial control, (ii) corporate secretarial services, including company formation and secretarial services, including the opening of bank accounts, direct appointments, share transfers, board meetings and the preparation of annual returns, (iii) payroll services, including benefits administration and processing and (iv) other services, including private client trustee services, listing services, fund administration and family office services.

We expect that the Acquisition will provide us with an opportunity to expand our Asia footprint, particularly in China and more generally in East and Southeast Asia. KCS provides services in a number of markets that have been recently successful in attracting foreign direct investment. Post-Acquisition, we would seek to broadly align KCS’s results of operations with the Group’s operational metrics in that region.

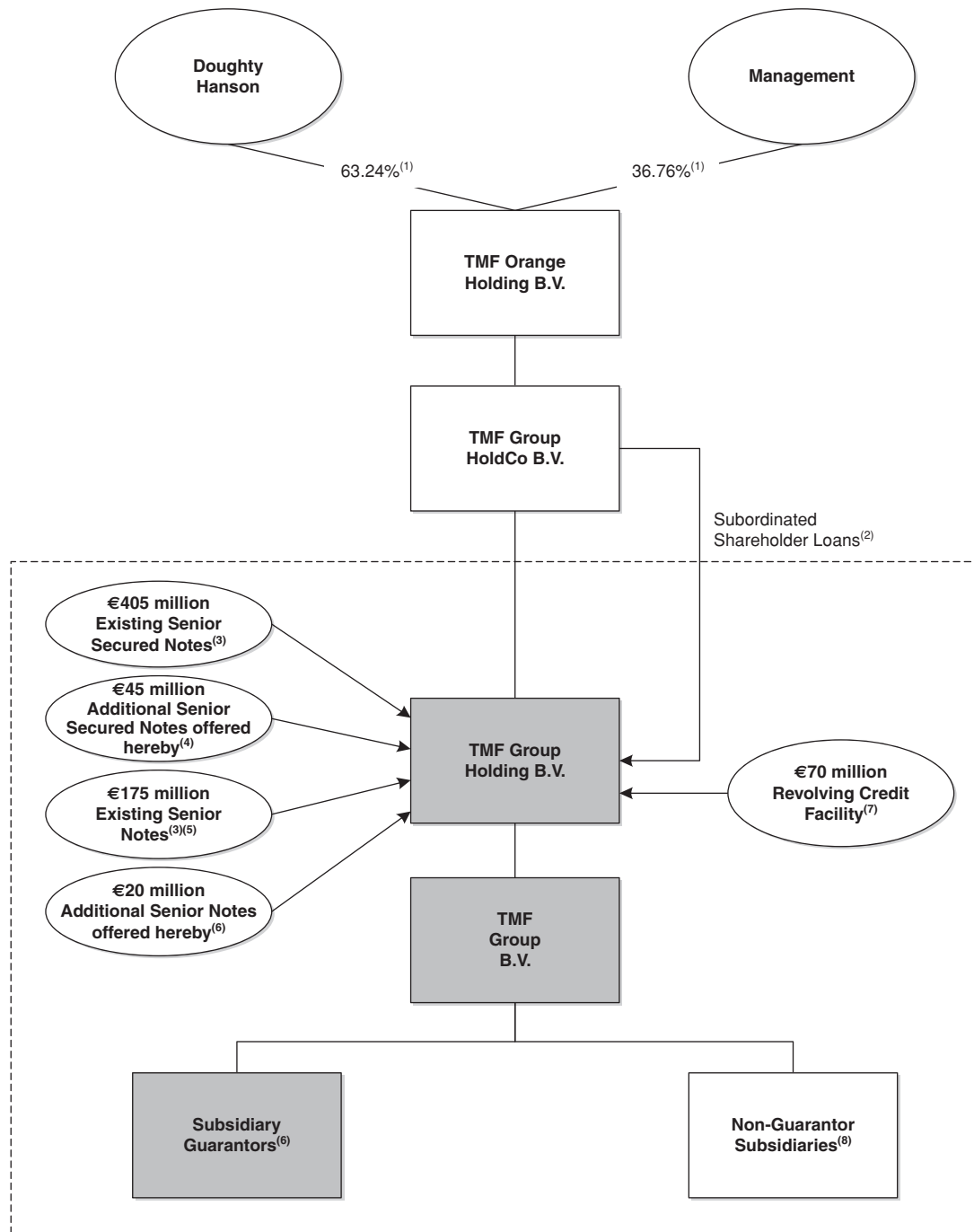
We believe that the acquisition of KCS will provide us with broad, well-diversified channels for sourcing new business in Asia, particularly through referrals from international audit firms and through cross-selling new products and services to KCS’s existing clients. KCS is well-recognized within the industry, and provides services to a wide-ranging client portfolio base, which includes Fortune 500 companies, large multinational groups, private companies and small- and medium-sized enterprises. KCS provides its services to a wide range of industries, including manufacturing, automotive, energy, chemicals, machinery, pharmaceuticals, information technology, home appliances, retail, finance and insurance. KCS is led by an experienced management team consisting of individuals with an average of over 20 years of experience in the accounting and corporate services sectors and extensive contacts within the corporate services industry.

We and KCS provide services in six overlapping jurisdictions: China, Hong Kong, Indonesia, Singapore, Taiwan and Vietnam. Although we provide similar services to KCS in these overlapping markets, we believe that KCS generally has a distinct, complementary set of clients within key industry segments, such as retail, luxury retail, automotive and technology. Furthermore, the overlap between us and KCS provides an opportunity to extract cost savings through process improvements and elimination of certain duplicative costs. See “*Forward-Looking Statements*.”

Upon completion of the Acquisition, we will take steps to integrate KCS. Leveraging institutional knowledge from our previous mergers and acquisitions, we will appoint an integration project manager and put in place a dedicated project management office. We will develop a detailed project plan and work plan and assign our team members with clear roles, responsibilities and deliverables.

Corporate Structure and Certain Financing Arrangements

The following diagram summarizes our corporate structure and principal outstanding financing arrangements after giving effect to the offering of the Additional Notes and the use of proceeds, as described in “*Use of Proceeds*.” For a summary of the debt obligations referenced in this diagram see “*Description of Other Indebtedness*”, “*Description of the Senior Secured Notes*” and “*Description of the Senior Notes*.”



Key: The Issuer and the Guarantors of the Notes

----- Restricted Group

(1) Represents percentage ownership of ordinary shares. Doughty Hanson also owns 100% of the preference shares that have been issued in TMF Orange Holding B.V., but has agreed not to vote them under the terms of the TMF Orange Holding B.V. Shareholders' Agreement. See “*Principal Shareholders—Orange Shareholders' Agreement*.”

(2) For a description of the Subordinated Shareholder Funding, see “*Relationships and Transactions with Related Parties—Subordinated Shareholder Funding*.”

- (3) The obligations of the Issuer under the Existing Senior Secured Notes are guaranteed on a senior basis by the Guarantors. The obligations of the Issuer and the Guarantors under the Existing Senior Secured Notes, the Senior Secured Notes Indenture, the Revolving Credit Facility and certain hedging obligations are secured by pledges of shares and assets of our subsidiaries as described in *"Description of the Senior Secured Notes—Security."* Pursuant to the terms of the Intercreditor Agreement, any liabilities in respect of the Revolving Credit Facility and certain hedging obligations that are permitted to be secured by Collateral will receive priority with respect to any proceeds received upon any enforcement action over any Collateral. Any proceeds received upon any enforcement action over any Collateral, after all obligations under the Revolving Credit Facility have been repaid and certain hedging obligations have been discharged from such recoveries, will be applied pro rata in repayment of all obligations under the Senior Secured Notes Indenture and the Senior Secured Notes and any other indebtedness of the Issuer and the Guarantors permitted to be incurred and secured by Collateral on a pari passu basis pursuant to the Senior Secured Notes Indenture and the Intercreditor Agreement.
- (4) On the Issue Date, the same assets that secure the Existing Senior Secured Notes will also secure the Additional Senior Secured Notes. In addition, the Additional Senior Secured Notes will be guaranteed on a senior basis by the Guarantors. See *"Summary—The Offering."*
- (5) The Existing Senior Notes are senior obligations of the Issuer and are guaranteed on a senior subordinated basis by the Guarantors.
- (6) The Additional Senior Notes will be senior obligations of the Issuer and will be guaranteed on a senior subordinated basis by the Guarantors.
- (7) The Issuer entered into the Revolving Credit Facility on the Initial Issue Date, providing for up to €70 million of senior secured borrowings and letters of credit and other ancillary facilities. The Issuer and the Guarantors are borrowers or guarantors under the Revolving Credit Facility. The Revolving Credit Facility shares in the Collateral. In the event of an enforcement of the Collateral, the holders of the Senior Secured Notes will receive proceeds from the Collateral only after the lenders under the RCF (or any repayment facilities) and counterparties to certain hedging obligations have been repaid in full. The RCF is a senior obligation of the Issuer and ranks equally in right of payment with all other existing and future senior debt of the Issuer. The RCF is guaranteed on a senior basis by the Guarantors.
- (8) As of March 31, 2014, the Restricted Subsidiaries that are not Guarantors had €9.6 million of indebtedness and €65.9 million of trade payables and other liabilities outstanding, excluding the provisions, retirement benefit obligations and FIT liabilities. To secure the Senior Secured Notes, the Revolving Credit Facility and certain hedging transactions, we pledged the shares of Equity Trust Holdings S.à r.l. and TMF Luxembourg Holding S.A. in the share capital of TMF Luxembourg S.A. (the "Luxembourg Regulated Entity"), which is not permitted to guarantee the Notes without regulatory approval. The Guarantors, excluding the Luxembourg Regulated Entity, represented 60.8% of the Issuer's consolidated Adjusted EBITDA for the twelve months ended March 31, 2014 and held 52.6% of the Issuer's consolidated assets as of March 31, 2014. The Luxembourg Regulated Entity, together with the Guarantors, represented 82.1% of the Issuer's consolidated Adjusted EBITDA for the twelve months ended March 31, 2014 and held 58.7% of the Issuer's consolidated assets as of March 31, 2014. The Guarantees will be subject to contractual and legal limitations, and may be released under certain circumstances. See *"Risk Factors—Risks Relating to the Regulatory and Legislative Frameworks in Which We Operate."* There are circumstances other than repayment or discharge of the Notes under which the Collateral securing the Senior Secured Notes will be released automatically and under which the Senior Secured Note Guarantees and the Senior Note Guarantees will be released automatically, without your consent or the consent of the relevant Trustee.

THE OFFERING

The summary below describes the principal terms of the Notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The “Description of the Senior Secured Notes” and the “Description of the Senior Notes” section of this Offering Memorandum contain a more detailed description of the terms and conditions of the Notes, including the definitions of certain terms used in this summary.

Issuer TMF Group Holding B.V., a private limited liability company incorporated under the laws of the Netherlands.

Notes Offered:

Additional Senior Secured Notes . . . €45 million aggregate principal amount of Additional Senior Secured Notes under the Senior Secured Notes Indenture. The Additional Senior Secured Notes will have the same terms as the Existing Senior Secured Notes and will constitute a single class of debt securities with the Existing Senior Secured Notes under the Senior Secured Notes Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase.

Additional Senior Notes €20 million aggregate principal amount of Additional Senior Notes under the Senior Notes Indenture. The Additional Senior Notes will have the same terms as the Existing Senior Notes and will constitute a single class of debt securities with the Existing Senior Notes under the Senior Notes Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase.

Issue Date of Notes August 5, 2014 (the “Issue Date”)

Issue Price:

Additional Senior Secured Notes . . . 101.000% plus accrued and unpaid interest from June 1, 2014

Additional Senior Notes 108.750% plus accrued and unpaid interest from June 1, 2014.

Maturity Date:

Senior Secured Notes December 1, 2018

Senior Notes December 1, 2019

Interest Rate:

Senior Secured Notes Three month EURIBOR plus 5.375% per year, reset two TARGET Settlement Days (as defined in the “Description of the Senior Secured Notes”) before the beginning of each quarterly period.

Senior Notes 9.875%

Interest Payment Dates:

Senior Secured Notes Quarterly in arrears on March 1, June 1, September 1 and December 1. Interest will accrue from June 1, 2014.

Senior Notes Semi-annually in arrears on June 1 and December 1. Interest will accrue from June 1, 2014.

Form of Denomination Each Additional Senior Secured Note and Additional Senior Note will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

Ranking of the Notes:

Senior Secured Notes The Existing Senior Secured Notes are and the Additional Senior Secured Notes will be:

- the general, senior obligations of the Issuer;
- secured by first-ranking Liens over the Collateral, but will receive proceeds from enforcement of security over the Collateral only after any obligations secured on a super priority basis, including lenders under the Revolving Credit Facility and counterparties to certain priority hedging obligations, have been paid in full;
- ranked equally in right of payment with all of the Issuer's existing and future obligations that are not subordinated in right of payment to the Senior Secured Notes, including debt incurred under the Revolving Credit Facility;
- ranked senior in right of payment to any of the Issuer's existing and future debt that is expressly subordinated in right of payment to the Senior Secured Notes;
- effectively subordinated to any existing and future obligations of the Issuer that are secured by Liens senior to the Liens securing the Senior Secured Notes, or secured by property or assets that do not secure the Senior Secured Notes, to the extent of the value of property and assets securing such obligations;
- structurally subordinated to all existing and future obligations of Subsidiaries of the Issuer that do not provide Guarantees; and
- guaranteed on a senior secured basis by the Guarantors.

Senior Notes The Existing Senior Notes are and the Additional Senior Notes will be:

- the general, unsecured, senior obligations of the Issuer;
- ranked equally in right of payment with all of the Issuer's existing and future obligations that are not subordinated in right of payment to the Senior Notes, including debt incurred under the Revolving Credit Facility;
- ranked senior in right of payment to any of the Issuer's existing and future debt that is expressly subordinated in right of payment to the Senior Notes;
- effectively subordinated to any existing and future secured obligations of the Issuer and its subsidiaries that are secured to the extent of the value of the property or assets securing such obligations (including the Senior Secured Notes and the Revolving Credit Facility); and
- effectively subordinated to any existing and future obligations of the subsidiaries of the Issuer that do not guarantee the Senior Notes.

Guarantees The Existing Senior Secured Notes are, and the Additional Senior Secured Notes will be, guaranteed by the Guarantors on a senior basis. The Existing Senior Notes are, and the Additional Senior Notes will be, guaranteed by the Guarantors on a senior subordinated basis. See *"Risk Factors—Risks Relating to our Structure—The Notes are structurally subordinated to the liabilities of non-Guarantor subsidiaries."*

As of March 31, 2014, the Restricted Subsidiaries that are not Guarantors had €9.6 million of indebtedness and €65.9 million of trade payables and other liabilities outstanding, excluding the provisions, retirement benefit obligations and FIT liabilities. To secure the Senior Secured Notes, the Revolving Credit Facility and certain hedging transactions, we pledged the shares of Equity Trust Holdings S.à r.l. and TMF Luxembourg Holding S.A. in the Luxembourg Regulated Entity, which is not permitted to guarantee the Notes without regulatory approval. The Guarantors, excluding the Luxembourg Regulated Entity, represented 60.8% of the Issuer's consolidated Adjusted EBITDA for the twelve months ended March 31, 2014 and held 52.6% of the Issuer's consolidated assets as of March 31, 2014. The Luxembourg Regulated Entity, together with the Guarantors, represented 82.1% of the Issuer's consolidated Adjusted EBITDA for the twelve months ended March 31, 2014 and held 58.7% of the Issuer's consolidated assets as of March 31, 2014. The Guarantees will be subject to contractual and legal limitations, and may be released under certain circumstances. See *"Risk Factors—Risks Relating to the Regulatory and Legislative Frameworks in Which We Operate."* There are circumstances other than repayment or discharge of the Notes under which the Collateral securing the Senior Secured Notes will be released automatically and under which the Senior Secured Note Guarantees and the Senior Note Guarantees will be released automatically, without your consent or the consent of the relevant Trustee.

Ranking of the Guarantees:

- | | |
|--------------------------------|--|
| Senior Secured Notes | <p>Each Senior Secured Note Guarantee is, and with respect to Additional Senior Secured Notes will be, a general senior obligation of the relevant Guarantor and:</p> <ul style="list-style-type: none"> • ranked equal in right of payment with any existing and future obligations of that Guarantor that are not subordinated in right of payment to such Guarantor's Senior Secured Note Guarantee, including its obligations under the Revolving Credit Facility; • ranked senior in right of payment to any existing and future indebtedness of that Guarantor that are expressly subordinated in right of payment to such Senior Secured Note Guarantee, including the guarantee of the Senior Notes by the applicable Guarantor; • secured by first-ranking security interests over the Collateral as set forth below under "<i>—Security</i>"; and • effectively subordinated to any existing and future obligations of that Guarantor and its subsidiaries that are secured by liens senior to the Collateral, or secured by property or assets that do not secure that Senior Secured Note Guarantee, to the extent of the value of the property or assets securing such obligations. |
|--------------------------------|--|

The indebtedness and obligations under the Senior Secured Notes and Guarantees thereof, the Revolving Credit Facility and certain priority hedging obligations permitted under the Senior Secured Notes Indenture will share in the first priority liens in the Collateral. Under the terms of the Intercreditor Agreement, however, in the event of enforcement of the Collateral, the holders of Senior Secured Notes will receive proceeds from Collateral only after the lenders under the €70 million Revolving Credit Facility and counterparties under priority hedging obligations have been repaid in full.

Senior Notes Each Senior Note Guarantee is, and with respect to Additional Senior Notes will be, a general senior subordinated obligation of the relevant Guarantor and:

- subordinated in right of payment to any existing and future senior indebtedness of that Guarantor, including such Guarantor's obligations under the Senior Secured Notes and the Revolving Credit Facility;
- ranked equal in right of payment with any existing and future senior subordinated indebtedness of such Guarantor;
- ranked senior in right of payment to any existing and future indebtedness of such Guarantor that is expressly subordinated to such Senior Note Guarantee; and
- effectively subordinated to any existing and future obligations of that Guarantor that are secured to the extent of the value of the property or assets securing such obligations, including the Senior Secured Notes and the Revolving Credit Facility.

The Senior Note Guarantees are subject to the terms of the Intercreditor Agreement, including payment blockage upon a senior default and standstills on enforcement. Please see *"Description of Other Indebtedness—Intercreditor Agreement."* The Senior Note Guarantees are subject to release under certain circumstances. Please see *"Description of the Senior Notes—Guarantees."*

Security On the Issue Date, the Additional Senior Secured Notes and the Senior Secured Notes Guarantees will be secured by the same assets that secure the Existing Senior Secured Notes.

The Existing Senior Secured Notes are secured by the following (the "Security"):

- a pledge of the Issuer's shares in the share capital of TMF Group B.V.;
- pledges of the Restricted Subsidiaries' shares in the share capital of each of the Guarantors (other than (i) certain of the Guarantors organized in Luxembourg that are owned by the Luxembourg Regulated Entity and (ii) TMF Spain S.A.);
- a pledge of each of Equity Trust Holdings S.à r.l.'s and TMF Luxembourg Holding S.A.'s shares in the share capital of the Luxembourg Regulated Entity;
- pledges of certain of the Restricted Subsidiaries' shares in the share capital of certain Non-Guarantor Restricted Subsidiaries organized in Spain;

- pledges of certain intercompany receivables, trade receivables and bank accounts of certain of the Guarantors organized in the Netherlands and Luxembourg;
- a pledge over a cash agreement granted by TMF Group Holding B.V.; and
- a fixed and floating charge granted by TMF (B.V.I.) Ltd.

Any additional security interests that may in the future be pledged to secure obligations under the Senior Secured Notes Indenture would also constitute Collateral.

The security interests over the Collateral may be released under certain circumstances. See “*Risk Factors—Risks relating to the Additional Senior Secured Notes.*” There are circumstances other than repayment or discharge of the Senior Secured Notes under which the Collateral securing the Senior Secured Notes and the Senior Secured Guarantees will be released automatically. See “*Description of Other Indebtedness—Intercreditor Agreements*” and “*Description of the Senior Secured Notes—Security—Releases.*”

Additional Amounts Any payments made by the Issuer or any Guarantor with respect to the Notes or Guarantees will be made without withholding or deduction for or on account of taxes unless required by law. If the Issuer or any Guarantor is required by law to withhold or deduct taxes with respect to a payment to the holders of the Notes, the Issuer or the relevant Guarantor will, subject to certain exceptions, pay additional amounts necessary so that the net amount received by the holders of the Notes after such withholding or deduction is not less than the amount that they would have received in the absence of that withholding or deduction. See “*Description of the Senior Secured Notes—Additional Amounts*” and “*Description of the Senior Notes—Additional Amounts.*”

Use of Proceeds We intend to use the net proceeds from the Offering to fund the purchase price of the Acquisition, as well as for working capital and general corporate purposes, which may include future acquisitions. In the event that we do not complete the Acquisition, we intend to allocate the net proceeds to working capital and general corporate purposes, which may include future acquisitions. See “*Use of Proceeds.*”

Optional Redemption:

Senior Secured Notes At any time prior to maturity, upon not less than 30 nor more than 60 days’ notice, the Issuer may redeem all or part of the Senior Secured Notes at the redemption prices set forth under the caption “*Description of the Senior Secured Notes—Optional Redemption*” plus accrued and unpaid interest to redemption date.

Senior Notes Prior to December 1, 2015, the Issuer will be entitled at its option to redeem all or a portion of the Senior Notes at a redemption price equal to 100% of the principal amount of the Senior Notes plus the applicable “make-whole” premium described in this Offering Memorandum, plus accrued and unpaid interest to the redemption date.

At any time on or after December 1, 2015 and prior to maturity, upon not less than 30 nor more than 60 days' notice, the Issuer may redeem all or a part of the Senior Notes at the applicable redemption prices set forth under the caption "*Description of the Senior Notes—Optional Redemption*" plus accrued and unpaid interest to the redemption date.

Prior to December 1, 2015, the Issuer will be entitled at its option on one or more occasions to redeem the Senior Notes in an aggregate principal amount not to exceed 35% of the aggregate principal amount of the Senior Notes with the net cash proceeds from certain equity offerings at a redemption price equal to 109.875% of the principal amount outstanding in respect of the Senior Notes, plus accrued and unpaid interest to the redemption date, so long as at least 65% of the aggregate principal amount of the Senior Notes that were initially issued remains outstanding immediately after each such redemption and each such redemption occurs within 120 days after the date of the relevant equity offering.

Optional Redemption for Tax

Reasons

In the event of certain developments affecting taxation, the Issuer may redeem, upon prior notice, the Notes in whole, but not in part, at a redemption price of 100% of the principal amount, plus accrued and unpaid interest, if any, and additional amounts, if any, to the date of redemption. See "*Description of the Senior Secured Notes—Redemption upon Changes in Withholding Taxes*" and "*Description of the Senior Notes—Redemption upon Changes in Withholding Taxes.*"

Change of Control

Upon the occurrence of certain events constituting a change of control, the Issuer may be required to offer to repurchase all outstanding Notes at a purchase price in cash equal to 101% of the principal amount thereof on the date of purchase plus accrued and unpaid interest to the date of purchase. See "*Description of the Senior Secured Notes—Change of Control*" and "*Description of the Senior Notes—Change of Control.*"

Certain Covenants

Each Indenture, among other things, restricts the ability of the Issuer and its restricted subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- make certain payments, including dividends or other distributions;
- prepay or redeem subordinated debt or equity;
- create or incur certain liens;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances to and on the transfer of assets to the Issuer or any of its restricted subsidiaries;
- make certain investments;
- engage in certain transactions with affiliates;
- sell, lease or transfer certain assets, including stock of restricted subsidiaries;
- in the case of the Senior Secured Notes Indenture, impair security interests in the Collateral;

- merge or consolidate with other entities; or
- amend certain documents.

Each of these covenants is subject to significant exceptions and qualifications, and certain of these covenants may be suspended if the relevant Notes obtain investment grade rating. See “*Description of the Senior Secured Notes—Certain Covenants*” and “*Description of the Senior Notes—Certain Covenants*.”

Transfer Restrictions	The Notes and the Guarantees have not been, and will not be, registered under the Securities Act, or under any other national, federal, state or local securities laws, and, as such, are subject to restrictions on transferability and resale. See “ <i>Offering and Transfer Restrictions</i> .” We have not agreed to, or otherwise undertaken to, register the Notes (including by way of an exchange offer).
Listing	The Existing Notes have been admitted to the Official List of the Luxembourg Stock Exchange and are admitted for trading on the Euro MTF Market. Application has been made to list the Additional Notes to the Official List of the Luxembourg Stock Exchange and for admission to trading on the Euro MTF Market.
Governing Law for the Notes, the Guarantees and the Indentures	New York law.
Governing Law for the Intercreditor Agreement	English law.
Governing Law for the Security Documents	Dutch law, Luxembourg law, English law, New York law, Spanish law and BVI law.
Trustee	
Senior Secured Notes	U.S. Bank Trustees Limited.
Senior Notes	U.S. Bank Trustees Limited.
Principal Paying Agent and Transfer Agent	Elavon Financial Services Limited, UK Branch.
Registrar	Elavon Financial Services Limited.
Listing Agent	Société Générale Bank & Trust S.A.
Security Agent	HSBC Bank Corporate Trustee Company (UK) Limited.
Risk Factors	Investing in the Additional Notes involves substantial risks. See the “ <i>Risk Factors</i> ” section for a description of certain of the risks you should carefully consider before investing in the Additional Notes.

Summary Historical Consolidated Financial and Other Data

The tables below set forth the following selected consolidated financial information:

- our consolidated income statement, balance sheet and cash flow information as of and for the years ended December 31, 2011, 2012 and 2013; and
- our unaudited condensed consolidated income statement, balance sheet and cash flow information as of and for the three month period ended March 31, 2014, and comparative summary unaudited condensed consolidated income statement and cash flow information as of and for the three month period ended March 31, 2013.

Our consolidated income statement, balance sheet and cash flow information as of and for the years ended December 31, 2011, 2012 and 2013 have been extracted without material adjustment from the Consolidated Financial Statements and should be read in conjunction with, and is qualified in its entirety by reference to, the Consolidated Financial Statements and the notes thereto included elsewhere in this Offering Memorandum, and the information in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations.*”

The unaudited condensed consolidated income statement, balance sheet and cash flow information as of and for the three month period ended March 31, 2014, and comparative summary unaudited condensed consolidated income statement and cash flow information for the three month period ended March 31, 2013, have been extracted without material adjustment from the Unaudited Condensed Consolidated Interim Financial Statements, prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, and should be read in conjunction with, and is qualified in its entirety by reference to, the Unaudited Condensed Consolidated Interim Financial Statements and the notes thereto included elsewhere in this Offering Memorandum, and the information in the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations.*”

Information for the twelve months ended March 31, 2014 is unaudited and calculated by taking the results of operations for the three months ended March 31, 2014 and adding to it the difference between the results of operations for the full year ended December 31, 2013 and the three months ended March 31, 2013. The financial information for the three months and twelve months ended March 31, 2014 is not necessarily indicative of the results that may be expected for the year ended December 31, 2014, and should not be used as the basis for or prediction of an annualized calculation.

The financial information below includes certain non-IFRS measures used to evaluate our economic and financial performance. These measures are not identified as accounting measures under IFRS and therefore should not be considered as an alternative measure to evaluate our performance. See “*Certain Definitions and Presentation of Financial and Other Data—Other Financial Information.*”

Consolidated Income Statement

	Year Ended December 31,			Three Months Ended March 31,		Twelve Months Ended March 31,
	2011	2012	2013	2013	2014	2014
	(unaudited)					(unaudited)
	(in € millions)					
Total revenue	374.8	391.8	396.8	97.2	101.3	401.0
Employee benefit expenses	(188.7)	(205.0)	(208.8)	(52.9)	(56.1)	(212.0)
Rental and office expenses	(49.1)	(50.0)	(48.3)	(11.8)	(11.7)	(48.2)
Professional fees	(10.2)	(9.4)	(10.6)	(2.3)	(2.8)	(11.1)
Sales, general and administrative expenses	(19.6)	(20.1)	(20.3)	(4.8)	(5.2)	(20.7)
Results from operating activities before depreciation, amortization, impairment charges and other income/(expenses)	107.3	107.3	108.9	25.5	25.5	108.9
Other income/(expenses)—net	(45.9)	(21.4)	(11.6)	(0.6)	(1.6)	(12.6)
Depreciation, amortization and impairment charges	(33.2)	(29.3)	(31.0)	(7.8)	(5.2)	(28.3)
Operating profit	28.2	56.7	66.3	17.1	18.7	68.0
Finance income	12.8	16.0	16.9	3.7	4.4	17.7
Finance expenses	(108.5)	(108.0)	(110.3)	(29.2)	(27.6)	(108.8)
Net finance costs	(95.7)	(92.1)	(93.4)	(25.5)	(23.2)	(91.1)
Results before income tax	(67.5)	(35.4)	(27.0)	(8.4)	(4.5)	(23.1)
Income tax expense	(6.7)	(6.9)	(4.7)	(1.6)	(2.1)	(5.2)
Result for the period	(74.2)	(42.3)	(31.7)	(10.1)	(6.6)	(28.3)

Consolidated Balance Sheet

	As at December 31,			As at March 31,
	2011	2012	2013	2014
				(unaudited)
	(in € millions)			
Assets				
Total non-current assets	734.9	724.9	718.8	719.6
Total current assets	258.7	274.9	281.9	324.3
Total Assets	993.5	999.8	1,000.6	1,043.9
Total equity	(118.0)	(164.0)	(203.0)	(210.7)
Total non-current liabilities	903.2	995.5	1,025.2	1,037.0
Total current liabilities	208.3	168.3	178.4	217.5
Total Equity and Liabilities	993.5	999.8	1,000.6	1,043.9

Consolidated Cash flow Statement

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
	(in € millions)				
Cash generated from operations	106.3	108.5	100.2	24.1	32.9
Income tax paid	(12.0)	(14.2)	(8.0)	(0.7)	(2.5)
Net cash generated from operating activities (excluding cash flow regarding other income/(expenses) and relating provisions)	94.3	94.3	92.2	23.3	30.5
Acquisition and due diligence costs paid	(11.2)	(0.4)	(0.2)	—	(0.2)
Redundancy and restructuring costs paid	(34.5)	(20.7)	(10.4)	(0.7)	(1.5)
Provisions	7.0	(5.0)	(6.1)	(1.7)	(0.5)
Net cash generated from operating activities and cash flow regarding other income/(expenses) and relating provisions	55.6	68.2	75.5	21.0	28.9
Net cash used in investing activities	(189.2)	(13.4)	(16.3)	(1.8)	(6.2)
Interest received	7.1	9.2	9.3	2.1	2.7
Interest paid	(93.7)	(48.6)	(56.6)	(9.5)	(9.7)
Net cash generated from financing activities	152.3	(39.3)	(48.0)	(7.3)	(13.1)
Net increase in cash and cash equivalents	18.7	15.6	11.2	12.0	9.6
Cash and cash equivalents at beginning of the year	49.5	68.3	83.4	83.4	90.4
Exchange gains/(losses) on cash and cash equivalents	0.1	(0.5)	(4.2)	(0.8)	(0.8)
Cash and cash equivalents at end of the period	68.3	83.4	90.4	94.6	99.3

Selected Operating and Financial Data

Other Financial and Operating Data

	Year Ended December 31,		
	2011	2012	2013
FTEs	4,199	4,217	4,419
Approximate revenue per FTE (in €) ⁽¹⁾	89,300	92,900	89,800

(1) Revenue per FTE is presented as an approximate amount and rounded to the nearest hundred euros.

	Year Ended December 31,			Three Months Ended March 31,		Twelve Months Ended March 31,
	2011	2012	2013	2013	2014	2014
Adjusted EBITDA (in € millions) ⁽²⁾	107.3	107.3	108.9	25.5	25.5	108.9
Adjusted EBITDA margin (%) ⁽³⁾	28.6	27.4	27.4	26.2	25.2	27.2
Total third-party debt (in € millions) ⁽⁴⁾	610.4	629.6	629.3	630.1	608.1	608.1
Total third-party debt ⁽⁴⁾ /Adjusted EBITDA ⁽²⁾	5.7x	5.9x	5.8x	5.9x ⁽⁷⁾	5.6x ⁽⁷⁾	5.6x
Net third-party debt ⁽⁵⁾ (in € millions)	542.1	546.2	538.9	535.5	508.8	508.8
Net third-party debt ⁽⁵⁾ /Adjusted EBITDA ⁽²⁾	5.1x	5.1x	4.9x	5.0x ⁽⁷⁾	4.7x ⁽⁷⁾	4.7x
Net adjusted finance costs ⁽⁶⁾ (in € millions)	55.9	52.8	47.2	12.6	12.2	46.8

Pro Forma Financial Data and Ratios⁽⁸⁾

	As of and for the Twelve Months Ended March 31, 2014
Pro forma total third-party debt ⁽⁹⁾ (in € millions)	673.1
Pro forma cash and cash equivalents ⁽¹⁰⁾ (in € millions)	164.5
Pro forma net third-party debt ⁽¹¹⁾ (in € millions)	508.6
Pro forma total third-party debt ⁽⁹⁾ /Adjusted EBITDA ⁽²⁾	6.2x
Pro forma net third-party debt ⁽¹¹⁾ /Adjusted EBITDA ⁽²⁾	4.7x
Pro forma net adjusted finance costs ⁽¹²⁾ (in € millions)	52.0
Adjusted EBITDA ⁽²⁾ /Pro forma net adjusted finance costs ⁽¹²⁾⁽¹³⁾	2.1x

- (2) Adjusted EBITDA means results from operating activities before depreciation, amortization, impairment charges, and other income/expense as set forth in our consolidated statement of operations. We present Adjusted EBITDA because we believe that this measure is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industries. Adjusted EBITDA has limitations as an analytical tool, and it should not be considered in isolation, or as a substitute for analysis of our operating results as reported under IFRS. In addition, other companies in our industries may calculate Adjusted EBITDA differently or may use it for different purposes than we do, limiting its usefulness as a comparative measure. Adjusted EBITDA is a measure of our operating performance that is not required by, or presented in accordance with, IFRS and has not been calculated in accordance with the definition of "Consolidated EBITDA" as defined under the "Description of the Senior Secured Notes" or "Description of the Senior Notes." Adjusted EBITDA is not a measurement of our operating performance under IFRS and should not be considered as an alternative to profit for the year, operating profit or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities or as a measure of our liquidity. In particular, Adjusted EBITDA should not be considered a measure of discretionary cash available to us to invest in the growth of its business. See "Certain Definitions and Presentation of Financial and Other Data Financial Information." Adjusted EBITDA has been adjusted for other income/(expenses) to remove the effects of certain charges that we believe are not indicative of our underlying operating performance. These charges relate primarily to substantial one-off acquisition, due diligence, start-up, redundancy and restructuring costs. Some of these costs may be recurring in nature, but we do not adjust for any other items that we believe occur in the normal course of business.

The following data sets forth a reconciliation of Adjusted EBITDA to result for the year for the periods indicated:

	Year Ended December 31,			Three Months Ended March 31,		Twelve Months Ended March 31,
	2011	2012	2013	2013	2014	2014
	(in € millions)					
Results for the year	(74.2)	(42.3)	(31.7)	(10.1)	(6.6)	(28.3)
Add:						
Income tax expense	(6.7)	(6.9)	(4.7)	(1.6)	(2.1)	(5.2)
Net finance costs	(95.7)	(92.1)	(93.4)	(25.5)	(23.2)	(91.1)
Depreciation, amortization and impairment charge	(33.2)	(29.3)	(30.9)	(7.8)	(5.2)	(28.3)
EBITDA	61.4	86.0	97.3	24.8	23.9	96.3
Other income/(expenses)—net	(45.9)	(21.4)	(11.6)	(0.6)	(1.6)	(12.6)
Adjusted EBITDA	107.3	107.3	108.9	25.5	25.5	108.9

- (3) Adjusted EBITDA Margin is defined as Adjusted EBITDA divided by total revenue.
- (4) Total third-party debt is total loans and borrowings excluding capitalized finance costs, long-term supply arrangements, advance customer payments and deferred consideration and Subordinated Shareholder Funding.
- (5) Net third-party debt is total loans and borrowings excluding capitalized finance costs, long-term supply arrangements, advance customer payments and deferred consideration, Subordinated Shareholder Funding less cash and cash equivalents. Cash and cash equivalents includes cash subject to regulatory restrictions on transfer and cash that has been pledged to secure cash collateralized debt obligations.
- (6) Net adjusted finance costs is net finance costs excluding foreign exchange losses on financing activities and the interest expense on Subordinated Shareholder Funding.
- (7) In order to calculate Total Third-party debt/Adjusted EBITDA and Net Third-party debt/Adjusted EBITDA we use Adjusted EBITDA for the twelve months ended as of March 31.
- (8) Pro forma data and ratios give effect to the issuance of the Additional Notes as described in "Use of Proceeds" as if such issuance had occurred on March 31, 2014, in the case of balance sheet data, or on April 1, 2014, in the case of income statement data.

- (9) Pro forma total third-party debt is total third-party debt as adjusted to give pro forma effect to the issuance of the Additional Notes as described under “*Use of Proceeds*” as if such issuance had taken place on March 31, 2014.
- (10) Pro forma cash and cash equivalents is cash and cash equivalents as adjusted to give pro forma effect to the issuance of the Additional Notes as described under “*Use of Proceeds*” as if such issuance had taken place on March 31, 2014 (for avoidance of doubt, no adjustments are made for the Acquisition). Cash and cash equivalents includes cash subject to regulatory restrictions on transfer of €4.4 million and cash that has been pledged to secure cash collateralized debt obligations of €20.2 million, including cash box loans.
- (11) Pro forma net third-party debt is net third-party debt as adjusted to give pro forma effect to the issuance of the Additional Notes and the application of the net proceeds thereof as described under “*Use of Proceeds*” as if such transaction had taken place on March 31, 2014.
- (12) Pro forma net adjusted finance costs is calculated by giving pro forma effect to the issuance of the Additional Notes as described under “*Use of Proceeds*” as if such issuance had taken place on March 31, 2014. Pro forma net adjusted finance cost represents net adjusted finance costs for the period, adjusted by adding interest costs and amortization cost to give pro forma effect to the issuance of the Additional Notes. Adjusted EBITDA/pro forma net adjusted finance costs does not necessarily reflect the calculation of the Issuer’s Consolidated Fixed Charge Coverage Ratio, as defined in “*Description of the Senior Secured Notes*” or “*Description of Senior Notes*.”
- (13) Adjusted EBITDA/Pro forma net adjusted finance costs does not necessarily reflect the calculation of the Issuer’s Consolidated Fixed Charge Coverage Ratio as defined in “*Description of the Senior Secured Notes*” or “*Description of the Senior Notes*.”

RISK FACTORS

An investment in the Additional Notes involves a high degree of risk. The risks and uncertainties below are those that we consider to be material. Each of these risks could have a material adverse effect on our business, financial condition, results of operation, future prospects or the trading price of the Additional Notes, and investors could lose all or part of their investment. We have described the risks and uncertainties that we believe are material, but these risks and uncertainties may not be the only ones we face. Additional risks and uncertainties of ours that are not currently known to us, or that we currently deem immaterial, may also have an adverse effect on our business, financial condition, results of operations and future prospects. If this occurs, the trading price of the Additional Notes may decline, and investors could lose all or part of their investment.

The order in which the risks are presented does not necessarily reflect the likelihood of their occurrence or the magnitude of their potential impact on our business, financial condition, results of operation, future prospects or the trading price of the Additional Notes. Investors should consider carefully whether an investment in the Additional Notes is suitable for them in light of the information in this Offering Memorandum and their personal circumstances.

RISKS RELATING TO OUR BUSINESS AND INDUSTRY

We may be adversely affected by current, potential and pending legal or administrative proceedings initiated, or to be initiated, against us and any resulting judgments, settlements and orders rendered by competent authorities.

We are from time to time involved in litigation related to our business. Many of these claims allege breach of directors' or trustee's fiduciary duties and/or breach of contract. See "*Business—Litigation.*" We may also be subject to other claims and judicial and administrative proceedings incurred in the course of our current and past operations, including employment-related disputes, contract disputes, government audits and proceedings, client disputes, tax issues and tort claims. Historically, we have been subject to claims where a subsidiary has acted as administrator or director of investment or finance vehicles, and some of those claims have sought damages for the entire amount of the underlying investment, which can be substantial. Our involvement in litigation (or potential litigation) may increase beyond historical levels. In particular, the private client business has historically had a greater number of legal disputes.

Responding to and defending against current and potential claims may be expensive and can result in diversion of management resources, and the outcomes of any such claim may be materially adverse to our business, financial condition and results of our operation and/or our reputation, and may increase our regulatory costs and/or insurance premiums. In some proceedings, the claimant may seek damages as well as other relief, which, if granted, would require substantial expenditure or impose restrictions on our part. We may ultimately incur liability charges or expenses in excess of insurance coverage. Litigation can also lead to regulatory investigation or other scrutiny, and could adversely affect our reputation. Additionally, any litigation in the Netherlands and Luxembourg may be more likely to have a material and adverse effect on us because we derive a relatively high share of our revenue from those jurisdictions, and are regulated in those jurisdictions and any litigation may trigger adverse regulatory consequences.

Claims in relation to litigation to which we are party are not only in euro but also in different currencies, which may expose us to foreign exchange risk.

We may be also adversely affected by investigations by any relevant regulatory or administrative agencies which in certain jurisdictions could have adverse consequences on our ability to carry on our business as discussed further in "*Regulation.*" An adverse outcome of any investigation by a relevant regulatory or administrative agency or other inquiries from regulatory bodies (including the regulatory investigations referred to in "*Business—Litigation*") may have a material adverse effect on us and result in:

- the institution of administrative or civil proceedings;
- sanctions and the payment of fines and penalties, including potential loss of regulatory licenses depending on the severity and scale of any regulatory issues; by way of example, we were recently the subject of a fine by our regulator in the BVI for certain historical regulatory shortcomings (currently being addressed through a comprehensive remedial review);
- changes in personnel;

- our inability to conduct business in the jurisdiction in which the proceedings take place due to the loss of our regulatory license or certain restrictions/conditions being placed on our activities; and
- increased review and scrutiny of our services by our clients, regulatory authorities (in the jurisdiction where the relevant investigation is conducted and also potentially other jurisdictions where we are regulated), the media and others.

Historically, the number of litigation claims (or threatened claims) has increased during economic downturns. This derives from a course of events where we render services to client entities in which clients and investors lose money and therefore no longer have the resources to meet their financial obligations. When this occurs, liquidators and investors of our clients may seek to recover from persons involved with that entity, under the assumption that they have somehow contributed to the losses or failed to comply fully with any legal duties.

We have taken no provisions for litigation liabilities, including the current litigation referred to in “*Business—Litigation*.” We have only taken provisions for certain legal costs associated with defending some of those litigation matters, but these provisions may not be adequate to satisfy any legal costs associated with defending the current claims for which cost provisions have been taken. Even if we or our directors, officers and employees (as the case may be) are not ultimately found to be liable, defending such claims or lawsuits could be expensive and time consuming, divert management resources and harm our reputation or attract regulatory inquiries, all of which may ultimately adversely affect our business, financial condition and results of operations. Any significant judgment against us or settlement could exceed our available cash resources and could adversely affect our reputation and regulatory status.

Our contracts with clients typically require us to perform our services for them to certain levels and in accordance with certain requirements. If our services fall short of these agreed levels of service (including by errors made by our employees in the course of delivering such services), we may be subject to claims by our clients for damages that could be substantial depending on the nature of the breach of contract.

We rely on our insurance coverage, in particular our outside directors’ and officers’ insurance liability and/or professional indemnity liability insurance, and we may be unable to obtain or maintain such coverage in the future, such coverage may prove to be inadequate, or we may have disputes with our insurers.

We maintain insurance against certain business risks. Our insurance, however, has deductibles, coverage exclusions (including fraud) and maximum levels of recovery. Thus, we may not be adequately insured against all types of risks that are associated with the conduct of our business. Additionally, any claims made under an insurance policy potentially limit the maximum amount of insurance coverage for us moving in the future and/or may increase our premiums. The maximum amount recoverable under our insurance policies is typically calculated on an aggregate annual basis. Therefore, any claims against our insurance policies reduces our potential recovery for all such claims made in the same year (e.g. if we received two or more substantial claims under one insurance policy in the same year that were near the maximum level of our insurance coverage, we may have substantial uninsured exposure to such a claim).

We may not be able to, or may choose not to, obtain or maintain insurance coverage for all types of claims or litigation that we are exposed to. If we are unable to obtain insurance at an acceptable cost or otherwise protect against potential claims, we will be exposed to significant potential liabilities, which may negatively impact our reputation and materially and adversely affect our financial condition and results of operations. Furthermore, a successful claim brought against us in excess of, or for claims excluded from, our insurance coverage could have a material adverse effect on our financial condition and results of operations. Additionally, the occurrence of an event that is uninsurable or losses not covered by the relevant policies, could have a material adverse effect on our business, financial condition or results of operations.

Our business exposes us to risks of claims being made against us and our directors, officers and employees. Such claims could involve those made by our clients due to, for example, losses incurred as a result of declines in fund assets administered by us or losses incurred by them relating to structured finance transactions administered by an SPV incorporated by us with directors appointed by us. In such circumstances, clients could bring claims against us and our directors, officers and employees.

We maintain combined professional indemnity insurance, outside directors' and officers' liability and directors' and officers' insurance to mitigate such risks (subject to various deductibles and exclusions, including fraud). However, any such liability incurred by us as a consequence of such claims may not be covered by insurance or may exceed our insurance coverage (because the claim exceeds the limitation of our policy or one or more claims under the same insurance policy reduce our maximum insurance coverage under such policy). We would be liable for any outstanding balance.

Our professional indemnity insurance policy provides some limited cover for certain instances of fraud committed by our employees, but generally recovery for fraud is not permitted under our insurance policies. From time to time, we have disputes with our insurers regarding issues such as (i) the level of deductible for a particular claim, (ii) what insurance policy a particular claim or potential claim may fall under (i.e. what year it falls under could be important if a number of claims have been made under a particular insurance policy), and (iii) whether a particular claim or potential claim is covered by the insurance policy. We may be materially adversely affected by the outcome of any such dispute as we may be uninsured for a particular item or ultimately exposed to greater liability to the underlying litigation or circumstances as a result of a dispute with our insurer.

We may be adversely affected by regulatory investigations, audits, complaints and/or failure to comply with applicable laws or the conditions attaching to our regulatory licenses that could lead to regulatory fines, sanctions, conditions on our licenses or loss of our licenses.

As discussed under “*Regulation*,” we are regulated in 17 jurisdictions. If we breach applicable laws (generally or in relation to the jurisdictions where we are regulated) or the terms of our regulatory licenses, this could result in financial penalties, restrictions on our ability to operate in a jurisdiction by the implementation of conditions to our regulatory licenses or otherwise or, in certain circumstances, a loss of our regulatory license. Fines and sanctions can be material depending on the jurisdiction and the conduct giving rise to the issue. Additionally, if we lost our regulatory license, we would not be able to continue to offer services in such jurisdictions and this could have a material adverse effect on our reputation, the financial condition and prospects of the business, particularly if this were to occur in the Netherlands, Luxembourg or the British Virgin Islands.

In most regulated jurisdictions, our key employees are subject to increased scrutiny by regulators and if their conduct is deemed to violate applicable law or the expectations of regulators this may have implications for their involvement in the business. Depending on the person and the jurisdiction, this could have a substantial impact on the Group, including that they may no longer be considered fit and proper persons to hold their position within the Group. See the discussion under “*Regulation*.”

In addition, we may be exposed to additional regulatory scrutiny due to litigation proceedings. See “—*We may be adversely affected by current, potential and pending legal or administrative proceedings initiated, or to be initiated, against us and any resulting judgments, settlements and orders rendered by competent authorities.*”

Breaches of any applicable laws could result in fines/penalties, litigation, tax and/or reputational harm, which could have a material adverse effect on our financial condition, reputation and business prospects.

Our business reputation is very important to our continued viability and any damage to such reputation could have a material adverse effect on our business.

Our reputation is very important to our business, as we rely on our relationships with our current, former and potential clients, business referrers, the investment management and financial services communities, and the industries that these entities and people serve. Any damage to our reputation, whether arising from litigation, regulatory, supervisory or enforcement actions, matters affecting our financial reporting or compliance with administrative agencies in the territories in which we operate, negative publicity, or the conduct of our business or our clients or otherwise, could have a material adverse effect on our ability to obtain new business and retain existing clients, which may ultimately harm our business, financial condition and results of operations.

A deterioration in market and economic conditions may adversely affect our industry, particularly global expansion by existing and potential clients, which could materially impair our business, financial condition, results of operations and ability to access capital.

Deterioration in global economic conditions and gross domestic product (“GDP”) in the countries in which we operate may adversely affect our business, growth and results of operations. A global or significant regional economic slowdown or recession could harm us by adversely affecting our clients’ and our prospective clients’ access to capital to fund their businesses and their ability to sustain and grow their businesses, particularly their ability to expand internationally. This could result in a decline in our clients’ demand for our services and their ability to pay our invoices.

Europe has recently experienced a period of economic uncertainty, as have many economies across the world. In some of the countries in which we operate, financial markets have been volatile, business and consumer spending has declined and overall business activity has slowed. If recent market and economic conditions persist in the countries in which we operate, particularly in Benelux and/or the rest of Western Europe, our clients may be adversely impacted, which may have a material and adverse effect on our business, financial conditions and results of operations. Similarly, a worsening of these conditions would likely exacerbate the adverse effects on us.

Our inability to implement our business strategy could harm our business, growth and profitability and in the course of implementing such strategy, particularly with regard to expansion, we may incur unexpected costs and other material issues.

Our profitability and growth depends on the successful implementation of our business strategy. If we do not achieve our strategic objectives, whether due to changes in the industry in which we operate (including but not due to legal and regulatory changes) or otherwise, our profitability and growth may be materially impaired.

Our significant strategic objective since our inception has been international growth, with our recent growth focused on developing countries such as Brazil, Russia, India, China, Norway and Indonesia. Our successful international growth in recent years has placed, and is expected to continue to place, a significant strain on management and resources (financial or otherwise). Continued growth may require corresponding investments in personnel, facilities, information technology infrastructure and financial and management systems and controls. Failure to make necessary expansions and upgrades to our systems and infrastructure and to maintain our client service levels could lead to failures, delays in our provision of service to clients and reputational harm. This could in turn result in a loss of clients or a reduction in the growth of our client base, increased operating expenses, financial losses, litigation or client claims, and regulatory sanctions or additional regulatory burdens causing operating margins and profitability to be materially adversely affected. Our current business model may not be successful in any new markets that we may target.

We may not be able to successfully integrate acquired businesses or realize the benefits we anticipate from any acquisition.

Since our formation in 1988, we have grown significantly through acquisitions and organic growth. We may in the future, if appropriate opportunities present themselves, acquire businesses that we believe are strategically beneficial, and any acquisition targets may be significant. We may not be able to complete any acquisition or business arrangement that we pursue, or are pursuing, on favorable terms, if at all, and any acquisitions or business arrangements may not ultimately benefit our business.

Any acquisitions, if consummated, might require us to incur substantial indebtedness or raise additional equity financing. We cannot assure investors that, with respect to our recent acquisitions or future acquisitions, we will:

- realize all or any of the anticipated benefits;
- successfully integrate the businesses with our operations; or
- manage such integration without adversely affecting our existing operations.

Any failure to successfully integrate acquired businesses, including the Target, may have a material adverse effect on our business, financial condition and results of operations. Additionally, such acquisitions may divert significant management resources required to address such integration issues. Furthermore, we may encounter unforeseen obstacles or costs in such integration or may be subject to

material liabilities of an acquired company that are unknown to us at the time of acquisition. Any of these issues may have a material and adverse effect on our business, financial condition and results of operations.

We depend on our senior management team, and if we are unable to retain our current personnel and/or hire additional personnel, our ability to implement our growth strategy and compete in our industry could be harmed.

Our future growth and success depends, in part, upon the leadership and performance of our highly skilled management team, many of whom have significant experience in the corporate services sector and would be difficult to replace. The loss of key employees or the inability to attract and retain highly skilled and qualified personnel could materially and adversely affect our business. In addition, the loss of other executive officers or key employees, the inability to recruit sufficient, qualified personnel, or the inability to replace departing employees in a timely manner could have a material adverse effect on our ability to run our business and, accordingly, on our financial condition and operating results.

Competition in our industry for suitably qualified senior managers is intense. If we lose the services of any of our senior management team or other key personnel, we may have to incur significant costs in identifying, hiring, training and retaining replacements for departing employees. In addition, significant losses of key personnel, particularly to our competitors, could have a material adverse effect on our business, financial condition and operating results.

We have exposure to liability or loss of business based on the actions of our employees (particularly where they are acting as directors for client entities or structures and in connection with providing trustee services) our joint venture partners, co-owners, Group members and sub-contractors.

Our business operates with several thousand employees in 82 different jurisdictions, each with different laws, practices, standards and regulations. We have training and work guidelines in place, but we cannot exclude the risk that our employees may behave in such a way that we are exposed to risk or would have to defend ourselves based on the actions of an employee. We may also suffer reputational harm should an employee act inappropriately while representing us. We have a number of joint ventures (formal and informal) where we are reliant upon our joint venture partners complying with the terms of our agreements and our Group policies and procedures. If they fail to comply with these agreements and procedures or otherwise act in a manner that may harm our reputation or expose us to liability, this could have a significant impact on our reputation and financial condition. Also, in some jurisdictions where for legal, regulatory or commercial reasons third parties or employees may own shares in a Group member, we are particularly exposed to acts of such third parties or employees that may have a significant impact on the Group if they do not comply with the terms of their employment and other agreements and may cause us to lose business (and/or it may take some time for alternative arrangements to be put in place in order for the Group to continue our normal operations, particularly if any such employee does not leave the Group on amicable terms). In addition, we work with and rely on third-party sub-contractors in some instances (typically, where we enter into master service agreements to provide client services in jurisdictions in which we do not have an office) who could also harm our reputation or expose us to liability should they fail to fulfil their obligations or act inappropriately. Should these risks materialize, our reputation and possibly our financial condition would be negatively impacted.

As part of our business, our employees may act as directors of corporate entities of our clients, including entities formed to administer significant investments. We have in the past been subject to claims based upon the actions of our employees when acting in this capacity, and we generally agree to indemnify our employees for claims against them in this capacity. Accordingly, actions of our employees, particularly when acting as directors of corporate entities or structures of clients, could expose us to significant liability.

We are dependent on our local employees and our local operations are subject to high turnover rates; any increase in employee turnover may have a material and adverse effect on our business, financial conditions and results of operations.

We are dependent on our ability to attract, hire and retain qualified employees. The corporate services industry, by its nature, is labor intensive and experiences a high employee turnover rate. There is always

a risk of losing current employees not only to our direct outsourcing competition, but also to other businesses who may provide only a small component of our services, for example law, consulting or accounting firms. A higher turnover rate among our employees would increase our recruiting and training costs and could require us to offer higher wages, thus increasing costs and could materially adversely impact the quality of services we provide to our clients. If we are unable to recruit and retain a sufficient number of qualified employees, we would be forced to limit our growth or possibly curtail our operations. Growth in our business will require us to recruit and train qualified personnel at an accelerated rate from time to time. We may not be able to continue to hire, train and retain a sufficient number of qualified employees to meet the needs of our business or to support our growth. If we are unable to do so, our business could be harmed. In addition, any increase in wage costs, costs of employee benefits or employment taxes may have a material and adverse effect on our business, financial condition and results of operations.

In jurisdictions where we have relatively small operations that clients deal with on a very regular basis, there is also a risk that key employees in those jurisdictions could leave and take certain clients or work with them to competitors.

If we fail to fully establish and maintain an effective system of internal controls, we may not be able to accurately report our financial results, prevent fraud or make well-informed decisions.

Effective internal controls are necessary for us to provide reliable and accurate financial reports and effectively reduce the risk of fraud. An important part of our growth strategy has been, and will likely continue to be, the acquisition of complementary businesses, and we expect these systems and controls to become increasingly complex as our business grows and to the extent we make future acquisitions. Likewise, the complexity of our transactions, systems and controls may make our business more difficult to manage. Additional complexity arises for our control environment from the fact that we operate in numerous countries across the world, in many of which our local staff is small. We cannot be certain that the measures we have taken will ensure that we design, implement and maintain adequate controls over our financial processes and reporting in the future. Any failure to implement required new or improved controls, difficulties encountered in their implementation or operation, or difficulties in the assimilation of acquired businesses into our control system could harm our operating results or cause us to fail to meet our financial reporting obligations. Inadequate internal controls could also cause investors to lose confidence in our reported financial information, which could have a negative effect on our future access to capital. Any ineffective procedures or controls may also provide management with inaccurate information, reducing management's ability to make informed decisions or respond effectively to material issues.

Any significant changes in our competitive business environment may affect our ability to compete effectively for current and potential clients, and consequently our results of operations and financial condition may be adversely affected.

On a regional and country level, we may face increased competition from our local or regional competitors in relation to certain services they offer, particularly if there is further consolidation of regional and/or local markets and because some competitors have very long standing relationships with clients and persons who serve as references for new work. There can be no assurance that we will be able to compete successfully against future competitors or that competitive pressures it faces will not materially adversely affect our business, financial condition and results of operations. Any increase in competition generally or as a result of consolidation in the market by medium size competitors and/or regional competitors may have a significant adverse effect on our business and future prospects.

We may not be able to expand into a particular jurisdiction required by current or potential clients.

Given the nature of our business, regulatory and/or tax changes can lead to demand for client services in jurisdictions where we have not historically operated. If such demand were to occur in the future, there may be regulatory, competition and practical constraints that could prevent us from establishing an office in such a jurisdiction to meet client demand (or, at the very least, as quickly as we would like). Such inability or delay could result in a loss of current or potential business.

Our results of operations could be adversely affected if we fail to retain our existing clients, provide additional services to our existing clients, introduce new or enhanced services and attract and retain new clients.

Our revenue and revenue growth are dependent on our ability to retain clients, sell them additional services, introduce new services and attract new clients in each of our businesses. Our ability to increase revenue will depend on a variety of factors, including:

- the quality and perceived value of our service offerings by existing and new clients;
- effective sales and marketing efforts;
- the level of market acceptance of new services;
- actions or reactions of our competitors;
- reputation and local press reporting;
- client willingness to accept any price increases;
- our ability to integrate technology into our services to avoid obsolescence and provide scalability;
- the successful implementation of services for new and existing clients;
- the regulatory needs and requirements facing us and our clients; and
- our ability to meet increased client regulatory requirements.

Our inability to retain existing clients or successfully develop and implement new and enhanced services and attract new clients or could have a material and adverse effect on our business, financial condition and results of operations.

We generate a relatively large share of our revenue in Benelux and any significant change in client demand for our services in Benelux could have a significant adverse effect on our business, financial condition and prospects.

In the year ended December 31, 2013, we generated 31.7% of our consolidated revenue in Benelux. Thus, we are more exposed to significant movements in client demand in Benelux than in other jurisdictions. Decreased Benelux demand could result from, for example, (i) a reduction in foreign direct investment, (ii) adverse double tax treaty amendments, (iii) a significant deterioration in our reputation, (iv) regulatory changes or sanctions, and (v) any of the other risks noted in this “*Risk Factors*” section that have an impact on Benelux. A decline in business in the Benelux region as a result of any of the foregoing factors could have a significant adverse effect on our business.

A significant reduction in foreign direct investment could have a material adverse effect on our business.

Our existing and potential clients include foreign companies expanding into new geographies. The general global level of foreign direct investment therefore has a significant impact on demand for our services. Foreign direct investment can be driven by a large number of macro-economic and jurisdiction specific factors, including local regulatory regimes, exchange controls, government’s taking local protectionist actions and/or the unfavorable amendment of a jurisdiction’s double tax treaty network. Any such reduction in the level of foreign direct investment could have a material adverse effect on our business, financial condition and results of operations.

A significant change in the regulation of our clients, particularly any change in regulation that adversely effects offshore funds or unfavorable amendments to double tax treaty networks (particularly in Benelux), may have a material adverse effect on our business.

A large number of our clients invest through tax efficient holding structures in jurisdictions that have strong double tax treaty networks and relatively stable corporate law frameworks. If actions were taken by regulators or government agencies that made any of these jurisdictions less attractive (particularly if such actions effected the tax laws relating to the treatment of offshore funds), our business may be adversely affected.

For example, a large portion of our revenue is generated from services provided in Benelux because it is perceived as a tax efficient jurisdiction for many holding and finance company structures, partly due to

the double tax treaty network of Benelux jurisdictions with other countries across the world. If changes were made to these double tax treaties (or other amendments to the corporate laws) that made these jurisdictions less attractive for holding and financial structures, this could have a material adverse effect on our business as demand for our services in these jurisdictions could decrease significantly. In such a case, affected clients may use our services to move their investment structures to another tax jurisdiction. However, there is no assurance this would be the case, and there may be a net reduction in the demand for our services, a net reduction in profitability due to demand shifting to jurisdictions that may have a different EBITDA margin/profitability profile or we may simply lose clients to competitors who have more established presences in other jurisdictions. Also, as discussed under “*Risks Relating to Regulatory and Legislation Frameworks in which We Operate*,” there may be regulatory, administrative or other hurdles to providing our services in any such new jurisdiction, which could have a material adverse effect on our business, financial condition and results of operations.

We are exposed to local business risks in the countries in which we operate.

We provide our services to clients through various subsidiaries and operating divisions in 82 different jurisdictions. Accordingly, our business is subject to risks related to the differing legal, political, social and regulatory requirements and economic conditions of many jurisdictions. Risks inherent in international operations include the following:

- differences and changes in regulatory environments;
- difficulties obtaining permits and governmental approvals;
- we may provide services or undertake activities in a jurisdiction without all of the requisite regulatory consents or permissions, exposing us to fines and sanctions;
- exposure to different legal standards;
- staffing difficulties, national or regional labor strikes or other labor disputes;
- exposure to political risk;
- various countries may impose or increase withholding taxes or otherwise tax our income, impose tariffs or adopt other restrictions on trade or investment, including currency exchange controls;
- fluctuations in exchange rates may adversely affect the profitability in euro of services provided by us in markets where payments for our services are made in the local currency;
- general economic conditions in the countries in which we operate could have an adverse effect on our earnings from operations in those countries;
- difficulties in enforcing agreements and collecting receivables, especially in emerging markets; and
- rapid changes in market conditions in emerging markets, including changes on account of economic or social instability or other developments not typical in non-emerging economies.

Our overall success as a multi-national business depends, in part, upon our ability to succeed in differing legal, regulatory, economic, social and political conditions. We cannot assure investors that we will succeed in developing and implementing policies and strategies which will be effective in each location where we operate. Accordingly, any of the foregoing factors could have a material adverse effect on our business, financial condition and results of operations.

Exchange control restrictions or other restrictions regarding the repatriation of funds from certain countries in which we operate (including regulatory capital restrictions) could hinder our ability to make foreign investments, procure foreign denominated financings and extract dividends from our operating subsidiaries.

Exchange control regulations and restrictions regarding the repatriation of funds may restrict business transactions between residents of certain countries in which we operate and non-residents of such countries. For example, our subsidiaries in a particular country may (i) generally not be permitted to export capital, hold foreign currency in excess of certain limits or incur indebtedness denominated in foreign currencies without the approval of the local authorities; (ii) be prohibited from using transfer pricing and excessive interest rates on foreign loans as a means of expatriating currency; or (iii) generally not be permitted to acquire an interest in a foreign venture without the approval of the local authorities or be subject to compliance with the investment criteria of such local authorities.

It is difficult to predict what action, if any, governments may take in the future with respect to exchange controls and similar restrictions. If governments of countries where we do business were to tighten controls, these restrictions could hinder our ability to make foreign currency denominated investments and procure foreign currency denominated financings in the future, pay dividends from our subsidiaries, or pay interest expense on our debt (including the Notes) using our cash from our operating subsidiaries in such countries.

Additionally, as discussed in “*Regulation*,” we are required to maintain a specified level of regulatory capital in certain of the jurisdictions in which we are regulated. An increase in such requirements would decrease the amount of cash subsidiaries in such jurisdictions would be able to distribute to other subsidiaries or the Issuer, which could adversely affect cash available for payment on the Notes.

Information technology (“IT”) connectivity is important to our ability to provide integrated services across our global network and a loss of such connectivity could have a significant effect on us.

We rely on information technology to ensure that our global network of 116 offices in 82 jurisdictions remains connected in order to provide an integrated service to our clients across jurisdictions. The quality and level of information technology infrastructure varies across the Group based on, among other things, the size of our offices, IT providers, levels of historical investment in IT and number of employees in a particular office. If one or more events leads to a loss of connectivity across offices, this may have a significant effect on our ability to service the needs of our clients, and could have a material adverse effect on our business, financial condition and results of operation.

Wage increases may reduce our profit margin.

Salaries and related benefits of our operations staff and other employees are among our most significant costs. For example, in 2013 our wage and salary costs increased and had an impact on operating profit. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Wages and Salaries*.” Wage, salary and related benefit increases can have a significant impact on our operating profits and could potentially have a material adverse effect on our financial condition and cash flows.

We rely on certain single source information technology products from suppliers that are relatively small and have limited support services.

We rely heavily on a number of software programs that we have licensed from relatively small companies. To the extent that significant issues develop with these software programs, we may experience issues seeking appropriate levels of support to rectify such issues in a speedy manner, and this could significantly impact our ability to provide services to our clients. This would be a particular risk to our corporate and fund administration services that greatly rely on these programs.

Our clients may for various reasons seek to conduct the services we provide in-house, which would lead to significant decrease in the demand for our services.

Clients who currently use us to fulfil certain function and provide business services may for various reasons seek to bring back in-house certain of those services—for example, clients may establish sufficiently large operations in a jurisdiction to which they have expanded and want those functions carried out in-house. If this was to occur, it could lead to a significant decline in demand for our services.

RISKS RELATING TO THE REGULATORY AND LEGISLATIVE FRAMEWORKS IN WHICH WE OPERATE

We are subject to significant government regulation and supervision, which may increase our costs and otherwise adversely affect our business.

We are subject to significant government regulation and supervision. Such governmental regulation and supervision, as well as future changes in laws, regulations or government policy (or in the interpretation of existing laws or regulations) that affect us, our competitors or our industry, generally strongly influence how we operate our business. Adverse regulatory developments could expose our business to a number of risks. Regulation could limit growth, revenue and the number and types of services offered and could lead to increased operating costs and capital expenditure. See “*Regulation*.” In particular, we are subject to rules regarding licensing, authorizations, and other regulatory permits and data protection laws. Complying with existing regulations is burdensome, and future changes may increase our operational and administrative expenses and limit our revenues.

Improper disclosure of our clients' sensitive data and/or data protected by data protection laws could result in liability and harm our reputation.

As part of our service offerings, we handle and process increasingly large amounts of potentially sensitive or confidential information of our clients, much of which is protected by data protection laws. While we continuously improve our design and coordination of security controls across our business groups and geographies, it is possible that our security controls over personal data, our training of employees and partners on data security, and other practices we follow may not prevent the improper disclosure of such sensitive information in breach of applicable laws and contracts. Improper disclosure of this information could harm our reputation, lead to legal exposure to us and our clients, result in investigations and/or fines from local regulators or subject us to liability under laws that protect data, resulting in increased costs and/or loss of revenue. Perceptions that our services do not adequately protect the privacy of client information could materially adversely affect our business, financial condition and results of operation.

Our operations and future growth may be affected by competition regulations.

We are subject to competition laws and regulations at the national and supranational level. Where we have a leading market position, these laws and regulations may reduce our operational flexibility and limit our ability to make additional acquisitions and implement our strategy. Individual local managers may act against our instructions and either inadvertently or deliberately violate applicable competition laws and regulations by engaging in prohibited activities such as price fixing or colluding with competitors regarding markets or clients. Such actions may harm our reputation and, if we are held responsible, the resulting fines and other sanctions could be substantial. Thus, the occurrence of any such incidents may have a material and adverse effect on our business, financial condition and results of operations.

Co-owner, subcontractor, joint venture partner, employee, and/or regional management misconduct or failure to comply with various laws, regulations and Group policies and procedures could harm our reputation, damage our relationships with customers, reduce our revenue and profits and subject us to criminal and civil enforcement actions.

We delegate considerable operational responsibility to our subsidiaries and rely upon joint venture partners, co-owners, and subcontractors in certain jurisdictions. We may experience incidents of (i) our local, regional and national managers, and employees and (ii) to the extent they are required to, our joint venture partners, co-owners and subcontractors, not complying with our policies, making unintended accounting misstatements or breaches of local and national regulations and legislation. Any of these potential issues could, individually or collectively, have a material adverse effect on our cash flows, financial condition and results of operations as a result of the potential consequences, including litigation, regulatory consequences and/or reputational damage.

Failure of our "know your customer" controls could result in our representation of a client that may subject us to material legal claims or sanctions, which could have a material adverse effect on us and our reputation.

Our "know your customer" oversight function is supervised by our dedicated KYC team in Switzerland, but part of the operational function is carried out by local compliance officers around our network. Although we have policies and procedure in place, if a significant quality control issue or fraud in the checking of our clients occurs, we may be exposed to significant legal and reputation risk, as well as investigations and fines from local regulators. This risk and any resulting penalties could be substantial, particularly if we engage with one or more clients that are on U.S. or United Nations sanction lists or blacklists, such as sanctioned clients in Russia and Ukraine (two countries in which we have operations), and/or clients whose ultimate beneficial owners are associated with undesirable or criminal activities.

Deliberate, malicious or criminal acts, including fraud, money laundering, bribery and corruption, may materially adversely affect our business and reputation.

We face a number of risks from deliberate, malicious or criminal acts, including fraud, bribery and corruption by clients or employees. We are reliant on our internal control environment, including our internal financial controls and accounting systems, to provide us with reasonable assurance that the company's operations are proceeding as intended and transactions are appropriately recorded. Should

any or all of these controls, processes, procedures and systems fail to operate as intended or expected, this may affect our potential revenues and accuracy of our books and records.

We face the risk of fraud, which can be perpetrated by employees or external parties, and the scale of the possible financial consequences may be significant. The steps we have taken to mitigate the risks of fraud and other criminal acts may not be adequate.

In addition, we operate and conduct business in markets which have experienced business corruption and related criminal activity, and are susceptible to corruption on the part of government officials or employees. Although our internal policies and procedures mandate strict compliance with applicable laws prohibiting corrupt payments to other businesses, officials or employees or other persons, that such internal policies and procedures may not be adhered to by our employees. Findings against us, our directors, officers or employees, or involvement in corruption or other illegal activity could result in criminal or civil penalties, including substantial monetary fines or could affect our regulatory status. Any government investigations or other allegations against us, our directors, officers or employees, or findings of involvement in corruption or other illegal activity by such persons, could significantly damage our reputation and our ability to do business, and could materially adversely affect our business, financial condition and results of operations.

RISKS RELATING TO OUR TAX POSITION

Our exposure to several tax jurisdictions may have an adverse effect on us.

Although a substantial part of our operations are located in the Netherlands, we are subject to the tax laws of numerous jurisdictions. Generally, the Issuer and/or any of its subsidiaries may be subject to tax in jurisdictions other than their places of incorporation, for example through being considered tax resident or by being considered to be trading in that jurisdiction through a permanent establishment. The combined effect of the application of tax laws, including the application or disapplication of tax treaties concluded by the relevant countries, of one or more of these jurisdictions and/or their interpretation by the relevant tax authorities could, under certain circumstances, produce contradictory results and related tax liabilities for us, and may materially and adversely affect our business, financial condition and operating results.

We are subject to risks in connection with the tax positions taken in the course of our business.

We take positions in the course of our business with respect to various tax matters (acting reasonably and based on the information available to us), including, but not limited to, the taxation of foreign exchange results, compliance with the arm's length principles in respect of transactions with related parties, the tax deductibility of interest and other costs and the amount of depreciation or write-down on our assets that we can recognize for tax purposes. There is no assurance that the tax authorities in the Netherlands or any other jurisdiction will agree with the positions taken by us. In the event the tax authorities disagree with us on any of our positions, we may be subject to an unexpected tax liability that may have an adverse effect on our financial condition.

Tax rules limiting the deductibility of interest expenses could reduce our net income.

We incur a substantial amount of interest expense on our Revolving Credit Facility and Notes (and have incurred a substantial amount of interest expense under our previous finance structures). In addition, some of our subsidiaries will obtain inter-company financing and record interest expense on such financing. To the extent our interest expenses are not deductible for any reason (including the other risks highlighted under “*Risks Relating to Our Tax Position*”), we may incur a reduction of our existing loss carry forwards and we may pay higher taxes. This could have a material adverse effect on our results of operations, cash flows and financial condition.

If the transfer pricing arrangements we have among our subsidiaries are determined to be inappropriate, our tax liability may increase.

We have transfer pricing arrangements among our subsidiaries in relation to various aspects of our business, including loans and certain service functions. The Netherlands' transfer pricing regulations, as well as regulations applicable in other countries in which we operate, require that any international transaction involving associate enterprises be at arm's-length terms. If a tax authority in any jurisdiction reviews any of our tax returns and determines that the prices and/or other terms we have applied in

relation to such arrangements are not in accordance with the relevant transfer pricing rules, or that other income of our affiliates should be taxed in that jurisdiction, we may incur increased tax liability, including accrued interest and penalties, which would cause our tax expense to increase, possibly materially, thereby reducing our profitability and cash flow.

Adverse decisions of tax authorities or changes in tax treaties, laws, rules or interpretations could have a material adverse effect on us.

The tax laws and regulations in the Netherlands and other jurisdictions in which we operate may be subject to change, and there may be changes in interpretation and enforcement of such tax law or regulation. As a result, we may face increases in taxes payable if tax rates increase, or if tax laws or regulations are modified by the competent authorities in an adverse manner. This or any future audit may require us to pay additional taxes (and any accrued interest and penalties). We regularly consider the likelihood of assessments and have established tax allowances which represent management's best estimate of the potential assessments. The resolution of any of these tax matters could differ from the amount reserved, which could have a material adverse effect on our cash flows, business, financial condition and results of operations for any affected reporting period.

In addition, tax authorities in the Netherlands (and other jurisdictions) periodically examine us and our subsidiaries. Tax audits will include a review of interest deductibility, the Group's transfer pricing arrangements, the Group's fiscal unity, the taxation of foreign exchange results and the amount of depreciation or write-down of our assets that we recognize for tax purposes. On-going tax audits or tax audits for periods not yet reviewed may lead to higher tax assessments. Any additional taxes or other sums that become due could have a significant adverse effect on our cash flows, financial condition and results of operations.

Termination or adverse amendment of double tax treaties currently relied upon by us in managing our tax affairs.

Our tax affairs rely on the terms of numerous double tax treaties. If any such tax treaty were terminated or amended, there is a risk that we could be exposed to tax liabilities that are materially adverse to our business and financial condition.

RISKS RELATING TO OUR FINANCIAL CONDITION

Our substantial leverage and debt service obligations could adversely affect our business and preclude us from satisfying our obligations under the Notes.

We have incurred a substantial amount of consolidated debt. As of March 31, 2014, after giving pro forma effect to the issuance of the Additional Notes and the application of the net proceeds as described under "Use of Proceeds," our total consolidated third-party debt (which excludes Subordinated Shareholder Funding) would have been €673.1 million.

The degree to which we are leveraged could have important consequences to holders of the Additional Notes, including, but not limited to:

- limiting our ability to obtain additional funding for future capital expenditures, working capital requirements, debt service requirements, acquisitions, joint ventures and other general corporate purposes;
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our debt, thereby reducing the availability of our cash flow to fund working capital, capital expenditures, acquisitions, joint ventures and other general corporate purposes;
- limiting our flexibility in planning for, or reacting to, changes in our business and the markets in which we operate;
- increasing our vulnerability to downturns in our business or in economic conditions generally;
- placing us at a competitive disadvantage compared with our competitors that have less debt; and
- making it more difficult for us to satisfy our debt obligations, including those with respect to the Notes.

To make payments on the Existing Notes and Additional Notes and to service our other debt, we will require a significant amount of cash, which we may not be able to raise or generate. Our ability to generate cash and the amount of cash generated depends on a number of factors, some of which are beyond our control.

Our ability to generate sufficient cash flow from our operations to make payments of interest and principal on, or to refinance, our debt (including the Notes), or to fund planned capital expenditures and working capital, will depend on our future operating performance, which, to a certain extent, is subject to general economic, financial, legislative, regulatory, competitive and other factors that are beyond our control. In the future, our business may not generate sufficient cash flow from operations to enable it to service our debt, including the Notes, or to fund our other liquidity needs. If we are unable to generate sufficient cash, we might adopt one or more alternatives, such as refinancing all or a portion of our debt, selling assets or obtaining additional equity capital. In the alternative, we may also be forced to:

- reduce our business activities or delay capital expenditures;
- sell assets;
- obtain additional debt or equity financing; or
- restructure or refinance all or a portion of our debt, including the Notes, on or before maturity.

These strategies might not be implemented on satisfactory terms or without substantial additional expense to us, if at all. In particular, the terms of our debt, including the Notes and the RCF, limit, and any future debt may limit our ability to pursue any of these alternatives.

In addition, our ability to borrow funds in the future to make payments on our debt will depend on the satisfaction of the covenants in our credit facilities, including the RCF, and our other debt agreements, including the Indentures, and other agreements we may enter into in the future. Specifically, we will need to maintain specified financial ratios and satisfy financial condition tests. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us under our existing or new credit facilities or from other sources in an amount sufficient to enable us to pay our debt, including the Notes, or to fund our other liquidity needs.

Any refinancing of our debt could be at higher interest rates than our current debt and may require us to comply with more onerous covenants, which could further restrict our business operations. In addition, any failure to raise additional funds necessary to service our debt on a timely basis could result in a default under our debt, including any or all of the RCF or the Notes. This in turn would also likely result in a reduction of our credit rating, which could harm our ability to incur additional debt.

Restrictive covenants in the RCF and the Indentures governing the Notes may restrict our ability to operate our business. Our failure to comply with these covenants, including as a result of events beyond our control, could result in an event of default that could materially and adversely affect our financial condition and results of operations.

The Indentures and the RCF contain, among other things, certain provisions which may restrict our ability to:

- incur additional debt and issue preferred stock;
- create or incur certain liens;
- make certain payments, including dividends and other distributions, with respect to outstanding share capital;
- repay or redeem subordinated debt or share capital;
- create restrictions on the payment of dividends or other amounts from subsidiaries of the Issuer;
- make certain investments;
- issue or sell share capital or assets of subsidiaries of the Issuer;
- engage in certain transactions with affiliates;
- expand into unrelated businesses;

- in regards to the Senior Secured Notes Indenture, impair the security interest for the benefit of the holders; and
- effect a merger or consolidation of, or sell all or substantially all of our assets or all of the assets of the subsidiaries of the Issuer.

All of these limitations are subject to exceptions and qualifications which may be important. In addition, under the RCF, we must maintain a specified finance ratio (calculated as the ratio of consolidated total net debt to adjusted consolidated EBITDA for the 12 month period ending on the calculation date). Events beyond our control could impact our ability to meet any such ratios and, if we fail to meet such ratios, we will be precluded from borrowing under the RCF and a default thereunder would occur.

The covenants in each Indenture, the RCF and any future debt may significantly restrict our future operations and our ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect our ability to finance our operations, make strategic acquisitions, investments or alliances, restructure our organization or finance our capital needs. Furthermore, upon the occurrence of any event of default under the RCF or any other debt of ours, the lenders could elect to declare all amounts outstanding thereunder, together with accrued interest, to be immediately due and payable. If we were unable to repay those amounts, the lenders could proceed against the Collateral granted to them to secure repayment of those amounts. If the lenders accelerate the payment of those amounts, our assets pledged as Collateral may not be sufficient to repay in full those amounts, or to satisfy all of our other liabilities.

Despite our current level of debt, we may still be able to incur substantially more debt in the future, which may make it difficult for us to service our debt, including the Notes, and impair our ability to operate our businesses.

We and our subsidiaries may be able to incur substantial additional debt in the future. Although the RCF and the Indentures contain restrictions on the incurrence of additional debt, these restrictions are subject to a number of significant qualifications and exceptions, and under certain circumstances the amount of debt that could be incurred in compliance with these restrictions could be substantial and we may be able to secure such additional debt with Collateral or other assets. If new debt is added to our and our subsidiaries' existing debt levels, the related risks that we now face would increase. In addition, the Indentures and the RCF do not prevent us from incurring obligations that do not constitute debt under those agreements.

We are exposed to currency fluctuation risks as well as to other international business risks that could adversely affect our results of operations.

We currently conduct our business operations across multiple jurisdictions, including, among others, the European Union, North and South America, China, Russia and Australia. Our business is subject to risks normally associated with international operations, including currency fluctuation risks. Our results of operations may be affected by translation effects, and, to a more limited extent, transaction effects of foreign currency exchange rate fluctuations. In particular, our subsidiaries report their financial condition and results of operations in their currency, which are then translated into euro at the applicable exchange rates for inclusion in our financial statements. Thus, our financial results in any given period may be affected by fluctuations in the value of the euro relative to various local currencies, adversely affecting our business, financial condition and results of operations.

We reported losses in each of our financial periods reported in this Offering Memorandum and may report losses in future periods.

We reported losses of €74.2 million, €42.3 million, €31.7 million, €10.1 million and €6.6 million in the years ended December 31, 2011, 2012 and 2013 and the three months ended March 31, 2013 and 2014, respectively. These losses were the result of our financial performance in each period, in particular the finance expenses associated with our indebtedness outstanding in each period, as described in "Management's Discussion and Analysis of Financial Condition and Results of Operations." We may report losses in future periods.

RISKS RELATING TO THE NOTES

Each of the RCF and the Senior Secured Notes bears interest at a floating rate that could rise significantly, increasing our interest cost and debt and reducing our cash flow.

Each of the RCF and the Senior Secured Notes bears interest at floating rates of interest per annum equal to EURIBOR, adjusted quarterly, plus a spread. EURIBOR could rise significantly in the future. Although we may enter into and maintain certain hedging arrangements designed to fix a portion of these rates, there can be no assurances that hedging will continue to be available on commercially reasonable terms. Hedging itself carries certain risks, including that we may need to pay a significant amount (including costs) to terminate any hedging arrangements. To the extent interest rates were to rise significantly our interest expense associated with the RCF and the Senior Secured Notes, to the extent not hedged, would correspondingly increase, thus reducing cash flow.

You may be unable to recover in civil proceedings for U.S. securities laws violations.

The Issuer, most of the Guarantors and their respective subsidiaries are organized outside of the United States. All of the directors of the Issuer and the Guarantors will be non-residents of the United States and all or a majority of their assets will be located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer, the Guarantors or their respective directors and executive officers, or to enforce any judgments obtained in U.S. courts predicated upon civil liability provisions of the U.S. securities laws. In addition, the Issuer cannot assure investors that civil liabilities predicated upon the federal securities laws of the United States will be enforceable in the Netherlands.

The United States is not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters with the Netherlands. There is, therefore, doubt as to the enforceability in the Netherlands of civil liabilities based upon U.S. securities laws in an action to enforce a U.S. judgment in the Netherlands. In addition, the enforcement in the Netherlands of any judgment obtained in a U.S. court based on civil liabilities, whether or not predicated solely upon U.S. federal securities laws, will be subject to certain conditions. For further information see “Service of Process and Enforcement of Judgment.”

Fraudulent conveyance and other laws may adversely affect the validity and enforceability of the Additional Notes, the Guarantees or the Collateral.

Dutch law contains specific provisions dealing with fraudulent conveyance both in and outside of bankruptcy (the *actio pauliana* provisions). The *actio pauliana* provisions offer creditors protection against a decrease in their means of recovery. A legal act performed by a person (including, without limitation, an agreement which guarantees the performance of the obligations of a third-party or agrees to provide or provides security for any of its or a third-party's obligations, entering into additional agreements benefiting from existing security or any other legal act having similar effect) can be challenged in or outside of the bankruptcy of the relevant person and may be nullified by the receiver in bankruptcy in a bankruptcy of the relevant person or by any of the creditors of the relevant person outside bankruptcy, if: (i) the person performed such acts without an obligation to do so (“onverplicht”); (ii) the relevant creditor was prejudiced in its means of recovery as a consequence of the act; and (iii) at the time the act was performed both the person and the counterparty to the transaction knew or should have known that one or more of its creditors (existing or future) would be prejudiced in their means of recovery, unless the act was entered into for no consideration (“om niet”), in which case such knowledge of the counterparty is not required for a successful challenge on grounds of fraudulent conveyance. If a Dutch court found that the issuance of the Additional Notes or any payment under them involved a fraudulent conveyance that did not qualify for any defense under Dutch law, then the issuance of the Additional Notes and any payment under them could be nullified. As a result of such successful challenges, holders of the Additional Notes may not be able to enjoy the benefit of the Additional Notes, and the value of any consideration that holders of the Additional Notes received with respect to the Additional Notes could also be subject to recovery from the holders of the Additional Notes and, possibly, from any subsequent transferees the Additional Notes. In addition, under such circumstances, holders of the Additional Notes might be held liable for any damages incurred by our prejudiced creditors as a result of the fraudulent conveyance.

Each Guarantee is subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defenses that may limit its validity and enforceability.

The Issuer's obligations under the Existing Senior Secured Notes are, and under the Additional Senior Secured Notes, will be guaranteed by the Senior Secured Notes Guarantees and secured by the Collateral. The Issuer's obligations under the Existing Senior Notes are, and under the Additional Senior Notes will be, guaranteed by the Senior Notes Guarantees. The Notes and Guarantees and Collateral may be subject to claims that they should be limited or subordinated in favor of the Issuer's existing and future creditors under the laws of the British Virgin Islands, United Kingdom, Luxembourg, Spain, the Netherlands, the United States or any other applicable jurisdiction. Although laws differ among these jurisdictions, these laws and defenses generally include those that relate to corporate purpose or benefit, fraudulent conveyance or transfer, voidable preference, insolvency or bankruptcy challenges, financial assistance, preservation of share capital, thin capitalization, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses are applicable, a Guarantor may have no liability or decreased liability under its Guarantee depending on the amounts of its other obligations and applicable law. In addition, limitations on the enforceability of judgments obtained in New York courts in such jurisdictions could limit the enforceability of any Guarantee against any Guarantor. In addition, the granting of the Guarantees (and the granting of the Collateral securing the Senior Secured Notes or the Senior Secured Note Guarantees) may be subject to legal challenge and review under fraudulent transfer and conveyance laws or other laws that have been enacted for the protection of creditors in the United States and the Netherlands. See "*Limitations on Validity and Enforceability of the Guarantees and Security Interests.*"

These laws, among other things, could limit the ability of an entity to guarantee and secure the debt of a related entity. Although laws differ among various jurisdictions, in general, under fraudulent conveyance laws, a court could subordinate or a court, a receiver in bankruptcy, or a creditor could void a Guarantee or the security interests in respect thereof or third-party debt if it found that the Guarantor granting such Guarantee:

- knew or should have known that the transaction was to the detriment of the creditors;
- intended to hinder, delay or defraud creditors; or
- did not receive fair consideration or reasonably equivalent value for incurring such debt and such Guarantor (i) was insolvent or rendered insolvent because it incurred such debt, (ii) was engaged or about to engage in a business or transaction for which its remaining assets constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay them as they mature.

The measure of insolvency for purposes of fraudulent transfer laws varies, depending on the law applied. Generally, however, an entity would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair value of all of its assets;
- the present fair value of its assets was less than the amount that would be required to pay its probable liability on its existing debts and liabilities, including contingent liabilities, as they become absolute and mature; or
- it could not or would not pay its debts as they become due.

If a court, a receiver in bankruptcy, or a creditor were to find that the granting of a Guarantee (or the granting of the security interests associated with the Senior Secured Notes) was a fraudulent conveyance, the court or a creditor could void or declare unenforceable the payment obligations under such Guarantee or invalidate the security interests, or subordinate such Guarantee or security interest to presently existing and future debt of such Guarantor or require the holders of the relevant Notes to repay any amounts received with respect to such Guarantee or security interest. See "*Limitations on Validity and Enforcement of the Guarantees and Security Interests.*"

Corporate benefit and other limitations under Dutch corporate law may affect the validity and enforceability of the Notes.

Under Dutch law, the validity and enforceability of the Notes may, in whole or in part, be affected or limited to the extent that the obligations of the Issuer under the terms of the Notes are not within the scope of the Issuer's objects and the relevant counterparty was aware or ought to have been aware

(without inquiry) of this fact. The articles of association of the Issuer permit the issuing of the Notes. However, the determination by a court of whether issuing the Notes is within the objects of the Issuer will also be based on factors other than the wording of the Issuer's articles of association. Such a determination must take into account all relevant circumstances, including the question of whether it is in the Issuer's interest to issue the Notes. If it is determined that issuing the Notes has had or would have an adverse effect on the interests of the Issuer, the issuance may be found to be voidable, or the obligations of the Issuer under the terms of the Notes may be found to be unenforceable, upon the request of the Issuer or its receiver in bankruptcy. As a result, notwithstanding that the Issuer's articles of association permit the Notes to be issued, and notwithstanding that the Issuer's board of directors has resolved that issuing the Notes is within the Issuer's corporate objects and in its interest, no assurance can be given that a court would find that the issuance of the Notes by the Issuer is indeed within its corporate objects and in its interest. In the event that the Issuer or an administrator of the Issuer in bankruptcy successfully invokes the voidability or unenforceability of the Notes, the Issuer's obligations under the terms of the Notes will be limited to any portion that is not nullified and remains enforceable.

Relevant insolvency laws in jurisdictions other than the United States may provide you with less protection than U.S. bankruptcy law.

The Issuer is incorporated under the laws of the Netherlands, and the Guarantors are incorporated under the laws of various jurisdictions, including the laws of the British Virgin Islands, the United Kingdom, Luxembourg, Spain and the Netherlands. See "*Limitations on Validity and Enforceability of the Guarantees and the Security Interests*" for a description of the insolvency laws in the British Virgin Islands, the United Kingdom, Luxembourg, Spain and the Netherlands, which could limit the enforceability of the Guarantees and the security interests.

In the event that the Issuer, the Guarantors, any future Guarantors, if any, or any other of our subsidiaries experienced financial difficulty, it is not possible to predict in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Guarantees and Collateral provided by entities organized in jurisdictions not discussed in this Offering Memorandum are also subject to material limitations pursuant to their terms, by statute or otherwise. Any enforcement of the Guarantees or security after bankruptcy or an insolvency event in such other jurisdictions will be subject to the insolvency laws of the relevant entity's jurisdiction of organization or other jurisdictions. The insolvency and other laws of each of these jurisdictions may be materially different from, or in conflict with, each other, including in the areas of rights of secured and other creditors, the ability to void preferential transfer, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's laws should apply, adversely affect your ability to enforce your rights under the Guarantees or the Collateral in these jurisdictions and limit any amounts that you may receive.

The Issuer is a holding company and is completely dependent on cash flow from its operating subsidiaries to service its debt, including the Notes.

The Issuer is a holding company with no independent business operations or significant assets outside of its shares in its subsidiaries and cash in its bank accounts. The Issuer has no revenue generating operations of its own, and therefore the Issuer's cash flow and ability to service its debt, including the Notes, will depend primarily on the operating performance and financial condition of its operating subsidiaries. The operating performance and financial condition of the operating subsidiaries of the Issuer and the ability of such subsidiaries to provide funds to the Issuer by way of dividends or otherwise will in turn depend, to some extent, on general economic, financial, competitive, market and other factors, many of which are beyond the Issuer's control. The subsidiaries of the Issuer may not generate income and cash flow sufficient to enable the Issuer to meet its payment obligations on the Notes.

Various regulations and current/future agreements governing certain of our subsidiaries may restrict, and in some cases, actually prohibit the ability of these subsidiaries to move cash within their restricted group. Applicable laws and regulations including local accounting regulations, tax laws, foreign exchange controls and regulatory capital requirements may also limit the amounts that the subsidiaries of the Issuer are permitted to pay as dividends or distributions. Any restrictions on distributions by such subsidiaries could adversely affect the ability of the Issuer to make payment on the Notes. In addition, financial assistance restrictions may prevent upstream loans being made to the Issuer by its subsidiaries to enable the Issuer to service its obligations under the Notes. Although the Indentures limit the ability of

the Issuer's subsidiaries to enter into future consensual restrictions on their ability to pay dividends and make other payments to the Issuer, there are significant qualifications and exceptions to these limitations.

Goodwill impairment and other non-cash charges in our consolidated income statement, as well as charges recognized directly in equity, such as actuarial losses, foreign exchange rate adjustments and losses on hedges, if incurred, could potentially reduce the Issuer's subsidiaries' reserves available for distribution and thus reduce or prevent upstream dividend payments to the Issuer.

We believe that our expected cash flows, together with available borrowings, will be sufficient to service our debt, including the Notes. We expect, however, that we will be required to make additional borrowings in order to repay the Notes at their maturity. There can be no assurance that future borrowings will be available to us in an amount sufficient to enable us to pay our debt, including the Notes, when due or to fund other liquidity needs. If our future cash flows from operations and other capital resources are insufficient for us to pay our obligations as they mature or to fund our liquidity needs, we may, among other things, be forced to:

- reduce or delay business activities and capital expenditures;
- sell assets;
- obtain additional debt or equity capital;
- restructure or refinance all or a portion of our debt on or before maturity; or
- forego opportunities such as acquisitions of other businesses.

There can be no assurance that any of these alternatives can be accomplished on a timely basis or on satisfactory terms, if at all. In addition, the terms of our existing and future debt, including the Indentures and the RCF, may limit our ability to pursue any of these alternatives.

The Notes and each of the Guarantees are structurally subordinated to present and future liabilities of the Issuer's non-Guarantor subsidiaries.

Not all of the Issuer's subsidiaries guarantee the Notes. Generally, claims of creditors of a non-guarantor subsidiary, including trade creditors and claims of preference shareholders (if any) of the subsidiary, will have priority with respect to the assets and earnings of the subsidiary over the claims of creditors of its parent entity, including claims by holders of the Notes under the Guarantees. In the event of any foreclosure, dissolution, winding-up, liquidation, administration, reorganization or other insolvency or bankruptcy proceeding of any of the Issuer's non-Guarantor subsidiaries, holders of their debt and their trade creditors will generally be entitled to payment of their claims from the assets of those subsidiaries before any assets are made available for distribution to its parent entity. As such, the Notes and each Guarantee will each be structurally subordinated to the creditors (including trade creditors) and preference shareholders (if any) of the Issuer's non-Guarantor subsidiaries. The covenants in the Notes permit it to incur additional debt at subsidiaries which do not guarantee the Notes and in the future the revenues and EBITDA of such entities could increase, possibly substantially. As of March 31, 2014, the Restricted Subsidiaries that are not Guarantors would have had €9.6 million of indebtedness and €65.9 million of trade payables and other liabilities outstanding, excluding the provisions, retirement benefit obligations and FIT liabilities.

Your ability to recover under the Collateral may be limited. Before any amounts are available to repay the Senior Secured Notes, lenders under the RCF and certain hedge counterparties will have a right to be repaid with the proceeds realized following the enforcement of all or part of the Collateral.

The obligations under the Senior Secured Notes and the Senior Secured Note Guarantees are secured by security interests over the Collateral granted to secure obligations under the RCF and certain of our hedging obligations. Pursuant to the Intercreditor Agreement, the lenders under the RCF and certain hedge counterparties will have priority over the holders of Senior Secured Notes with respect to the proceeds from this Collateral. In addition, the creditors under the RCF and certain hedge counterparties will have priority over any amounts received from the sale of any assets of the Issuer or any of the Guarantors pursuant to an insolvency event or from any judicial supervised or sanctioned reorganization or administrative work-out or restructuring. As such, you may not be able to recover on the Collateral if the claims of the lenders under the RCF and certain hedge counterparties under our hedging obligations

are greater than the proceeds realized from any enforcement of the Collateral. Any proceeds from the enforcement sale of the Collateral by any creditor will, after all obligations under the RCF and certain hedging obligations in relation thereto have been paid from such recoveries, be applied pro rata in repayment of the Senior Secured Notes and any other such secured obligations. Subject to certain conditions, any security interest in the Collateral will be automatically released at the time of an enforcement sale of the pledged entity or of the pledged assets or shares of any direct or indirect parent entity of such subsidiary. Following such a sale, the Trustee and the holders of the Senior Secured Notes will have no claims in relation to such entity and its direct and indirect subsidiaries under the Senior Secured Notes or any Guarantee.

The value of the Collateral securing the Senior Secured Notes may not be sufficient to satisfy our obligations under the Senior Secured Notes and such Collateral may be reduced or diluted under certain circumstances.

The Senior Secured Notes and the Senior Secured Note Guarantees are secured by security interests in the Collateral as described in this Offering Memorandum, which Collateral also secures the obligations under the RCF. The Collateral may also secure additional debt to the extent permitted by the terms of the Indentures, the RCF, and the Intercreditor Agreement. Your rights to the Collateral may be diluted by any increase in the first-priority debt secured by the Collateral to a reduction securing the Senior Secured Notes.

The value of the Collateral and the amount to be received upon enforcement of such Collateral will depend on many factors, including, among other things, whether or not the business is sold as a going concern, the ability to sell the assets in an orderly sale, the availability of buyers and whether approvals required to purchase the business would be available to a buyer of the assets. In addition, the Intercreditor Agreement will provide that, in the event of any distribution of the proceeds from the sale of any Collateral, the lenders under the RCF, certain hedge counterparties and holders of the Senior Secured Notes will be entitled to receive from such distribution payment in full in cash before the holders of the Senior Secured Notes will be entitled to receive any payment from such distribution.

The shares and other Collateral that are pledged or assigned for the benefit of the holders of the Senior Secured Notes may provide for only limited repayment of the Senior Secured Notes, in part, because most of these shares or other assets may not be liquid and their value to other parties may be less than their value to us. Likewise, we cannot assure you that the Collateral will be saleable or, if saleable, there may be substantial delays in the liquidation thereof. Not all of our assets will secure the Senior Secured Notes and the value of the Collateral may not be sufficient to cover the amount of debt secured by such Collateral. With respect to any shares of our subsidiaries pledged to secure the Senior Secured Notes and the Senior Secured Note Guarantees, such shares may also have limited value in the event of a bankruptcy, insolvency, liquidation, winding-up or other similar proceedings in relation to the entity's shares that have been pledged because all of the obligations of the entity whose shares have been pledged must first be satisfied, leaving little or no remaining assets in the pledged entity. As a result, the creditors secured by a pledge of the shares of these entities may not recover anything of value in the case of an enforcement sale. In addition, the value of the Collateral may decline over time.

The Senior Secured Notes Indenture permits the granting of certain liens other than those in favor of the holders of the Notes on the Collateral securing the Senior Secured Notes. To the extent that holders of other secured debt or third parties enjoy liens, including statutory liens, such holders or third parties may have rights and remedies with respect to the Issuer's shares that, if exercised, could reduce the proceeds available to satisfy our obligations under the Notes. Moreover, if we issue additional Senior Secured Notes under the Senior Secured Notes Indenture, holders of such additional Senior Secured Notes would benefit from the same Collateral as the holders of the relevant Senior Secured Notes being offered hereby, thereby diluting your ability to benefit from the Collateral for such Senior Secured Notes.

The rights of the Senior Secured Notes to enforce remedies with respect to the Collateral are subject to Collateral sharing arrangements.

The security interest in our assets serving as Collateral for the Senior Secured Notes and the Senior Secured Note Guarantees thereof will also be granted as Collateral in favor of the lenders under the RCF and certain hedging counterparties. The Intercreditor Agreement and the Senior Secured Notes Indenture also permit a security interest in such Collateral to be granted to lenders of additional debt and to hedging counterparties under certain of our hedging obligations. The Intercreditor Agreement

provides that a common Security Agent, who will also serve as the Security Agent for the lenders under the RCF, certain hedge counterparties and any additional secured debt, will act only as provided for in the Intercreditor Agreement. In general, the lenders and the agent under the RCF and the representatives of our hedging counterparties and any security agent with respect to any future secured debt will have, subject to prior notification of and consultation with the Trustee, the right to instruct the Security Agent to enforce the shared Collateral. In addition, the holders of the Senior Secured Notes will not be able to force a sale of the Collateral securing the Senior Secured Notes or otherwise independently pursue the remedies of a secured creditor under the security documents without consulting the lenders under the RCF, certain hedge counterparties and any such other secured debt for so long as any amounts under the RCF, certain hedging obligations or such other secured debt remain outstanding or as specified in the Intercreditor Agreement. The Intercreditor Agreement provides that the enforcement sale of any Collateral will be subject to, as a condition to the release of any claims of any other debt secured by such Collateral under the Intercreditor Agreement, certain protections intended to maximize the secured creditors' recovery from an enforcement sale. Prior to enforcement of the Collateral by another class of creditors, the Security Agent will be provided with notice and the right to consult. Neither the Security Agent nor the holders of the Senior Secured Notes will have the ability to prevent or delay enforcement after the relevant consultation periods have expired. The lenders under the RCF, certain hedge counterparties or any other future class of debt secured by the Collateral may have interests that are different from the interests of holders of the Senior Secured Notes and they may elect to pursue their remedies under the security documents at a time when it would not be advantageous for the holders of the Senior Secured Notes to do so.

In addition, if the agent under the RCF, the representatives of our hedging counterparties and any agent with respect to any future secured debt has instructed the security agent to sell either some or all of our subsidiaries or any direct or indirect parent entity of such subsidiary or other assets through an enforcement of their security interests in accordance with the terms of the Intercreditor Agreement, Senior Secured Note Guarantees from any such Senior Secured Note Guarantor that is sold and any Senior Secured Note Guarantee issued and the security over any such assets securing the Senior Secured Notes and any Senior Secured Note Guarantee thereof will be automatically released. See *"Description of Other Indebtedness—Intercreditor Agreements."*

The security over the Collateral has not been granted directly to the holders of the Senior Secured Notes.

The security interests in the Collateral that secures the Group's obligations under the Senior Secured Notes and the obligations of the Senior Secured Note Guarantors under the Senior Secured Note Guarantees have not been granted directly to the holders of the Senior Secured Notes, but have been granted only in favor of the Security Agent. The Trustee for the Senior Secured Notes has entered into the Intercreditor Agreement with, among others, the Security Agent and representatives of the other debt secured by the Collateral, including the RCF and counterparties to certain hedging obligations. Other creditors may become parties to the Intercreditor Agreement in the future. Among other things, the Intercreditor Agreement governs the enforcement of the Security Documents, the sharing in any recoveries from such enforcement and the release of the Collateral by the Security Agent. As a consequence, holders of the Senior Secured Notes will not have direct security interests and will not be entitled to take enforcement action in respect of the Collateral securing the Senior Secured Notes, except through the Security Agent, who will follow instructions as set forth under the caption *"Description of Other Indebtedness—Intercreditor Agreement."* In addition, in certain circumstances, lenders under the RCF will have the right to direct the Security Agent in enforcement actions with respect to the Collateral.

The Issuer and the Senior Secured Note Guarantors will have control over the Collateral, and the sale of particular assets could reduce the pool of assets securing the Senior Secured Notes.

The security documents will allow the Issuer and the Senior Secured Note Guarantors to remain in possession of, retain exclusive control over, and collect, invest and dispose of any income from the Collateral. So long as no default or event of default under the Senior Secured Notes Indenture would result therefrom, the Issuer and the Guarantors of the Senior Secured Notes may, among other things, without any release or consent by the Security Agent, conduct ordinary course activities with respect to such Collateral, such as selling, factoring or otherwise disposing of Collateral and making ordinary course cash payments, including repayments of debt.

It may be difficult to realize the value of the Collateral securing the Senior Secured Notes.

The Collateral securing the Senior Secured Notes is subject to any and all exceptions, defects, encumbrances, liens and other imperfections permitted under the Senior Secured Notes Indenture and/or the Intercreditor Agreement and accepted by other creditors that have the benefit of first-priority security interests in the Collateral securing the Senior Secured Notes from time to time, whether on or after the date the Senior Secured Notes are first issued. The existence of any such exceptions, defects, encumbrances, liens and other imperfections could adversely affect the value of the Collateral, as well as the ability of the Security Agent to realize or foreclose on such Collateral. Furthermore, the first-priority ranking of security interests can be affected by a variety of factors, including, among others, the timely satisfaction of perfection requirements, statutory liens or recharacterization under the laws of certain jurisdictions.

The security interests of the Security Agent is subject to practical problems generally associated with the realization of security interests over real or personal property such as the Collateral. For example, the Security Agent may need to obtain the consent of a third-party, including that of competent regulatory authorities or courts, to enforce a security interest. We cannot assure you that the Security Agent will be able to obtain any such consents. We also cannot assure you that the consents of any third parties will be given when required to facilitate a foreclosure on such assets. Accordingly, the Security Agent may not have the ability to foreclose upon those assets, and the value of the Collateral may significantly decrease.

Enforcing your rights as a holder of the Notes or under the Guarantees or security across multiple jurisdictions may prove difficult.

The Notes have been, and the Additional Notes will be, issued by the Issuer, a company which is organized and established under the laws of the Netherlands, and will be guaranteed by the Guarantors, which are incorporated under the laws of Spain, the Netherlands, the United Kingdom, the United States, the British Virgin Islands and Luxembourg. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in any, all or any combination of the above jurisdictions. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. Your rights under the Notes and the Guarantees and the Collateral will be subject to the bankruptcy, insolvency and administrative laws of several jurisdictions and there can be no assurance that you will be able to effectively enforce your rights in such complex, multiple bankruptcy, insolvency or similar proceedings.

In addition, the bankruptcy, insolvency, administrative and other laws of the Guarantors' jurisdictions of organization may be materially different from, or in conflict with, each other and those of the United States, including in the areas of rights of creditors, priority of governmental and other creditors, ability to obtain post-petition interest and duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether the law of any particular jurisdiction should apply, and may adversely affect your ability to enforce your rights under the Notes, the Guarantees and the Collateral in those jurisdictions or limit any amounts that you may receive. See "*Service of Process and Enforcement of Judgments*" with respect to certain of the jurisdictions mentioned above.

Moreover, in certain jurisdictions, it is unclear whether all security interests in the Collateral give the Security Agent a right to prevent other creditors from foreclosing on and realizing the Collateral or whether certain security interests only give the Security Agent and the holders of the Senior Secured Notes priority (according to their rank) in the distribution of any proceeds of such realization. Accordingly, the Security Agent and the holders of the Senior Secured Notes may not be able to avoid foreclosure by other creditors (including unsecured creditors) on the Collateral.

The laws of certain of the jurisdictions in which the Guarantors are organized limit the ability of these subsidiaries to guarantee debt of other companies. As a result, a court in those jurisdictions may deem the Guarantees to not be valid, which would reduce the amount of Collateral available to satisfy claims under the Notes. See "*Service of Process and Enforcement of Judgments*."

The rights of the Security Agent to enforce security over shares of a regulated entity are subject to prior regulatory consent in Luxembourg, the Netherlands and the British Virgin Islands.

The enforcement of a Luxembourg law governed security over, and the exercise by the Security Agent of voting rights in respect of, at least 10% of the shares of a Luxembourg regulated entity or a non-regulated

entity but which is the direct or indirect shareholder of a Luxembourg regulated entity, is subject to regulatory consent by the CSSF.

In particular, the enforcement over the shares of such a relevant entity will require:

- from the pledgor of such shares, to notify or have the CSSF notified in advance of its intention to transfer the shares as the result of the enforcement; and
- from the pledgee or transferee of such shares, to notify or have the CSSF notified in advance of its intention to acquire the shares as the result of the enforcement, such notification including (i) the size of the intended holding, (ii) the contemplated changes of the board of directors of the Luxembourg regulated entity and the honorability and experience of the potential new directors, (iii) the pledgee's or transferee's financial stability and honorability and (iv) the satisfaction of all other regulatory requirements imposed under the laws and regulations of Luxembourg.

The CSSF may require during the assessment period any further information from the pledge or transferee that is necessary to complete its assessment.

The transfer of such shares may occur if the regulatory assessment period indicated by the CSSF to the pledgee or transferee has expired without written objection from the CSSF or if the pledgee or transferee has received a letter of no objection from the CSSF in respect of the above.

The enforcement of a security, by way of which the Security Agent would obtain a direct or indirect interest of at least 10% of the issued share capital or comparable interest, or the ability to directly or indirectly exercise votes of at least 10% or a comparable control in a Dutch regulated trust office, is subject to consent by the Dutch Central Bank ("DCB").

Furthermore, the relevant Dutch regulated trust office must notify the DCB of any change in the de jure and de facto control structure of the group of companies within which the trust office is an affiliate.

The information that needs to be submitted to the DCB includes, amongst others, the identity of the person or entity directly or indirectly obtaining the Dutch Qualifying Holding in the Dutch regulated trust office and/or the new de jure and de facto control structure of the group of companies the Dutch regulated trust office is affiliated to. (Co-)policymakers of an entity obtaining a Dutch Qualifying Holding in a Dutch regulated trust office will be tested by the DCB on whether they are "fit and proper" to act as (co-)policymaker of the Dutch regulated trust office.

The enforcement of a security or the change to the de jure and de facto control structure of the group of companies to which the Dutch regulated trust office is an affiliate may occur if the DCB has not raised any objections within six weeks after it has received the relevant notifications, or after it received additional information for which it has requested.

Under the laws of the British Virgin Islands, the Security Agent will have to apply for the prior written approval of the BVIFSC of its intention to acquire the shares, such notification including (i) the contemplated changes of the board of directors of the British Virgin Islands regulated entities and the honorability and experience of the potential new directors, (ii) the Security Agent's financial stability and honorability and (iii) the satisfaction of all other regulatory requirements imposed under the laws and regulations of the British Virgin Islands.

Your rights in the Collateral may be adversely affected by the failure to perfect security interests in the Collateral.

In certain relevant jurisdictions, under applicable law, a security interest in certain tangible and intangible assets can only be properly perfected, and its priority retained, through certain actions undertaken by the secured party or the grantor of the security. The liens on the Collateral securing the Senior Secured Notes may not be perfected with respect to the claims of the Senior Secured Notes if we, or the Security Agent, fail or are unable to take the actions required to perfect any of these liens. In addition, applicable law in certain jurisdictions requires that certain property and rights acquired after the grant of a general security interest, such as equipment subject to a certificate and certain proceeds, can only be perfected at or promptly following the time such property and rights are acquired and identified.

There are circumstances other than repayment or discharge of the Senior Secured Notes under which the Collateral will be released automatically.

The Indentures and the Intercreditor Agreement provide that the Collateral and guarantees relating to the liabilities owed to the lenders of the RCF, the hedge counterparties and the holders of the Senior Secured Notes will be released in certain circumstances. See “*Description of the Senior Secured Notes*”, “*Description of the Senior Notes*” and “*Description of Other Indebtedness—The Intercreditor Agreements*.” Moreover, certain proceeds received by the lenders under the RCF, hedge counterparties and the holders of the Notes must be turned over to the Security Agent pursuant to the Intercreditor Agreement for application in accordance with the Intercreditor Agreement.

We may not have the ability to raise the funds necessary to finance an offer to repurchase the Notes upon the occurrence of certain events constituting a change of control as required by each Indenture.

The Indentures contain provisions relating to certain events constituting a “change of control” of the Issuer. Upon the occurrence of a “change of control,” the Issuer would be required to offer to repurchase all outstanding Notes, as applicable, in each case, at a purchase price equal to 101% of the principal amount thereof on the date of purchase plus accrued and unpaid interest and additional amounts, if any, to the date of purchase. If a change of control were to occur, we cannot assure you that we would have sufficient funds available at such time to pay the purchase price of the outstanding Notes or that the restrictions in the RCF, the Indentures, the Intercreditor Agreement or our other existing contractual obligations would allow us to make such required repurchases. A change of control may result in acceleration of the RCF and other debt or trigger a similar obligation to offer to repurchase loans or securities thereunder. The repurchase of the Notes pursuant to such an offer could cause a default under such debt, even if the change of control itself does not. Sufficient funds may not be available when necessary to make any required repurchases. If an event constituting a change of control (as defined in the Indentures) occurs at a time when the Group is prohibited, under certain of its financing arrangements, from providing funds to the Issuer for the purpose of repurchasing the Notes, we may seek the consent of the lenders under such debt to the purchase of the Notes or may attempt to refinance the borrowings that contain such prohibition. If such consent to repay such borrowings is not obtained, the Issuer will remain prohibited from repurchasing any Notes. In addition, we expect that we would require third-party financing to make an offer to repurchase the Notes upon a change of control. We may not be able to obtain such financing. Any failure by an Issuer to offer to purchase the Notes would constitute a default under the Indentures, which would, in turn, constitute a default under the RCF. See “*Description of the Senior Secured Notes—Certain Covenants—Change of Control*” and “*Description of the Senior Notes—Certain Covenants—Change of Control*.”

The change of control provision contained in the Indentures may not necessarily afford you protection in the event of certain important corporate events, including a reorganization, restructuring, merger or other similar transaction involving us that may adversely affect you, because such corporate events may not involve a shift in voting power or beneficial ownership or, even if they do, may not constitute a “Change of Control” as defined in the Indentures. Except as described under “*Description of the Senior Secured Notes—Certain Covenants—Change of Control*” and “*Description of the Senior Notes—Certain Covenants—Change of Control*”, the Indentures do not contain provisions that would require the Issuer to offer to repurchase or redeem the Notes in the event of a reorganization, restructuring, merger, recapitalization or similar transaction.

The definition of “Change of Control” contained in the Indentures include (with certain exceptions) a disposition of all or substantially all the assets of the Issuer and its restricted subsidiaries, taken as a whole, to any person. Although there is a limited body of case law interpreting the phrase “all or substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances, there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of “all or substantially all” of the Issuer’s assets and its restricted subsidiaries taken as a whole. As a result, it may be unclear as to whether a change of control has occurred and whether the Issuer is required to make an offer to repurchase the Notes.

The transfer of the Notes is restricted, which may affect the value of the Notes.

The Notes and Guarantees have not been registered under the Securities Act or the securities laws of any jurisdiction and, unless so registered, may not be offered or sold except pursuant to an exemption

from, or a transaction not subject to, the registration requirements of the Securities Act and any other applicable laws. We have not undertaken to effect any exchange offer for the Notes or the Guarantees. You should read the discussions in “*Offering and Transfer Restrictions*” for further information about these and other transfer restrictions. It is your obligation to ensure that your offers and sales of Notes or the Guarantees comply with applicable law.

Credit ratings may not reflect all risks, are not recommendations to buy or hold securities and may be subject to revision, suspension or withdrawal at any time.

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed herein and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the rating agency at any time. No assurance can be given that a credit rating will remain constant for any given period of time or that a credit rating will not be lowered or withdrawn entirely by the credit rating agency if, in its judgment, circumstances in the future so warrant. A suspension, reduction or withdrawal at any time of the credit rating assigned to the relevant Notes by one or more of the credit rating agencies may adversely affect the cost and terms and conditions of our financings and could adversely affect the value and trading of such Notes.

Certain covenants may fall away upon the occurrence of a change in the Group’s ratings.

The Indentures provide that, if at any time following the date of the Indentures, the Notes receive a rating of Baa3 or better by Moody’s and a rating of BBB- or better by S&P and no default or event of default has occurred and is continuing, then beginning that day and continuing until such time, if any, at which such Notes cease to have such ratings, certain covenants will cease to be applicable to such Notes. See “*Description of the Senior Secured Notes—Certain Covenants—Covenant Suspension*” and “*Description of the Senior Notes—Certain Covenants—Covenant Suspension*.”

If these covenants were to cease to be applicable, the Group would be able to incur additional debt or make payments, including dividends or investments, which may conflict with the interests of holders of the Notes. There can be no assurance that the Notes will ever achieve an investment grade rating or that any such rating will be maintained.

You may face foreign exchange risks by investing in the Notes.

The Additional Notes will be denominated and payable in euro. If you measure your investment returns by reference to a currency other than the euro then an investment in the Additional Notes entails foreign exchange related risks due to, among other factors, possible significant changes in the value of the euro relative to the currency by reference to which you measure your investment returns because of economic, political and other factors over which we have no control. Depreciation of the euro against the currency by reference to which you measure your investment returns could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to you when the return on the Notes is translated into the currency by reference to which you measure your investment returns. There may be tax consequences for you as a result of any foreign exchange gains or losses from any investment in the Notes. See “*Tax Considerations—U.S. Taxation*.”

The Notes are, and the Additional Notes will be, initially be held in book-entry form, and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies.

Unless and until the Notes in definitive registered form, or definitive registered notes, are issued in exchange for book-entry interests, owners of book-entry interests will not be considered owners or holders of the Notes. The common depositary for Euroclear and Clearstream (or its nominee) will be the sole holder of the global notes representing the Notes. After payment to the common depositary, the Issuer will have no responsibility or liability for the payment of interest, principal or other amounts to the owners of book-entry interests. Accordingly, if you own a book-entry interest, you must rely on the procedures of Euroclear or Clearstream, as applicable, and if you are not a participant in Euroclear or Clearstream, on the procedures of the participant through which you own your interest, to exercise any rights of a holder of the Notes under the respective Indenture. See “*Book-Entry, Delivery and Form*.”

Unlike the holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon the Issuer's solicitations for consents, requests for waivers or other actions from holders of the Notes. Instead, if you own a book-entry interest, you will be permitted to act only to the extent you have received appropriate proxies to do so from Euroclear or Clearstream. There can be no assurance that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any request actions on a timely basis.

Similarly, upon the occurrence of an event of default under the Indentures, unless and until definitive registered notes are issued in respect of all book-entry interests, if you own a book-entry interest, you will be restricted to acting through Euroclear or Clearstream. The Issuer cannot assure you that the procedures to be implemented through Euroclear or Clearstream will be adequate to ensure the timely exercise of rights under the Notes. See *"Book-Entry, Delivery and Form."*

The granting of the security interests in connection with the issuance of the Additional Senior Secured Notes, or the incurrence of permitted debt in the future, may create or restart hardening periods for such security interests in accordance with the laws applicable in certain jurisdictions.

The granting of security interests to secure the Additional Senior Secured Notes and the Senior Secured Note Guarantees may create hardening periods for such security interests in certain jurisdictions. The granting of shared security interests to secure future permitted debt may restart or reopen such hardening periods in particular, as the Senior Secured Notes Indenture permits the release and retaking of security granted in favor of the Notes in certain circumstances including in connection with the incurrence of future debt. The applicable hardening period for these new security interests can run from the moment each new security interest has been granted or perfected. At each time, if the security interest granted or recreated were to be enforced before the end of the respective hardening period applicable in such jurisdiction, it may be declared void or ineffective and/or it may not be possible to enforce it. See *"Limitations on Validity and Enforceability of the Guarantees and Security Interests."*

The same rights also apply in connection with the accession of additional Guarantors and the granting of security interest over their relevant assets and equity interests for the benefit of holders of the Senior Secured Notes. See *"Description of the Senior Secured Notes—Security."*

The interests of holders of the Existing Notes and the interests of the holders of the Additional Notes may be inconsistent.

The Additional Notes will be issued under the same indentures that govern the Existing Notes and will vote as a single class with each of the Existing Notes, respectively, with respect to amendments, waivers or other modifications of the Indentures other than with respect to amendments, waivers or other modifications that will affect the Notes. For example, the holders of one series of Notes may be in a position to agree to certain terms in a consent solicitation that would be beneficial to such series of Notes but adverse to the economic interest of the other series of Notes; however, to the extent the relevant amendment or waiver is approved by the holders of a majority in aggregate principal amount of the Notes (subject to the limited exception described above), all holders will be bound by such amendment.

The transferability of the Notes may be limited under applicable securities laws.

The Notes and the Guarantees have not been, and will not be, registered under the Securities Act or the securities laws of any state or any other jurisdiction and, unless so registered, may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and the applicable securities laws of any state or any other jurisdiction. See *"Offering and Transfer Restrictions."* It is the obligation of holders of the Additional Notes to ensure that their offers and sales of the Additional Notes within the United States and other countries comply with applicable securities laws.

The Notes proceeds may not be used as intended if we cannot complete the Acquisition.

We intend to use part of the Additional Notes proceeds to fund the Acquisition. See *"The Acquisition."* However, should we prove unable to complete the Acquisition, we intend to use such proceeds for general corporate purposes or other business opportunities that may arise in the ordinary course of our business. Accordingly, if we are unable to complete the Acquisition, there can be no assurance that we will use such proceeds as described in this Offering Memorandum. See *"Use of Proceeds."*

RISKS RELATING TO THE SENIOR NOTES

The Senior Note Guarantees are subordinated to certain of our existing and future senior debt.

Each of the Senior Note Guarantees are a general senior subordinated obligation of the relevant Senior Note Guarantor. In addition, no enforcement action with respect to the Senior Note Guarantees (or any future guarantee of the Senior Notes, if any) may be taken unless (subject to certain limited exceptions): (i) an acceleration of the RCF (including related hedging), the Senior Secured Notes or any of our other senior secured debt; (ii) there is a default on the Senior Notes outstanding after a period of 179 days from that date the Revolving Facility Agent (as defined under “*Description of Other Indebtedness—Intercreditor Agreement*”), the Trustee or the creditor representative for holders of other senior secured debt delivers written notice of such default; (iii) an enforcement action has been taken with respect to certain secured liabilities; *provided that* the Senior Notes Trustee and holders of the Senior Notes will be limited to taking the same action; or (iv) with respect to any enforcement action in relation to a particular guarantor of the Senior Notes, an insolvency event has occurred with respect to such Guarantor. Please see “*Description of Other Indebtedness—Intercreditor Agreement*.”

Upon any distribution to the creditors of a Senior Note Guarantor in liquidation, administration, bankruptcy moratorium of payments, dissolution or other winding up of such Guarantor, the holders of senior debt of such Guarantor will be entitled to be paid in full before any payment may be made with respect to the Senior Note Guarantees. As a result, holders of Senior Notes may receive less, rateably, than the holders of senior debt of the Guarantors, including the lenders under the RCF, certain hedging counterparties and holders of the Senior Secured Notes.

The claims of the holders of the Senior Notes will be effectively subordinated to the rights of our existing and future secured creditors to the extent of the value of the assets constituting Collateral.

The Existing Senior Notes are, and the Additional Senior Notes will be, unsecured obligations of the Issuer. The Senior Secured Notes, and the Senior Secured Notes Guarantees are secured by a first-ranking share pledge over the same assets that secure the RCF and certain hedging obligations and also benefit from pledges over shares of certain of our Spanish subsidiaries. The value of the Collateral will not be available to pay the obligations under the Senior Notes until the obligations under the RCF, certain hedging obligations, the Senior Secured Notes, the Senior Secured Notes Guarantees and any future debt secured by the Collateral have been satisfied. See “*Description of the Senior Secured Notes—Security*.”

The Senior Notes Indenture provides for a negative pledge and will allow us and our restricted subsidiaries to incur secured debt which will be effectively senior to the Senior Notes. In the event of any distribution or payment of our assets in any foreclosure, dissolution, winding-up, liquidation, administration, reorganization, or other insolvency or bankruptcy proceeding, holders of such secured debt will have prior claim to those of our assets that constitute their Collateral. In these circumstances, we cannot assure you that there will be sufficient assets to pay amounts due on the Senior Notes. As a result, holders of Senior Notes may receive less, rateably, than holders of secured debt.

RISKS RELATING TO OUR OWNERSHIP

The interests of our principal indirect shareholders (including management in their capacity as shareholders) may conflict with your interests.

The shares in TMF Group Holding B.V. are 100% held by TMF Group HoldCo B.V. The shares in TMF Group HoldCo B.V. are 100% held by TMF Orange Holding B.V. 63.24% of the ordinary shares of TMF Orange Holding B.V. are indirectly held by Doughty Hanson. Certain of the senior management of the Group indirectly owns 36.76% of the ordinary shares of TMF Orange Holding B.V.

The interests of TMF Orange Holding B.V.’s shareholders in certain circumstances, including transactions that TMF Orange Holding B.V.’s shareholders believe may increase the value of their equity holdings, may conflict with investors’ interests as holders of the Notes and may have the consequence of increasing the financial risk of holding the Notes. For example, the shareholders could vote to cause us to incur additional indebtedness or pay dividends as permitted under the Senior Notes Indenture. Incurring additional indebtedness would increase any debt service obligations which could materially adversely affect holders of the Notes.

Additionally, our management has certain rights under the shareholder arrangements with Doughty Hanson that may mean their consent is required prior to our taking certain actions—these rights are, in effect, vested in one management representative.

Further details of certain rights of Doughty Hanson and Middenberm Group Holding Luxembourg S.A. (“Middenberm”) under the shareholders’ agreement between TMF Orange Holding B.V. and its shareholders (and certain of their beneficial owners) (the “Orange Shareholders’ Agreement”) are set out under “*Principal Shareholders—Orange Shareholders’ Agreement.*”

In addition, Doughty Hanson or a person affiliated with Doughty Hanson could in the future acquire and hold interests in businesses that compete directly or indirectly with us.

THE ACQUISITION

On the Signing Date, we entered into the Share Purchase Agreement pursuant to which we agreed to purchase 100% of the share capital of KCS, an independent pan-Asian corporate services provider specializing in corporate accounting, corporate secretarial and payroll services from UCL. We expect the Acquisition to be completed in the second half of 2014. In the event that we do not complete the Acquisition, we intend to allocate the net proceeds to working capital and general corporate purposes, which may include future acquisitions. See “*Use of Proceeds*.”

KCS is a pan-Asian corporate services provider that has approximately 470 employees throughout 14 locations in Asia Pacific, with a particularly strong presence in China. KCS provides a comprehensive set of corporate services, consisting primarily of (i) corporate accounting and financial services, including management accounts and other internal finance functions, outsourcing for bookkeeping and financial control, (ii) corporate secretarial services, including company formation and secretarial services, including the opening of bank accounts, direct appointments, share transfers, board meetings and preparation of annual returns, (iii) payroll services, including benefits administration and processing and (iv) other services, including private client trustee services, listing services, fund administration and family office services.

We expect that the Acquisition will provide us with an opportunity to expand our Asia footprint, particularly in China and more generally in East and Southeast Asia. KCS provides services in a number of markets that have been recently successful in attracting foreign direct investment. Post-Acquisition, we would seek to broadly align KCS's results of operations with the Group's operational metrics in that region.

We believe that the acquisition of KCS will provide us with broad, well-diversified channels for sourcing new business in Asia, particularly through referrals from international audit firms and through cross-selling new products and services to KCS's existing clients. KCS is well-recognized within the industry, and provides services to a wide-ranging client portfolio base, which includes Fortune 500 companies, large multinational groups, private companies and small- and medium-sized enterprises. KCS provides its services to a wide range of industries, including manufacturing, automotive, energy, chemicals, machinery, pharmaceuticals, information technology, home appliances, retail, finance and insurance. KCS is led by an experienced management team consisting of individuals with an average of over 20 years of experience in the accounting and corporate services sectors and extensive contacts within the corporate services industry.

We and KCS provide services in six overlapping jurisdictions: China, Hong Kong, Indonesia, Singapore, Taiwan and Vietnam. Although we provide similar services to KCS in these overlapping markets, we believe that KCS generally has a distinct, complementary set of clients within key industry segments, such as retail, luxury retail, automotive and technology. Furthermore, the overlap between us and KCS provides an opportunity to extract cost savings through process and improvements and elimination of certain duplicative costs. See “*Forward-Looking Statements*.”

Upon completion of the Acquisition, we will take steps to integrate KCS. Leveraging institutional knowledge from our previous mergers and acquisitions, we will appoint an integration project manager and put in place a dedicated project management office. We will develop a detailed project plan and work plan and assign our team members with clear roles, responsibilities and deliverables.

USE OF PROCEEDS

The gross proceeds of the Offering will be €67.2 million before deducting certain fees and expenses relating to the Offering (excluding accrued interest on the Additional Notes from June 1, 2014 to, and excluding, the Issue Date).

We intend to use the net proceeds from the Offering to fund the purchase price of the Acquisition, as well as for working capital and general corporate purposes, which may include future acquisitions. In the event that we do not complete the Acquisition, we intend to allocate the net proceeds to working capital and general corporate purposes, which may include future acquisitions.

The following table sets forth the anticipated sources and uses of funds in connection with the Offering:

Sources of Funds	(€ in millions)	Uses of Funds	
Additional Senior Secured Notes ⁽¹⁾	45.45	Additional cash on Balance Sheet	65.2
Additional Senior Notes ⁽¹⁾	21.75	Fees and expenses ⁽²⁾	2.0
Total Sources	67.2	Total uses	67.2

(1) Represents the gross proceeds from the issuance of the Additional Notes.

(2) The amount includes the estimated transaction costs in connection with the Offering.

CAPITALIZATION

The following table sets forth our consolidated cash, total indebtedness, shareholders' funds, total capitalization and net debt as of March 31, 2014: (i) on a historical basis, and (ii) as adjusted to reflect the issuance of the Additional Notes in this offering, but does not include adjustments for the Acquisition. The historical unaudited condensed consolidated financial information has been extracted without material adjustment from the Unaudited Condensed Consolidated Interim Financial Statements prepared in accordance with IAS 34 "Interim Financial Reporting" and included elsewhere in this Offering Memorandum.

	As of March 31, 2014		
	Historical	Adjustments (in € millions)	As Adjusted for the Offering
Cash and cash equivalents ⁽¹⁾	99.3	65.2	164.5
Loans and borrowings			
Revolving Credit Facility	0.0	—	0.0
Existing Senior Secured Notes	405.0	—	405.0
Existing Senior Notes	175.0	—	175.0
Additional Senior Secured Notes offered hereby	—	45.0	45.0
Additional Senior Notes offered hereby	—	20.0	20.0
Other loans ⁽²⁾	28.1	—	28.1
Total third-party debt⁽³⁾	608.1	65.0	673.1
Subordinated Shareholder Funding ⁽⁴⁾	387.1	—	387.1
Total equity	(210.7)	—	(210.7)
Total capitalization	784.5	65.0	849.5
Net third-party debt⁽⁵⁾	508.8	(0.2)	508.6

(1) Cash and cash equivalents includes cash subject to regulatory restrictions on transfer of €4.4 million and cash that has been pledged to secure cash collateralized debt obligations of €20.2 million, including cash box loans.

(2) Includes €20.2 million of debt secured by cash, €7.5 million outstanding under local facilities and €0.4 million of finance lease liabilities.

(3) Total third-party debt is total loans and borrowings, excluding capitalized finance costs, long-term supply arrangements, advance customer payments, deferred consideration and Subordinated Shareholder Funding.

(4) Represents the Subordinated Shareholder Funding from TMF Group HoldCo B.V. See "Relationships and Transactions with Related Parties—Subordinated Shareholder Funding."

(5) Represents total third-party debt, less cash and cash equivalents. See footnote 1 above.

SELECTED CONSOLIDATED FINANCIAL INFORMATION

The tables below set forth the following selected consolidated financial information:

- our selected consolidated income statement, balance sheet and cash flow information as of and for the years ended December 31, 2011, 2012 and 2013; and
- our selected unaudited condensed consolidated income statement, balance sheet and cash flow information as of and for the three month period ended March 31, 2014, and comparative summary unaudited condensed consolidated income statement and cash flow information for the three month period ended March 31, 2013.

Our selected consolidated income statement, balance sheet and cash flow information as of and for the years ended December 31, 2011, 2012 and 2013 have been extracted without material adjustment from the Consolidated Financial Statements prepared in accordance with IFRS as issued by the European Union and should be read in conjunction with, and is qualified in its entirety by reference to, the Consolidated Financial Statements and the notes thereto included elsewhere in this Offering Memorandum.

Our selected unaudited condensed consolidated income statement, balance sheet and cash flow information as of and for the three month period ended March 31, 2014, and comparative summary unaudited condensed consolidated income statement and cash flow information for the three month period ended March 31, 2013, have been extracted without material adjustment from the Unaudited Condensed Consolidated Interim Financial Statements, prepared in accordance with IAS 34, Interim Financial Reporting, and should be read in conjunction with, and is qualified in its entirety by reference to, Unaudited Condensed Consolidated Interim Financial Statements and the notes thereto included elsewhere in this Offering Memorandum.

Consolidated Income Statement

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
				(unaudited)	
	(in € millions)				
Total revenue	374.8	391.8	396.8	97.2	101.3
Employee benefit expenses	(188.7)	(205.0)	(208.8)	(52.9)	(56.1)
Rental and office expenses	(49.1)	(50.0)	(48.3)	(11.8)	(11.7)
Professional fees	(10.2)	(9.4)	(10.6)	(2.3)	(2.8)
Sales, general and administrative expenses	(19.6)	(20.1)	(20.3)	(4.8)	(5.2)
Results from operating activities before depreciation, amortization, impairment charges and other income/(expenses)	107.3	107.3	108.9	25.5	25.5
Other income/(expenses)—net	(45.9)	(21.4)	(11.6)	(0.6)	(1.6)
Depreciation, amortization and impairment charges	(33.2)	(29.3)	(31.0)	(7.8)	(5.2)
Operating profit	28.2	56.7	66.3	17.1	18.7
Finance income	12.8	16.0	16.9	3.7	4.4
Finance expenses	(108.5)	(108.0)	(110.3)	(29.2)	(27.6)
Net finance costs	(95.7)	(92.1)	(93.4)	(25.5)	(23.2)
Results before income tax	(67.5)	(35.4)	(27.0)	(8.4)	(4.5)
Income tax expense	(6.7)	(6.9)	(4.7)	(1.6)	(2.1)
Result for the period	(74.2)	(42.3)	(31.7)	(10.1)	(6.6)

Consolidated Balance Sheet

	As at December 31,			As at March 31,
	2011	2012	2013	2014
	(in € millions)			(unaudited)
Assets				
Total non-current assets	734.9	724.9	718.8	719.6
Total current assets	258.7	274.9	281.9	324.3
Total Assets	993.5	999.8	1,000.6	1,043.9
Total equity	(118.0)	(164.0)	(203.0)	(210.7)
Total non-current liabilities	903.2	995.5	1,025.2	1,037.0
Total current liabilities	208.3	168.3	178.4	217.5
Total Equity and Liabilities	993.5	999.8	1,000.6	1043.9

Consolidated Cash Flow Statement

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
	(in € millions)			(unaudited)	
Cash generated from operations	106.3	108.5	100.2	24.1	32.9
Income tax paid	(12.0)	(14.2)	(8.0)	(0.7)	(2.5)
Net cash generated from operating activities (excluding cash flow regarding other income/(expenses) and relating provisions)	94.3	94.3	92.2	23.3	30.5
Acquisition and due diligence costs paid	(11.2)	(0.4)	(0.2)	—	(0.2)
Redundancy and restructuring costs paid	(34.5)	(20.7)	(10.4)	(0.7)	(1.5)
Provisions	7.0	(5.0)	(6.1)	(1.7)	(0.5)
Net cash generated from operating activities and cash flow regarding other income/(expenses) and relating provisions	55.6	68.2	75.5	21.0	28.9
Net cash used in investing activities	(189.2)	(13.4)	(16.3)	(1.8)	(6.2)
Interest received	7.1	9.2	9.3	2.1	2.7
Interest paid	(93.7)	(48.6)	(56.6)	(9.5)	(9.7)
Net cash generated from financing activities	152.3	(39.3)	(48.0)	(7.3)	(13.1)
Net increase in cash and cash equivalents	18.7	15.6	11.2	12.0	9.6
Cash and cash equivalents at beginning of the year	49.5	68.3	83.4	83.4	90.4
Exchange gains/(losses) on cash and cash equivalents	0.1	(0.5)	(4.2)	(0.8)	(0.8)
Cash and cash equivalents at end of the period	68.3	83.4	90.4	94.6	99.3

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

You should read the following discussion of our financial condition and results of operations together with our Consolidated Financial Statements and the notes thereto. The Consolidated Financial Statements have been prepared in accordance with IFRS.

The information contained in the discussion set forth below and elsewhere in this Offering Memorandum includes forward-looking statements that involve risk and uncertainties. See "Certain Definition and Presentation of Other Financial Data" and "Risk Factors" for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in this Offering Memorandum.

Overview

We are a leading global provider of high value business services to clients operating and investing globally. We focus on providing highly specialized and business-critical financial, legal and human resource administrative services that enable our clients to operate their corporate structures, finance vehicles and investment funds in different geographical locations. We operate from 116 offices in 82 jurisdictions across the Americas, Asia Pacific, Europe and the Middle East. The range of services we offer covers:

- *Corporate services*—integrated legal, administrative and accounting services for companies' operations from inception through day-to-day functions to liquidation;
- *Structured finance services*—creating and administering financial vehicles for securitization transactions, structured asset leasing and project finance transactions;
- *Fund services*—back office functions for a wide range of investment funds, including the preparation of accounts and daily NAV calculations; and
- *Private client services*—administering corporate structures for high net worth individuals for wealth planning purposes.

Across our range of services, we offer our clients a core set of competencies that form the heart of our product offering including:

- *Financial administrative services.* We provide a range of financial, accounting and reporting services to assist our clients with their financial reporting in a transparent, up-to-date and accurate manner. We prepare statutory accounts to comply with local law requirements and offer international management and consolidated reporting in accordance with major accounting standards. We also provide assistance with the registration, recovery and compliance with VAT, IPT and other indirect taxes. In addition, we provide investment fund clients with fund accounting and valuation services.
- *Legal administrative services.* We provide a variety of legal administrative services to our clients in connection with establishing and maintaining financing and holding companies and other structures in compliance with applicable local laws. These services include establishing corporate entities to serve as finance companies or as operating companies, as well as managing corporate compliance procedures, such as organizing and recording board and shareholders' meetings. We also provide domiciliary and management services, as well as local representatives and directors with the necessary expertise, required for clients to conduct business in a particular jurisdiction.
- *Human resource administrative services.* We provide a wide range of human resource and payroll services, including payroll processing, management reporting and cost analysis and outsourced human resource services. Our specialists can act as a client's local human resources function, preparing employment contracts and guidelines, providing employee training assistance and securely maintaining personal confidential information.

Our service offerings enable our clients to focus on their core operations while we ensure that critical local administrative functions, that clients may have less experience in providing, are performed to a high standard. In doing so, we help our clients (i) gain access to specialized local knowledge, including regulatory, tax and financial reporting expertise that would be challenging or inefficient to develop internally, (ii) reduce the risks and distractions of managing complex accounting, legal and human resource regulations in multiple countries, (iii) control costs by taking over the back office administration

and reporting functions of their international offices that are not large enough to justify the administrative overhead, (iv) simplify operations by providing a single point-of-contact from anywhere in the world, often resulting in increased transparency for our clients, and (v) execute globalization plans swiftly and flexibly by using our worldwide network of local offices and experts to assist on administrative matters.

In the twelve months ended March 31, 2014, we generated revenue of €401.0 million and Adjusted EBITDA of €108.9 million. A significant proportion of our overall revenue comes from our long-standing clients. Our strategy for winning new business includes cross-selling and up-selling to these existing clients, but it also focuses on building relationships with new clients across our business segments. In the twelve months ended March 31, 2014, 78.1% of our revenue was generated from our corporate services business segment, and 63.5% of our revenue was generated from our Benelux and EMEA segments. Although a significant portion of our revenue is produced by our operations in Benelux, this revenue is generated by clients from all over the world seeking to use our services in the perceived tax efficient jurisdictions of the Netherlands and Luxembourg to service their international corporate structures. As a result, a significant portion of this revenue is not directly tied to economic activity in the Benelux region. We plan to continue to expand our operations into new markets in the Asia-Pacific region and the Americas through organic growth and acquisitions.

Across our range of services, we have a diverse client base that includes multinational companies of varying sizes, insurance and real estate companies, financial institutions, listed and private companies as well as high net-worth individuals. Our clients include companies using international subsidiaries to conduct foreign commercial operations, and foreign entities to create more efficient overall corporate structures. As of March 31, 2014, we provide services to more than 36,600 client entities. Our client base is relatively fragmented, with the largest 20 clients contributing less than 6% of our revenue in 2013. Our client entity retention rate was approximately 85% in each of the years from 2011 through 2013 and in the first three months of 2014, reflecting the largely recurring nature of our business, which we believe makes our business generally less susceptible to global business cycles. Management believes that this percentage of client entity retention understates our underlying client retention as a number of our client entities (e.g. SPV financing entities) have a finite life and are replaced over time. Such replacements are reflected as a loss of client entities (in calculating retention rates) even though we typically retain the replacement business. A large proportion of our client base consists of long-standing clients and these continuing relationships have been critical to our growth.

Our current global reach and breadth of expertise mean that we are one of the few business services organizations able to offer clients global solutions while also being positioned as a neutral execution-only service provider (meaning, we are not affiliated with an accounting, financial or law firm) and thus do not have similar issues with being conflicted out of taking on new work. We believe that we are well-positioned to continue to benefit from the growing opportunities presented by the globalization of business and the growing trend of businesses outsourcing support functions.

Significant Factors Affecting Our Results of Operations

Our results of operations during the periods under review have been primarily affected by:

Growth Through Mergers and Acquisitions

We have historically had an active acquisition program which provided additional scale to our business and helped us consolidate a fragmented market by filling geographic gaps in our business and increase our presence in existing markets and specific service lines. These acquisitions have significantly impacted our results of operations in the period under review. We may expand our operations through acquisitions that meet our investment criteria going forward if suitable opportunities arise, which may similarly have a significant impact on our results of operations for future periods.

In 2011, we completed our merger with Equity Trust for a total consideration of €215.1 million, with a cash outflow, net of cash acquired, of €172.2 million. This merger improved our market position in profitable, established markets, such as Luxembourg and in high growth markets, such as the Asia Pacific region, and was generally value accretive as our two companies operated complementary businesses. We also achieved cost synergies, particularly by reducing the overall number of our full time employees, as we integrated our operations and reduced duplicative overhead costs by consolidating our offices where possible.

During 2012, we did not make any substantial acquisitions.

In the final quarter of 2013, we acquired Accepta A.S., one of the Norway's largest accounting groups. This acquisition further enhanced our presence in Scandinavia.

In January 2014, we acquired the assets and liabilities of PT Tass Axia Solusi, an Indonesian company, which expanded our presence in Indonesia. To expand our other fund services offerings, we also acquired the non-controlling interest in the Custom House Group in January 2014, which was subject to regulatory approval, which we received in the second quarter of 2014. In July 2014, we entered into the Share Purchase Agreement pursuant to which we agreed to purchase 100% of the share capital of KCS, an independent pan-Asian corporate services provider specializing in corporate accounting, corporate secretarial and payroll services

Growth Through Greenfield Expansion

We also have expanded the scale of our business by opening offices and starting operations in new countries where we did not previously have a presence. In the last twelve months, we have opened new offices in Qatar and Canada. We typically open new offices when we have requests from existing clients to provide services. Our new offices, however, will typically operate at a loss for a period of time as we acquire the necessary infrastructure, such as office space and personnel, before revenues generated by client services are sufficient to cover our operating costs. As a result, our continued expansion through opening new offices may impact our operating profits in the short term as we invest in growing the scale of our business.

Realization of Economies of Scale and Operating Efficiencies

We have expanded the scale of our business through a number of means, including mergers and acquisitions, greenfield expansion and organic growth in markets in which we previously operated. As we continue to expand our business, we have been able to realize certain economies of scale through integration of our offices and the implementation of group-wide strategies as well as a group-wide sales function.

Wages and Salaries

Our largest expense consists of personnel costs associated with our employees, the majority of which consists of wages and salaries. In the years ended December 31, 2011, 2012 and 2013 and in the three months ended March 31, 2014, wages and salaries totaled €150.0 million, €161.5 million, €162.8 million and €43.7 million, respectively, or 40.0%, 41.2%, 41.0% and 43.2% of revenue in each period, respectively. The costs we incurred from wages and salaries have increased in each of the periods between the year ended December 31, 2011 and 2012, the year ended December 31, 2012 and 2013 and the three months ended March 31, 2013 and 2014, reflecting, in large part, an increase in the number of FTEs. As wages and salaries typically constitute our largest expense, any increase or decrease in wages and salaries paid can have a significant impact on our operating profits.

Redundancy and Restructuring Costs

We incur costs related to staff redundancies, premises (e.g. onerous lease contracts), IT and professional fees, both in relation to completed mergers and acquisitions as well as ordinary course restructurings of our business. In the years ended December 31, 2011, 2012 and 2013 and in the three months ended March 31, 2014 our redundancy and restructuring costs totaled €34.5 million, €19.8 million, €7.4 million and €1.5 million, respectively.

Macro-Economic Trends and Global Economic Performance

As a global business, we are exposed to changes in the economic and financial performance of the countries in which we operate and the state of the global economy as a whole. The growth of our business may be influenced by the willingness of multi-national corporations to expand outside of their home jurisdictions and is broadly tied to trends in global trade and foreign investment. In particular, our corporate, human resources and payroll services benefit from the continued expansion of multi-national corporations into new jurisdictions of operation where we can provide support and administrative services or corporate structuring solutions. Such trends in global trade and foreign investment can impact our long-term growth prospects and the demand for our services. In addition, we are exposed to more short-term fluctuations in global economic activity through our fund services and structure finance services businesses, which are dependent on the volume of relevant financing transactions and

aggregate amount of funds under administration and can fluctuate with the level of economic growth in developed economies. In addition, certain segments of our corporate services, in particular the human resources and payroll services we provide in emerging economies, such as those of Eastern Europe, can fluctuate in-line with the macro-economic trends in those regions.

Foreign Currency Fluctuations and Translation

We operate internationally and are exposed to foreign exchange fluctuations arising from various currency exposures primarily with respect to the U.S. dollar. We are exposed to foreign exchange fluctuations through commercial transactions, recognized assets and liabilities, and investments in foreign operations. Our subsidiary companies rarely provide services to third parties that are not denominated in their functional currency, except for our operations in certain countries, such as Russia or Switzerland, where our subsidiaries typically receive payment for services in euro, and the operations of Custom House, which provides fund services, where expenses are incurred in euro and payment is received in U.S. dollars. While the net assets of our subsidiaries denominated in foreign currencies are also exposed to foreign exchange fluctuations, we seek to manage this exposure primarily through borrowings denominated in the relevant foreign currencies. We do not otherwise hedge our foreign currency exposure.

Our consolidated financial statements are presented in euros, which is our functional and presentation currency. Foreign currency transactions are translated into our functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in our income statement. For the three months ended March 31, 2014, foreign currency translation differences for foreign operations totaled a loss of €2.2 million, and for the years ended December 31, 2011, 2012 and 2013, totaled a gain of €11.2 million, a gain of €2.1 million and a loss of €13.6 million, respectively.

Description of Key Components of Our Income Statement

Revenue

Our sole source of revenue is from the rendering of services. We provide services to clients on a time and cost basis or based on a fixed price contract or a combination of both. Our revenue is generally derived from our client engagements based on an annual fee for agreed services plus an hourly rate for additional work undertaken. The exception to this is the fund services we provide, where our fees are based on the net asset value of funds under administration (subject to a minimum fee level) and services where we receive fees per transaction, such as fees for incorporating special purpose vehicles. We fix the rates for our services locally based on local market conditions and local management determinations of acceptable rates. Our annual fee element is a fixed fee which is often paid up-front.

The majority of our clients (i) do not have long-term contracts with us, or (ii) have contracts that may be terminated on short notice at the client's convenience. We believe, however, that the depth of our knowledge about each client and the potentially high costs and execution risk of moving providers, results in generally high retention rates. The annual recurrence of business in certain types of our services also contributes to our high client retention rates. Historically, the main reasons for client churn are in-sourcing, clients exiting of the particular market, structures expiring or clients leaving to competition.

Revenue from time and cost contracts is recognized at the contractual rates as time has been spent and direct expenses are incurred. Revenue from fixed price contracts is generally recognized in the period in which the services are provided, using a straight line basis over the term of the contract.

If circumstances arise that may change the original estimate of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known. To the extent that any fees paid on account exceed the value of work performed, they are included in trade and other payables as deferred income.

Segment Reporting

We report our revenue on the basis of geographical segments: Benelux, EMEA (excluding Benelux), Americas, APAC; and two additional segments that are included within our geographical segment

presentation that we have determined to show separately as their financial performance is not tied to any one geographic region: fund services and other (which includes the operations of our international licensing and collection business, Freeway, and our international pension business, Panthera Ltd., as well as our corporate expenses). We also report our revenue on the basis of business segments: corporate services, structured finance services, fund services and private client services.

Inter-segment revenue comprises management fees and services provided to clients by other entities in our Group. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties. Total geographic segment revenues presented in this Offering Memorandum are net of inter-segment revenues.

Employee benefit expenses

Employee benefit expenses consists of wages and salaries, social security costs, pension costs and other personnel costs.

Rental and office expenses

Rental and office expenses consist of expenses related to the rental of office space for our personnel. We own one office building in Curaçao and rent the remaining office space as either a head tenant, sub-tenant or on behalf of our customers as serviced offices.

Professional fees

Professional fees consist of audit fees, legal fees—particularly in relation to on-going litigation—and other advisory fees that we incur.

Sales, general and administrative expenses

Sales, general and administrative expenses include marketing and bad debt expenses, travel and other costs associated with our business operations.

Other income/(expenses)

Other income and expenses include those significant items which are separately disclosed by virtue of size or incidence to enable a full understanding of our financial performance. Transactions which may give rise to other income and expenses are principally gains and losses on disposal of investments and subsidiaries, acquisition due diligence costs, start-up and integration related costs as well as redundancy and restructuring costs not in the ordinary course of business. See “—Redundancy and Restructuring Costs.”

Depreciation, amortization and impairment charges

Depreciation, amortization and impairment includes depreciation and amortization or impairment of intangible and tangible assets. Intangible assets include goodwill, client lists, non-compete agreements, Group brands and computer software. Tangible fixed assets include owned buildings, leasehold improvements, furniture and fittings, office and computer equipment and motor vehicles. Our impairment charges primarily relate to the impairment of goodwill and trade receivables.

Net finance costs

Net finance costs comprise interest payable on borrowings calculated using the effective interest rate method, interest receivable on funds invested and foreign exchange gains and losses. The variables affecting our net finance costs include interest rates, foreign exchange movements and amortization.

Income tax expense

Income tax expense comprises current and deferred income tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity in which case it is recognized in equity. As we generate revenue and recognize income through our network of foreign subsidiaries, we may recognize a loss in a subsidiary while generating a profit at the group level or recognize income in a jurisdiction with a lower statutory tax rate than the Netherlands, which is the

jurisdiction of incorporation of the Issuer. As a result, our effective tax rate at the consolidated level can vary significantly from our statutory tax rate in the Netherlands in any given taxable period.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of any asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Non-Controlling Interests/Shelf Companies/Cash Box Companies

We own the majority of the share capital of all of our subsidiaries, except for Panthera Ltd. and Parnassus Accounting France SAS, and certain members of the Group that for legal or commercial reasons in some jurisdictions may be owned by third parties or employees of the Group but are fully consolidated in our Group accounts as we are able to demonstrate full management and economic control. As for Freeway, while we fully consolidate this business into our income statement and include all of the revenue it generates and expenses it incurs within our results of operations, we report a correction to our results for the period for those interests we do not own as non-controlling interests on our income statement to reflect the impact of those minority stakes on our results of operations. In the years ended December 31, 2011, 2012 and 2013, we reported negative non-controlling interest of €1.5 million, €1.4 million and €1.2 million, respectively, and positive non-controlling interest of €0.2 million for the three months ended March 31, 2014.

In addition, as part of our business, we acquire, incorporate and/or organize various forms of legal entities (which we refer to as “shelf companies”) that we maintain for or sell to our clients. We also acquire, incorporate and/or organize cash box companies to hold cash that is pledged to secure loans. These companies are consolidated in our results of operations. Shelf companies and cash box companies will not be considered restricted subsidiaries for purposes of the Indentures.

Trading Update

We believe that our revenue for the second quarter of 2014 will be marginally higher than our revenue for the second quarter of 2013. We believe that our Adjusted EBITDA for the second quarter of 2014 will be marginally lower than our Adjusted EBITDA for the second quarter of 2013.

The above information is not intended to be a comprehensive statement of our financial or operational results for the full year 2014. The preliminary estimates above were prepared based on a number of assumptions and estimates that are subject to inherent uncertainties and subject to change. Accordingly, our actual results may vary from our preliminary estimates above, and such variations could be material. See “*Notice on Forward-Looking Statements*” and “*Risk Factors*” for a more complete discussion of certain of the factors that could affect our future performance and results of operation.

Results of Operations

The following table sets forth our principal items of our statement of comprehensive income for the years ended December 31, 2011, 2012 and 2013 and for the three month periods ended March 31, 2013 and 2014.

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
				(unaudited)	
	(in € millions)				
Total revenue	374.8	391.8	396.8	97.2	101.3
Employee benefit expenses	(188.7)	(205.0)	(208.8)	52.9	56.1
Rental and office expenses	(49.1)	(50.0)	(48.3)	(11.8)	(11.7)
Professional fees	(10.2)	(9.4)	(10.6)	(2.3)	(2.8)
Sales, general and administrative expenses	(19.6)	(20.1)	(20.3)	(4.8)	(5.2)
Results from operating activities before depreciation, amortization, impairment charges and other income/(expenses)	107.3	107.3	108.9	25.5	25.5
Other income/(expenses)—net	(45.9)	(21.4)	(11.6)	(0.6)	(1.6)
Depreciation, amortization and impairment charges	(33.2)	(29.3)	(30.9)	(7.8)	(5.2)
Operating profit	28.2	56.7	66.3	17.1	18.7
Finance income	12.8	16.0	16.9	3.7	4.4
Finance expenses	(108.5)	(108.0)	(110.3)	(29.2)	(27.6)
Net finance costs	(95.7)	(92.1)	(93.4)	(25.5)	(23.2)
Results before income tax	(67.5)	(35.4)	(27.0)	(8.4)	(4.5)
Income tax expense	(6.7)	(6.9)	(4.7)	(1.6)	(2.1)
Result for the period	(74.2)	(42.3)	(31.7)	(10.1)	(6.6)
Cash flow hedges	(6.4)	(4.3)	7.8	3.0	1.4
Foreign currency translation differences for foreign operations	11.2	(2.1)	(13.6)	3.4	(2.2)
Other comprehensive income for the period	4.3	(11.0)	(7.2)	6.4	(0.8)
Total comprehensive income for the period	(69.9)	(53.3)	(39.0)	(3.7)	(7.4)

Comparison of the three months ended March 31, 2013 and March 31, 2014

Revenues

The following table sets forth our revenue for the three months ended March 31, 2013 and March 31, 2014 by segment:

	Three Months Ended March 31,		Three Months Ended March 31,		Change	
	2013 (Revenue in € millions)	2013 (% Consol. Revenues)	2014 (Revenue in € millions)	2014 (% Consol. Revenues)	(€ millions)	%
Total revenue	97.2	100.0%	101.3	100.0%	4.1	4.2
<i>Of which</i>						
Geographical Segments						
Benelux	30.4	31.3%	32.1	31.7%	1.7	5.5
EMEA (excluding Benelux)	29.3	30.2%	33.7	33.3%	4.4	15.0
Americas	17.3	17.8%	16.9	16.7%	(0.4)	(2.1)
APAC	11.6	12.0%	12.3	12.2%	0.7	6.1
Fund services	6.9	7.1%	4.9	4.8%	(2.1)	(29.6)
Other	1.6	1.6%	1.3	1.3%	(0.2)	(15.3)
Business Segments						
Corporate services	73.9	76.0%	80.7	79.6%	6.8	9.2
Structured finance services	8.5	8.7%	8.9	8.8%	0.5	5.6
Fund services	6.9	7.1%	4.9	4.8%	(2.1)	(29.6)
Private client services	7.9	8.1%	6.8	6.7%	(1.1)	(13.6)

During the three months ended March 31, 2014, our revenue increased by €4.1 million, or 4.2%, to €101.3 million from €97.2 million in the three months ended March 31, 2013. The increase in revenue in the first quarter of 2014 was primarily driven by our operations in Benelux, EMEA and APAC, offset by a decrease in revenues from fund services. From a business segment perspective, revenue growth was mainly due to increased revenue from corporate services and structured finance services, offset by a decrease in revenue in private client services and fund services.

Geographical Segments

Benelux: Our revenues in the Benelux region increased by €1.7 million, or 5.5%, to €32.1 million in the three months ended March 31, 2014, from €30.4 million in the three months ended March 31, 2013. This increase was due to an increase in revenues from corporate services in both the Netherlands and Luxembourg.

EMEA: Our revenues in the EMEA region increased by €4.4 million, or 15.0%, to €33.7 million in the three months ended March 31, 2014, from €29.3 million in the three months ended March 31, 2013. This increase was mainly driven by the increase in revenues from corporate services in the United Kingdom, Jersey, Spain and Russia. Structured finance services in Russia, Ireland and the United Kingdom also increased. Revenue was positively impacted by €2.1 million due to the acquisition of Accepta A.S. in Norway.

At constant currency, the increase was €4.8 million or 16.7%. On a like for like basis in constant currency and adjusting for the acquisition in Norway year on year growth was 9.4%.

Americas: Our revenues in the Americas region decreased by €0.4 million, or 2.1%, to €16.9 million in the three months ended March 31, 2014, from €17.3 million in the three months ended March 31, 2013. This decrease was due to negative currency effects. At constant currency, our revenue increased by €2.1 million or 14.2%. The currency impact arose mainly from our operations in Argentina and Brazil. The constant currency increase was mainly driven by the increase in corporate services, mainly human resources and payroll, in Brazil, Argentina, Peru, Colombia and the United States. In addition, structured finance services in Argentina also increased, offset by the decrease of private client services in BVI.

APAC: Our revenues in the APAC region increased by €0.7 million, or 6.1%, to €12.3 million in the three months ended March 31, 2014, from €11.6 million in the three months ended March 31, 2013. The revenue in APAC increased as a result of new client engagements for corporate services in China, Japan, Singapore, Australia and India. The acquisition in Indonesia had a positive impact of €0.1 million on revenues. At constant currency, the increase was €1.6 million or 14.5%. On a like for like basis in constant currency and adjusting for the acquisition in Indonesia, year-on-year growth was 13.3%.

Fund services: Our revenues from fund services decreased by €2.1 million, or 29.6%, to €4.9 million in the three months ended March 31, 2014, from €6.9 million in the three months ended March 31, 2013, primarily due to the termination of a significant client contract. In addition, the net asset value of the funds under administration has decreased, as has the amount of the funds under administration. The business segment has won new mandates, but there is an increased time lag before these mandates generate revenues. We were able to partially compensate for the lost revenue by decreasing the number of FTEs. The ongoing integration of Custom House and TMF Fund Services is expected to reduce staff costs. At constant currency, the decrease was €1.9 million or 28.5%.

Other: Our revenues from other sources decreased by €0.2 million, or 15.3%, to €1.3 million in the three months ended March 31, 2014, from €1.6 million in the three months ended March 31, 2013. This decrease was due to decreased revenue from group clients. In the three months ended March 31, 2013, €0.4 million of revenue from group clients was included in the “other” results. This revenue is included in the regional revenue in the three months ended March 31, 2014.

Business Segments

Corporate services: Our revenues from corporate services increased by €6.8 million, or 9.2%, to €80.7 million in the three months ended March 31, 2014, from €73.9 million in the three months ended March 31, 2013, primarily due to new client engagements in the Netherlands, Luxembourg, Spain, Poland, Jersey, Argentina, Peru, Colombia, Mexico, the United States, Brazil, China, Japan, Singapore, Australia and India. The new client engagements in these countries were principally related to increased

demand for human resource administrative services, accounting and tax services and international structuring services in these markets.

The growth at constant currency was €10.3 million, or 14.6%. On a like for like basis in constant currency and adjusting for the acquisitions in Norway and Indonesia, year-on-year growth was 11.4%.

Structured finance services: Our revenues from structured finance services increased by €0.5 million, or 5.6%, to €8.9 million in the three months ended March 31, 2014, from €8.5 million in the three months ended March 31, 2013, primarily due to growth in Luxembourg, Ireland, the UK, Russia and Argentina. The growth at constant currency was €0.9 million, or 11.1%.

Fund services: Our revenues from fund services decreased by €2.1 million, or 29.6%, to €4.9 million in the three months ended March 31, 2014, from €6.9 million in the three months ended March 31, 2013. The decrease at constant currency was 28.5%

Private client services: Our revenues from private client services decreased by €1.1 million, or 13.6%, to €6.8 million in the three months ended March 31, 2014, from €7.9 million in the three months ended March 31, 2013. This decrease was primarily attributable to a reclassification of certain clients to corporate services and a reduction in the number of clients, due to a re-focusing of the private client value proposition, and the consequential reduction in “non-core” clients. The decrease at constant currency was €0.9 million, or 12.2%.

Employee benefit expenses

Our employee benefit expenses increased by €3.3 million, or 6.2%, to €56.1 million in the three months ended March 31, 2014, from €52.9 million in the three months ended March 31, 2013. At constant currency, the personnel expenses increased by 5.4 million, or 10.7%.

The average number of FTE’s for the three months ended March 31, 2014 increased by 6.6%, to 4,634 in the three months ended March 31, 2014, from 4,349 in the three months ended March 31, 2013. The average salary per FTE in the period decreased by €1.6 thousand, or 4.2%, to €37.7 thousand in the three months ended March 31, 2014, from €39.3 thousand in the three months ended March 31, 2013.

Our employee benefit expenses consist of wages and salaries paid to employees, other personnel costs, social security costs, pensions costs to defined contribution plans and pension costs to defined benefit plans. The following table sets forth a breakdown of our employee benefit expenses for the three months ended March 31, 2013 and 2014:

	Three Months Ended March 31,		Change	
	2013 (in € millions)	2014	(€ millions)	%
Total employee benefit expenses	52.9	56.1	3.3	6.2
<i>Of which</i>				
Wages and salaries	42.7	43.7	1.0	2.3
Other personnel costs	4.2	5.9	1.7	40.6
Social security costs	3.9	4.5	0.6	15.5
Pension costs—defined contribution plans	1.2	1.2	—	5.1
Pension costs—defined benefit plans	0.9	0.8	(0.1)	(10.2)

Rental and office expenses

Our rental and office expenses are equal in the three months ended March 31, 2014, as compared to the three months ended March 31, 2013, primarily due to increases in rent, offset by currency effects.

Professional fees

Our professional fees paid increased by €0.5 million, or 19.9%, to €2.8 million in the three months ended March 31, 2014, from €2.3 million in the three months ended March 31, 2013, primarily due to higher outsourcing costs.

Sales, general and administrative expenses

Our sales, general and administrative expenses increased by €0.4 million, or 8.1%, to €5.2 million in the three months ended March 31, 2014, from €4.8 million in the three months ended March 31, 2013, primarily due to higher marketing expenses and higher costs related to our insurance.

Results from operating activities before depreciation, amortization, impairment charges and other income/(expenses)

During the three months ended March 31, 2014, our results from operating activities before depreciation, amortization, impairment charges and other income / (expenses) (which we refer to below as “results from operating activities”) was €25.5 million, which was equal to our results from operating activities in the three months ended March 31, 2013. Our results from operating activities mainly increased in Benelux and EMEA, but was offset by a decrease in results from operating activities in fund services and other, mostly corporate costs which reflect ongoing investment in building sales capability.

We discuss below our results from operating activities on a geographic segment basis expressed as a percentage of revenue, which we refer to as operating margin.

Benelux: Our results from operating activities in the Benelux region increased by €1.3 million, or 7.8%, to €17.6 million in the three months ended March 31, 2014, from €16.3 million in the three months ended March 31, 2013, primarily due to higher revenues. Operating margin increased to 54.8% in the three months ended March 31, 2014, as compared to 53.6% in the three months ended March 31, 2013.

EMEA: Our results from operating activities in the EMEA region increased by €2.2 million, or 22.5%, to €11.8 million in the three months ended March 31, 2014 from €9.7 million in the three months ended March 31, 2013, primarily due to increased revenues. At constant currency, results from operating activities increased by €2.3 million, or 23.8%. The acquisition in Norway had a positive impact of €0.7 million on results from operating activities. At constant currency and adjusted for the impact of the acquisition, results from operating activities increased by €1.6 million, or 16.5%. Operating margin increased to 35.1% in the three months ended March 31, 2014, as compared to 33.0% in the three months ended March 31, 2013.

Americas: Our results from operating activities in the Americas region increased by €0.2 million, or 3.4%, to €5.1 million in the three months ended March 31, 2014, from €4.9 million in the three months ended March 31, 2013, primarily due to increased revenue from new client engagements, offset by increased costs from the expansion of operations. At constant currency, results from operating activities increased by €0.7 million, or 14.7%. Operating margin in the Americas region increased to 30.1% in the three months ended March 31, 2014, from 28.5% in the three months ended March 31, 2013, primarily due to the realization of certain economies of scale in the business.

APAC: Our results from operating activities in the APAC region increased by €0.2 million, or 6.9%, to €2.4 million in the three months ended March 31, 2014, from €2.2 million in the three months ended March 31, 2013, primarily due to increased revenues. At constant currency, results from operating activities increased by €0.3 million, or 16.0%. Operating margin in the APAC region for the three months ended March 31, 2014 is 19.0%, which is equal to the results from operating activities margin in the APAC region for the three months ended March 31, 2013.

Fund services: Our results from operating activities from fund services decreased by €1.0 million, or 61.4%, to €0.6 million in the three months ended March 31, 2014 from €1.6 million in the three months ended March 31, 2013, primarily due to decreased revenues, partially offset by lower personnel costs arising from a lower average of FTEs in 2014. At constant currency, our results from operating activities decreased by €0.9 million, or 60.2%. Operating margin in the fund services decreased to 12.7% for the three months ended March 31, 2014, as compared to 23.2% for the three months ended March 31, 2013.

Other: Our results from operating activities in our other segment decreased by €2.7 million, or 29.6%, to a loss of €12.0 million in the three months ended March 31, 2014, from a loss of €9.3 million in the three months ended March 31, 2013, primarily due to increased costs arising from investments in building the global sales team and higher IT and marketing costs.

Other expenses

Our other expenses, consisting of acquisition, litigation, redundancy and restructuring costs, increased by €1.0 million, or 153.9%, to €1.6 million in the three months ended March 31, 2014, from €0.6 million in the three months ended March 31, 2013.

The following table sets forth a breakdown of our other expenses for the three months ended March 31, 2013 and 2014:

	Three Months Ended March 31,		Change	
	2013 (in € millions)	2014 (in € millions)	(€ millions)	%
Total other expenses	0.6	1.6	1.0	153.9
<i>Of which</i>				
Gain/(loss) on disposal of non-current assets	0.0	0.0	0.0	(70.0)
Acquisition, due diligence and start-up costs	0.0	0.0	0.0	100.0
Redundancy and restructuring costs	0.7	1.5	0.8	126.5

Other expenses for the three months ended March 31, 2014 primarily relate to the integration costs of the fund services activities and termination fees related to senior staff due to restructuring. Other expenses for the three months ended March 31, 2013 primarily relate to termination fees.

Depreciation, amortization and impairment charges

Depreciation for the three months ended March 31, 2014 decreased by €0.2 million, or 9.5%, to €1.6 million in the three months ended March 31, 2014 from €1.8 million in the three months ended March 31, 2013. The decrease in depreciation is in line with the lower balance of property, plant and equipment as of the three months ended March 31, 2014, as compared to the balance as of March 31, 2013.

Amortization for the three months ended March 31, 2014 decreased by €2.4 million, or 40.8%, to €3.5 million in the three months ended March 31, 2014 from €5.9 million in the three months ended March 31, 2013, primarily due to the amortization of software and certain acquisition-related intangible assets other than goodwill.

Finance income

Finance income primarily includes interest income on short-term bank deposits. In the three months ended March 31, 2014, our finance income increased by €0.8 million, or 20.5%, to €4.4 million from €3.7 million in the three months ended March 31 2013.

Finance expenses

Our finance costs decreased by €1.6 million, or 5.3%, to €27.6 million in the three months ended March 31, 2014 from €29.2 million in the three months ended March 31, 2013.

Income tax expense

Our income tax expense increased by €0.5 million, or 28.2%, to €2.1 million in the three months ended March 31, 2014 from €1.6 million in the three months ended March 31, 2013, primarily due to a reduction in certain tax rebates.

Results for the year

As a result of the foregoing factors, our loss for the period decreased by €3.5 million, or 34.5%, to €6.6 million in the three months ended March 31, 2014 from €10.1 million in the three months ended March 31, 2013.

Comparison of the years ended December 31, 2012 and 2013

Revenues

The following table sets forth our revenue for the years ended December 31, 2012 and 2013 by segment:

	Year Ended December 31,		Year Ended December 31,		Change	
	2012 (Revenue in € millions)	2012 (% Consol. Revenues)	2013 (Revenue in € millions)	2013 (% Consol. Revenues)	(€ millions)	%
Total revenue	391.8		396.8		5.0	1.3
<i>Of which</i>						
Geographical Segments						
Benelux	122.4	31.2	125.8	31.7	3.4	2.8
EMEA (excluding Benelux)	118.4	30.2	122.8	30.9	4.4	3.7
Americas	69.4	17.7	70.3	17.7	0.9	1.3
APAC	44.3	11.3	48.2	12.1	3.8	8.6
Other	4.5	1.2	5.6	1.4	1.1	24.3
Business Segments						
Corporate services	293.3	74.8	306.3	77.2	13.0	4.4
Structured finance services	33.3	8.5	37.7	9.5	4.5	13.5
Fund services	32.9	8.3	24.2	6.1	(8.6)	(26.3)
Private client services	32.4	8.4	28.6	7.2	(3.8)	(11.8)

Our revenue increased by €5.0 million, or 1.3%, to €396.8 million in the year ended December 31, 2013 from €391.8 million in the year ended December 31, 2012, primarily due to growth in revenue generated from the corporate services and structured finance services business segments, offset by decreases in revenue generated from the fund services and private client services business segments.

Geographical Segments

Benelux: Our revenues in the Benelux region increased by €3.4 million, or 2.8%, to €125.8 million in the year ended December 31, 2013 from €122.4 million in the year ended December 31, 2012, primarily due to increased revenue from the provision of corporate services and structured finance services in Luxembourg and structured finance services in the Netherlands. In both countries the number of structured finance structures increased. In Luxembourg the number of clients in the corporate services also increased. The revenue per average FTE in the Benelux region increased by €1.9 thousand, or 0.8%, to €232.1 thousand in the year ended December 31, 2013 from €230.2 thousand in the year ended December 31, 2012.

EMEA: Our revenues in the EMEA region increased by €4.4 million, or 3.7%, to €122.8 million in the year ended December 31, 2013 from €118.4 million in the year ended December 31, 2012, primarily due to new client engagements for corporate services in Austria, Spain, the UK and Poland and client engagements for structured finance services in Russia and Ireland. Revenue was negatively impacted by the deconsolidation of part of the activities in France from December 2012 (€2.5 million of revenue in the year ended December 31, 2012) and positively impacted by the acquisition of Accepta A.S. in November 2013 (€0.6 million of revenue in the year ended December 31, 2013). Our revenue per FTE in the EMEA region decreased by approximately €2.1 thousand, or 2.1%, to approximately €99.1 thousand for the year ended December 31, 2013 from approximately €101.2 thousand for the year ended December 31, 2012, as a result of investment in new staff in smaller countries, where efficiency is lower.

Americas: Our revenues in the Americas region increased by €0.9 million, or 1.3%, to €70.3 million in the year ended December 31, 2013 from €69.4 million in the year ended December 31, 2012, primarily due to new client engagements for corporate services in Argentina, Brazil, Chile, Central America and Peru, offset by a decrease in revenue in British Virgin Islands and Curacao as a result of a reduction in the private client services. Our revenue per FTE in the Americas region increased by approximately €0.7 thousand, or 1.2%, to approximately €60.6 thousand for the year ended December 31, 2013 from approximately €59.9 for the year ended December 31, 2012, due to improved efficiency.

APAC: Our revenues in the APAC region increased by €3.8 million, or 8.6%, to €48.2 million in the year ended December 31, 2013 from €44.3 million in the year ended December 31, 2012, as a result of new client engagements for corporate services in Australia, India, Japan and Singapore. In addition, the

revenue from the operations in China increased as we opened new offices in 2012 and gained new clients. Our revenue per FTE in the APAC region increased by approximately €6.9 thousand, or 13.3%, to approximately €58.6 thousand for the year ended December 31, 2013 from approximately €51.7 thousand for the year ended December 31, 2012, due to our smaller offices achieving increased economies of scale and our improved efficiency.

Fund services: Our revenues from fund services decreased by €8.6 million, or 26.3%, to €24.2 million in the year ended December 31, 2013 from €32.9 million in the year ended December 31, 2012, primarily due to the termination of a significant client contract. In addition, the net asset value of the funds under administration decreased as did the amount of the funds under administration. Our revenue per FTE from fund services decreased by approximately €9.9 thousand, or 9.1%, to approximately €98.2 thousand for the year ended December 31, 2013 from approximately €108.1 thousand for the year ended December 31, 2012, as we were able to partially compensate for the lost revenue by decreasing the number of FTEs.

Other: Our revenues from other sources increased by €1.1 million, or 24.3%, to €5.6 million in the year ended December 31, 2013 from €4.5 million in the year ended December 31, 2012, as a result of increased revenue from Freeway associated with new royalty fee administration contract wins and higher revenue from our clients not allocated to the regions above.

Business Segments

Corporate services: Our revenues from corporate services increased by €13.0 million, or 4.4%, to €306.3 million in the year ended December 31, 2013 from €293.3 million in the year ended December 31, 2012, primarily due to new client engagements for the provision of corporate services in the growth countries such as Luxembourg, Austria, Spain, the UK, Poland, Argentina, Brazil, Chile, Central America, Peru, Australia, India, Japan and Singapore. These new client engagements were principally related to the increased demand for the human resource administrative and accounting services in these markets. This increase in demand was partially offset by the decision to deconsolidate certain activities in France and positively impacted by the acquisition in Norway.

Structured finance services: Our revenues from structured finance services increased by €4.5 million, or 13.5%, to €37.7 million in the year ended December 31, 2013 from €33.3 million in the year ended December 31, 2012, primarily due to growth in the Netherlands, Luxembourg, Ireland, UK, Russia and Argentina.

Fund services: Our revenues from fund services decreased by €8.6 million, or 26.3%, to €24.2 million in the year ended December 31, 2013 from €32.9 million in the year ended December 31, 2012, primarily due to the termination of a significant client contract. In addition, the net asset value of the funds under administration has decreased as has the amount of the funds under administration.

Private client services: Our revenues from private client services decreased by €3.8 million, or 11.8%, to €28.6 million in the year ended December 31, 2013 from €32.4 million in the year ended December 31, 2012, primarily due to a reduction in the number of clients, due to our decision to focus on our larger clients, and the subsequent reduction in the number of our 'non-core' clients.

Employee benefit expenses

Our employee benefit expenses increased by €3.7 million, or 1.8%, to €208.8 million in the year ended December 31, 2013 from €205.0 million in the year ended December 31, 2012. Our employee benefit expenses per FTE totaled approximately €47.2 thousand in 2013 and approximately €48.6 thousand in 2012.

Our employee benefit expenses consist of wages and salaries paid to employees, other personnel costs, social security costs, pensions costs to defined contribution plans and pension costs to defined

benefit plans. The following table sets forth a breakdown of our employee benefit expenses for the years ended December 31, 2012 and 2013:

	Year Ended December 31,		Change	
	2012 (in € millions)	2013	(€ millions)	%
Total employee benefit expenses⁽¹⁾	205.0	208.8	3.7	1.8
<i>Of which</i>				
Wages and salaries	161.5	162.8	1.3	0.8
Other personnel costs	17.0	17.6	0.5	3.2
Social security costs	19.4	19.6	0.3	1.4
Pension costs—defined contribution plans	4.5	5.5	1.0	22.5
Pension costs—defined benefit plans	2.6	2.7	0.0	1.0

(1) IAS 19, 'Employee benefits' was amended in June 2011. We decided to early adopt this amended IAS19 for the financial year beginning 1 January 2012. Due to elimination of the corridor approach, the recognition of all actuarial gains and losses in other comprehensive income and a change of estimate regarding the plan assets, the retirement benefit obligation as at January 1, 2012 increased (and retained earnings decreased) with €0.2 million.

Rental and office expenses

Our rental and office expenses decreased by €1.7 million, or 3.4%, to €48.3 million in the year ended December 31, 2013 from €50.0 million in the year ended December 31, 2012, principally resulting from the consolidation of offices in the Netherlands.

Professional fees

Our professional fees paid increased by €1.2 million, or 12.7%, to €10.6 million in the year ended December 31, 2013 from €9.4 million in the year ended December 31, 2012, primarily due to increased outsourcing and costs relating to tax advice.

Sales, general and administrative expenses

Our Sales, general and administrative expenses increased by €0.2 million, or 1.0%, to €20.3 million in the year ended December 31, 2013 from €20.1 million in the year ended December 31, 2012, primarily due increased marketing and sales expenses, offset by a lower charge in respect to the allowance for overdue receivables.

Results from operating activities before depreciation, amortization, impairment charges and other income/(expenses)

During the year ended December 31, 2013, our results from operating activities before depreciation, amortization, impairment charges and other income/(expenses) (which we refer to below as "results from operating activities") increased by €1.6 million, or 1.5% to €108.9 million from €107.3 million in the year ended December 31, 2012, primarily due to increased revenues and improved efficiency. Our results from operating activities expressed as a percentage of revenue was 27.4% in both 2012 and 2013.

We discuss below our results from operating activities on a geographic basis expressed as a percentage of revenue, which we refer to as operating margin.

Benelux: Our results from operating activities in the Benelux region increased by €3.0 million, or 4.5%, to €69.5 million in the year ended December 31, 2013 from €66.5 million in the year ended December 31, 2012, primarily due to an increase in revenues from the operations in the Netherlands, Belgium and Luxembourg. Our operating margin in the Benelux region decreased to 55.2% in the year ended December 31, 2013 from 54.3% in the year ended December 31, 2012, primarily due to investments in the operations in Luxembourg.

EMEA: Our results from operating activities in the EMEA region increased by €9.5 million, or 29.0%, to €42.3 million in the year ended December 31, 2013 from €32.8 million in the year ended December 31, 2012, primarily due to increased revenues from new client engagements. Our operating margin in the

EMEA region increased to 34.5% in the year ended December 31, 2013 from 27.7% in the year ended December 31, 2012, primarily due to increased economies of scale.

Americas: Our results from operating activities in the Americas region increased by €6.4 million, or 42.1%, to €21.5 million in the year ended December 31, 2013 from €15.1 million in the year ended December 31, 2012, primarily due to increased revenues from new client engagements, offset by increased costs from the expansion of the operations. Our operating margin in the Americas region increased to 30.5% in the year ended December 31, 2013 from 21.8% in the year ended December 31, 2012, primarily due to increased economies of scale.

APAC: Our results from operating activities in the APAC region increased by €6.0 million, or 142.5%, to €10.1 million in the year ended December 31, 2013 from €4.2 million in the year ended December 31, 2012, primarily due to increased revenues from new client engagements. Our operating margin in the APAC region increased to 21.0% in the year ended December 31, 2013 from 9.4% in the year ended December 31, 2012, primarily due to increased economies of scale.

Fund services: Our results from operating activities from fund services decreased by €4.7 million, or 49.9%, to €4.7 million in the year ended December 31, 2013 from €9.4 million in the year ended December 31, 2012, primarily due to decreased revenue, offset by lower personnel costs arising from a lower average number of FTEs in 2013. Our operating margin from fund services decreased to 19.4% in the year ended December 31, 2013 from 28.6% in the year ended December 31, 2012, as the decreased revenues were not fully offset by decreased costs.

Other: Our loss from operating activities in our other segment decreased by €18.6 million, or 90.1%, from a loss of €39.2 million in the year ended December 31, 2013, to a loss of €20.6 million in the year ended December 31, 2012. This segment consists mainly of our corporate expenses, which increased in the year ended December 31, 2013 as compared to the year ended December 31, 2012, primarily due to our investments in building the global sales team, higher IT costs and higher marketing costs, all of which are reported at a group corporate level.

Other expenses

Our other expenses decreased by €9.7 million, or 45.5%, to €11.6 million in the twelve months ended December 31, 2013 from €21.4 million in the twelve months ended December 31, 2012, primarily due to redundancy and restructuring costs in 2012 relating to our merger with Equity Trust.

The following table sets forth a breakdown of our other expenses for the years ended December 31, 2012 and 2013:

	Year Ended December 31,		Change	
	2012	2013	(€ millions)	%
	(in € millions)			
Total other expenses	(21.4)	(11.6)	9.7	(45.5)
<i>Of which</i>				
Gain/(loss) on disposal of other non-current assets	(0.2)	—	0.2	(80.1)
Acquisition, due diligence and start-up costs	(0.4)	(1.9)	(1.5)	369.0
Redundancy and restructuring costs	(19.8)	(7.4)	12.4	(62.7)

Depreciation, amortization and impairment charges

Depreciation decreased by €1.0 million, or 12.5%, to €7.1 million in the year ended December 31, 2013 from €8.1 million in the year ended December 31, 2012. The decrease in depreciation is in line with reduced investments in the year ended December 31, 2013, as compared to the year ended December 31, 2012.

Amortization increased by €2.6 million, or 12.4%, to €23.8 million in the year ended December 31, 2013 from €21.2 million in the year ended December 31, 2012, relating to the amortization of certain software and acquisition-related intangible assets.

There was no impairment charge in the year ended December 31, 2013 or December 31, 2012.

Finance income

Finance income primarily includes interest income on short-term bank deposits related to the deposit of cash on hand from our operations. Our finance income increased by €1.0 million, or 6.1%, to €16.9 million in the year ended December 31, 2013 from €16.0 million in the year ended December 31, 2012.

Finance expense

Finance expense includes interest payable on our financing arrangements, including the Revolving Credit Facility, the Shareholder Loans and secured bank overdrafts. Our finance costs increased by €2.3 million, or 2.1%, to €110.3 million in the year ended December 31, 2013 from €108.0 million in the year ended December 31, 2012, primarily due to the impact of hedging and certain refinancing transactions. The total amount of our loans and borrowings increased from €927.2 million as of December 31, 2012, to €968.3 million as at December 31, 2013.

Income tax expense

Our income tax expense decreased by €2.2 million, or 32.0%, to €4.7 million in the year ended December 31, 2013 from €6.9 million in the year ended December 31, 2012, primarily due to the higher positive impact from the use of deferred tax liabilities related to the write off of the Equity Trust brand.

Results for the year

As a result of the foregoing factors, our loss for the period decreased by €10.6 million, or 24.9%, to €31.7 million in the year ended December 31, 2013 from €42.3 million in the year ended December 31, 2012.

Comparison of the years ended December 31, 2011 and 2012

Revenues

The following table sets forth our revenue for the years ended December 31, 2011 and 2012:

	Year Ended December 31,		Year Ended December 31,		Change	
	2011 (Revenue in € millions)	2011 (% Consol. Revenues)	2012 (Revenue in € millions)	2012 (% Consol. Revenues)	(€ millions)	%
Total revenue	374.8		391.8		17.1	4.6
<i>Of which</i>						
Geographical Segments						
Benelux	125.9	33.6%	122.4	31.2%	(3.6)	(2.8)
EMEA (excluding Benelux) .	112.3	30.0%	118.4	30.2%	6.1	5.5
Americas	61.9	16.5%	69.4	17.7%	7.5	12.1
APAC	37.9	10.1%	44.3	11.3%	6.5	17.1
Fund services	33.0	8.8%	32.9	8.4%	(0.2)	(0.5)
Other	3.8	1.0%	4.5	1.2%	0.7	19.7
Business Segments						
Corporate services	276.0	73.7%	293.3	74.8%	17.3	6.3
Structured finance services	34.4	9.2%	33.3	8.5%	(1.1)	(3.3)
Fund services	33.0	8.8%	32.9	8.4%	(0.2)	(0.5)
Private client services	31.3	8.4%	32.4	8.3%	1.1	3.6

During the year ended December 31, 2012, our revenue increased by €17.1 million, or 4.6%, to €391.8 million in the year ended December 31, 2012 from €374.8 million in the year ended December 31, 2011 primarily due to the reasons set out below.

Geographical Segments

Benelux: Our revenues in the Benelux region decreased by €3.6 million, or 2.8%, to €122.4 million in the year ended December 31, 2012 from €125.9 million in the year ended December 31, 2011, primarily due to decreased revenue from the provision of corporate services and structured finance services in the Netherlands. Our revenue per average FTE in the Benelux region decreased by €6.3 thousand, or 3% to

€230.4 thousand for the year ended December 31, 2012 from €236.7 for the year ended December 31, 2011, primarily due to decreased general levels of global economic activity leading to decreased demand for new corporate structures and other corporate services.

EMEA: Our revenues in the EMEA region increased by €6.1 million, or 5.5%, to €118.4 million in the year ended December 31, 2012 from €112.3 million in the year ended December 31, 2011, primarily as a result of new client engagements for the corporate services in Jersey, the United Kingdom and Spain and the continued growth of the operations in Russia, principally relating to the provision of structured finance services. Our revenue per average FTE in the EMEA region increased by €3.3 thousand, or 3%, to €100.2 thousand for the year ended December 31, 2012 from €96.9 thousand for the year ended December 31, 2011, as a result of increased efficiency.

Americas: Our revenues in the Americas region increased by €7.5 million, or 12.1%, to €69.4 million in the year ended December 31, 2012 from €61.9 million in the year ended December 31, 2011, primarily due to new client engagements for corporate services in Argentina, Chile and Colombia. Our revenue per average FTE in the Americas region increased by €6.2 thousand, or 12.0%, to €59.8 thousand for the year ended December 31, 2012 from €53.6 thousand for the year ended December 31, 2011, due to improved efficiency, as a result of staff reductions in Argentina and Brazil, as we integrated the operations in Argentina following the merger with Equity Trust and restructured the operations in Brazil to reduce costs. These staff reductions were partially offset by an increase in the number of regional staff following the merger with Equity Trust as we sought to strengthen corporate management in the region.

APAC: Our revenues in the APAC region increased by €6.5 million, or 17.1%, to €44.3 million in the year ended December 31, 2012 from €37.9 million in the year ended December 31, 2011, primarily due to new client engagements for corporate services in Australia, Singapore and Hong Kong, as well as the opening of new offices in the region.

Fund services: Our revenues from fund services decreased by €0.2 million, or 0.5%, to €32.9 million in the year ended December 31, 2012 from €33.0 million in the year ended December 31, 2011, primarily due to a slight decrease in the amount of funds under administration. Our revenue per average FTE from fund services increased by €19.5 thousand, or 20.0%, to €119.0 thousand for the year ended December 31, 2012 from €99.5 thousand for the year ended December 31, 2011, as we were able to decrease the number of the average FTEs in the fund services segment following the merger with Equity Trust while maintaining stable revenues based on funds under administration.

Other: Our revenues from other sources increased by €0.7 million, or 19.7%, to €4.5 million in the year ended December 31, 2012 from €3.8 million in the year ended December 31, 2011, primarily due to increased revenue from Freeway associated with new royalty fee administration contract wins.

Business Segments

Corporate services: Our revenues from corporate services increased by €17.3 million, or 6.3%, to €293.3 million in the year ended December 31, 2012 from €276.0 million in the year ended December 31, 2011, primarily due to increased demand for human resource administrative services in these markets. This increase in demand was partially offset by a decrease in the provision of corporate services in the Netherlands, particularly a decreased demand for international structuring services.

Structured finance services: Our revenues from structured finance services decreased by €1.1 million, or 3.3%, to €33.3 million in the year ended December 31, 2012 from €34.4 million in the year ended December 31, 2011, primarily due to lower levels of economic activity globally leading to a decreased volume of structured finance transactions and fewer special purpose vehicle incorporations in the jurisdictions in which we operate, including Luxembourg and the Netherlands.

Fund services: Our revenues from fund services decreased slightly by €0.2 million, or 0.5%, to €32.9 million in the year ended December 31, 2012 from €33.0 million in the year ended December 31, 2011, reflecting the relatively stable amounts of funds under administration during the period.

Private client services: Our revenues from private client services increased by €1.1 million, or 3.6%, to €32.4 million in the year ended December 31, 2012 from €31.3 million in the year ended December 31, 2011, primarily due to the revised reporting of associated revenue following the merger with Equity Trust.

Employee benefit expenses

Our employee benefit expenses increased by €16.4 million, or 8.7%, to €205.0 million in the year ended December 31, 2012 from €188.7 million in the year ended December 31, 2011. Our employee benefit expenses per average FTE totaled €44.6 thousand in 2011 and €47.9 thousand in 2012.

Our employee benefit expenses consist of wages and salaries paid to employees, other personnel costs, social security costs, pensions costs to defined contribution plans and pension costs to defined benefit plans. The following table sets forth a breakdown of our employee benefit expenses for the years ended December 31, 2011 and 2012:

	Year Ended December 31,		Change	
	2011	2012	(€ millions)	%
	(in € millions)			
Total employee benefit expenses	188.7	205.0	16.4	8.7%
<i>Of which</i>				
Wages and salaries	150.0	161.5	11.5	7.7%
Other personnel costs	14.7	17.0	2.4	16.1%
Social security costs	17.1	19.4	2.2	13.0%
Pension costs—defined contribution plans	4.4	4.5	0.1	1.8%
Pension costs—defined benefit plans	2.4	2.6	0.2	8.7%

Rental and office expenses

Our rental and office expenses increased by €0.9 million, or 1.8%, to €50.0 million in the year ended December 31, 2012 from €49.1 million in the year ended December 31, 2011, primarily due to increases in rental and IT expenses caused by the an increase in the number of offices, primarily due to the expansion in China. This increase was slightly offset by a decrease in rents under some of our existing lease arrangements.

Professional fees

Our professional fees paid decreased by €0.7 million, or 7.3%, to €9.4 million in the year ended December 31, 2012 from €10.2 million in the year ended December 31, 2011, primarily due to lower audit expenses, as we realized synergies from our merger with Equity Trust.

Sales, general and administrative expenses

Our sales, general and administrative expenses increased by €0.5 million, or 2.6%, to €20.1 million in the year ended December 31, 2012 from €19.6 million in the year ended December 31, 2011.

Results from operating activities before depreciation, amortization, impairment charges and other income/(expenses)

During the years ended December 31, 2012 and 2011, our results from operating activities before depreciation, amortization, impairment charges and other income/(expenses) (which we refer to below as “results from operating activities”) remained unchanged amounting to €107.3 million, respectively, primarily due to increases in the results from operating activities in the Americas and fund services, which were offset by a decrease in results from operating activities in APAC.

We discuss below our results from operating activities on a geographic basis expensed as a percentage of revenue, which we refer to as operating margin.

Benelux: Our results from operating activities in the Benelux region decreased by €0.6 million, or 0.8%, to €66.5 million in the year ended December 2012 from €67.0 million in the year ended December 31, 2011, primarily due to an increase in revenues from the operations in Belgium and Luxembourg, which were offset by lower revenues from the operations in the Netherlands. This resulted in an increase in our operating margin in the Benelux region to 54.3% in the year ended December 31, 2012 from 53.2% in the year ended December 31, 2011, primarily due to our operations in Luxembourg.

EMEA: Our results from operating activities in the EMEA region increased by €0.3 million, or 1.0%, to €32.8 million in the year ended December 31, 2012 from €32.5 million in the year ended December 31,

2011, primarily due to growth in the revenues from new client engagements, offset by increased cost associated with employees hired for the global sales force in the region. Our operating margin in the EMEA region decreased to 27.7% in the year ended December 31, 2012 from 28.9% in the year ended December 31, 2011, primarily due to increased costs in the region.

Americas: Our results from operating activities in the Americas region increased by €1.9 million, or 14.7%, to €15.1 million in the year ended December 31, 2012 from €13.2 million in the year ended December 31, 2011, primarily due to increased revenues from new client engagements, offset by increased costs from the expansion of operations. This resulted in our operating margin in the Americas region increasing to 21.8% in the year ended December 31, 2012 from 21.3% in the year ended December 31, 2011, primarily due to increased economies of scale.

APAC: Our results from operating activities in the APAC region decreased by €2.6 million, or 38.0% to €4.2 million in the year ended December 31, 2012 from €6.7 million in the year ended December 31, 2011, primarily due to increased costs in the region as we invested in expanding the number of offices and the sales force. Our operating margin in the APAC region was 9.4% in the year ended December 31, 2012, a decrease from 17.8% in the year ended December 31, 2011, primarily due to increased costs in the region.

Fund services: Our results from operating activities from fund services increased by €1.6 million, or 20.4%, to €9.4 million in the year ended December 31, 2012 from €7.8 million in the year ended December 31, 2011, primarily due to decreased wages and salary costs from a lower average number of FTEs. Our operating margin from fund services increased to 28.6% in the year ended December 31, 2012 from 23.6% in the year ended December 31, 2011, as wage and salary costs decreased based on a lower average number of FTEs.

Other: Our results from operating activities in our other segment showed a loss of €20.6 million in the year ended December 31, 2012, and a loss of €20.0 million in the year ended December 31, 2011. This segments consists primarily of certain corporate expenses, which increased slightly in the year ended December 31, 2012.

Other expenses

In 2012, our other expenses decreased by €24.5 million, or 53.4%, to €21.4 million in 2012 from €45.9 million in 2011, primarily due to redundancy and restructuring costs arising from the merger with Equity Trust.

The following table sets forth a breakdown of our other expenses for the years ended December 31, 2011 and 2012:

	Year Ended December 31,		Change	
	2011	2012	(€ millions)	%
	(in € millions)			
Total other expenses	(45.9)	(21.4)	24.5	(53.4)
<i>Of which</i>				
Gain/(loss) on disposal of other non-current assets	(0.1)	(0.2)	(0.1)	(81.5)
Acquisition, due diligence and start-up costs	(11.2)	(0.4)	10.8	(96.3)
Redundancy and restructuring costs	(33.5)	(19.8)	13.7	(40.9)

Acquisition, due diligence and start-up costs in 2012 mainly related to an increase in deferred consideration. In 2011, these costs mainly related to costs incurred as result from the merger with Equity Trust.

Redundancy and restructuring costs in 2012 mainly related to integration costs as a result of the merger with Equity Trust. Redundancy and restructuring costs in 2011 mainly related to the preparation for the merger with Equity Trust and restructuring of a few local offices.

Depreciation, amortization and impairment charges

Depreciation decreased by €0.6 million, or 6.8%, to €7.1 million in the year ended December 31, 2011 from €8.1 million in the year ended December 31, 2012.

Amortization decreased by €3.3 million, or 13.4%, to €21.2 million in the year ended December 31, 2012 from €23.8 million in the year ended December 31, 2011, primarily due to the reduction in the amortization of software and other intangible assets other than goodwill.

There was no impairment of the carrying value of goodwill in the year ended December 31, 2012 or December 31, 2011.

Finance income

Finance income primarily includes interest income on short-term bank deposits. In 2012, our finance income increased by €3.1 million, or 24.5%, to €16.0 million from €12.8 million in 2011.

Finance expenses

Finance costs include interest payable on our financing arrangements, including the Revolving Credit Facility, the secured mezzanine bank loan, the unsecured shareholder loan and secured bank overdrafts. In 2012, our finance costs decreased by €0.5 million, or 0.5%, to €108.0 million in 2012 from €108.5 million in 2011, principally as a result of certain refinancing transactions, which resulted in increased accelerated amortization of capitalized finance costs.

Income tax expense

Our income tax expense increased by €0.2 million, or 2.4%, to €6.9 million in 2012 from €6.7 million in 2011 principally due to higher distribution-related taxes.

Results for the year

As a result of the foregoing factors, our loss for the period decreased by €31.9 million, or 43.0%, to €42.3 million in the year ended December 31, 2012 from a loss of €74.2 million in the year ended December 31, 2011.

Liquidity and Capital Resources

Our principal sources of liquidity are cash flows from operating activities and proceeds from loans and borrowings, including the Notes. We may also rely on secured bank overdrafts for cash management purposes. We seek to maintain an appropriate level of liquidity and funding through several sources, including cash from operations, bank loans and the Notes, and expect cash flow from operating activities and long-term loans and borrowings will be important sources of cash for us in the future. In addition to financing our existing operations, our liquidity needs arise principally from our interest obligations on our indebtedness, as well as cash used in investing activities, including the acquisition of subsidiaries and associated restructuring and other transaction and integration costs.

Cash flows

Set forth below is an overview of our cash flows for the three months ended March 31, 2013 and 2014 and for the years ended December 31, 2011, 2012 and 2013:

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
	(in € millions)			(unaudited)	(unaudited)
Cash generated from operations	106.3	108.5	100.2	24.1	32.9
Income tax paid	(12.0)	(14.2)	(8.0)	(0.7)	(2.5)
Net cash generated from operating activities (excluding cash flow regarding other income/ (expenses) and relating provisions)	94.3	94.3	92.2	23.3	30.5
Acquisition and due diligence costs paid	(11.2)	(0.4)	(0.2)	—	(0.2)
Redundancy and restructuring costs paid	(34.5)	(20.7)	(10.4)	(0.7)	(0.9)
Provisions	7.0	(5.0)	(6.1)	(1.7)	(0.5)
Net cash generated from operating activities and cash flow regarding other income/ (expenses) and relating provisions	55.6	68.2	75.5	21.0	28.9
Net cash used in investing activities	(189.2)	(13.4)	(16.3)	(1.8)	(6.2)
Interest received	7.1	9.2	9.3	2.1	2.7
Interest paid	(93.7)	(48.6)	(56.6)	(9.5)	(9.7)
Net cash generated from financing activities . . .	152.3	(39.3)	(48.0)	(7.3)	(13.1)
Net increase in cash and cash equivalents	18.7	15.6	11.2	12.0	9.6
Cash and cash equivalents at beginning of the year	49.5	68.3	83.4	83.4	90.4
Exchange gains/(losses) on cash and cash equivalents	0.1	(0.5)	(4.2)	(0.8)	(0.8)
Cash and cash equivalents at end of the period	68.3	83.4	90.4	94.6	99.3

Net cash from operating activities

Set forth below is our cash generated from operations for the three months ended March 31, 2013 and 2014 and for the years ended December 31, 2011, 2012 and 2013:

	Year Ended December 31,			Three Months Ended March 31,	
	2011	2012	2013	2013	2014
	(in € millions)			(unaudited)	(unaudited)
Result before income tax	(67.5)	(35.4)	(27.0)	(8.4)	(4.5)
Adjustments for:					
Amortization/impairment	24.5	21.2	23.8	5.9	3.5
Depreciation/impairment	8.7	8.1	7.1	1.8	1.6
Retirement benefit obligations	(0.9)	(3.7)	(2.1)	(0.2)	(0.5)
Other income/expenses—net	45.9	21.4	11.6	(0.6)	(1.6)
Finance costs—net	95.7	92.1	93.4	25.5	23.2
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):					
Financial assets	—	1.0	(0.2)	(0.3)	(0.3)
Trade receivables	(7.3)	(4.1)	(4.2)	(28.2)	(26.3)
Other receivables	—	(2.5)	2.7	(0.5)	(4.6)
Trade and other payables	0.2	9.6	(3.8)	26.5	39.5
Changes in foreign currency (excluding movement in currency translation reserves)	7.0	0.9	(1.1)	1.3	(0.3)
Cash generated from operations	106.3	108.5	100.2	24.1	32.9

Our net cash generated from operating activities increased by €8.9 million to €32.9 million for the three months ended March 31, 2014 from €24.1 million for the three months ended March 31, 2013, primarily due to a positive movement in working capital. In the three months ended March 31, 2013, we paid the costs related to the December 2012 refinancing. The positive movement in working capital in the three months ended March 31, 2014 relates to annual invoices which are invoiced and paid at the beginning of the year.

Our net cash generated from operating activities decreased by €8.3 million to €100.2 million for the year ended December 31, 2013 from €108.5 million for the year ended December 31, 2012, primarily due to an increase in working capital due to high trade payables in 2012, which were paid off in 2013.

Our net cash generated from operating activities increased by €2.2 million to €108.5 million for the year ended December 31, 2012 from €106.3 million for the year ended December 31, 2011, primarily due to increased efforts on cash collection.

Net cash used in investing activities

Net cash used in investing activities increased by €4.4 million to €6.2 million in the three months March 31, 2014 from €1.8 million in the three months ended March 31, 2013, primarily due to higher cash flows due to the acquisition of PT Tass Axia Solusi and the payment of deferred compensation related to Accepta A.S.

Net cash used in investing activities in the year ended December 31, 2013 increased by €2.9 million to €16.3 million from €13.4 million in the year ended December 31, 2012. The cash used in investing activities in the year ended December 31, 2012 was higher than in the year ended December 31, 2013 due to certain investments in property, plant and equipment and software.

Net cash used in investing activities in the year ended December 31, 2012 decreased by €175.8 million to €13.4 million from €189.2 million in the year ended December 31, 2011. The cash used in investing activities was higher in the year ended December 31, 2011 than in the year ended December 31, 2012, due to cash outflows arising from the merger with Equity Trust.

Net cash from financing activities

Net cash from financing activities in the three months ended March 31, 2014 increased by €5.8 million to net cash used in financing activities of €13.1 million from cash generated of €7.3 million in the three months ended March 31, 2013, primarily due to the repayment of cash box loans.

Net cash from financing activities in the year ended December 31, 2013 decreased by €8.7 million to an outflow of €48 million in 2013 to an outflow of €39.3 million in 2012, due to high interest payments on certain debt and the repayment of certain financial lease obligations.

Net cash from financing activities in the year ended December 31, 2012 decreased by €191.6 million to €39.3 million from €152.3 million in 2011, primarily due to the financing of the merger with Equity Trust in 2011.

Contractual Obligations and Commercial Commitments

The table below summarizes the principal categories of our contractual obligations and commercial commitments as at December 31, 2013 (as adjusted to give effect for the Additional Notes):

	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
			(€ millions)		
Capital commitments	0.0	0.0	0.0	0.0	0.0
Operating lease commitments	82.6	18.2	24.4	20.2	19.8
Guarantees	14.7	12.7	0.0	0.0	2.0
Finance leases	2.1	1.5	0.6	0.0	0.0
Other contractual obligations	0.0	0.0	0.0	0.0	0.0
Notes (offered hereby)	65.0	0.0	0.0	0.0	65.0
Total	164.4	32.4	25.0	20.2	86.8

Off-Balance Sheet Arrangements

We do not have off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on our financial condition, revenues, expenses, results of operations, liquidity, capital expenditures, or capital resources.

Financial Risk Management

Our activities are exposed to a variety of financial risks, such as market risks with respect to foreign currency exchange rates and interest rate risk, as well as credit risk and liquidity risk. Our overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on our financial performance.

Financial risk management is carried out by our central treasury department (“Treasury”) under policies approved by our management. Our Treasury identifies, evaluates and hedges financial risks in close co-operation with our operating units. Our management provides written policies for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of financial instruments and non-derivative financial instruments and investments of excess liquidity.

Our Treasury risk management policy is to reduce, where it is deemed appropriate to do so, fluctuations in earnings and cash flows associated with changes in interest rates, foreign currency rates and the currency exposure of certain investments in foreign subsidiaries.

Cash Flow and Fair Value Interest Rate Risk

Interest rate risk is the risk that unexpected interest rate changes negatively affect our results, cash flows and equity.

It is our policy to mitigate the effects of interest rate volatility on our results, cash flows and balance sheet within certain boundaries. As we have no significant interest-bearing assets, our income and operating cash flows are substantially independent of changes in market interest rates.

Our interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose us to cash flow interest rate risk. Borrowings issued at fixed rates expose us to fair value interest rate risk.

We analyze our interest rate exposure simulating various scenarios taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, we calculate the impact on the income statement of a defined interest rate shift and determine whether derivative financial instruments should be in place to limit the interest rate risk to an acceptable level.

Foreign Currency Exchange Risk

We operate internationally and are exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the U.S. dollar. In several markets, client contracts are denominated in euro or U.S. dollar although that is not the local currency.

Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and investments in foreign operations.

We have certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of our foreign operations is managed primarily through borrowings denominated in the relevant foreign currency.

We enter into derivative financial instruments solely for hedging purposes. All derivatives are approved by our management prior to our commitment. As of March 31, 2014, no currency derivatives were outstanding.

Credit Risk

Credit risk is the risk that counterparties fail to meet their contractual payment obligations through insolvency or default as well as credit exposure to clients.

Credit risk arising from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions is managed centrally. Credit exposures to clients, including outstanding receivables and committed transactions are managed on a local basis.

We have no significant concentrations of credit risk. The maximum credit risk exposure of our financial assets at the end of the period is represented by the amounts reported under the corresponding balance sheet headings.

Liquidity Risk

Liquidity risk is the risk that we do not have sufficient headroom (cash and cash equivalents plus committed credit lines) available to meet both our day-to-day operating requirements and debt servicing obligations (interest and debt repayment).

Our Treasury mitigates liquidity risk by ensuring we maintain sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

Cash flow forecasting is performed by management of our operating entities which is consolidated by our finance team. These rolling forecasts are monitored to ensure our cash and liquidity requirements are sufficient to meet operational needs while maintaining sufficient headroom on our undrawn committed borrowing facilities. This enables our management to monitor compliance with borrowing limits and debt covenants on our borrowing facilities.

Capital Risk Management

Our objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders, benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. Our loans and borrowings are considered the most important item from a capital management perspective.

We are highly leveraged and our management's focus is on cash generation. An important performance indicator used in this respect is our cash conversion ratio. This focus should make it possible for the Group to pay interest and repay its obligations as they become due.

Critical Accounting Estimates and Judgments

The preparation of the consolidated financial statements in conformity with IFRS requires management to make judgments, accounting estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

We make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- the impairment of goodwill;
- the impairment of trade receivables; and
- provisions; and
- fair value estimation with respect to financial instruments.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

A description of our accounting policies under IFRS is set forth on pages F-31 to F-43 of this Offering Memorandum.

INDUSTRY OVERVIEW

Overview

We provide a range of value added business solutions in a set of niche markets that focus on providing professional and administrative business services in the areas of finance, law and human resources services. These services help clients manage their international operations, their investments and their related foreign legal entities. These services typically require specialized local expertise and the negative ramifications of poor delivery, such as non-compliance with local regulations, can be significant in relation to the cost of the services themselves. Unlike with some forms of business process outsourcing, we believe that our clients' key purchasing criteria are generally quality, expertise and responsiveness, due to the Group providing services that rely on strong local knowledge and experience.

We believe that our primary markets benefit from a number of common structural growth drivers, including growing usage of outsourcing, internationalization, increasing regulatory complexity and more stringent reporting standards.

In our view, the growth of business services outsourcing reflects an increasing focus by organizations on their core capabilities. External providers have the potential to offer cost savings and improved service because of their specialized capabilities and higher scale. This is particularly the case for activities where in-house provision would result in sub-scale operations or where limited internal institutional knowledge exists, as is often the case for support functions in new geographic markets.

Industry expansion has also been driven by the internationalization of corporate and investment activities. Moves by organizations from developed markets to take advantage of rapid economic growth in emerging markets have helped stimulate growth. They are increasingly being supplemented by activity from companies located in emerging markets that are looking to expand internationally.

Increasing regulatory complexity (especially with regards to tax) has also contributed to growth in the provision of value added administration outsourcing solutions. Actions to increase compliance requirements in industries where risk management has been perceived as weak, as well as initiatives to create more nuanced regulatory regimes, have tended historically to more than offset initiatives aimed at regulatory and legal simplification or international harmonization. This trend, in conjunction with the move towards more demanding reporting requirements, we believe has increased the total volume of administrative work and made it increasingly valuable for our clients to seek our specialized local expertise.

Our markets involve a broad set of offerings to a diverse set of clients including multinational companies, financial institutions, listed and large private companies, the managers of investment funds, high net worth individuals and structured vehicles.

Broadly we operate in four markets: corporate services, structured finance services, fund administration services and private client services.

We believe there is no global provider that competes with us across all of our services in all of our geographies. Furthermore, although a number of other service providers cover one or more of our service lines on a local or regional level, we believe that our broad geographic footprint of service offerings differentiate ourselves from such competitors, as discussed further below.

Corporate Services

Market Definition and Growth Drivers

Our corporate services division operates within this market but focuses only on selected high value added niche services. The core competencies that underpin the services we deliver to clients in our currently addressed market niches include:

- financial, accounting, bookkeeping and reporting (including preparation of statutory accounts, management accounts and company and consolidated financial statements);
- human resource and payroll outsourcing; and
- company secretarial and regulatory compliance outsourcing.

Market demand typically comes from a variety of companies using international subsidiaries to conduct foreign commercial operations and companies establishing foreign entities in order to create more

efficient overall corporate structures. The latter group would include, for instance, companies using holding companies in the Netherlands to take advantage of Dutch tax treaties to avoid double taxation of profits generated in their other subsidiaries.

On a macroeconomic level, corporate services activities generally tend to be positively impacted by increased global GDP growth which creates conditions supportive of geographical expansion and corporate structuring activity. Nonetheless, in our view, some of the activities in this market are less subject to the potential for contraction in the event of reduced global GDP growth as certain key administrative services such as accounting and bookkeeping will always need to be performed for clients as long as they retain their existing foreign legal entities.

In terms of structural drivers, the corporate services market is impacted by the drivers discussed previously in the context of the industry as a whole. The growth of outsourcing creates opportunities to acquire new clients and also to increase the range of services provided to existing customers. Internationalization leads directly to clients setting up new foreign operating subsidiaries, which can in turn also trigger broader reorganization activity to optimize corporate structure. Increased regulatory complexity is a key reason for companies seeking to reassess their corporate structures. Meanwhile, financial reporting rules over the last decade have tightened as a result of changes starting with the Sarbanes-Oxley Act in the United States and continuing with the ongoing roll-out of corresponding legislation in other jurisdictions. In addition to stimulating the need for increased financial reporting activity, these rules have also encouraged the use of independent providers for certain reporting functions and effectively exclude the “Big-Four” accountancy firms from providing certain services.

Competitive Landscape

Within the corporate services market we face competition from several organizations, but few are active across the full range of services we offer. Larger accountancy firms or legal firms compete in a few areas but are restricted from offering many services by conflicts of interest rules. Instead they often refer clients to us in instances where they do not provide services directly.

Larger outsourcers (e.g. Tata Consultancy Services, Genpact or WNS) or payroll specialists (e.g. ADP or Ceridian) compete for larger clients in some areas, but typically do so only for a subset of services we offer and typically not across all of the jurisdictions that we serve.

We compete with a number of regional competitors who provide similar services to ours. These regional competitors typically offer services that are tailored to the region in which they operate, but they lack our global reach and hence cannot provide a service in all major geographic markets. Similarly, certain operators work through a ‘franchise’ model whereby they may operate under a single brand, but either deliver their services from off-shore locations from where they are incapable of delivering on specific local presence requirements or through a network of ‘affiliates’ through which they are incapable of providing consistent service or global coordination.

For smaller potential clients, the primary source of competition is from second tier or local accountancy firms, payroll providers and legal firms. These competitors tend to compete on individual services in single markets rather than being able to provide an integrated portfolio of services across multiple jurisdictions.

Competitive dynamics are also influenced by the fact that any new competitors would face barriers to entry created by the need for local expertise, the need for strong relationships (both in the local market and with international business referrers), the importance of an established reputation and challenges in winning customers from incumbents given the reluctance of clients to change providers once they have established a working relationship.

Structured Finance Services

Market Definition and Growth Drivers

Structured finance services involve the provision of services such as incorporation of SPVs and the administration, provision of directors and officers, financial reporting and management services to structured finance transactions, relating to all forms of asset securitization, asset repackaging, aviation finance and cross-border lease transactions.

Historically, activity in the market for structured finance services has centered around Collateralized Loan Obligations (“CLO”). Following the financial crisis reduced investor appetite for these vehicles has

resulted in a decline of the use of CLOs as financing vehicles. However, a market still exists for the provision of services to existing CLOs as well as the broader set of structured transaction vehicles. Within this market, increased regulation and transparency requirements, such as those brought in under the E.U. Transparency Directive, are generating an increased need for supporting services. In the longer term, demand for structured finance services will depend on how the CLO and broader securitization market develops.

Competitive Landscape

Key competitors in the market include major investment banks, regional structured finance services players and country focused securitization players. While we have serviced structures covering a range of asset classes, when the markets are open for these products, we have had a strong focus on CLOs (as well as CDOs and cash ABS transactions), which we see as one of our strengths in this area because historically, major investment banks have focused on the structured product issuance and non-CLO related deals.

Fund Administration Services

Market Definition and Growth Drivers

We operate in the market for provision of back office and administrative functions for a wide range of investment funds primarily in the alternative asset management space (including hedge funds, private equity funds and fund of funds). Services are targeted at the funds at the smaller end of the market and include preparation of accounts, regular valuations, bookkeeping, corporate secretarial, position reconciliation, shareholder services, management services and provision of information to investors.

As fees are often calculated as a percentage of assets under management (“AUM”), in addition to the general industry wide trends, an important driver of the fund administration market is industry wide AUM. Growth in AUM may be supplemented by a potential increase in the need for administrative services due to growing compliance and transparency demands. The European Union’s proposed second Markets in Financials Instruments Directive, currently passing through the legislative process, will require a review of existing hedge fund disclosure and processes. Meanwhile recommendations from the Alternative Investment Management Association and the International Organization of Securities Commission suggest increased use of independent administrative service providers to perform tasks such as valuation.

Competitive Landscape

The fund services market is generally very fragmented. While our global resources (particularly in Ireland, Malta, the United States and Singapore) assist in efficiently servicing the needs of our fund services business, this is not necessarily a competitive advantage for us as competition for mandates tend to be localized by the country of origin of the relevant fund(s). Thus, in addition to competing with the large investment banks and larger administrators such as State Street and Citco, we face strong competition from mid-sized administrators such as Advanced Info Services and Amicorp, and specialized local fund administrators that tend to be relatively small in size.

Thus, our fund services offering is relatively niche and has historically focused on administering small funds or funds domiciled in the BVI, Malta, the Netherlands, Ireland and the Cayman Islands.

Private Client Services

Market Definition and Growth Drivers

We provide a range of non-advisory services to allow high net worth individuals to manage their wealth through bespoke legal structures. These include reporting, compliance services and monitoring of investment manager performance for family trust and associated corporate structures. Our focus is typically on the upper end of the high net worth individual spectrum, to serve clients with advanced structuring needs.

In addition to the general industry drivers applicable to all our markets, expansion of the private client services market is affected by trends in the value of assets held by the high net worth individual segment. In recent years high net worth individual wealth has been growing faster than GDP due in particular to the increase in assets in Asia. According to external research from the Boston Consulting Group, the total

wealth of individuals with between \$1 million and \$100 million in assets was approximately \$42 trillion in 2011 and forecast to grow at a CAGR of 6% until 2016. Meanwhile, individuals with over \$100 million in assets were estimated to hold approximately \$7 trillion and this amount is forecast to grow at a CAGR of 8%.

The level to which high net worth individual investors place their assets into complex structures, depends upon a range of factors including regulatory and tax complexity, their financial sophistication, the ability to preserve wealth in home jurisdictions given tax and political considerations and their level of concerns about succession planning.

Competitive Landscape

We face competition from a range of firms including financial institutions such as private banks that may offer their high net worth clients certain services for a very low fee as part of a broader client offering, local and international accountancy firms and local and international legal firms. Competition varies depending on the specific service offered by us, with many competitors focusing on advice rather than competing with us on the full range of administrative services.

BUSINESS

We are a leading global provider of high value business services to clients operating and investing globally. We focus on providing highly specialized and business-critical financial, legal and human resource administrative services that enable our clients to operate their corporate structures, finance vehicles and investment funds in different geographical locations. We operate from 116 offices in 82 jurisdictions across the Americas, Asia Pacific, Europe and the Middle East. The range of services covers:

- *Corporate services*—integrated legal, administrative and accounting services for companies' operations from inception through day-to-day functions to liquidation;
- *Structured finance services*—creating and administering financial vehicles for securitization transactions, structured asset leasing and project finance transactions;
- *Fund services*—back office functions for a wide range of investment funds, including the preparation of accounts and daily NAV calculations; and
- *Private client services*—administering corporate structures for high net worth individuals for wealth planning purposes.

Across our range of services, we offer our clients a core set of competencies that form the heart of our product offering including:

- *Financial administrative services.* We provide a range of financial, accounting and reporting services to assist our clients with their financial reporting in a transparent, up-to-date and accurate manner. We prepare statutory accounts to comply with local law requirements and offer international management and consolidated reporting in accordance with major accounting standards. We also provide assistance with the registration, recovery and compliance with VAT, IPT and other indirect taxes. In addition, we provide investment fund clients with fund accounting and valuation services.
- *Legal administrative services.* We provide a variety of legal administrative services to our clients in connection with establishing and maintaining financing and holding companies and other structures in compliance with applicable local laws. These services include establishing corporate entities to serve as finance companies or as operating companies, as well as managing corporate compliance procedures, such as organizing and recording board and shareholders' meetings. We also provide domiciliary and management services, as well as local representatives and directors with the necessary expertise, required for clients to conduct business in a particular jurisdiction.
- *Human resource administrative services.* We provide a wide range of human resource and payroll services, including payroll processing, management reporting and cost analysis and outsourced human resource services. Our specialists can act as a client's local human resources function, preparing employment contracts and guidelines, providing employee training assistance and securely maintaining personal confidential information.

Our service offerings enable our clients to focus on their core operations while we ensure that critical local administrative functions, that clients may have less experience in providing, are performed to a high standard. In doing so, we help our clients (i) gain access to specialized local knowledge, including regulatory, tax and financial reporting expertise that would be challenging or inefficient to develop internally, (ii) reduce the risks and distractions of managing complex accounting, legal and human resource regulations in multiple countries, (iii) control costs by taking over the back office administration and reporting functions of their international offices that are not large enough to justify the administrative overhead, (iv) simplify operations by providing a single point-of-contact from anywhere in the world, often resulting in increased transparency for our clients, and (v) execute globalization plans swiftly and flexibly by using our worldwide network of local offices and experts to assist on administrative matters.

In the twelve months ended March 31, 2014, we generated revenue of €401.0 million and Adjusted EBITDA of €108.9 million. A significant proportion of our overall revenue comes from our long-standing clients. Our strategy for winning new business includes cross-selling and up-selling to these existing clients, but it also focuses on building relationships with new clients across our business segments. In the twelve months ended March 31, 2014, 78.1% of our revenue was generated from our corporate services business segment, and 63.5% of our revenue was generated from our Benelux and EMEA segments. Although a significant portion of our revenue is produced by our operations in Benelux, this

revenue is generated by clients from all over the world seeking to use our services in the perceived tax efficient jurisdictions of the Netherlands and Luxembourg to service their international corporate structures. As a result, a significant portion of this revenue is not directly tied to economic activity in the Benelux region. We plan to continue to expand our operations into new markets in the Asia-Pacific region and the Americas through organic growth and acquisitions.

Across our range of services, we have a diverse client base that includes multinational companies of varying sizes, insurance and real estate companies, financial institutions, listed and private companies as well as high net-worth individuals. Our clients include companies using international subsidiaries to conduct foreign commercial operations, and foreign entities to create more efficient overall corporate structures. As of March 31, 2014, we provide services to more than 36,600 client entities. Our client base is relatively fragmented, with the largest 20 clients contributing less than 6% of our revenue in 2013. Our client entity retention rate was approximately 85% in each of the years from 2011 through 2013 and in the first three months of 2014, reflecting the largely recurring nature of our business, which we believe makes our business generally less susceptible to global business cycles. Management believes that this percentage of client entity retention understates our underlying client retention as a number of our client entities (e.g. SPV financing entities) have a finite life and are replaced over time. Such replacements are reflected as a loss of client entities (in calculating retention rates) even though we typically retain the replacement business. A large proportion of our client base consists of long-standing clients and these continuing relationships have been critical to our growth.

Our current global reach and breadth of expertise mean that we are one of the few business services organizations able to offer clients global solutions while also being positioned as a neutral execution-only service provider (meaning, we are not affiliated with an accounting, financial or law firm) and thus do not have similar issues with being conflicted out of taking on new work. We believe that we are well-positioned to continue to benefit from the growing opportunities presented by the globalization of business and the growing trend of businesses outsourcing support functions.

Strengths

We believe that our success to date and our potential for future growth are primarily attributable to the following strengths:

A Leading Provider of High Value Business Services with a Broad Geographic Footprint and Service Offering

We are a leading global provider of high value business-critical financial, legal and human resource administrative services with an established track record and strong reputation for delivering quality service to our clients. In addition, we benefit from being a neutral, execution-only provider as we are not affiliated with an accounting, tax, financial or law firm. Because we do not have such affiliations, we can provide clients with a broad range of services that many international accounting and legal firms cannot or do not offer due to conflicts issues.

We are able to offer our clients multiple competencies across several service areas in end-markets around the globe. By comparison, many of our competitors do not offer all of our services or do not offer services in all of the jurisdictions where we have a presence, either due to a lack of local expertise or conflict of interest. We currently have 116 offices in 82 jurisdictions, including major developing markets such as Brazil, India, Russia and China, which enables clients to conduct business globally using a single service provider (as opposed to multiple service providers across different jurisdictions). This provides us with the opportunity to service our clients as they expand geographically. For example, in the event that a client wishes to expand its corporate structure or close and shift operations to a new country, we are able to provide the same services across a number of jurisdictions while maintaining a comparable quality of service. This gives us a significant advantage over competitors who lack this global footprint (such as locally-operated accounting firms) when working with multinational businesses.

Local Expertise and Provision of Value Added Services

We offer a range of customized service offerings to help our clients manage various administrative, corporate compliance and reporting requirements. Through our experienced global workforce, we provide clients with access to local expertise across our offices, enabling them to operate their business in many jurisdictions with confidence and we believe at a lower cost than if such businesses performed those services on their own.

We provide a range of financial, accounting and reporting services to assist our clients with their financial reporting in a transparent, up-to-date and accurate manner. We also provide non-advisory services to our clients to establish and maintain financing, holding and other structures in compliance with applicable local laws. We provide a range of flexible and scalable human resource and payroll services at the local level in the jurisdictions in which we operate. These services cover numerous aspects of employee-related administrative affairs, including payroll processing, management reporting and cost analysis and outsourced human resource services.

The majority of the services we provide ensure that our clients' administrative and financial processes are compliant with relevant regulations. Thus, our services are critical to our clients from a financial, reputational and risk management perspective. The effectiveness of our services depends on a combination of local knowledge of relevant regulatory frameworks and expertise. Such a combination can be costly for our clients to develop internally in each of their jurisdictions of operation and, frequently, our clients do not have the local scale or desire to perform these functions themselves. Our services not only generally reduce operating costs for our clients, but also typically reduce initial start-up costs associated with entering a new jurisdiction, increase the speed at which our clients can set up new subsidiaries and preserve operational flexibility by allowing our clients to scale their operations up or down with greater ease. As a result, our services allow our clients to focus their resources on revenue generating operations and reduce associated administrative, compliance and reporting expenses, without sacrificing the integrity of such functions.

We believe the price we charge for the services we offer is often a lesser consideration for our clients, given the potential impact to their business if there are errors or deadlines that are not met. This is important to our continued success as we believe the key purchasing criteria for our clients has historically been the quality of the service provided and our local knowledge and expertise. We believe our clients' satisfaction is evidenced by our high client entity retention rates of approximately 85% in each of the years from 2011 through 2013 and in the first three months of 2014. We believe that this high retention rate is also driven by the depth of our knowledge of our clients' activities and the regions in which we operate, which cannot be easily reproduced by potential new entrants in the market.

We are focused on winning business in the high value, expertise-reliant segment of the business services market. We generally seek to avoid competing with the mainstream BPO service providers or in standardized segments where services are commoditized and primarily driven by cost. By comparison, we believe the competitive advantage of our financial, administrative and human resource administrative services lies with the quality of work we can provide. Accordingly, instead of relying solely on cost advantages, we rely on our skilled local specialists (many of whom have professional qualifications) and a correspondingly strong reputation among existing clients and established service providers, such as law, tax and accountancy firms (which we refer to as "business referrers"), to foster client confidence in our quality. We believe that this in turn has resulted in a significant source of client introductions which we believe is difficult for new service providers to replicate.

Resilient Business Model Based on Stable Revenue Generation and Strong Cash Conversion

Once established, the services we provide to clients have historically had a high degree of predictability, with macro-economic fluctuations in any particular country or globally generally having limited impact on our clients' requirements for our financial, legal and human resource administrative services or on the number of existing structures that we service. For instance, many of our services, such as statutory accounting and corporate filings by our clients, are legally required on an annual basis regardless of a client's overall financial or operational performance.

One of the advantages of our business model is that shorter-term macro-economic trends that are detrimental to many other businesses can increase demand for our services. For example, while businesses may seek to reduce overall headcount in a recession which can reduce demand for our payroll administrative services in a given jurisdiction, a global business may seek to move this headcount to a lower wage jurisdiction where we also provide payroll administrative services, or may seek to otherwise adapt its corporate structure to changing economic conditions by expanding into new markets. Such practices can result in an increase in demand for our corporate services.

Generally, our service contracts generate revenue based on either a fixed fee, an hourly rate, or both. We have a relatively stable client base with client entity retention rates of approximately 85% in each of the years from 2011 through 2013 and in the first three months of 2014, which reflects the largely recurring nature of our business. This has historically resulted in generally predictable revenue generation that

provides us visibility over a significant portion of our expected annual revenue at the commencement of each financial year.

We also benefit from strong Cash Conversion, which was 99%, 101% and 92% in 2011, 2012 and 2013, respectively. We are a service-focused business with relatively limited need for land, plant or equipment or, compared to more generic business process outsourcing providers, complex IT infrastructures and we therefore have limited requirements for capital expenditure. We also have limited working capital needs because our customer receivables are partially offset by advanced payments from customers.

Favorable Global Economic and Regulatory Trends

We expect that growth in our business will continue to be driven by the trend towards globalization, exhibited by multi-national corporations expanding outside of their home jurisdiction. In expanding operations globally, we believe that our clients and potential clients will likely increasingly rely on outside service providers to deal with the global trend towards increasing regulation and an emphasis on transparency of corporate and financial activities. We expect these trends to continue to support the expansion of our business in the near- to medium-term. In particular, we expect to benefit from the following trends:

- *Continued international expansion by businesses.* The international expansion of our current and potential clients drives our business. As companies expand into new geographies, it is often easier to engage us to provide administrative support so that clients do not need to invest in local infrastructure (particularly where they are establishing only a small presence) and can instead focus on their core business. Rising levels of foreign direct investment across international borders from advanced economies to developing economies and between advanced and developing economies in recent years has helped us expand our business, and we expect that this increasing globalization will help us to continue to grow.
- *Increasingly stringent regulatory regimes.* The global trend of increased regulation and enforcement thereof has emphasized the importance of local regulatory and compliance expertise. The wide variety of local legal and regulatory requirements highlights the need for specific local expertise, especially for businesses that lack the critical mass to obtain and maintain such expertise in-house. Increasingly complex regulatory and tax environments and differing accounting standards in individual geographies drive demand for our book-keeping and reporting services.
- *Increased transparency and independence.* The recent economic crises have led to increased demand for transparency in accounting and reporting. For example, in our structured financial services and fund services businesses, the demand for more current and accurate reporting as to the performance of a structure or a fund, and demand for independence in administration of such structures, has created increased demand for our services from our fund and structured vehicle clients.
- *Evolving client needs.* Our clients increasingly outsource non-core functions and demand global solutions for their outsourced administrative services needs. For example, it is easier, and we believe often cheaper, for a client to engage a single reliable firm to perform their book-keeping, local reporting and human resources administration services across a number of countries than to engage different providers in each country.

We think our global network of offices provides an effective platform for capitalizing on these trends and the scalability and resources to take advantage of growth in any particular market. We expect that these trends will also attract new clients and provide us with opportunities to cross-sell to existing clients.

Diverse Customer Base

We have a diverse client base, including approximately 40% of the Fortune Global 500. Across our range of services, we have a diverse client base which includes multinational companies of varying sizes, insurance and real estate companies, financial institutions, listed and private companies as well as high net-worth individuals. As of March 31, 2014, we provide services to more than 36,600 client entities, with the largest 20 clients contributing less than 6% of our revenue in 2013. We work with organizations located in a broad range of geographies across a spectrum of industries, and we have formed specialized teams with the necessary sector experience to ensure the continued quality of our service offerings. This industry-focused approach has enabled us to offer a comprehensive suite of specific tailored services to clients and to leverage these capabilities to win additional clients. For example, our

expertise in servicing a particular industry also enables us to develop client relationships that may involve only a few tasks upon our initial engagement, but can later develop into a broader engagement whereby we provide a client with new services or the same services in new jurisdictions.

Experienced Executive Management Team, with Incentives at Local Management Level to Grow Our Business

We have a highly experienced executive management team at the global level with in-depth industry knowledge. Our Chief Executive Officer, Hugo van Vredenburg, has over twenty years of business experience and prior to joining us served as the Chief Executive Officer of Equity Trust, a position he held from 2005, where he developed a detailed insight into our industry.

Gordon Stuart, our Chief Financial Officer and a qualified accountant, has significant outsourcing industry experience, having worked with both private equity backed and publicly listed companies in this sector.

In addition, our Chief Operating Officer, Frederik van Tuyll has served in significant management roles in the sector. Mr. van Tuyll joined Equity Trust in 1994.

We provide management at the local level with incentives to continue to grow our business. We have encouraged an entrepreneurial approach within our management, operating a relatively flat management structure with managers across each of our regions and business lines reporting directly to a regional director.

Our managers are incentivized and empowered to drive their individual businesses forward under regional and central guidance from the Group on strategic directives and policies. In addition, our management has a significant equity stake in the business, from the executive board to local management teams. We believe this ensures that all levels of our management team are incentivized to achieve our overall business plan.

Strategy

The key components of our strategy are as follows:

Continued Growth Through Penetration of Our Existing Client Base

We have a broad and diverse client base that includes many leading global corporations. We believe that there are significant opportunities to provide additional services to our existing clients, and we intend to leverage our extensive service range and expertise to cross-sell other services to our existing customers. To that end, we created a global sales force that proactively manages client accounts and seeks to broaden the array of services we provide to our clients. We also intend to continue to leverage our international network to offer our services to clients in any jurisdiction where they do business. For example, we provide administrative services in some countries where clients operate but not in others. We intend to use our broad geographic footprint to provide our clients with a seamless service and single point of contact wherever in the world they look to do business.

Further Growth of Our Network

Our growth strategy is based primarily on balanced organic growth. We intend to continue to expand our operations in countries where we see compelling growth opportunities, such as the United States, Brazil, Russia, India, China, Norway and Indonesia. We pursue organic growth by expanding the size of our existing offices to service new clients, providing additional types of services, and opening offices in new countries or expanding the number of our offices in a country. In the last twelve months, we have opened new offices in Qatar and Canada. We typically open new offices when we have requests from existing clients to provide services in new locations. These are often in locations where we have previously referred client work to a third-party provider and have determined that future business prospects will be sufficient to cover the costs associated with opening a new office. We intend to continue to increase the scale of our global network through organic growth in regions where our existing clients are present and where we see attractive opportunities to win new clients.

We may also expand our operations through acquisitions that meet our investment criteria. We have grown our business in the past through acquisitions with a targeted and disciplined acquisition strategy that we expect to continue to apply to make acquisitions going forward if suitable opportunities arise. In

the final quarter of 2013, we acquired Accepta A.S., one of the Norway's largest accounting groups. In January 2014, we acquired the assets and liabilities of PT Tass Axia Solusi, an Indonesian company, which expanded our presence in Indonesia. To expand our other fund services offerings, we also acquired the non-controlling interest in the Custom House Group in January 2014, which was subject to regulatory approval, which we received in the second quarter of 2014. In July 2014, we entered into the Share Purchase Agreement pursuant to which we agreed to purchase 100% of the share capital of KCS, an independent pan-Asian corporate services provider specializing in corporate accounting, corporate secretarial and payroll services.

Expand Our Range of Services, Including Through Strategic Arrangements

We continually assess the range of services we offer to meet the diverse needs of our clients. We have recently begun offering clients assistance with the registration, recovery and compliance with IPT and other indirect taxes, including the payment and collection of refunds. We also now provide structuring services for aircraft, vessel and other significant asset leasing arrangements, as well as royalty fee administration, process agent services and loan agency services. We continually evaluate the market demand for our services to determine whether there are additional opportunities for us to expand the range of services we provide.

We are also focused on expanding our range of strategic arrangements where we can complement the services being provided by other market participants. For instance, we have collaborated with a global payroll services company to jointly bid for service contracts where our geographic scope and presence in multiple markets can complement that global service company's payroll services expertise. We believe that such strategic partnerships can help us take advantage of opportunities where either our geographic scope or broad service offering can complement the services of our partner to jointly serve key clients on projects we might not otherwise be able to win individually.

Continued Integration of Our Global Network

Our business has evolved from a combination of separate businesses around the globe into a global network of 116 offices in 82 jurisdictions. Due to the importance of local expertise and client contact, our offices each have a local managing director that reports to their respective regional director. As our business has grown, we have increasingly integrated the operations of our offices, implementing group-wide strategies as well as a group-wide sales function, in an effort to realize the economies of scale enabled by our expansion. We also seek to achieve efficiencies by leveraging group-wide infrastructure for several key functions. We are continuing the integration of our IT infrastructure across many of our offices, and our key business application now covers a large portion of our offices.

History

TMF was founded in 1988, primarily as a provider of high-quality domiciliary services to corporations, initially offering services in five jurisdictions: the Netherlands, Switzerland, Luxembourg, the BVI and the former Netherlands Antilles. From this base, we expanded both the service offering and geographic scope of the business through a combination of acquisitions and organic expansion.

In the early 1990s, we opened an office in Bulgaria, our first venture into Eastern Europe, to benefit from the expected economic growth in the region. Subsequently the company expanded throughout the Central and Eastern European area with greenfield start-ups in Romania, Serbia and the Czech Republic, supplemented by acquisitions of administrative divisions carved out from the "Big-Four" accountancy firms in Hungary, Slovenia, Poland and Slovakia.

In 2004, Silverfleet and our management team acquired the Group from SNS Reaal, providing us with an opportunity to focus on structure and internal systems, which then enabled us to expand, through a targeted buy-and-build strategy, into non-European markets. We rapidly developed from having a small regional footprint to becoming one of the leading global financial and administrative business service providers.

In 2008, we were acquired by current majority owner Doughty Hanson, with certain senior management retaining a significant stake in the business. In 2011, Doughty Hanson acquired Equity Trust, a leading provider of a range of administrative services to organizations worldwide, including corporate secretarial and legal administration services, structured finance solutions, fund administration, complex private client administration, and bookkeeping and accounting. At the time of the acquisition by Doughty

Hanson, Equity Trust employed approximately 1,200 people in 40 offices across the world. Equity Trust was subsequently merged with us with effect from January 1, 2011.

Client Offering

We provide highly specialized, individually tailored and business critical services to international businesses to enable them to meet the complex administrative and corporate compliance requirements of operating in different geographical locations. Our service offering is provided through four business segments which comprise corporate services, structured finance services, fund administration services and private client services, and with our vast network of offices around the globe.

It is our policy not to provide legal or tax advice (but rather to work with our clients' external advisers or their in-house professionals). For reasons related to, among other things, (i) client demand, (ii) size of our office, and (iii) local regulations, we do not offer all of our services in every country in which we operate. A detailed discussion of each business segment is provided below.

Corporate Services

Our corporate services segment provides companies with integrated legal administrative and accounting services, providing expertise to facilitate operations and corporate compliance from inception through day-to-day operations. This offering includes accounting, bookkeeping and reporting services, company secretarial services, human resources and payroll services and specialist administration and is offered globally. Our corporate services team comprises the following two sub-segments: business services outsourcing and international structuring services.

In 2013, we generated €306.3 million of revenue from the corporate services business segment (representing 77.2% of our overall consolidated revenue. In 2013, the division had 2,778 FTEs.

Business Services Outsourcing

Our business services outsourcing team focuses on providing the high quality non-advisory services and support that are required to successfully conduct business abroad, in accordance with applicable local laws. For example, rather than supporting financing or holding company structures, we provide services to a client's operating companies. The business services outsourcing team deals with matters that may be categorized into the following sub-segments: accounting, bookkeeping and reporting services, company secretarial and human resources and payroll services.

Accounting, Bookkeeping and Reporting Services

Our accounting, bookkeeping and reporting services team use their local expertise to assist business with the management of their financial reporting in a transparent, up-to-date and accurate manner. Our clients include large multinational corporations to businesses taking the first steps of international expansion. Our global network of offices in 82 jurisdictions provides a complete range of financial, accounting and reporting services, including:

- *Financial, accounting and reporting*—providing a range of financial, accounting and reporting services, including international management reporting in major standards (IFRS/IAS, U.S., U.K. or other GAAP), tax reporting and ensuring statutory accounts are compliant with local law requirements; and
- *Indirect tax compliance*—comprising a comprehensive range of VAT, GST and IPT non-advisory services including assistance with registering for VAT and IPT, submitting tax returns and reclaiming tax.

Company Secretarial

Our company secretarial team assists clients complying with local statutory and regulatory requirements, and offers non-advisory services and support in the following areas:

- *Company records and compliance support*—managing annual corporate compliance procedures such as organizing and recording board and shareholders' meetings, reviewing and preparing corporate legal documents, maintaining statutory records, submitting statutory reports to the appropriate local authority such as the relevant central bank, local court, local registry or chamber of commerce;

- *Company registration and domiciliation services*—providing companies with a registered office or domiciliation and mail forwarding facilities, ensuring proper registration with the local authorities as required, forwarding or processing of all communication delivered to the registered address according to pre-agreed service level;
- *Company representation services*—providing attorneys-in-fact, proxy holder and bank signatories;
- *Registrar and shareholder services*—establishing and maintaining share and bond registers, maintaining dividend mandate records, reconciliation with foreign registrars and transfer agents, issuance of share certificates and redemption of shares, issuance of dividend and interest payments, calculation of issued share capital, bonds or loan amounts, voting collection agency services, dealing with shareholder correspondence and enquiries and organizing shareholder meetings, statutory filings with regulatory authorities and proxy solicitation services;
- *Group reorganizations*—providing support in respect of either single company or group restructurings by undertaking all local authorization, registration and filing formalities. In addition, coordinating and assisting with the reorganization of complex corporate structures with companies in multiple jurisdictions;
- *Legal entity rationalization*—planning and coordinating global legal entity rationalization projects which involves working with local specialists to assist clients in significantly reducing their on-going compliance burden and associated costs/risks of maintaining redundant legal entities;
- *Secondments/interim resources*—providing secondments of corporate secretaries and administrators with a broad range of knowledge and experience to temporarily address internal resource constraints. Secondments can be made on a short or long term basis according to client needs and the availability of our staff in local country offices;
- *Initial public offering support*—assisting companies with company secretarial services in connection with pre-IPO support for clients looking to list on recognized public markets, including on the London Stock Exchange and Hong Kong Stock Exchange; and
- *Process agent services*—providing a local agent to accept service of legal process.

Human Resources and Payroll Services

Our human resources and payroll services team provides a wide range of flexible and scalable human resource and payroll solutions. We can assist with implementing our clients' international human resource policies across all the territories in which we operate and ensure these meet all local legislative requirements. Our specialists can act as the client's local human resources function, preparing contracts and employment guidelines, providing employee training assistance and securely maintaining personal confidential information. In addition, we offer the following services:

- *Payroll*—managing all aspects of the payroll process to ensure continuity and mitigate compliance risks. Our staff can calculate payroll and related tax payments in accordance with local rules and complete the payments process on a client's behalf (and provide related reporting to clients, including social security and payroll tax filings and payments); and
- *Human resource materials/guidelines and outsourcing*—assisting clients putting in place appropriate human resource policies and guidelines and, in certain instances, providing certain local human resource functions.

International Structuring Services

Our international structuring services team provides a number of the same services offered by our business service outsourcing team, but focuses more on providing the high quality non-advisory services, infrastructure and support that are required by our major multinational, private equity, hedge fund and other clients to establish (and maintain) financing, holding and other structures in jurisdictions across the world. We also assist clients with ensuring that such structures comply with applicable local laws and, where applicable, have a sufficient presence (physical and decision making) in jurisdictions for commercial, tax or other purposes. For example, our international structuring services assists clients with the services described above under “—Company Secretarial.”

Additionally, our business services outsourcing team offers the following services in a number of jurisdictions:

- *Company representation services*—providing attorneys-in-fact, proxy holders, bank signatories as well as qualified managing directors who assume sole or joint responsibility for the day-to-day running of the client’s company. These services are rendered subject to certain risk management procedures;
- *Escrow services*—in certain jurisdictions, providing an escrow agent as well as assisting with the drafting of escrow agreements and opening and managing segregated escrow accounts, holding and releasing funds according to the terms of an escrow agreement and investing the funds as directed by the contracting parties and accounting for the source and application of the funds; and
- *Intellectual property licensing and collection*—in a limited number of jurisdictions we provide services aimed at ensuring intellectual property assets are properly accounted for, managed and protected, as well as collection account services which involve collecting, administering and disbursing revenues from the global exploitation of, among other things, audio-visual works such as films, television programs and video games.

A relatively standalone component of our internal structuring services is our international incorporation division, which assists clients in establishing and registering entities primarily in the British Virgin Islands, which is a popular jurisdiction for international incorporations.

The international structuring offering is available in so called “tax efficient jurisdictions,” where major multinational, private equity, hedge funds and other corporate clients aim to mitigate their tax burden in a legal and transparent way. For example, they do so by establishing and maintaining financing, holding and other structures to benefit from relief from double taxation based on the relevant country’s taxation and applicable double tax treaties.

Structured Finance Services

Our structured finance services segment facilitates the establishment and on-going operations of the structured financial vehicles that are used in securitization transactions, structured asset leasing and project finance transactions covering a wide asset class including mortgages, corporate and student loans and credit card receivables.

In 2013, we generated €37.7 million of revenue from the structured finance services business segment (representing 9.5% of overall consolidated revenue). The division had, in 2013, client entities in more than 21 countries serviced by approximately 160 FTEs. The services of this segment are primarily offered in the Netherlands, Luxembourg, the United States, United Kingdom, Russia, Argentina, Ireland, Malaysia and Italy.

The structured finance services team’s role is purely administrative, so we have no economic exposure to the value of the assets which are the subject of the underlying transactions/structures. In this regard, we offer a broad range of SPV, trustee and ancillary services tailored to client requirements. These include the following services, which are described in more detail above under “—Corporate Services”:

- assistance with SPV incorporation;
- assistance with subscription and redemptions in the relevant financial vehicles;
- provision of qualified independent directors;
- accounting and consolidation services including the preparation of financial statements in accordance with the appropriate GAAP and IFRS requirements;
- reporting to investors, trustees, rating agencies and central banks;
- corporate secretarial services;
- trustee services; and
- process agent services.

Fund Administration Services

Our fund administration services segment establishes and manages back office functions and complex fund administration functions covering day to day operations for a wide range of investment funds (e.g. hedge funds, private equity funds and fund of funds), including the provision of independent, timely and accurate NAV calculations to investors in funds.

In 2013, we generated €24.2 million of revenue from the fund administration services business segment (representing 6.1% of overall consolidated revenue). This division had, in 2013, client entities in approximately 8 countries serviced by 212 FTEs and the services of the segment are primarily on offshore funds.

We administer a wide range of investment funds and other pools for collective investment. We offer fund accounting and valuation services, custodian services and shareholder services all designed to mitigate risks, optimize efficiency and give clients a strong competitive advantage. We work with many leading independent money managers and family offices as well as funds of funds, banks and institutional funds. Our services include:

- *Reporting services*—ensuring that time critical, fully reconciled NAV calculations are reported in a timely and accurate manner for investment funds established inside and outside of the European Union, including those listed on the Irish Stock Exchange and the Amsterdam Stock Exchanges;
- *Accounting and valuation services*—preparing books of accounts and calculating the NAV with reference to share movements. We have electronic interfaces with (prime) brokers and custodians in all major financial centers in the world to ensure maximum efficiency and accuracy in the preparation of the NAV calculations;
- *Shareholder services*—providing full registrar and transfer agency services, processing of subscription and redemption requests and provision of the NAV to fund managers to ensure that current and potential investors have timely access to these valuations; and
- *Regulatory compliance and risk management services*—providing services to assist companies with audit preparation, administration of trading restrictions; and undertaking KYC service concerning investors on behalf of the fund managers.

Private Client Services

Our private client services segment works, on a non-advisory basis, with clients' legal, accounting and tax advisers to execute the establishment and running of complex, bespoke structures for high net worth individuals. Such structures are generally aimed at enhancing and protecting our clients' wealth. Services provided by this division include setting up, maintaining, and administering family trusts, estate planning and associated corporate structures.

In 2013, we generated €28.6 million of revenue from the private client services business segment (representing 7.2% of overall consolidated revenue). This division had, in 2013, client entities in approximately 13 countries, which were serviced by 188 FTEs. The services of this segment are primarily offered in Jersey, Hong Kong, Curaçao, and the BVI, and a large portion of this revenue is driven by our operations in Hong Kong and Jersey.

Our private client services team creates and administers structures for extended families, manage multiple and complex cross-border assets, helping private clients administer plans to address tax and regulatory issues and plans for estate and business succession. We have the capabilities to establish and administer wealth planning structures and provide full trustee, foundation and corporate management services. We incorporate and administer SPVs, facilitate probate and estate administration services and register private and commercial vehicles. Our private client services team is able to work with our clients professional advisers to provide the following services:

- *Implementing estate and inheritance planning*—assisting with implementing solutions which mitigate probate procedures and allow for estate protection and succession planning for future generations;
- *Family business ownership and succession planning*—assisting with making arrangements for the retention and management of a family business;
- *Trust services*—establishing a trust or foundation structure to safeguard private information;

- *Implementation of tax planning structures*—setting up trusts, foundations and managed companies as tax effective planning solutions for estate duties, inheritance tax, capital gains tax deferral and income tax; and
- *Implementing charitable structures*—assisting the implementation of structures which facilitate the donation of money or goods to support a charitable cause or maintain philanthropic purposes over the longer term.

Clients and Marketing

We offer our services predominately to multinational corporations that require assistance operating outside of their core markets or to companies that may lack appropriate local resources to perform functions that we provide. Many clients outsource their administrative functions at an early stage of the entity lifecycle, and as the local entity builds up to sufficient staff numbers, clients may take work in-house, leaving us with the value added services.

We use the following three core marketing channels:

- *Business referrers*—We have an informal international network of referrers which refer business to us. We have developed relationships with a number of large accounting firms (as well as certain smaller firms, with relationships typically held at the local level), law firms, tax advisors, investment managers and investment banks who refer clients to us for the provision of services outside of their core business or where they are conflicted from providing the service. While we sometimes reciprocate the referral process, we believe that the core driver for such referrals is the desire of business referrers to refer their clients to high quality service providers. As an independent provider, we provide execution only services and therefore do not compete for the advisory services of our business referrers.
- *Referrals from within the Group*—A proportion of the new business acquired by us comes from cross-selling services to existing clients and clients recommending other new clients through word of mouth. The requirements of individual clients tend to develop over time, giving us opportunities to alter the scope of services provided or expand our services to a client's operations domiciled in different regions. To that end, we have a dedicated team responsible for boosting multi-geography, multi-service contracts with clients.
- *Sales to new businesses*—Our Sales team is responsible for the generation of leads through direct marketing and analyzing the existing client base. This process includes identifying and pursuing leads concerning both potential clients and potential business referrers. Potential leads are identified through the production and maintenance of internal databases as well as through utilizing external sources of information.

Our marketing strategy involves leveraging our global footprint by the facilitation and cross selling of our services. By targeting multinational companies, we are able to offer both existing services in new geographies and new services in existing geographies.

Client Base

Overall, we have a diverse client base, including approximately 40% of the Fortune Global 500 and provide services to insurance and real estate companies, financial institutions, listed and private companies, private equity funds as well as private clients. Of these, we focus primarily on providing services to multinational corporations.

Customer concentration in most individual geographies is low and diversified over a number of industry areas. As at March 31, 2014, 15.2% of our clients were based in Benelux, 35.3% were based in EMEA, 20.7% were based in the Americas, 26.7% were based in Asia Pacific and 2.0% represent Fund services clients.

The wide range of services and geographical spread provides us with a large and diversified client base and client relationships that is in many cases long-term and highly stable. For example:

- *Corporate services*—our clients range from large multinational corporates and financial institutions to private equity firms, pension funds and small companies expanding;
- *Structured finance services*—we typically assists financial institutions (and their clients) in establishing and servicing these structures;

- *Fund services*—customers are typically fund managers; and
- *Private client services*—our customers include high (and ultra-high) net worth individuals and where we typically work closely with their accountants, lawyers, financial advisers, tax consultants or other financial service providers.

Our revenue is generally derived from client engagements, typically based on an annual fee for the agreed services plus an hourly rate for additional work undertaken. The exception to this is the fund services division where revenue is linked to the amount of funds under administration (subject to a minimum fee level). The annual fee element is a fixed fee which is often paid upfront resulting in a limited history of fee arrears and strong Cash Conversion.

The majority of our clients either do not have long-term contracts with us, or have contracts that may be terminated on short notice by the client. However, we believe that our depth of knowledge about each client and the potentially high costs and execution risk of moving providers has resulted in historically in generally high retention rates. Historically, the main reasons for client churn have been in-sourcing, clients exiting the market or competition.

In our experience, our clients' purchasing metrics have focused on quality, expertise and responsiveness. Although price is a factor, we believe that it does not tend to be the key consideration with established clients as long as the other metrics listed are sufficiently met. However, some aspects of our offering are more price sensitive, such as our international incorporations division and private client services where some competitors provide services as part of an overall package offering. Given the importance of quality of service, established customers in our view appear to be less sensitive to price since (i) a positive experience with us often mean clients continue operating with a trusted partner on business critical activities, (ii) the average fees per client are low compared to the value of the corporate structures and the fines resulting from errors or late filing, (iii) our depth of knowledge about each client results in high switching costs and disruption of established working relationships, if clients were to change providers, and (iv) business referrers suggest use of our services to their clients for implementation of structures on which these business referrers are advising. Since the business referrers could share any reputational consequence for a failure to deliver, they are incentivized to ensure that the service levels are high rather than to be unnecessarily cost conscious.

Mergers and Acquisitions

Over the past several years, we made a number of acquisitions to either serve as bolt-ons to our existing operations or as a platform into new territories or services within a country. We have an in-house team that conducts comprehensive due diligence, and this work is supplemented by local external advisers (to the extent necessary). We seek to quickly integrate new companies, once acquired, with the assistance of its internal integration team. Our most significant acquisition in recent years was the merger with Equity Trust in 2011. During 2012, the Group did not make any substantial acquisitions. In the final quarter of 2013, we acquired Accepta A.S., one of the Norway's largest accounting groups. This acquisition further enhances our presence in Scandinavia. In January 2014, we acquired the assets and liabilities of PT Tass Axia Solusi, an Indonesian company, which will further enhance the Group's presence in Indonesia. To enable us to fully integrate our fund services businesses in Custom House and TMF, we also acquired the non-controlling interest in Custom House and TMF in January 2014.

In July 2014, we signed the Share Purchase Agreement for KCS.

Properties and Offices

We rent all of our offices worldwide (other than one building we own in Curaçao).

KYC and Risk Management

KYC

We adhere to strict KYC procedures. Robust acceptance procedures are in place which are managed pro-actively by a specialized group compliance team. Our global compliance team coordinates with local compliance officers within the Group regarding ultimate ownership, source and destination of funds, purpose of the structure and the nature of the services as well as reputational and anti-money laundering exposure when vetting a client for acceptance.

The specialized group compliance team is located in Switzerland, thereby separating client acceptance from revenue responsibility and new clients are signed-off by one of the Group's senior management. Switzerland brings along the benefits of political and economic stability, employees with experience in client acceptance matters, security and high level of data protection and location in a country with a reputable and professional financial sector.

A Group Compliance Officer oversees group-wide procedures for both the acceptance of new clients and re-acceptance of existing clients and reports directly to the Head of Legal, Compliance and Risk/ General Counsel. In every country, there is a local compliance officer with a reporting line to our Group Compliance Officer, who implement our group compliance procedures on a local level. They monitor local compliance with the procedures and keep track of local regulatory or other compliance incidents.

Our Group Compliance Officer receives (i) monthly reports from the Local Compliance Officers who implement group compliance procedures on a local level, and (ii) notifications (and/or updates) if certain specified key issues arise or events occur. These reports are consolidated and sent to the operation board monthly and the holding company board quarterly.

Risk Management

The monthly management reporting process, alongside internal and external audits, is an important risk management tool. These risk management control systems include among others our code of conduct, policies, manuals, handbooks and procedures on various subjects within the organization including client handling procedures, "four-to-six eyes" principle (e.g. we aim for work to be reviewed by at least one other person), whistle blower policy, regular internal audits either as a surprise visit or announced, and comprehensive client acceptance and re-acceptance policies.

Regulation

We are subject to the oversight of 17 regulators in different jurisdictions. See "*Regulation*" for more information.

Personnel

The table below sets out the number of FTEs we employed for the periods indicated:

	Year ended December 31, 2011	Year ended December 31, 2012	Year ended December 31, 2013 ⁽¹⁾	Three months ended March 31, 2014
Benelux	532	527	527	515
EMEA	1,158	1,171	1,219	1,305
Americas	1,155	1,175	1,129	1,172
APAC	813	861	691	748
Fund services	332	300	247	214
Other	209	183	606	680
Total:	4,199	4,217	4,419	4,349

Typically, we seek to employ qualified accountants, lawyers, bookkeepers, company secretaries and business school graduates. Approximately 76% of our employees are categorized as fee earning (or are client facing) and/or assist in the provision of services to clients.

Personnel costs have historically been the largest on-going expense for our business, representing 52.6% of Group revenues in 2013.

We believe that our highly qualified staff are recognized both internally by management and externally by clients as a key differentiator in our service offering with a significant proportion of professionally qualified personnel. We believe that the quality of our workforce is one of the strengths of the business and a key differentiator in the market place. It is also an integral part of how we successfully manage and operate our global model.

We seek to actively attract and retain the best employees. By investing in talent and rewarding excellence, we aim to create a dynamic and invigorating work environment which brings our employees a high level of job satisfaction, and provide our employees with the following:

- challenging work in a meritocratic environment;
- ongoing professional development;
- secondment and relocation opportunities within our global network; and
- competitive salary and benefits package.

IT Systems

Other than our fund administration services, we are not heavily IT-reliant due to our value added proposition being in bespoke, people-driven services rather than commoditized IT products. Historically, we have grown without a complex IT platform.

Litigation

We are, from time to time, involved in litigation and other legal disputes related to our business, including disputes arising where we have provided trustee, director (for example, where we provide directors or legal representatives for corporate entities of our clients or structures they have established) or administration services.

While we have insurance coverage that we consider appropriate with regard to the size and nature of our operations, our insurance policies are subject to deductibles, limitations and exclusions, and accordingly insurance may not cover all the costs of any litigation in which we are involved or may become involved in the future.

In addition to potential damages and the costs of litigation, we could suffer reputational damage in connection with any significant litigation, regardless of the outcome. In addition, any litigation may lead to inquiries or an investigation from the regulator(s) in the relevant jurisdiction, and, depending on the outcome of any such inquiries or investigation, could affect our relationship with such regulator(s) and accordingly our regulatory status.

On-going Litigation

- Certain investors in property investment and development trusts and companies in respect of which certain of our subsidiaries provided trustee, director and administration services in Jersey have threatened legal proceedings and/or have filed complaints with the Jersey regulator against the relevant Group subsidiaries. Additionally, a claim was filed commencing proceedings in Jersey in December 2010 against two of our companies by the current trustee and manager of three collective investment funds which invested in property development structures in respect of which our relevant subsidiaries previously acted as trustee or manager. Subsequently in 2013, a substantial number of investors independently commenced proceedings in England against three Group subsidiaries—a large amount of the damages claimed in the UK proceedings is in relation to the same claims made in the Jersey proceedings. The legal proceedings and the claims filed in Jersey and England involve investors claiming losses of substantial sums of money in connection with the underlying property investments in Eastern Europe. The claims allege breach of trust, breach of contract, and breach of fiduciary duty on the part of our relevant subsidiaries. As set out under “*Regulation*,” certain of our subsidiaries’ activities in Jersey are regulated.

The Jersey regulator is at an advanced stage of an investigation in respect of aspects of our Jersey business relating to this matter and is currently in the process of forming its decision on any appropriate action that arises from the investigation conclusions. The regulator could choose to take enforcement action which could result in an adverse public statement, commencement of legal proceedings for a compensation order against us or other regulatory sanctions. See “*Risk Factors—Risks Relating to our Business and Industry—We may be adversely affected by current, potential and pending legal or administrative proceedings initiated, or to be initiated, against us and any resulting judgments, settlements and orders rendered by competent authorities.*” Unfavorable outcomes might include a material restriction or inability to conduct business in Jersey, or the need for us to commit additional funding (or other form of Group support) to our Jersey subsidiaries. The Jersey regulator has also commenced a related investigation into our Jersey subsidiaries.

- A subsidiary of ours acted as one of the directors of a Dutch holding company whose subsidiary owned a Mexican property. Additional shares were issued by the subsidiary that resulted in the dilution of the Dutch holding company's (and its shareholders') indirect interest in the Mexican property. Legal proceedings were initiated in the Dutch Enterprise Chamber by one of the shareholders in the Dutch holding company alleging mismanagement by all three of its directors (only one of whom, as noted above, was a subsidiary of ours). The Dutch Enterprise Chamber found that there was mismanagement on the part of all the directors. However, the Dutch Enterprise Chamber is not a forum to claim such damages, and the relevant shareholder started civil proceedings in the Netherlands against our subsidiary and the other directors to claim damages (which damages still need to be substantiated). The plaintiff claimed funding for the civil claim by bringing a related preliminary proceeding in the Netherlands, but this claim was denied by the Dutch courts (in first instance and on appeal).
- We provided certain services in connection with a structured finance transaction, pursuant to which receivables from a bank were transferred to a SPV managed and administrated by a subsidiary of ours. The SPV issued notes to investors. The note trustee on behalf of the noteholders filed a claim in Luxembourg against the relevant subsidiary of ours in November 2012 claiming that certain formalities were not complied with in respect to the transfer of underlying assets as a result of which the SPV might suffer a loss and cannot fully repay the noteholders. These proceedings are in the process of being moved to LCIA arbitration in London with the consent of the parties to the proceedings. The claim seeks damages in an amount of between approximately €125 million and €143 million relating to the alleged lost value of the investment.
- The liquidators of an English company to which one of our Jersey subsidiaries had provided directors and administration services (including as trustee of the Jersey trust that indirectly owned the English company) served legal proceedings against its former directors and that Jersey subsidiary. The primary asset of the Jersey company was a substantial London property. The legal proceedings involve allegations of sale of the London property to a related entity at an undervalue, failure to recover rent under an associated loan and authorizing the write off of a small loan.
- A subsidiary of ours acted as one of the directors (but not sole director) of an investment fund that invested in life settlement policies and which it has been alleged has suffered certain losses. One of the investors of this investment fund commenced court proceedings claiming that (among other things) our subsidiary, as director of the funds, should be held liable for these losses—it is unclear whether any other investors will join in these court proceedings.

While we cannot predict the outcome of the foregoing matters, based upon information currently available to us and in light of our insurance coverage we do not believe that the final outcome of these proceedings and any threatened proceedings will have a material adverse effect on our business, results of operations or financial condition.

Additionally, we note that the headline figure of large claims against us is often based on the total loss to investors in client structures, but historically any recovery from us has typically been at a much lower level.

Recent Claims and Notifications

- One of our subsidiaries provided administrative services to a trust that is the issuer for a student loan securitization program. The issuer issued notes to investors in order to acquire its receivables. Part of the administrative services provided by our subsidiary is the calculation of interest to be paid to the note holders based on the transaction documentation. An incorrect rate has been used, which resulted in an overpayment of interest to the note holders. The issuer has filed a demand letter to our subsidiary.

REGULATION

General

In 17 jurisdictions (“Regulated Jurisdictions,” which are Argentina, British Virgin Islands, Cayman Islands, Curaçao, Guernsey, Ireland, Jersey, Labuan, Luxembourg, Malaysia, Malta, Mauritius, the Netherlands, Samoa, Singapore, Switzerland and Uruguay), certain of our subsidiaries are subject to regulation (“Regulated Subsidiaries”). These Regulated Subsidiaries are subject to regulatory provisions controlling their activities in the relevant jurisdictions and are subject to relevant regulations in those jurisdictions. Regulations in various jurisdictions include periodic review, customer complaint procedures, and other regulatory matters.

Such provisions require us to obtain authorization to perform business activities in or from that jurisdiction. In six jurisdictions (Argentina, the British Virgin Islands, Ireland, Luxembourg, Malta and Singapore), we are subject to prudential supervision requirements, such as minimum capital, solvency and liquidity requirements. In other Regulated Jurisdictions without such requirements, our Regulated Subsidiaries are supervised primarily through regulation governing corporate integrity and rules on accepting client business, including strict requirements to comply with sanctions and anti-money laundering and counter-terrorism finance laws and regulations.

For Cyprus, an application for authorization with the Cyprus Securities and Exchange Commission has been made that is currently pending.

A discussion of the regulatory requirements applicable to us in some of our key markets is set out below.

British Virgin Islands

The British Virgin Islands Financial Services Commission (“BVIFSC”) regulates Class I Trust and custodian activities performed by subsidiaries of our Group (“BVI Regulated Subsidiaries”) in the British Virgin Islands. Failure to comply with the laws below may result in sanctions and fines or, in the case of significant breaches, in limitations imposed on the activities of the BVI Regulated Subsidiaries, including a loss of authorization which would render an entity unable to perform a significant portion of its business in the country. The BVI legislature and the BVIFSC from time to time amend these laws and we monitor such developments.

Class I Trust activities

Some of our activities in the British Virgin Islands include “Class I Trust activities.” Class I Trust activities include serving as a trustee, administrator, manager, protector of a trust or engaging in settlement and company management activities under the Company Management Act 1990. BVI Regulated Subsidiaries performing Class I Trust Activities must obtain authorization from the BVIFSC pursuant to the Banks and Trust Companies Act 1990, as amended (“BTC Act”). The BTC Act and associated rules and regulations require the BVI Regulated Subsidiaries authorized as a Class I Trust entity to demonstrate that:

- the management of the entity is “fit and proper,” that is, possessing honesty and integrity, competence and capability, and financial soundness;
- the holders of a BVI Qualifying Holding are also “fit and proper”;
- the entity carries out its trust business with appropriate restrictions, such as only providing trustee services to a limited number of trusts; and
- the entity has not issued, transferred or otherwise disposed of a BVI Qualifying Holding, without the prior written approval of the BVIFSC. See “—*Vesting of Security Interests in Regulated Entities.*”

Additionally, Class I Trust entities are subject to a duty of “vigilance,” as defined in the Proceeds of Criminal Conduct Act and associated rules and regulations (“AML Act”), requiring such entities to have systems and policies that:

- determine or confirm the identity of customers requesting their services;
- recognize and report suspicious transactions to the designated reporting authority, as defined under the AML Act (“Reporting Authority”);
- prevent a breach of the duty of confidentiality;

- keep records for the prescribed period of time;
- train key staff;
- coordinate with the Reporting Authority and the Financial Services Inspectorate regarding the entity's compliance systems and policies; and
- ensure internal auditing and compliance departments regularly monitor the implementation and operation of such systems.

A BVI Regulated Subsidiary should not enter into a business relationship or carry out a significant transaction unless it has fully implemented these systems and policies. Moreover, the AML Act protects any person who voluntarily discloses information to the Reporting Authority regarding a suspicion or belief that certain money or other property represents the proceeds of criminal conduct.

The BVI Regulated Subsidiaries serving as trust offices are subject to a periodic review and on-site audit conducted by the BVIFSC. The results of this review and audit are discussed at an annual meeting with the Regulated Subsidiary. Additional meetings may be scheduled to discuss specific topics between the BVI Regulated Subsidiaries and BVIFSC. Such additional meetings occur irregularly and depend on developments and circumstances.

Custodian activities

We also provide certain custodian activities in the British Virgin Islands. Custodian activity which involves the safe-keeping of investments, or the safe-keeping of any assets of a mutual fund, is regulated by the Securities and Investment Business Act 2010 ("SIBA"). Custodian activity which involves the safe-keeping of bearer shares is regulated by the Financial Services Commission Act 2001 ("FSC Act"). Custodian activity in respect of documents or assets which do not comprise either investments under SIBA, are not held for mutual funds, or do not comprise bearer shares under the FSC Act are not subject to regulatory oversight by the BVIFSC in their own right. BVI Regulated Subsidiaries are not licensed to provide custody services under SIBA and do not presently provide such services. Certain BVI Regulated Entities, such as TMF (B.V.I.) Limited, do provide custody services in respect of bearer shares and are appropriately authorized under the FSC Act to do so. Certain BVI Regulated Subsidiaries also provide custodian activities in respect of assets not expressly subject to regulatory oversight. TMF (B.V.I.) Limited implements regulations governing custodians of bearer shares for entities owned by a third-party and is required to satisfy the BVIFSC that it meets certain "fit and proper" criteria and has the necessary systems in place for the safe custody of bearer shares. In practice TMF (B.V.I.) Limited and other BVI Regulated Entities extend these systems and controls and in certain circumstances conduct of business measures in relation to other assets under custody, even though such assets in their own right may fall outside of the scope of the regulatory regime.

Luxembourg

Some subsidiaries of our Group provide certain regulated services relating to trust offices and fund services. In Luxembourg, certain services performed by our Group through TMF Luxembourg S.A., TMF Compliance (Luxembourg) S.A. and Custom House Fund Services (Luxembourg) S.A. are regulated pursuant to the Luxembourg law of April 5, 1993, as amended, on the financial sector, as amended ("Luxembourg FS Act"). Failure to comply with the Luxembourg FS Act and associated rules and regulations may result in criminal and administrative sanctions and fines and in the case of significant breaches, may result in limitations on the activities of or loss of authorization by the Luxembourg Regulated Subsidiaries, resulting in an inability to perform a significant portion of their business in Luxembourg. The Luxembourg FS Act and associated rules and regulations are from time to time amended and the Luxembourg Regulated Subsidiaries monitor such developments.

Trust offices

Our office functions in Luxembourg include the performance—on its own behalf or on behalf of third parties—of the activities of corporate domiciliation agent, professional providing for company formation and management services, family office, registrar agent, financial sector administrative agent and client communication agent.

Funds services

Our fund services offered to our clients in Luxembourg include several regulated activities pursuant to the Luxembourg FS Act (i.e. registrar agent, corporate domiciliation agent, client communication agent, administrative agent of the financial sector, company formation and management services). Custom House Fund Services (Luxembourg) S.A. is authorized to provide administrative services for clients and execute financial instruments as well as act on behalf of numerous financial institutions including, inter alia, credit institutions, professionals of the financial sector, insurance and reinsurance companies and investment funds under Luxembourg and foreign law. Custom House Fund Services (Luxembourg) S.A. is permitted to maintain or destroy confidential documents, transmit documents or information relating to client assets and services, manage mail granting access to confidential data, and consolidate financial positions held with different financial institutions.

Other

The Luxembourg Regulated Subsidiaries are required to comply with inter alia, the following prudential, organizational and audit rules provided by the Luxembourg FS Act:

- to have sound administrative and accounting procedures, control and safeguard arrangements for electronic data processing, and adequate internal control mechanisms including, in particular, rules for personal transactions by its employees;
- to arrange for records to be kept, and retained for periods laid down in the Luxembourg Commercial Code, of transactions executed which shall at least be sufficient to enable the CSSF to monitor compliance with the prudential rules which it is responsible for applying;
- to be structured and organized in such a way as to minimize the risk of clients' interests being prejudiced by conflicts of interest between the Luxembourg Regulated Subsidiary and its clients or between one of its clients and another;
- comply with minimum share capital requirements which, in connection with the different authorizations granted to the Luxembourg Regulated Subsidiaries, should amount at all times to at least €125,000;
- to communicate to the CSSF the identities of the shareholders or members, whether direct or indirect and whether natural or legal persons holding Luxembourg Qualifying Holding in the Luxembourg Regulated Subsidiary authorized, and of the amounts of those Luxembourg Qualifying Holdings and to inform the CSSF of any intended change in such direct or indirect control or holding of the Luxembourg Regulated Subsidiaries as described below;
- to have the Luxembourg Regulated Subsidiary's annual accounts audited by one or more approved statutory auditors who can show that they possess adequate professional experience. Those approved statutory auditors shall be appointed by the management body of the Luxembourg Regulated Entity;
- disclosure of the formal and factual holdings and control in the Luxembourg Regulated Subsidiary.

Any natural or legal person who has taken a decision to dispose, directly or indirectly, of a Luxembourg Qualifying Holding in a Luxembourg Regulated Subsidiary shall first notify in writing the CSSF, indicating the size of its intended holding. Such a person shall likewise inform the CSSF if it proposes to reduce its qualifying holding so that the proportion of the voting rights or of the capital held by him would fall below 20%, 33⅓% or 50% or so that the Luxembourg Regulated Subsidiary would cease to be its subsidiary.

In addition, Luxembourg Regulated Subsidiaries are bound to comply with the professional obligations set forth in the Law of November 12, 2004 on the fight against money laundering and terrorist financing, as amended ("Luxembourg AML/CFT Law"), including inter alia the obligation to: (i) conduct customer due diligence (for both new and existing clients, as appropriate) and (ii) possess adequate internal organization; and (iii) co-operate with authorities.

The Luxembourg Regulated Subsidiaries have reporting obligations pursuant to the Luxembourg FS Act. They may be subject to reviews and on-site audit processes conducted by the CSSF to verify their compliance with applicable laws, regulations and circulars. In case specific topics must be discussed between the Luxembourg Regulated Subsidiaries and the CSSF further meetings may be scheduled. Such further meetings occur irregularly depending on the developments and circumstances arising out of the business of the Luxembourg Regulated Subsidiaries.

The Netherlands

In the Netherlands, subsidiaries of our Group (“Dutch Regulated Subsidiaries”) provide certain regulated services, which are regulated and subject to supervision by the Dutch Central Bank (“DCB”) and the Authority Financial Markets (“AFM”). Failure to comply with Dutch laws and regulations may result in administrative sanctions and fines or, in the case of significant breaches, may result in limitations on the activities of or loss of authorization by the Dutch Regulated Subsidiaries, including the inability to perform a significant portion of their business in the Netherlands. The Dutch legislator, DCB and AFM occasionally amend the Act on Supervision of Trust Offices (“ASTO”), the Dutch Act on Financial Supervision (“AFS”), and associated rules and regulations. The Dutch Regulated Subsidiaries monitor such developments.

Trust offices

Our trust offices activities include acting as statutory director for client companies and domiciliation services combined with (i) corporate secretarial assistance, (ii) preparing tax returns, (iii) preparing annual accounts and bookkeeping, (iv) recruitment of statutory directors for client companies, or (v) other miscellaneous related services or a combination of all or some of the above services; sale and intermediation of companies; and use of an entity to set up and administer special purpose vehicles.

Subsidiaries acting as a trust office in the Netherlands must obtain a license from the DCB pursuant to the ASTO. The ASTO and associated regulations require that Dutch Regulated Subsidiaries authorized as a trust office must:

- ensure all executive directors, non-executive directors, and factual policy makers are “fit and proper” (i.e. trustworthy and suitable) prior to their appointment, subject to on-going monitoring by the DCB;
- ensure that any individual or entity, whether residing or established in the Netherlands or abroad, obtains prior approval for the acquiring or maintaining of a position of a Dutch Qualifying Holding in such Dutch Regulated Subsidiary;
- ensure that any change to the de jure and de facto control structure of the group of companies within which such Dutch Regulated Subsidiary is an affiliate obtains prior approval from the DCB; and
- conduct business in accordance with the provisions on integrity in operations and administration as well as the requirements regarding administrative organization and internal control.

Trust offices regulated pursuant to the ASTO are “institutions” under the Act on prevention of money laundering and counter terrorism finance (“Dutch AML Act”). Thus, the Dutch Regulated Subsidiaries must:

- perform a customer investigation on all clients (either a “simple” or “extensive” investigation, depending on the profile of the potential client) of the trust office prior to an agreement to provide services;
- perform an investigation on all Ultimate Beneficial Owners (“UBO”) of customers prior to an agreement to provide services if the holdings of the UBO exceed 25%;
- monitor transactions by or on behalf of the customer; and
- report “suspicious” transactions to the Dutch Financial Intelligence Unit.

Trust offices must comply with the Dutch Sanctions Act, requiring trust offices—in addition to their obligations under the Dutch AML Act—to screen potential customers and transactions. In particular, the screening must rely on information in the European Screening Lists published by national and international counterterrorism authorities.

The Dutch Regulated Subsidiaries serving as trust offices are subject to an annual review and on-site audit conducted by the DCB. The results of this review and audit are contained in the DCB’s annual documents to the management of the Dutch Regulated Subsidiaries and are also discussed at an annual meeting. Additional meetings between the Dutch Regulated Subsidiaries and the DCB may be scheduled to discuss specific topics. Such additional meetings occur irregularly and depend on developments and circumstances. Significant changes in our business as a whole are often scheduled

to be discussed with the DCB which acts (informally) as the lead regulatory authority for all Regulated Subsidiaries in our business worldwide.

Custodian activities

Three of our subsidiaries, TMF Bewaar B.V., Administratiekantoor van de Twentsche Trust-Maatschappij B.V. and TMF Depositary N.V. are engaged in custodian activities which include custodian services for third-party collective investment funds. These subsidiaries performing such custodian services need not obtain a permit but are subject to indirect screening by the AFM as soon as they notify to the AFM that they are a depositary of a collective investment fund. TMF Bewaar B.V. and Administratiekantoor van de Twentsche Trust-Maatschappij B.V. have been subject to such screening processes by the AFM in the past pursuant to the Dutch legislation applicable to collective investment funds prior to the introduction of the Alternative Investment Fund Managers Directive 2011/61/EU (the “AIFMD”). TMF Depositary N.V. is currently the subject of a screening by the AFM as a custodian performing services pursuant to an agreement with an AIFMD-fund manager. Pursuant to the applicable laws for custodians prior to and after the AIFMD provisions entered into force, custodians must comply with certain rules under the AFS including disclosure requirements towards the fund managers and (indirectly) to the AFM. The AFS and associated regulations require, inter alia, that the Dutch Regulated Subsidiaries acting as a custodian must:

- maintain a minimum capital of €112,500;
- ensure that day-to-day policymakers and members of the supervisory board (if any) are “fit and proper” (i.e. trustworthy) prior to their appointment, subject to on-going monitoring by the AFM;
- disclose the de jure and de facto control structure of the group of companies within which the custodian is an affiliate;
- comply with certain mandatory liability regimes depending on the type of assets held in custody;
- comply with certain duties depending on the type of assets held in custody such as, but not limited to, safekeeping, registration, verification and/or monitoring of these assets held in custody;
- maintain independence from the collective investment fund managers;
- possess asset segregation rules and procedures protecting the interests of the participants in the collective and investment schemes where the Dutch Regulated Subsidiary serves as a custodian; and
- file an annual, audited account to the AFM and the public of the Dutch Regulated Subsidiary’s actions as a custodian no later than four months after the end of the financial year.

Change of Control in Regulated Subsidiaries

Our Regulated Subsidiaries must obtain clearance of its direct or indirect transactions resulting in change of control. Most Regulated Jurisdictions subject direct or indirect controllers in businesses to the recommendations of the Financial Action Task Force (“FATF”) and the RBA Guidance for Trust and Companies Service Providers (“TCSPs”) of June 17, 2008 issued by the FATF (“RBA Guidance”). The FATF promotes risk-based approaches for financial businesses and designated non-financial businesses and professions. Some Regulated Jurisdictions have opted for a different risk-based regime that requires regulatory agencies be notified of significant changes in direct or indirect control. Other Regulated Jurisdictions have stricter requirements in place.

With the exception of one Regulated Subsidiary in Malta and one Regulated Subsidiary in Ireland, all of the other Regulated Subsidiaries qualify as TCSPs and are therefore subject to the RBA Guidance. In Malta, one subsidiary is designated as an “investment firm” under Directive 2004/49/EC and, therefore, is subject to regulations adopted for financial sector businesses. Similar provisions apply for the Irish Regulated Subsidiary. These regulations include, inter alia, Directive 2007/44/EC of the European Parliament and of the Council of September 5, 2007 amending Council Directive 92/49/EEC and Directives 2002/83/EC, 2004/39/EC, 2005/68/EC and 2006/48/EC, which provide for procedural rules and evaluation criteria for the assessment of acquisitions and increases in holdings in the financial sector.

Entities regulated in the British Virgin Islands, Curaçao, Guernsey, Luxembourg, Jersey, Malta, the Netherlands and Singapore must obtain prior approval or comparable authorization for any change of

control or the acquisition, disposition or increase of a significant interest (direct or indirect) in a Regulated Subsidiaries. Thus, the Group or the relevant subsidiary customarily applies for such approval or authorization every time it contemplates a direct or indirect change of control of a Regulated Subsidiary in such a jurisdiction. For all other Regulated Jurisdictions, the Group provides regulatory agencies with elaborate notifications containing the details of the direct or indirect changes in control of the Regulated Subsidiaries concerned if and to the extent such direct or indirect change of control affects the Regulated Subsidiaries in the jurisdictions concerned.

Vesting of Security Interests in Regulated Entities

The Collateral that secures the Notes includes pledges of shares in some of our Regulated Subsidiaries. Regulatory approval would be required to enforce security interests in shares of Regulated Subsidiaries in the Netherlands, Luxembourg and the British Virgin Islands. See “*Risk Factors—Risk Relating to the Notes—The rights of the Security Agent to enforce security over the shares of a regulated entity are subject to prior regulatory consent in Luxembourg, the Netherlands and the British Virgin Islands.*”

MANAGEMENT

Directors and Senior Executives

The directors and senior executives of the Issuer

The directors of the Issuer (the “Issuer Board of Directors”), as of the date of this Offering Memorandum, are Gordon Stuart, Joyce Winnubst, Celestine Fransen and Maria van der Sluijs-Plantz. The directors of TMF Group HoldCo B.V. (the “HoldCo Board of Directors”) are Gordon Stuart, Joyce Winnubst, Celestine Fransen and Maria van der Sluijs-Plantz.

The following table sets forth the name, age and position of the directors of the Issuer:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Business Address</u>
<i>Directors:</i>			
Gordon Stuart	51	Chief Financial Officer, TMF Group	Herikerbergweg 238 1101 CM Amsterdam The Netherlands
Joyce Winnubst	40	General Counsel, TMF Group	Herikerbergweg 238 1101 CM Amsterdam The Netherlands
Celestine Fransen	43	Head of Group Accounting and Tax, TMF Group	Westblaak 89 3012 KC Rotterdam The Netherlands
Maria van der Sluijs-Plantz . .	59	Director, TMF Group	Herikerbergweg 238, 1101 CM Amsterdam The Netherlands

The directors of TMF Orange Holding B.V.

There are 11 directors of TMF Orange Holding B.V. (the “TMF Orange Board of Directors”). The directors of the TMF Orange Board of Directors, as of the date of this Offering Memorandum, are Matthew Appleton, Claus Felder, Francisco Gutierrez de Churtichaga, Dan Kragt, Cedric Stebel, Graeme Stening, Gordon Stuart, Maria van der Sluijs-Plantz, Frederik van Tuyll, Hugo van Vredenburg and Ian Wilson. The chairman of the TMF Orange Board of Directors shall be a Doughty Hanson nominee, as approved by the Middenberm directors. The current chairman is Claus Felder.

The following table sets forth the name, age and position of the directors of the TMF Orange Board of Directors.

Name	Age	Position	Business Address
<i>Directors:</i>			
Matthew Appleton	39	Senior Principal, Doughty Hanson	45 Pall Mall, London SW1Y 5JG, UK
Claus Felder	52	Chairman; Senior Principal, Doughty Hanson	Platz der Einheit 2, D-60327 Frankfurt am Main, Germany
Francisco Gutierrez de Churtichaga	49	Senior Principal, Doughty Hanson	C/Serrano, 26, 28001 Madrid, Spain
Dan Kragt	52	Regional Director for EMEA (excluding Benelux), TMF Group	Herikerbergweg 238, 1101 CM Amsterdam The Netherlands
Cedric Stebel	37	Company Administrator, Doughty Hanson	28 Boulevard Royal, L-2449 Luxembourg
Graeme Stening	50	General Counsel, Doughty Hanson	45 Pall Mall, London SW1Y 5JG, UK
Gordon Stuart	51	Chief Financial Officer, TMF Group	Herikerbergweg 238 1101 CM Amsterdam The Netherlands
Maria van der Sluijs-Plantz . .	59	Director, TMF Group	Herikerbergweg 238, 1101 CM Amsterdam The Netherlands
Frederik van Tuyll	47	Chief Operating Officer, TMF Group	6 St Andrew Street, London EC4A 3AE, UK
Hugo van Vredenburg	48	Chief Executive Officer, TMF Group	6 St Andrew Street, London EC4A 3AE, UK
Ian Wilson	56	Director, TMF Group	Herikerbergweg 238 1101 CM Amsterdam The Netherlands

Biographies

Matthew Appleton is a Director of TMF Orange Holding B.V., a position he has held since 2013, and previously with TMF Group HoldCo B.V. since 2011 and TMF Group Holding B.V. between 2011 and 2013. Mr. Appleton joined Doughty Hanson in 2004 and has a particular focus on U.K. and German buyouts. He is a member of the Doughty Hanson private equity investment committee. He also focuses on the financial services sector. Prior to this, he worked for PWC in Transaction Services in London and Frankfurt and in the audit department in London. Mr. Appleton qualified as a chartered accountant (ACA) in 2000 and has a degree in Modern Languages (MA) from St. Edmund Hall, Oxford University.

Claus Felder is the Chairman of TMF Orange Holding B.V., a position he has held since 2013, and previously with TMF Group HoldCo B.V. since 2012, and was a Director of TMF Group HoldCo B.V. between 2008 and 2013. Mr. Felder joined Doughty Hanson in 1997 and heads up private equity activity in the German-speaking region. He has been responsible for transacting, monitoring and exiting a number of portfolio investments including A.T.U and Moeller. He is a member of the Doughty Hanson private equity investment committee. Prior to joining Doughty Hanson, Mr. Felder spent seven years with KPMG in its Cape Town and Frankfurt offices where he focused on large corporate audits and corporate finance assignments. Mr Felder has a Master's degree in Business Administration from the University of Cologne where he majored in tax, accounting and industrial management.

Celestine Fransen is a Director of the Issuer and TMF HoldCo B.V., and has had several positions with the Group's finance division since 2003 and is currently Head of Corporate Accounting and Tax. Ms. Fransen has a Master's in Business Policy & Business Management from the Erasmus University Rotterdam and Executive Master of Finance and Control from the VU University Amsterdam.

Francisco Gutierrez de Churtichaga is a Director of TMF Orange Holding B.V., a position he has held since 2013, and previously with TMF Group HoldCo B.V. between 2008 and 2013. Francisco joined

Doughty Hanson in 2006 and works with the private equity team investing in Southern Europe. He is a member of the Doughty Hanson private equity investment committee. From 1999 to 2006, Mr. Churtichaga held various responsibilities in the private equity investment arms of JP Morgan and successor funds, including investing in the telecommunications and media sectors. Mr. Churtichaga has a Master of Science degree from the Universidad Politécnica de Madrid and a Master in Business Administration from Duke University.

Dan Kragt is a Director of TMF Orange Holding B.V., a position he has held since 2014, and is TMF Group's Regional Director for EMEA (excluding Benelux), a role he has held since 2011 following the merger with Equity Trust. Mr. Kragt is responsible for the supervision, control and development of TMF Group's offices in the EMEA region. Mr. Kragt has held positions in the Group since 1999, including Regional Director of Western Europe and other roles relating to the expansion of the Group's Spanish presence. Prior to joining the Group, Mr. Kragt was a Partner at International Corporate Management Expertise S.L., a successful Barcelona-based business he launched in 1993 dedicated to assisting foreign investors. Mr. Kragt received a Bachelor in Business Administration from Nijenrode (The Netherlands School of Business), and a Master in Business Administration from Georgetown University. He also attended the University of Barcelona, where he was a postgraduate in International Tax Law.

Cedric Stebel is a Director of TMF Orange Holding B.V., a position he has held since 2013, and previously with TMF Group HoldCo B.V. between 2011 and 2013. Mr. Stebel joined Doughty Hanson's Luxembourg office in 2006 as Director/Company Administrator. Prior to joining Doughty Hanson, Mr. Stebel worked as Administration, Finance & Control Manager at PRADA in Luxembourg for five years. He began his career with PricewaterhouseCoopers. Mr. Stebel has a degree (Hons) in Accounting and Business Administration from HEC Blaise Pascal in Arlon (Belgium).

Graeme Stening is a Director of TMF Orange Holding B.V., a position he has held since 2013, and is General Counsel and a member of the Doughty Hanson private equity investment committee. Mr. Stening joined Doughty Hanson in 1999. Previously, he was Vice President and Group Senior Counsel of Invensys, a company formed following the merger of engineering conglomerate BTR with Siebe. Prior to the merger, Mr. Stening was Head of BTR's European Legal Department and a key player in BTR's successful global divestment and acquisition programme. He has also worked as a solicitor with Simmons & Simmons and Simpson Curtis (now Pinsent Masons). Mr. Stening holds a degree in law from Brunel University.

Gordon Stuart is Chief Financial Officer, a role he has held since 2012. Mr. Stuart has responsibility for overseeing all financial aspects of the Group. He brings significant outsourcing industry experience, and has worked in both private equity backed and publicly quoted businesses. Most recently Mr. Stuart was CFO and Head of Offshore Operations at Alexander Mann Solutions, the global leader in recruitment process outsourcing. His previous roles have included Group Finance Director at Xansa plc and London Bridge Software plc. Mr. Stuart is currently a Non-executive Director and Chair of the audit committee of Sepura plc.

Maria van der Sluijs-Plantz is a Director of TMF Orange Holding B.V., a position she has held since 2013. Prior to that, she was executive Vice Chairman for Strategic Development of TMF Group. Ms. van der Sluijs-Plantz held the role of Chief Executive Officer of TMF from 2003, and was co-Chief Executive Officer from September 2010 until March 2012. Ms. van der Sluijs-Plantz is a corporate lawyer with an LL.M. from the University of Leiden, the Netherlands.

Frederik van Tuyll is Chief Operating Officer, a role he has held since 2011 following the acquisition of Equity Trust. Mr. van Tuyll has an extensive background and career in international financial and business planning, which spans more than 20 years. Mr. van Tuyll joined Equity Trust in 1994 and was centrally involved in the company's expansion, both organically and through acquisition, playing a vital role in its development and success. He served as CEO of Equity Trust's Asia Pacific region, and subsequently as Deputy CEO at a global level, before being appointed to the CEO role of Equity Trust in 2009.

Hugo van Vredenburg is Chief Executive Officer, a role he has held since 2010. He joined the TMF Orange Board of Directors in 2013, and previously, he was a director with TMF Group HoldCo B.V. between 2011 and 2014. Mr. van Vredenburg began his career in 1989, working for Tokyo Pacific Holdings in Japan as an analyst and subsequently General Manager and CIO. He joined Goldman Sachs & Co in 1992, holding a variety of roles over a 13-year period, including heading up the Equities Division in Japan, COO of the Global Equities Division and co-leadership of the Pan-European Equities

Franchise. Prior to leaving in 2005, he was a Partner and Managing Director of Goldman Sachs & Co. Mr. van Vredenburg joined Equity Trust in 2005 as CEO, serving in this position until 2009.

Ian Wilson is a Director of TMF Orange Holding B.V., a position he has held since 2013, and has been Executive Vice President of Strategy and Development of Amcor Limited since 2000 and is based in Zurich, Switzerland. From 1986 to 2000, Mr. Wilson held various positions with UBS in Australia and New Zealand, including as Deputy Chairman and Managing Director and Executive Director Private Equity. From 1980 to 1986 he was a solicitor and attorney with international law firm, Baker & McKenzie in New York, Chicago, San Francisco and Sydney, where he was an elected partner in 1986. Mr. Wilson holds a Bachelor of Law with Honours from University of Sydney, Master of Laws from University of Chicago and attended an Advanced Management Programme at INSEAD Business School, Paris, France. Mr. Wilson has held director functions at TMF Orange Holding B.V., TMF Group HoldCo B.V. and/or the Issuer since 2004.

Joyce Winnubst is a Director of the Issuer and TMF HoldCo B.V., and has over 15 years' legal experience, having worked as lawyer for Allen & Overy's Mergers & Acquisitions practices in Amsterdam and London, and as in-house lawyer for TNT in the Netherlands prior to joining TMF in 2006. During her career with TMF, Ms. Winnubst has played a key role in numerous mergers and acquisitions. She has also driven the expansion of the Group Legal, Compliance & Risk Management Department. Ms. Winnubst is responsible for overseeing group legal issues, compliance and also the Group's risk management procedures. She also ensures compliance with the highest standard of corporate governance.

Hugo van Vredenburg and Frederik Van Tuyll are cousins.

Current Board Practices

Issuer

The Issuer Board of Directors currently comprises four directors. Pursuant to the articles of association of the Issuer, the Issuer is managed by a board of directors consisting of one or more members, who are appointed by the general meeting of shareholders.

In accordance with the provisions of the Orange Shareholders' Agreement the Issuer Board of Directors shall have its members elected by its direct shareholders, TMF Group HoldCo B.V., generally, provided that Middenberm may nominate five directors and Doughty Hanson may nominate at least six directors.

Members of the Issuer Board of Directors shall be entitled to receive for their services such remuneration as may from time to time be determined by an ordinary resolution of the general meeting of shareholders. The articles of association of the Issuer do not require a director to retire by rotation. Under Dutch law, a director can at any time be discharged by the body which has appointed him. As a consequence, the general meeting of shareholders of the Issuer is authorized to discharge the members of the Issuer Board of Directors. The Issuer Board of Directors is authorized to adopt regulations laying down the decision-making process during its meeting. These regulations have to be approved by the general meeting of shareholders.

In accordance with the Orange Shareholders' Agreement, no business can be conducted at meetings of the Issuer Board of Directors unless a majority of the members of the Issuer Board of Directors is present or represented (including at least two directors nominated by Middenberm and one director nominated by Doughty Hanson, if any). The general meeting of shareholders is authorized to refer decisions of the Issuer Board of Directors, which have to be specified in writing, to its prior approval.

TMF Group HoldCo B.V.

The HoldCo Board of Directors currently comprises four directors. Pursuant to the articles of association of TMF Group HoldCo B.V., the company shall be managed by a board of directors consisting of one or more members, who are appointed by the general meeting of shareholders.

In accordance with the provisions of the Orange Shareholders' Agreement the HoldCo Board of Directors shall have its members elected by its direct shareholders, generally, provided that Middenberm may nominate five directors and Doughty Hanson may nominate at least six directors.

Members of the HoldCo Board of Directors shall be entitled to receive for their services such remuneration as may from time to time be determined by an ordinary resolution of the general meeting

of shareholders. The articles of association of TMF Group HoldCo B.V. do not require a director to retire by rotation. The HoldCo Board of Directors is authorized to adopt regulations governing decision-making processes during its meetings. These regulations must be approved by a general meeting of the shareholders.

In accordance with the provisions of the Orange Shareholders' Agreement, no business can be conducted at meetings of the HoldCo Board of Directors unless a majority of the HoldCo Board of Directors is present or represented (including at least two directors nominated by Middenberm and one director nominated by Doughty Hanson, if any). Each director is authorized to arrange (in writing) representation by a co-director during the HoldCo Board of Directors' meetings. The general meeting of shareholders is authorized to refer decisions of the HoldCo Board of Directors, which have to be specified in writing prior to its approval.

TMF Orange Holding B.V.

The TMF Orange Board of Directors currently comprises 11 directors. Pursuant to the articles of association of TMF Orange, TMF Orange is managed by a board of directors consisting of one or more members, who are appointed by the general meeting of shareholders.

In accordance with the provisions of the Orange Shareholders' Agreement the TMF Orange Board of Directors shall have its members elected by its direct shareholders, generally, provided that Middenberm may nominate six directors and Doughty Hanson may nominate six directors. The chairman of the TMF Orange Board of Directors shall be a Doughty Hanson-nominated director as approved by Middenberm. The chairman of the TMF Orange Board of Directors shall have a casting vote.

Members of the TMF Orange Board of Directors shall be entitled to receive for their services such remuneration as may from time to time be determined by an ordinary resolution of the general meeting of shareholders. The articles of association of TMF Orange do not require a director to retire by rotation. The TMF Orange Board of Directors is authorized to adopt regulations laying down the decision-making process during its meeting. These regulations have to be approved by the general meeting of shareholders.

In accordance with the Orange Shareholders' Agreement, no business can be conducted unless a majority of the TMF Orange Board of Directors is represented, including at least one Middenberm-nominated director, and subject to the condition that at least half of the TMF Orange Holding B.V. shareholders are Doughty Hanson-nominated directors, unless the chairman of the TMF Orange Board of Directors consents otherwise.

Audit Committee

Our audit committee is at the level of TMF Orange Holding B.V. and the members of the audit committee are Matthew Appleton, Claus Felder and Ian Wilson, all of whom are directors of TMF Orange Holding B.V. The chairman of the audit committee is Matthew Appleton. The primary responsibilities of the audit committee are:

- to review the policies and process for identifying and assessing business risks and the management of those risks by TMF Orange Holding B.V.;
- to carry out an annual review of the role and effectiveness of the internal audit function;
- to review the annual and interim financial statements (if any) before submission to the TMF Orange Board of Directors;
- to review management's and the internal auditor's reports on the effectiveness of systems for internal financial control, financial reporting and risk management;
- to consider other relevant matters as defined by the TMF Orange Board of Directors; and
- to make certain recommendations on these matters, among other matters, to the TMF Orange Board of Directors.

Remuneration Committee

Our remuneration committee is currently at the level of TMF Orange Holding B.V. and the members of the remuneration committee are Matthew Appleton, Claus Felder, Maria van der Sluijs-Plantz and Ian Wilson, all of whom are directors of TMF Orange Holding B.V. The chairman of the remuneration committee is Matthew Appleton. The primary responsibilities of the remuneration committee are to:

- make recommendations to TMF Orange Holding B.V. on the remuneration of the Chief Executive Officer, the members of the TMF Orange Board of Directors and the members of the executive committee of TMF Orange Holding B.V.;
- determine targets for any performance-related payments for our Chief Executive Officer, the members of the TMF Orange Board of Directors and the members of the executive committee of TMF Orange Holding B.V., taking into account the factors which it deems necessary with the objective of ensuring that such persons are provided with appropriate incentives to encourage enhanced performance and are rewarded in a fair and responsible manner for their individual contributions to the success of the TMF Orange Holding B.V.; and
- review on a high level the ongoing appropriateness and relevance of a remuneration policy for other employees of TMF Orange Holding B.V. and its subsidiaries including, but not limited to, making certain recommendations on reward trends across the business, the overall picture of global remuneration, the adoption of any bonus or profit-sharing scheme, share option scheme or employee share trust or share ownership plan and other related matters to the TMF Orange Board of Directors.

Share Ownership

Full details of the ownership of shares in the Group, including the beneficial interests of directors in shares of the Group, are given in the “*Relationships and Transactions with Related Parties*” section below.

There are no arrangements for involving the employees in the capital of the Issuer by way of the issue or grant of options or shares or securities of the Group, or by any other means.

PRINCIPAL SHAREHOLDERS

The Issuer

The Issuer was incorporated on 3 August 2004 as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands and registered with the chamber of commerce Amsterdam, the Netherlands under number 34210949. The Issuer is wholly owned by TMF Group HoldCo B.V. TMF Group HoldCo B.V. is wholly owned by TMF Orange Holding B.V. As at the date of this Offering Memorandum, the Issuer had issued and outstanding 18,000 fully paid-up ordinary shares of par value of €1.00 each, all of which are held by TMF Group HoldCo B.V.

TMF Group HoldCo B.V.

TMF Group HoldCo B.V. is 100% owned by TMF Orange Holding B.V.

TMF Orange Holding B.V.

Doughty Hanson indirectly owns 100% of the preference shares (which it has agreed not to vote under the terms of the Orange Shareholders' Agreement) and approximately 63.24% of the total number of ordinary shares of TMF Orange Holding B.V. Certain of our current and past senior management indirectly own approximately 36.76% of TMF Orange Holding B.V.

Doughty Hanson

Doughty Hanson is a leading private equity firm specializing in investments in businesses headquartered in or whose businesses are primarily based in Europe. Doughty Hanson traces its history back to 1985 when Nigel Doughty and Richard Hanson started working together on European buyout investments. It is based in London, United Kingdom, with additional offices across Europe.

Orange Shareholders' Agreement

TMF Orange Holding B.V. has entered into the Orange Shareholders' Agreement governing, among other things, our conduct and governance.

TMF Orange Holding B.V. Board of Directors composition

The Orange Shareholders' Agreement provides that Doughty Hanson shall have the right to nominate at least six persons and Middenberm shall have the right to nominate up to six persons as directors to the Board of TMF Orange Holding B.V., who shall be elected by the shareholders of TMF Orange Holding B.V. The chairman of the TMF Orange Board of Directors shall be nominated by Doughty Hanson and approved by Middenberm. The chairman of the TMF Orange Board of Directors shall have a casting vote.

HoldCo Board of Directors composition

The Orange Shareholders' Agreement provides that the HoldCo Board of Directors shall be appointed by TMF Orange Holding B.V. upon the following nomination rights:

- at least six persons by Doughty Hanson; and
- five persons by Middenberm.

Issuer Board of Directors composition

The Orange Shareholders' Agreement provides that the Issuer Board of Directors shall be appointed by TMF Group HoldCo B.V. upon the following nomination rights:

- at least six persons by Doughty Hanson; and
- five persons by Middenberm.

Ordinary share voting rights

Each ordinary share in TMF Orange Holding B.V. carries one vote. Therefore, the voting rights of the ordinary shares of Doughty Hanson are approximately 63.24% and of Middenberm are approximately 36.76%.

Preference share voting rights

Doughty Hanson indirectly owns 100% of the preference shares issued by TMF Orange Holding B.V., but has agreed under the Orange Shareholders' Agreement not to exercise the voting rights attaching to those shares.

Conduct of business and veto rights

The Orange Shareholders' Agreement governs the terms and conditions of transfers of shares in TMF Orange Holding B.V. as well as its management and the conduct of its operations. Under the Orange Shareholders' Agreement:

- Doughty Hanson has veto and certain other rights (e.g. relating to exit scenarios) over some important Group actions including issuance of securities by TMF Orange Holding B.V., distributions and dividends by TMF Orange Holding B.V. and certain other non-routine matters and protection rights; and
- Middenberm also has certain veto rights over a smaller set of important group decision, issuance of securities by TMF Orange Holding B.V., distributions/dividends by TMF Orange Holding B.V. and certain other procedural rights, and, due to certain arrangements between management, these rights are effectively vested in one management representative.

Therefore, some important Group actions may require the consent of Doughty Hanson and Middenberm.

Other provisions

The Orange Shareholders' Agreement deals with customary other matters, including certain provisions relating to transfers restrictions and rights.

RELATIONSHIPS AND TRANSACTIONS WITH RELATED PARTIES

Shareholders' Agreement

Although the Issuer is not a party, the indirect parent entity of the Issuer (TMF Orange Holding B.V.) is a party to the Orange Shareholders' Agreement that contains certain provisions that have an impact on the Issuer and the conduct of its business. For further information, see "*Principal Shareholders—Orange Shareholders' Agreement*."

Subordinated Shareholder Funding

The Issuer received prior to closing of the Offering of the Notes loans from TMF Group HoldCo B.V. under eight shareholder loan agreements. As of March 31, 2014, the aggregate amount of shareholder loans outstanding from the Issuer to TMF Group HoldCo B.V. (including giving pro forma effect to shareholder loans that were in place prior to closing of the Offering of the Notes as a result of the assignment of certain intra-group receivables from TMF Group HoldCo B.V. to the Issuer and certain other actions) would be approximately €387 million pursuant to those loans (as amended and as amended and restated from time to time).

The shareholder loans have interest rates ranging from 6.26% to 16% per annum (with interest rolling-up on an annual basis, any such interest will itself bear interest) and maturity dates of December 15, 2022 (and beyond). The key terms of the shareholder loans include:

- the shareholder loans are subordinated to the secured liabilities, including the Notes, pursuant to the Intercreditor Agreement;
- repayments under the shareholder loans are restricted until after the repayment of the secured liabilities, including the Notes; and
- the shareholder loans do not have change of control provisions, nor financial / restrictive covenants nor security or mandatory prepayment provisions.

Contingent asset transfer

During 2008 we sold and assigned €9.3 million of certain financial assets and deferred tax assets to Middenberm. Middenberm is entitled to a return of 10% of the purchase price of the unrecovered portion thereof each year ("Yield"). This Yield will be calculated up to the date that Middenberm has been able to unconditionally transfer all assets to a third-party or otherwise realized in cash. If the aggregated proceeds received by Middenberm for all assets are in excess of the purchase price, increased by the Yield, then the amount of excess shall be considered as an adjustment to the purchase price and repaid to us.

Transaction with key management and personnel

During 2013, the key management personnel compensation comprised:

	Year Ended December 31, 2012	Year Ended December 31, 2013
	(in €thousands)	
Wages, salaries and management fees	3,991	8,117
Post-employment benefits	237	392
Total remuneration of key management	4,228	8,509

Services

In the ordinary course of business we provide certain services to a Doughty Hanson controlled holding company that is a shareholder in TMF Orange Holding B.V.—in 2013, the amount of these services was €145.0 thousand. Additionally, we, from time to time, may provide services in the ordinary course of business to Doughty Hanson or portfolio companies of Doughty Hanson.

DESCRIPTION OF OTHER INDEBTEDNESS

The following summary of certain provisions of the documents listed below governing certain of our indebtedness does not purport to be complete and is subject to, and qualified in its entirety by reference to, the underlying documents. Unless otherwise defined in this Offering Memorandum or unless the context otherwise requires, terms defined in the Revolving Credit Facility Agreement and the Intercreditor Agreement shall have the same meanings when used in this section.

Revolving Credit Facility

Introduction

On the Issue Date, TMF Group Holding B.V. entered into a revolving credit facility agreement (the “Revolving Credit Facility Agreement”) with, among others, HSBC Bank plc as Facility Agent and HSBC Corporate Trustee Company (UK) Limited as Security Agent.

The Issuer and certain of its subsidiaries are borrowers and guarantors under the Revolving Credit Facility Agreement.

The Revolving Credit Facility Agreement provides for a revolving facility of up to €70 million, which may be used for the general corporate and working capital purposes of the Group including towards financing Permitted Acquisitions and costs and expenses in connection with the Revolving Credit Facility and the Notes but not for repaying, purchasing or otherwise acquiring any Notes or payments of any interest or payment of any dividend, redemption or other distribution in respect of share capital. The revolving credit facility is available for cash drawings, ancillary facilities, letters of credit or bank guarantees.

The maximum aggregate base currency amount of all letters of credit or guarantee shall not exceed €35 million.

Repayments and Prepayments

The Revolving Credit Facility has a final maturity date of 5.5 years from the Closing Date. Any amount still outstanding at that time will be immediately due and payable.

Subject to certain conditions, any borrower under the Revolving Credit Facility may voluntarily prepay the utilizations and we may permanently cancel all or part of the available commitments under the Revolving Credit Facility in a minimum amount of €1 million by giving 5 business days’ (or such shorter period as the required majority of lenders under the Revolving Credit Facility Agreement agree) prior notice to the Facility Agent.

We may reborrow amounts repaid, subject to certain conditions, until one month prior to maturity.

In addition to voluntary prepayments, the Revolving Credit Facility requires mandatory prepayment (or, as the case may be, an offer to do so) in full or in part in certain circumstances, including:

- with respect to any Lender under the Revolving Credit Facility, if it becomes unlawful for such Lender to perform any of its obligations under the Revolving Credit Facility Agreement or to maintain its participation in any utilization of the Revolving Credit Facility;
- with respect to any Lender which has issued a letter of credit or guarantee (an “Issuing Bank”), if it becomes unlawful for such Issuing Bank to leave outstanding any such letter of credit or guarantee;
- if a Lender so requires in respect of that Lender’s participation in outstanding utilisation, upon a “Change of Control” (as defined in the Revolving Credit Facility Agreement);
- upon an “Asset Sale” (as described in the Revolving Credit Facility Agreement) and replicated in the Indentures governing the Notes; and
- upon certain “Notes Purchases” (as described in the Revolving Credit Facility Agreement).

In addition, there is an annual clean down obligation which requires that, at least once in any financial year, the total amount of loans drawn under the Revolving Credit Facility Agreement (excluding those loans applied directly towards acquisitions permitted by the Revolving Credit Facility Agreement), less cash and cash equivalents, must not exceed €5 million for a period of five successive business days.

Interest and Fees

The Revolving Credit Facility bears interest at a rate per annum equal to EURIBOR plus certain mandatory costs and a margin of 4.00% per annum. The margin may be reduced by reference to Adjusted Leverage (as defined in the Revolving Credit Facility).

We are also required to pay a commitment fee, quarterly in arrears, on available but unused commitments under the Revolving Credit Facility at a rate of 40% of the applicable margin. We are also required to pay customary fees including commission on letters of credit, fronting fees and fees in connection with ancillary facilities.

We were required to pay an initial arrangement fee and are required to pay certain fees to the Facility Agent and the Security Agent in connection with the Revolving Credit Facility.

Security and Guarantees

We and certain of our subsidiaries are original borrowers under the Revolving Credit Facility.

The Revolving Credit Facility is guaranteed by the Guarantors subject to limitations imposed by applicable law, and (subject to certain agreed security principles set out in the Revolving Credit Facility Agreement) secured by the same collateral as for the Notes as set out under “*Description of the Senior Secured Notes—Security*” save as for the Spanish law pledges granted in favor of the Security Agent by (i) TMF Spain, S.A. and TMF Holding International B.V. over the shares of TMF Management (Spain), SL, TMF Sociedad de Participación, SL, TMF Sociedad de Dirección, SL, TMF Participations Holdings (Spain), SL and TMF VAT & Fiscal Representation Services Spain, SL; and (ii) TMF Group Invest Two B.V. over the shares of TMF Management Holding Spain, S.L., which only secure the Senior Secured Notes.

Under the terms of the Intercreditor Agreement, the proceeds of enforcement of the Collateral will be applied in or towards repayment of the Revolving Credit Facility and certain priority hedging obligations (if applicable) in priority to repayment of the Notes.

The provision and terms of the Collateral are subject to certain limitations and to the requirements of applicable law and regulations. See “*Risk Factors—Risks Related to the Notes—Fraudulent conveyance and the laws may adversely affect the validity and enforceability of the Notes, the Guarantees or the Collateral.*”

Representations

The Revolving Credit Facility Agreement requires all or certain of the borrowers, guarantors and members of the Group (as defined in the Revolving Credit Facility Agreement) thereunder to make a number of customary representations, some of which are required to be repeated on the first date of each interest period, the date of each utilization request, each utilization date and each date on which an additional obligor accedes to the Revolving Credit Facility Agreement.

Covenants

The Revolving Credit Facility Agreement contains customary positive and negative covenants (including restrictive covenants that largely replicate those contained in the Indentures governing the Notes), subject to certain agreed exceptions.

The Revolving Credit Facility Agreement also requires the Restricted Group to comply with a financial covenant calculated by reference to the ratio of Consolidated Total Net Debt to Adjusted Consolidated EBITDA for the 12 month period ending on the relevant calculation date. The ratio is based on the definitions in the Revolving Credit Facility Agreement, which may differ from similar definitions in the Indentures and the definitions described in this Offering Memorandum.

In addition, each set of financial statements provided by us under the Revolving Credit Facility Agreement includes a balance sheet, income statement and cash flow statement.

Events of Default

The Revolving Credit Facility Agreement sets out customary events of default in relation to the Revolving Credit Facility, the occurrence of which would, subject to any applicable grace periods, cure rights and agreed exceptions, allow the Lenders of the Revolving Credit Facility to accelerate all outstanding loans

and terminate their commitments under the Revolving Credit Facility. The customary events of default, subject to certain agreed exceptions, include:

- non payment;
- breach of financial covenant;
- breach of other obligations under the Finance Documents;
- misrepresentation;
- cross default;
- insolvency, insolvency proceedings or creditors' process;
- cessation of business;
- repudiation and rescission of Finance Documents;
- unlawfulness and invalidity;
- audit qualification;
- expropriation;
- breach of Intercreditor Agreement; and
- material adverse change.

Governing Law

The Revolving Credit Facility is governed by and construed in accordance with English law although the restrictive covenants, which are included in the Revolving Credit Facility and largely replicate those contained in the Indentures governing the Notes, will be interpreted in accordance with New York law (without prejudice to the fact that the Revolving Credit Facility is governed by English law).

Intercreditor Agreements

In connection with entering into the Revolving Credit Facility and the Indentures, the Issuer, the direct shareholder of the Issuer, the Guarantors and certain other subsidiaries of the Issuer entered into the Intercreditor Agreement to govern the relationships and relative priorities among: (i) the lenders under the Revolving Credit Facility (the "RCF Lenders"); (ii) any persons that accede to the Intercreditor Agreement as counterparties to certain other hedging agreements (collectively, the "Hedging Agreements" and any persons that accede to the Intercreditor Agreement as counterparties to the Hedging Agreements are referred to in such capacity as the "Hedge Counterparties"); (iii) the Trustee, on its behalf and on behalf of the holders of the Senior Secured Notes (the "Senior Secured Noteholders"); (iv) the Trustee, on its behalf and on behalf of the holders of the Senior Notes (the "Senior Noteholders" and together with the Senior Secured Noteholders, the "Noteholders"); (v) the Creditor Representatives (as defined below); (vi) intra-group creditors and debtors; and (vii) the direct and/or indirect shareholder of the Issuer in respect of certain structural debt that the Issuer has or may incur in the future (including the shareholder loans).

The Issuer and each of its Restricted Subsidiaries that incurs any liability or provides any guarantee under the Revolving Credit Facility, Senior Secured Notes Indenture or the Senior Notes Indenture are each referred to in this description as a "Debtor" and are referred to collectively as the "Debtors." In this description "Group" refers to the Company and its Restricted Subsidiaries, "Indenture" refers to the Senior Secured Notes Indenture or the Senior Notes Indenture and "Note" refers to the Senior Secured Notes or the Senior Notes.

The Intercreditor Agreement sets out:

- the relative ranking of certain indebtedness of the Debtors;
- the relative ranking of certain security granted by the Debtors;
- when payments can be made in respect of certain indebtedness of the Debtors;
- when enforcement actions can be taken in respect of that indebtedness;

- the terms pursuant to which that indebtedness will be subordinated upon the occurrence of certain insolvency events;
- turnover provisions; and
- when security and guarantees will be released to permit a sale of any assets subject to transaction security (the “Collateral”).

The Intercreditor Agreement contains provisions relating to future indebtedness that may be incurred by the Issuer and the Guarantors that is permitted by the Revolving Credit Facility and the Senior Secured Notes Indenture to rank *pari passu* with the Revolving Credit Facility and the Notes and be secured by the Collateral, subject to the terms of the Intercreditor Agreement, such debt being “Pari Passu Liabilities” and the creditors of such debt being “Pari Passu Creditors.” The Intercreditor Agreement provides that the creditors of any credit facility constituting a Credit Facility under the Senior Secured Notes Indenture shall be entitled to receive priority in respect of receipt of distribution of the proceeds of the enforcement of Collateral (each such facility and together with the Revolving Credit Facility, the “Credit Facilities” and each finance document relating thereto, a “Credit Facility Document”). Each lender of a Credit Facility is a “Credit Facility Lender” and the liabilities of the Debtors to the Credit Facility Lenders are the “Credit Facility Lender Liabilities.” The Intercreditor Agreement allows for a refinancing in full or in part of the Senior Secured Notes and/or a refinancing of the Revolving Credit Facility.

The provisions of the Intercreditor Agreement override anything in the Revolving Credit Facility or the Indentures to the contrary. By accepting a Note, Noteholders shall be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement.

The following description is a summary of certain provisions, among others, contained in the Intercreditor Agreement. It does not restate the Intercreditor Agreement in its entirety, and we urge you to read that document because it, and not the description that follows, defines your rights as Noteholders.

Ranking and Priority

The Intercreditor Agreement provides, subject to the provisions in respect of permitted payments described below, that the Credit Facility Lender Liabilities and the liabilities of the Debtors under the Hedging Agreements (the “Hedging Liabilities”) (and in respect of Hedging Liabilities which relate to currency or interest rate hedging in relation to any secured obligations, in each case to the extent permitted to receive, or not prohibited from receiving, priority as to the receipt of distributions of proceeds of any enforcement of Collateral by each of the Debt Documents (the “Super Senior Hedging Liabilities,” and together with the Credit Facility Lender Liabilities, the “Super Senior Liabilities”)), the *Pari-Passu* Liabilities, the liabilities of the Debtors in respect of the Notes (the “Notes Liabilities”), the liabilities of the Debtors to the Trustee (as trustee in connection with the Senior Secured Notes, the “Senior Notes Trustee Liabilities” and as trustee in connection with the Senior Notes, the “Senior Secured Notes Trustee Liabilities” and together with the “Senior Secured Trustee Liabilities,” the “Trustee Liabilities”), the liabilities of the Debtors to the Creditor Representatives (the “Creditor Representative Liabilities”), the liabilities of the Debtors to the Security Agent (the “Security Agent Liabilities”) and certain other unsecured liabilities will rank in right and priority of payment in the following order:

- first, the Credit Facility Lender Liabilities, the Creditor Representative Liabilities, the Senior Secured Notes Liabilities, the Senior Notes Liabilities, the *Pari Passu* Liabilities, the Senior Secured Notes Trustee Liabilities, Senior Notes Trustee Liabilities, the Hedging Liabilities and the Security Agent Liabilities *pari passu* and without any preference between them;
- second, the Senior Notes Guarantee Liabilities *pari passu* and without any preference between them;
- third, certain intra-company obligations of the Issuer and the Guarantors (the “Obligors”) to the Issuer and its subsidiaries (the “Intra-Group Liabilities”) and without any preference between them; and
- fourth, shareholder liabilities (which consists of liabilities owed by any Obligor to any shareholder, direct or indirect, of the Issuer) (the “Shareholder Liabilities” and together with the Intra-Group Liabilities, the “Subordinated Liabilities”).

The parties to the Intercreditor Agreement agree in the Intercreditor Agreement that the security provided by the Debtors and the other parties for the Credit Facility Lender Liabilities, the Senior Secured Notes Liabilities, the Senior Secured Notes Trustee Liabilities, the Pari Passu Liabilities, the Hedging Liabilities, the Creditor Representative Liabilities and the Security Agent Liabilities (together the “Secured Liabilities”) will rank and secure all such liabilities pari passu and without any preference between them except for the Spanish law pledges granted in favor of the Security Agent by (i) TMF Spain, S.A. and TMF Holding International B.V. over the shares of TMF Management (Spain), SL, TMF Sociedad de Participación, SL, TMF Sociedad de Dirección, SL, TMF Participations Holdings (Spain), SL and TMF VAT & Fiscal Representation Services Spain, SL; and (ii) TMF Group Invest Two B.V. over the shares of TMF Management Holding Spain, SL, which only secure the Senior Secured Notes.

The Intercreditor Agreement permits, among other things, payments to be made by the Debtors under the Revolving Credit Facility, the Senior Secured Notes Indenture and the Senior Notes Indenture.

The Intercreditor Agreement also permits payments in respect of Senior Notes Guarantee Liabilities prior to the Secured Liabilities Discharge Date (as defined below) to be made by the Debtors under the Senior Notes Indenture including if (a) (i) the payment is of any principal amount of the Senior Notes Liabilities which is either not prohibited from being paid by the Credit Facility, the Senior Secured Notes Indenture and any Pari Passu Debt Document or is paid on or after the final maturity date of the Senior Notes Liabilities or is a payment of any amount which is not an amount of principal or capitalized interest, (ii) no notice of a Secured Debt Event of Default has been delivered by the Credit Facility Agent, the Senior Secured Notes Trustee or the Pari Passu Debt Representative (as the case may be); and (iii) no payment default under any Credit Facility, the Senior Secured Notes Indenture (above an agreed threshold) and the Pari Passu Liabilities Documents (above an agreed threshold) has occurred and is continuing; (b) the Majority Super Senior Creditors (as defined below) and the Senior Secured Notes Trustee and the Pari Passu Debt Representative give prior consent to that payment being made; (c) the payment is of amounts owing to the Senior Notes Trustee; (d) the payment is made by the Issuer, the notes purchase condition of the Revolving Credit Facility Agreement (or, if applicable, any equivalent provision of any other Credit Facility document is complied with); (e) the payment is of costs, commissions, taxes, consent fees and expenses incurred in respect of (or reasonably incidental to) the Senior Notes Documents (including in relation to any reporting or listing requirements under the Senior Notes Documents); or (f) the payment is of costs, commissions, taxes, premiums and any expenses incurred in respect of (or reasonably incidental to) any refinancing of the Senior Notes in compliance with the Intercreditor Agreement and the Credit Facility, the Senior Notes Indenture and any Pari Passu Debt Document.

The Intercreditor Agreement also permits payments from time to time when due to lenders owed any Intra-Group Liabilities (“Intra-Group Liabilities Payments”) if at the time of payment no acceleration event has occurred in respect of a Credit Facility, the Pari Passu Liabilities, the Notes Liabilities (an “Acceleration Event”) and is continuing. The Intercreditor Agreement permits Intra-Group Liabilities Payments if such an Acceleration Event has occurred and is continuing if (i) prior to the date on which all Secured Liabilities are discharged (the “Secured Liabilities Discharge Date”), with the consent of (a) the Majority Super Senior Credit Facility Creditors, (b) the Senior Secured Noteholders holding in aggregate the principal amount of Senior Secured Notes required to vote in favor of the relevant direction, approval, consent or waiver under the terms of the Senior Secured Indenture or, if the required amount is not specified, holding at least the majority of the principal amount of the then outstanding Senior Secured Notes (treating any Senior Secured Notes held by Debtors or affiliates as not outstanding) (the “Senior Secured Notes Required Holders”) (see below), (c) the Pari Passu Creditors holding in aggregate the principal amount of the relevant Pari Passu Liabilities required to vote in favor of the relevant direction, approval, consent or waiver under the terms of the relevant document relating to Pari Passu Liabilities (the “Pari Passu Debt Documents”) or, if the required amount is not specified, holding at least the majority of the principal amount of the then outstanding Pari Passu Liabilities (treating any Pari Passu Liabilities held by Debtors or affiliates as not outstanding (the “Pari Passu Liabilities Required Holders”)) and (d) the Hedge Counterparties, whose Hedge Liabilities (excluding any Super Senior Hedging Liabilities) together exceed 66⅔% of all the Hedging Liabilities (excluding any Super Senior Liabilities) (the “Majority Hedge Counterparties,” and together with the Majority Super Senior Credit Facility Creditors, the Notes Required Holders and the Pari Passu Debt Required Holders, the “Instructing Group”), (ii) after the Secured Liabilities Discharge Date but prior to the date on which all Senior Notes Liabilities are discharged (the “Senior Notes Liabilities Discharge Date”), the Senior Notes Trustee

consents to that payment being made or (iii) that payment is made to facilitate payment of the Secured Liabilities.

Payments may not be made on Shareholder Liabilities at any time unless the taking or receipt of that payment is, following an insolvency event of any member of the Group, the exercise of any right of set-off or to take or receive any payment in respect of Shareholder Liabilities of that member of the group.

Senior Notes enforcement restrictions

Until the Secured Liabilities Discharge Date, except with the prior consent of the Instructing Group, no Senior Noteholder or Senior Notes Trustee shall take or require the taking of any enforcement action in relation to the Senior Notes Guarantees except if a Senior Notes Default (the “Relevant Senior Notes Default”) is continuing and until the earliest of: (i) the date falling 179 days after delivery of the enforcement notice to the Credit Facility Agent, Senior Secured Notes Trustee and the Pari Passu Debt Representative(s); (ii) the date the Secured Parties take enforcement action in relation to the Senior Notes Guarantor (in which case, the Senior Notes Creditors may only take the same enforcement action as the Senior Secured Creditors, but not action to preserve or protect Collateral); (iii) the date of an insolvency event in relation to a particular Senior Notes Guarantor against whom enforcement action is to be taken; (iv) the expiry of any other standstill period in respect of a Relevant Senior Notes Default outstanding at the date of such first mentioned standstill period for such Relevant Senior Notes Default commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy); and (v) the date on which the Credit Facility Agent, the Senior Secured Notes Trustee and the Pari Passu Debt Representative(s) (as applicable) consent to an enforcement in respect of the Relevant Senior Notes Default by the relevant Senior Notes Creditor.

Creditor Representative

Under the Intercreditor Agreement, the parties appoint various Creditor Representatives. “Creditor Representative” means:

- (a) in relation to the RCF Lenders, the Revolving Credit Facility agent (the “RCF Agent”);
- (b) in relation to the Credit Facility Lenders under any other Credit Facility, the facility agent (or equivalent) in respect of that credit facility (an “Additional Credit Facility Agent,” and, together with the RCF Agent, a “Credit Facility Agent”);
- (c) in relation to the Senior Secured Noteholders, the Senior Secured Notes Trustee;
- (d) in relation to the Senior Noteholders, the Senior Notes Trustee;
- (e) in relation to the Pari Passu Creditors, the creditor representative for such Pari Passu Creditors (the “Pari Passu Debt Representative”); and
- (f) in relation to any Hedge Counterparty, such Hedge Counterparty which shall be its own Creditor Representative.

Entitlement to Enforce Collateral

The Security Agent may refrain from enforcing the Collateral unless otherwise instructed by, depending on the circumstances the Instructing Group (see “*Manner of Enforcement*” below). The Security Agent may refrain from acting in accordance with instructions from any other person to enforce the Collateral until it is indemnified by the relevant creditors and provided that those instructions are inconsistent with the Intercreditor Agreement.

Limitation on Enforcement by Super Senior Creditors and Senior Secured Creditors

If either those Super Senior Creditors (as defined below) whose super senior credit participations aggregate more than 66½% of the total super senior credit participations (the “Majority Super Senior Creditors”) or those creditors of Senior Secured Notes Liabilities (the “Senior Secured Notes Creditors”), the Pari Passu Creditors and the Hedge Counterparties (other than to the extent of their Super Senior Hedging Liabilities) (together, the “Senior Secured Creditors”) (excluding any Hedge Counterparty in respect of its Hedging Liabilities) whose senior secured credit participates aggregate more than 50% of the total senior secured credit participations (the “Majority Senior Secured Creditors”) wish to instruct the Security Agent to commence enforcement of any Collateral, such group of creditors

must deliver a copy of the proposed instructions as to enforcement of any Collateral (the “Enforcement Proposal”) to the Security Agent and the Creditor Representatives for each of the creditors of the Super Senior Liabilities (the “Super Senior Creditors”) and/or the Noteholders and the Pari Passu Debt Representative (as appropriate) at least 10 business days prior to the proposed date of issuance of instructions under such Enforcement Proposal (the “Proposed Enforcement Instruction Date”).

Until the Super Senior Discharge Date, if the Security Agent has received conflicting enforcement instructions (which includes a failure by the Majority Super Senior Creditors or the Notes Required Holders or the Pari Passu Debt Required Holders to give any instruction), then the Security Agent will promptly notify the relevant Creditor Representatives and such Creditor Representatives will consult with each other and the Security Agent for a period of not less than 20 days (or such shorter period as the relevant Creditor Representatives may agree) (the “Initial Consultation Period”) from the earlier of (i) the date of the latest such conflicting Enforcement Proposal and (ii) the date falling 10 business days after the date the first Enforcement Proposal is delivered, with a view to coordinating instructions as to enforcement of the Collateral.

The Creditor Representatives will not be obliged to consult as described above if:

- (i) the Collateral has become enforceable as a result of an insolvency event;
- (ii) a period of not less than six months has elapsed since the Proposed Enforcement Instruction Date and no enforcement is being effected by the Security Agent; or
- (iii) the Creditor Representatives agree that no Consultation Period is required or agreed to a shorter consultation period.

If the Majority Super Senior Creditors or the Majority Senior Secured Creditors (acting reasonably) consider that the Security Agent is enforcing the Collateral in a manner which is not consistent with certain Security Enforcement Principles (as referred to below), the relevant Creditor Representatives shall give notice to the Creditor Representatives for the other Super Senior Creditors, the Pari Passu Creditors and the Senior Secured Notes (as appropriate) after which the Creditor Representatives for the other Super Senior Creditors, the Pari Passu Creditors and the Senior Secured Notes shall consult again with the Security Agent for a period of 10 days (or such lesser period as the relevant Creditor Representatives may agree) with a view to agreeing the manner of enforcement provided that such Creditors Representative shall not be obliged to consult again more than once in relation to each enforcement action and shall not be obliged to consult in any of the circumstances described in paragraphs (i), (ii) or (iii) of the previous paragraph.

The Instructing Group may only give enforcement instructions that are consistent with certain security enforcement principles (the “Security Enforcement Principles”), including that:

- (a) it shall be the primary and overriding aim of any enforcement of the Collateral to be in accordance with the Security Enforcement Objective (being to maximize so far as is consistent with prompt and expeditious realization of value from enforcement of the Collateral, the recovery by the Super Senior Creditors, the Senior Secured Noteholders, the Pari Passu Creditors, the Hedge Counterparties (to the extent not a Super Senior Creditor), the Creditor Representatives, the arrangers of any Credit Facility, the Security Agent, the delegates of the Security Agent and any receiver (together, the “Secured Parties”));
- (b) the Collateral will be enforced and other enforcement action will be taken such that either:
 - (i) to the extent the Instructing Group is being led by the Majority Super Senior Creditors, all proceeds or enforcement are received by the Security Agent in cash for distribution in accordance with the Intercreditor Agreement (see “—*Application of Proceeds*”) below: or
 - (ii) to the extent the Instructing Group is being led by the Majority Senior Secured Creditors, either
 - (a) all proceeds of enforcement are received by the Security Agent in cash for distribution in accordance with the Intercreditor Agreement (see “—*Application of Proceeds*”) or;
 - (b) sufficient proceeds from enforcement will be received by the Security Agent in cash to ensure that when the proceeds are applied in accordance with the Intercreditor Agreement (see “—*Application of Proceeds*” below), the Super Senior Liabilities are repaid and discharged in full (unless the Majority Super Senior Creditors agree otherwise);
- (c) the enforcement actions are prompt and expeditious it being acknowledged that, subject to the other provisions of the Intercreditor Agreement, the time frame for the realization of value from the

enforcement of the Collateral or distressed disposal pursuant to enforcement will be determined by the Instructing Group (see “—*Manner of Enforcement*” below) provided that it is consistent with the Security Enforcement Objective;

- (d) to the extent that the Collateral that is the subject of the proposed enforcement action is:
 - (i) over assets other than shares in a member of the Group, where the aggregate book value of such assets exceeds €5,000,000 (or its equivalent in any other currency or currencies) (“Material Collateral”); or
 - (ii) over some or all of the shares in a member of the Group,then the Security Agent shall, if requested by the Majority Super Senior Creditors or the Majority Senior Secured Creditors and at the expense of such creditors (unless it is incompatible with, or unnecessary in respect of enforcement proceedings in a relevant jurisdiction) appoint a “big four” accounting firm, any reputable and independent international investment bank or other reputable and independent professional services firm with experience in restructuring and enforcement (a “Financial Advisor”) to opine as expert that the proceeds received from any such enforcement is fair from a financial point of view after taking into account all relevant circumstances (the “Financial Advisor’s Opinion”);
- (e) The Security Agent shall not be required to appoint a Financial Advisor nor obtain a Financial Advisor’s Opinion if a proposed enforcement of Collateral:
 - (i) would result in the receipt of sufficient enforcement proceeds in cash by the Security Agent as to ensure that, after application in accordance with the Intercreditor Agreement, the Secured Liabilities would be repaid in full;
 - (ii) is in accordance with any applicable law; and
 - (iii) complies with the provisions of the Intercreditor Agreement in relation to distressed disposals (see “—*Intercreditor Agreements—Release of the Guarantees and the Security—Distressed Disposal*” below);
- (f) the Security Agent shall be under no obligation to appoint a Financial Advisor or to seek the advice of a Financial Advisor, unless expressly required to do so by any provision of the Intercreditor Agreement;
- (g) the Financial Advisor’s Opinion (or any equivalent opinion obtained by the Security Agent in relation to any other enforcement of the Collateral that such action is fair from a financial point of view after taking into account all relevant circumstances) will be conclusive evidence that the Security Enforcement Objective has been met;
- (h) in the event that an enforcement of the Collateral or over some or all of the shares in a member of the Group is over Material Collateral and such enforcement is conducted by way of public auction, any equity investors of the Group shall be entitled to participate in such auction, but this shall not require enforcement of Collateral to take place by way of public auction;
- (i) in the absence of written notice from a creditor or group of creditors entitled to issue enforcement instructions that are not part of the relevant Instructing Group (see “—*Intercreditor Agreements—Manner of Enforcement*” below) that such creditor(s) object to any enforcement of the Collateral on the grounds that such enforcement action does not aim to achieve the Security Enforcement Objective (an “Objection”), the Security Agent is entitled to assume that such enforcement of the Collateral is in accordance with the Security Enforcement Objective;
- (j) if the Security Agent receives an Objection, a Financial Advisor’s Opinion to the effect that the particular action could reasonably be said to be aimed at achieving the Security Enforcement Objective will be conclusive that the requirement referred to in paragraph (i) above has been met; and
- (k) the Security Enforcement Principles may be amended, varied or waived with the prior written consent of the Majority Super Senior Creditors, the Senior Secured Notes Required Holders, the Pari Passu Debt Required Holders and the Security Agent.

Manner of Enforcement

The Instructing Group is entitled to give instructions to the Security Agent in respect of enforcement of Collateral comprises the Majority Super Senior Creditors and the Majority Senior Secured Creditors (in each case acting through its respective Creditor Representative). However, if prior to the Super Senior Discharge Date, and no insolvency event has occurred, the Security Agent has received conflicting enforcement instructions from the Creditor Representatives then, to the extent instructions from the Majority Senior Secured Creditors have been given, the Security Agent will comply with such instructions from the Majority Senior Secured Creditors provided that if the Super Senior Liabilities have not been fully and finally discharged, or no enforcement has occurred, within six months of the date on which the first such enforcement instructions were first issued, then the instructions of the Majority Super Senior Creditors will prevail. If the aforementioned conflicting enforcement instructions result from the Majority Senior Secured Creditors failing to give instructions or the Majority Senior Secured Creditors instructing that the Collateral not be enforced, then the Security Agent shall not enforce the Collateral.

Turnover

The Intercreditor Agreement also provides that if any Super Senior Creditor, Senior Secured Notes Creditor, Hedge Counterparty (which are not Super Senior Creditors) or Pari Passu Creditor receives or recovers the proceeds of any enforcement of any Collateral, or any creditors of Subordinated Liabilities receive or recover any payment or distribution not permitted under the Intercreditor Agreement or applied other than in accordance with "Application of Proceeds" below that it shall (subject to certain prior actual knowledge qualifications in the case of the Senior Secured Notes Trustee):

- in relation to receipts or recoveries not received or recovered by way of set-off, (i) hold that amount on trust for the Security Agent and promptly pay that amount or an amount equal to that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and (ii) promptly pay an amount equal to the amount (if any) by which receipt or recovery exceeds the relevant liabilities owed to such creditor to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and
- in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery to the Security Agent for application in accordance with the terms of the Intercreditor Agreement.

Application of Proceeds

The Intercreditor Agreement provides that amounts received from the realization or enforcement of all or any part of the Collateral will be applied in the following order of priority:

- first, in payment of the following amounts in the following order: (i) pari passu and pro rata any sums owing to the Security Agent, any of its delegates, any receiver, the Senior Secured Notes Trustee and the Senior Notes Trustee, as the case may be; and then (ii) pari passu and pro rata to each Creditor Representative (to the extent not included in (i) above and excluding any Hedge Counterparty in its capacity as its own Creditor Representative) of the unpaid fees, costs, expenses and liabilities (and all interest thereon as provided in the relevant finance documents) of each Creditor Representative and any receiver, attorney or agent appointed by such Creditor Representative under any Collateral document or the Intercreditor Agreement (to the extent that such Collateral has been given in favor of such obligations);
- second, pari passu and pro rata in or towards payment of all costs and expenses incurred by the Super Senior Creditors in connection with any realization or enforcement of the Collateral taken in accordance with the terms of the Intercreditor Agreement or any action taken at the request of the Security Agent;
- third, in or towards payment to, on a pro rata basis, (i) each Credit Facility Agent on its own behalf and on behalf of the Credit Facility Lenders and the Arrangers for application towards the discharge of the Credit Facility Lender Liabilities, Credit Representative Liabilities and related Arranger Liabilities; and (ii) the relevant Hedge Counterparties for application towards the discharge of the Super Senior Hedging Liabilities;
- fourth, pari passu and pro rata to the Senior Secured Notes Trustee on behalf of the Senior Secured Noteholders, to the Hedge Counterparties and the Pari Passu Debt Representative on behalf of the

Pari Passu Creditors for application towards any unpaid costs and expenses incurred by or on behalf of any Senior Secured Noteholders, Hedge Counterparties or Pari Passu Creditors in connection with any realization or enforcement of the Collateral taken in accordance with the terms of the Collateral documents and the Intercreditor Agreement or any action taken at the request of the Security Agent;

- fifth, to the Senior Secured Notes Trustee on behalf of the Senior Secured Noteholders for application towards the discharge of the Senior Secured Notes Liabilities and to the Pari Passu Debt Representative on behalf of the Pari Passu Creditors for application towards the discharge of the Pari Passu Liabilities and to the Hedge Counterparties towards the discharge of the Hedging Liabilities (other than the Super Senior Hedging Liabilities); and
- sixth, after the discharge of all Secured Liabilities, in payment of the surplus (if any) to the relevant Debtor or other person entitled to it.

Additional Indebtedness

Subject to certain restrictions in the Credit Facility Documents, if a Debtor gives written notice to the Security Agent, the Creditor Representatives and the Hedge Counterparties that it intends to enter into one or more loans and/or credit or guarantee facilities and/or issue any debt securities under which it will incur additional or replacement indebtedness ("Additional Indebtedness") which is, under the terms of the Senior Secured Notes Documents, the Pari Passu Debt Documents and the Credit Facility Documents, permitted to share in the Collateral, then the parties will (at the cost, and with the consent of the Company) enter into the requisite documentation to give effect to the Additional Indebtedness and ensure that any such obligations and liabilities related thereto will have the ranking (and the creditors under such Additional Indebtedness will have the rights and obligations) permitted to be conferred upon it in accordance with the Senior Secured Notes Documents, the Pari Passu Debt Documents and the Credit Facility Documents (including, without limitation, the entry into of a new intercreditor agreement on substantially the same terms as the Intercreditor Agreement) provided that such documentation does not adversely affect the interests of any of the Secured Parties.

Release of the Guarantees and the Security

Non-distressed Disposal

In circumstances where a disposal is not being effected by enforcement of Collateral after the Collateral has become enforceable or, in the case of a disposal to a person outside of the Group, after an Acceleration Event in respect of Secured Liabilities has occurred (a "Distressed Disposal") and is otherwise permitted or prohibited by the Credit Facility Document, the Senior Secured Notes Indenture, the Senior Notes Indenture and the Pari Passu Debt Documents, the Intercreditor Agreement provides that the Security Agent is authorized (i) to release the Collateral or any other claim in respect of the Secured Liabilities over the relevant asset; (ii) if the relevant asset consists of shares in the capital of a Debtor, to release the Collateral or any other claim in respect of the Secured Liabilities over the assets of that Debtor and the shares in and assets of any of its subsidiaries and (iii) to execute and deliver or enter into any release of the Collateral or any claim described in the preceding clauses and issue any certificates of non-crystallization of any floating charge or any consent to dealing that may, in the discretion of the Security agent, be considered necessary or desirable.

Distressed Disposal

Where a Distressed Disposal of an asset is being effected, the Intercreditor Agreement provides that the Security Agent is authorized and instructed: (i) to release the Collateral, or any other claim over that asset; (ii) if the asset which is disposed of consists of shares in the capital of a Debtor, to release (a) that Debtor and any subsidiary of that Debtor from all or any part of its liabilities as borrower under the Subordinated Documents, its liabilities under the Credit Facility Documents, the Senior Secured Notes Documents, the Senior Notes Documents, the Pari Passu Debt Documents, the Hedging Agreements, the Collateral documents, the Subordinated Documents or the Intercreditor Agreement as a guarantor or surety ("Guarantee Liabilities") or other liabilities it may have to an Intra-Group Lender or Debtor ("Other Liabilities"); (b) any Collateral granted by that Debtor or any subsidiary of that Debtor over any of its assets; and (c) any other claim of a lender of Intra-Group Liabilities (an "Intra-Group Lender"), or another Debtor over that Debtor's assets or over the assets of any subsidiary of that Debtor; (iii) if the asset which is disposed of consists of shares in the capital of any holding company of a Debtor, to release (a) that

holding company and any subsidiary of that holding company from all or any part of its liabilities as borrower under the Subordinated Documents, its Guarantee Liabilities and Other Liabilities; (b) any Collateral granted by any subsidiary of that holding company over any of its assets; and (c) any other claim of an Intra-Group Lender or another Debtor over the assets of any subsidiary of that holding company; and (iv) if the asset which is disposed of consists of shares in the capital of a Debtor or a holding company of a Debtor, to provide for the disposal of liabilities and/or the transfer of liabilities to another Debtor.

Amendment

The Intercreditor Agreement provides that it may be amended with only the consent of the Majority Super Senior Creditors, the Senior Secured Notes Required Holders, the Senior Notes Required Holders, the Pari Passu Debt Required Holders, the Company and the Security Agent unless it is an amendment, waiver or consent that has the effect of changing or which relates to: (a) any amendment to the order of priority or subordination set out in the Intercreditor Agreement; or (b) any amendment to the payment waterfall, turnover provisions or enforcement provisions set out in the Intercreditor Agreement; or (c) certain provisions relating to the giving of instructions to the Security Agent or the exercise of discretion by the Security Agent or (d) the amendments provisions in the Intercreditor Agreement which shall not be made without the written consent of:

- (i) the Credit Facility Lenders;
- (ii) the Senior Secured Notes Trustee;
- (iii) Senior Notes Trustee, insofar as any amendments might adversely affect the rights, ranking, immunities or protections of the Senior Notes Trustee or the Senior Noteholders;
- (iv) the Pari Passu Debt Representative;
- (v) each Hedge Counterparty (to the extent that the amendment or waiver would adversely affect the Hedge Counterparty); and
- (vi) the Company.

Subject to the paragraph above and certain other exceptions, no amendment or waiver of the Intercreditor Agreement may impose new or additional obligations on or withdraw or reduce the rights of any party to the Intercreditor Agreement without the prior written consent of the party.

Option to Purchase: Senior Secured Noteholders and Pari Passu Creditors

After an Acceleration Event or the enforcement of any of the Collateral, the Senior Secured Notes Trustee and the Pari Passu Debt Representative(s) may (i) at the direction and expense of one or more of the Senior Secured Noteholders and/or Pari Passu Creditors (as applicable); (ii) after all such Senior Secured Noteholders and Pari Passu Creditors have been given the opportunity to so participate; and (iii) if the Senior Secured Notes Trustee and/or the Pari Passu Debt Representative(s) gives not less than ten days' prior written notice to the Creditor Representatives of the Credit Facility Lenders and (to the extent applicable) the Hedge Counterparties in connection with the Credit Facility Lender Liabilities, will have the right to acquire or procure the acquisition of all (but not part only) of the rights and obligations of the Credit Facility Lenders and the Hedge Counterparties in connection with the Credit Facility Lender Liabilities under the Credit Facility Documents and the Hedging Liabilities (the "Senior Acquisition Debt").

If more than one Purchasing Senior Secured Creditor wishes to exercise the option to purchase the Senior Acquisition Debt, each such Purchasing Senior Secured Creditor shall acquire the Senior Acquisition Debt pro rata, in the proportion that its credit participation bears to the aggregate credit participations of all the Purchasing Senior Secured Creditors. Any Purchasing Senior Secured Creditors wishing to exercise the option to purchase the Senior Acquisition Debt shall inform the Senior Secured Notes Trustee in accordance with the terms of the Indenture or the relevant Pari Passu Debt Representative(s) in accordance with the terms of the relevant Pari Passu Debt Documents, who will determine (consulting with each other as required) the appropriate share of the Senior Acquisition Debt to be acquired by each such Purchasing Senior Secured Creditor and who shall inform each such Purchasing Senior Secured Creditor accordingly. Furthermore, the Senior Secured Notes Trustee or the Pari Passu Debt Representative(s) (as applicable) shall promptly inform the Creditor Representatives of

the Credit Facility Lenders and the Hedging Counterparties of the Purchasing Senior Secured Creditors intention to exercise the option to purchase the Senior Acquisition Debt.

Any such purchase will be on terms which will include, without limitation, that the transfer is lawful; payment in full in cash of an amount equal to the Credit Facility Lender Liabilities then outstanding and the amount that would be payable to the relevant Hedge Counterparty on the relevant date if the date was an Early Termination Date (as defined in the relevant Hedging Agreement) and the relevant Debtor was the Defaulting Party (under and as defined in the relevant Hedging Agreement), including in respect of any broken funding costs, as well as certain costs and expenses of the Credit Facility Lenders and the Hedge Counterparties; after the transfer, no Credit Facility Lender or Hedge Counterparty will be under any actual or contingent liability to any Debtor; the purchasing holders of Senior Secured Notes and Pari Passu Creditors indemnify each Credit Facility Lender and each other finance party under such Credit Facility Document and each Hedge Counterparty under the Hedging Agreements for any actual or alleged obligation to repay or claw back any amount received by such Credit Facility Lender, finance party or Hedge Counterparty; and the relevant transfer shall be without recourse to, or warranty from (save for certain deemed customary representations and warranty), any Credit Facility Lender or other finance party under such Credit Facility Document or Hedge Counterparty under any Hedging Agreements.

Option to Purchase: Senior Noteholders and Senior Notes Trustee

The Senior Noteholders and/or the Senior Notes Trustee (together the “Senior Notes Creditors”) may, after a Distress Event, by giving not less than ten days’ notice to the Credit Representatives of the Credit Facility Lenders and (to the extent applicable) the Hedge Counterparties, the Senior Secured Notes Trustee and the Pari Passu Debt Representative(s) (together the “Relevant Representatives”) (provided such notice may not be given until all necessary approvals from the Senior Notes Creditors have been obtained), acquire or procure the acquisition of all, but not part, of the rights, benefits and obligations in respect of the Credit Facility Lender Liabilities, the Hedging Liabilities under the Hedging Agreements, the Senior Secured Notes Liabilities and the Pari Passu Debt (together, the “Secured Debt”).

Any such purchase will be on terms which will include, without limitation, that the transfer is lawful; payment in full in cash of an amount equal to the Credit Facility Lender Liabilities then outstanding and the amount that would be payable to the relevant Hedge Counterparty on the relevant date if the date was an Early Termination Date (as defined in the relevant Hedging Agreement) and the relevant Debtor was the Defaulting Party (under and as defined in the relevant Hedging Agreement), including in respect of any broken funding costs, as well as certain costs and expenses of the Credit Facility Lenders and the Hedge Counterparties; after the transfer, no Credit Facility Lender, Senior Secured Noteholder or Hedge Counterparty will be under any actual or contingent liability to any Debtor; the purchasing holders of Senior Notes indemnify each Credit Facility Lender and each other finance party under such Credit Facility Document, each Senior Secured Noteholder and each Hedge Counterparty under the Hedging Agreements for any actual or alleged obligation to repay or claw back any amount received by such Credit Facility Lender, finance party, Senior Secured Noteholder or Hedge Counterparty; and the relevant transfer shall be without recourse to, or warranty from (save for certain deemed customary representations and warranty), any Credit Facility Lender or other finance party under such Credit Facility Document, any Senior Secured Noteholder or Hedge Counterparty under any Hedging Agreements.

Governing Law

The Intercreditor Agreement is governed by English law.

Hedging

Introduction

On the Initial Issue Date, TMF Goup Holding B.V. amended and restated existing hedging agreements with HSBC Bank Plc, UniCredit Bank AG and ING Bank N.V.. The hedging agreements with ING Bank N.V. and UniCredit Bank AG are based on the 1992 ISDA Master Agreement and the hedging agreement with HSBC Bank Plc is based upon the 2002 ISDA Master Agreement. Each hedging agreement constitutes a Hedging Agreement for the purposes of the Intercreditor Agreement. The Hedging Agreements provide for a floating to fixed rate hedge in connection with the Senior Secured Notes.

All Transactions (as defined in each Hedging Agreement) governed by each Hedging Agreement constitute Transactions (as defined in each Hedging Agreement) that have been entered into in respect of hedging arrangements described in the Intercreditor Agreement.

Security and Guarantees

The Hedging Agreements are guaranteed by the Guarantors as provided in the Intercreditor Agreement and, subject to limitations imposed by applicable law, secured by the same collateral as for the Notes as set out under “*Description of the Senior Secured Notes—Security*” save as for the Spanish law pledges granted in favor of the Security Agent by (i) TMF Spain, S.A. and TMF Holding International B.V. over the shares of TMF Management (Spain), SL, TMF Sociedad de Participación, SL, TMF Sociedad de Dirección, SL, TMF Participations Holdings (Spain), SL and TMF VAT & Fiscal Representation Services Spain, SL; and (ii) TMF Group Invest Two B.V. over the shares of TMF Management Holding Spain, S.L., which only secure the Senior Secured Notes.

Under the terms of the Intercreditor Agreement, the proceeds of enforcement of the Collateral will be applied in or towards repayment of the Revolving Credit Facility and the Hedging Agreements in priority to repayment of the Notes.

The provision and terms of the Collateral are subject to certain limitations and to the requirements of applicable law and regulations. See “*Risk Factors—Risks Relating to the Notes—Fraudulent conveyance and the laws may adversely affect the validity and enforceability of the Notes, the Guarantees or the Collateral.*”

Hedging enforcement restrictions

The Hedging Agreements are subject to the terms of the Intercreditor Agreement. To the extent each Hedging Counterparty is able to do so under the relevant Hedging Agreement, a Hedge Counterparty (see definition above) may terminate, reduce or close-out in whole or in part any hedging transaction under that Hedging Agreement prior to its stated maturity:

- (a) if a Distress Event (see Intercreditor Agreement section above) has occurred;
- (b) if:
 - (A) in relation to a Hedging Agreement which is based on the 1992 ISDA Master Agreement:
 - (I) an Illegality or Tax Event or Tax Event Upon Merger (each as defined in the 1992 ISDA Master Agreement); or
 - (II) an event similar in meaning and effect to a “Force Majeure Event” (as defined in sub-paragraph (B) below),has occurred in respect of that Hedging Agreement;
 - (B) in relation to a Hedging Agreement which is based on the 2002 ISDA Master Agreement, an Illegality or Tax Event, Tax Event Upon Merger or a Force Majeure Event (each as defined in the 2002 ISDA Master Agreement) has occurred in respect of that Hedging Agreement; or
 - (C) in relation to a Hedging Agreement which is not based on an ISDA Master Agreement, any event similar in meaning and effect to an event described in paragraphs (A) or (B) above has occurred under and in respect of that Hedging Agreement;
- (c) if an Event of Default has occurred and is continuing under either clause 27.6 (Insolvency) or clause 27.7 (Insolvency proceedings) of the Revolving Credit Facility (or the equivalent provisions of any other Credit Facility Documents (as defined in the Intercreditor Agreement)), section 6.01(a)(ix) (Events of Default) of the Senior Secured Notes Indenture or the equivalent provisions of any Pari Passu Debt Document (as defined in the Intercreditor Agreement) in relation to a Debtor (as defined in the Intercreditor Agreement) which is party to that Hedging Agreement;
- (d) if the Majority Super Senior Creditors (excluding the Hedge Counterparties), the Senior Secured Notes Required Holders and the Pari Passu Debt Required Holders (each as defined in the Intercreditor Agreement) (excluding any tranche of Pari Passu Debt which relates to any Hedging Liabilities) give prior written consent to that termination or close-out being made;

- (e) if the Hedge Counterparty and the Issuer consensually agree to terminate, reduce or close-out in whole or in part a transaction under a Hedging Agreement and no Default is continuing under any Credit Facility Document, Senior Secured Notes Document, Senior Unsecured Notes Document or Pari Passu Debt Document (each as defined in the Intercreditor Agreement);
- (f) if the Hedge Counterparty cease to be secured under the security provided by the Debtors without their consent; or
- (g) to the extent that the Senior Secured Notes to which the Hedging Agreement relates is refinanced or repaid or prepaid in full.

Governing law

Each Hedging Agreement is governed by and construed in accordance with English law.

Existing Notes

On December 7, 2012, the Issuer issued the Existing Senior Secured Notes and the Existing Senior Notes. The terms and conditions of the Existing Senior Secured Notes are the same as those of the Additional Senior Secured Notes, which are described under the heading “*Description of the Senior Secured Notes.*” The terms and conditions of the Existing Senior Notes are the same as those of the Additional Senior Notes, which are described under the heading “*Description of the Senior Notes.*”

Subordinated Shareholder Loans

The Issuer has received, and will receive prior to closing of the Offering of the Notes, loans from TMF Group HoldCo B.V. under eight shareholder loan agreements. As of March 31, 2014, the aggregate amount of shareholder loans outstanding from the Issuer to TMF Group HoldCo B.V. (including giving pro forma effect to shareholder loans that were in place prior to closing of the Offering of the Notes as a result of the assignment of certain intra-group receivables from TMF Group HoldCo B.V. to the Issuer and certain other actions) would be approximately €387 million pursuant to those loans (as amended and as amended and restated from time to time). See “*Relationships and Transactions with Related Parties—Subordinated Shareholder Funding.*”

DESCRIPTION OF THE SENIOR SECURED NOTES

In this “Description of the Senior Secured Notes,” the word “**Issuer**” refers only to TMF Group Holding B.V. and not to any of its Subsidiaries, except for the purposes of financial data determined on a consolidated basis. The definitions of certain other terms used in this description are set forth throughout the text or under “—*Certain Definitions*.”

In this Offering, the Issuer will issue, and the Guarantors will guarantee, €45.0 million aggregate principal amount of its Floating Rate Senior Secured Notes due 2018 (the “**Additional Notes**”) under an indenture (the “**Indenture**”) dated December 7, 2012 among, *inter alios*, the Issuer, the Guarantors, U.S. Bank Trustees Limited, as trustee (the “**Trustee**”), and HSBC Corporate Trustee Company (UK) Limited, as security trustee (the “**Security Trustee**”) pursuant to which the Issuer issued on December 7, 2012 €405 million aggregate principal amount of its Floating Rate Senior Secured Notes due 2018 (the “**Original Notes**” and together with the Additional Notes, the “**Notes**”). The terms of the Notes include those set forth in the Indenture. The Notes will not be registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and are subject to certain transfer restrictions. The Security Documents referred to below under the caption “—*Security*” define the terms of the security for the benefit of the Notes and the Guarantees. Unless the context requires otherwise, references in this “**Description of the Senior Secured Notes**” include the Original Notes and the Additional Notes. The Original Notes and the Additional Notes will be treated as a single class for all purposes under the Indenture, including without limitation, waivers, amendments, redemptions and offers to purchase.

The following description is a summary of the material terms of the Indenture and refers to the Intercreditor Agreement and the Security Documents. It does not, however, restate the Indenture, the Security Documents or the Intercreditor Agreement in their entirety and, where reference is made to a particular provision of the Indenture, a Security Document or the Intercreditor Agreement, such reference, including the definitions of certain terms, is qualified in its entirety by reference to all of the provisions of the Notes, the Indenture, the Security Documents and the Intercreditor Agreement. You should read the Indenture, the Security Documents and the Intercreditor Agreement because they contain additional information and because they and not this description define your rights as a holder of the Notes. After the Notes have been issued, copies of the Indenture, the form of Note, the Security Documents and the Intercreditor Agreement may be obtained by requesting it from the Issuer at the address indicated under the caption “*Listing and General Information*.”

Prior to the consummation of the Acquisition, we will not control the Target, and the Target will not be subject to the covenants described in this Description of the Senior Secured Notes. As such, we cannot assure you that prior to the Acquisition Closing Date the Target will not engage in activities that would otherwise have been prohibited by the Indenture had those covenants been applicable to such entities after the date of issuance of the Additional Notes and prior to the Acquisition Closing Date.

The Indenture, the Notes and the Guarantees are subject to the terms of the Intercreditor Agreement and any Additional Intercreditor Agreements entered into in the future. The terms of the Intercreditor Agreement are important to understanding the terms and ranking of the Notes and the Guarantees. See the section entitled “*Description of Other Indebtedness—Intercreditor Agreement*” for a summary of the material terms of the Intercreditor Agreement.

The Indenture will not be qualified under, or be subject to, the U.S. Trust Indenture Act of 1939, as amended (the “**TIA**”). Consequently, the Holders generally will not be entitled to the protections provided under such TIA to holders of debt securities issued under a qualified indenture, including those requiring the Trustee to resign in the event of certain conflicts of interest and to inform the Holders of certain relationships between it and the Issuer or the Guarantor.

The Issuer has made an application to list the Additional Notes on the Official List of the Luxembourg Stock Exchange and to admit the Additional Notes for trading on the Euro MTF Market. The Issuer can provide no assurance that this application will be accepted.

The registered holder of a Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Brief Description of the Structure and Ranking of the Notes, the Guarantees and the Security

The Notes

The Notes:

- (a) are the general obligations of the Issuer;
- (b) are secured by first-ranking Liens over the Collateral, but will receive proceeds from enforcement of security over the Collateral only after any obligations secured on a super priority basis, including lenders under the Revolving Credit Facility and counterparties to certain priority Hedging Obligations, have been paid in full;
- (c) mature on December 1, 2018;
- (d) rank equally in right of payment with all of the Issuer's existing and future obligations that are not subordinated in right of payment to the Notes, including Debt Incurred under the Revolving Credit Facility and the Senior Notes;
- (e) are senior in right of payment to any of the Issuer's existing and future Debt that is subordinated in right of payment to the Notes;
- (f) are effectively subordinated to any existing and future obligations of the Issuer that are secured by Liens senior to the Liens securing the Notes, or secured by property or assets that do not secure the Notes, to the extent of the value of property and assets securing such obligations;
- (g) are a structurally subordinated to all existing and future obligations of Subsidiaries of the Issuer that do not provide Guarantees; and
- (h) are guaranteed on a senior secured basis by the Guarantors.

The Guarantees

The Notes are guaranteed by the Guarantors. Each Guarantee:

- (a) is a general obligation of the Guarantor that granted such Guarantee;
- (b) is secured by first-ranking Liens over the Collateral, but will receive proceeds from enforcement of security over the Collateral only after any obligations secured on a super priority basis, including lenders under the Revolving Credit Facility and counterparties to certain priority hedging obligations, have been paid in full;
- (c) ranks equally in right of payment with all existing and future obligations of the applicable Guarantor that are not subordinated in right of payment to such Guarantee, including its obligations under the Revolving Credit Facility;
- (d) is effectively subordinated to any existing and future obligations of the applicable Guarantor that are secured by Liens senior to the Liens securing such Guarantee, or secured by property or assets that do not secure such Guarantee, to the extent of the value of property and assets securing such Debt;
- (e) is senior in right of payment to any and all of the applicable Guarantor's existing and future Debt that is subordinated in right of payment to its Guarantee, including the guarantee of the Senior Notes by the applicable Guarantor; and
- (f) is subject to the restrictions on enforcement as set forth in the Intercreditor Agreement and as described in the section entitled "*Description of Other Indebtedness—Intercreditor Agreement.*"

General

The operations of the Issuer are conducted through its Subsidiaries and, therefore, the Issuer depends on the cash flow of its Subsidiaries to meet its obligations, including its obligations under the Notes. The Notes are effectively subordinated in right of payment to all Debt and other liabilities and commitments (including trade payables and lease obligations) of the Issuer's Subsidiaries that are not Guarantors. Any right of the Issuer or any Guarantor to receive assets of any of its Subsidiaries upon the Subsidiary's liquidation or reorganization (and the consequent right of the Holders to participate in those assets) will be effectively subordinated to the claims of that Subsidiary's creditors, except to the extent that the Issuer or such Guarantor is itself recognized as a creditor of the Subsidiary, in which case the claims of the Issuer or such Guarantor would still be subordinate in right of payment to any security in the assets of

the Subsidiary and any Debt of the Subsidiary senior to that held by the Issuer or such Guarantor. As of March 31, 2014, the Restricted Subsidiaries that are not Guarantors had €9.6 million of indebtedness and €65.9 million of trade payables and other liabilities outstanding, excluding the provisions, retirement benefit obligations and FIT liabilities.

All of the Issuer's Subsidiaries were "Restricted Subsidiaries." However, under the circumstances described below under the caption "*Certain Covenants—Designation of Unrestricted and Restricted Subsidiaries*," the Issuer will be permitted to designate certain of its Subsidiaries as "*Unrestricted Subsidiaries*." Unrestricted Subsidiaries of the Issuer will not be subject to many of the restrictive covenants in the Indenture. Further, Unrestricted Subsidiaries of the Issuer will not Guarantee the Notes.

Although the Indenture contains limitations on the amount of additional Debt that the Issuer, the Guarantors and the Restricted Subsidiaries that are not Guarantors (the "**Non-Guarantor Restricted Subsidiaries**") may incur, the amount of such additional Debt could be substantial.

Principal, Maturity and Interest

The Notes will mature on December 1, 2018 unless redeemed prior thereto as described herein, at a redemption price equal to 100% of the principal amount of the Notes. The Issuer will issue the Additional Notes in the aggregate principal amount of €45.0 million in this Offering. The Notes will bear interest at a rate per annum (the "**Applicable Rate**"), reset quarterly, equal to EURIBOR plus 5.375%, as determined by an agent appointed by the Issuer to calculate EURIBOR for the purposes of the Indenture (the "**Calculation Agent**"), which shall initially be Elavon Financial Services Limited, UK Branch.

Interest on the Notes accrues at the rate of EURIBOR plus 5.375% per annum. Interest on the Notes is payable quarterly in arrears from the Issue Date or from the most recent interest payment date to which interest has been paid or provided for, whichever is the later. Interest on the Notes will be payable quarterly in arrears on March 1, June 1, September 1, and December 1.

Set forth below is a summary of certain of the defined terms used in the Indenture relating to the calculation of interest on the Notes:

"**Determination Date**," with respect to an Interest Period, will be the day that is two TARGET Settlement Days preceding the first day of such Interest Period.

"**EURIBOR**," with respect to an Interest Period, will be the rate (expressed as a percentage per annum) for deposits in euros for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date that appears on Reuters Page 248 as of 11:00 a.m. Brussels time, on the Determination Date. If Reuters Page 248 does not include such a rate or is unavailable on a Determination Date, the Calculation Agent will request the principal London office of each of four major banks in the Euro-zone interbank market, as selected by the Calculation Agent to provide such bank's offered quotation (expressed as a percentage per annum) as of approximately 11:00 a.m., Brussels time, on such Determination Date, to prime banks in the Euro-zone interbank market for deposits in a Representative Amount in euro for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such offered quotations are so provided, the rate for the Interest Period will be the arithmetic mean of such quotations. If fewer than two such quotations are so provided, the Calculation Agent will request each of three major banks in London, as selected by the Calculation Agent, to provide such bank's rate (expressed as a percentage per annum), as of approximately 11:00 a.m., Brussels time, on such Determination Date, for loans in a Representative Amount in euros to leading European banks for a three-month period beginning on the day that is two TARGET Settlement Days after the Determination Date. If at least two such rates are so provided, the rate for the Interest Period will be the arithmetic mean of such rates. If fewer than two such rates are so provided, then the rate for the Interest Period will be the rate in effect with respect to the immediately preceding Interest Period.

"**Euro-zone**" means the region composed of member states of the European Union that at the relevant time have adopted the euro.

"**Interest Period**" means the period commencing on and including an interest payment date and ending on and including the day immediately preceding the next succeeding interest payment date, with the exception that the first Interest Period commenced on and include the Issue Date and ended on and included March 1, 2013.

“**Representative Amount**” means the greater of (a) €1.0 million and (b) an amount that is representative for a single transaction in the relevant market at the relevant time.

“**Reuters Page 248**” means the display page so designated on Reuters (or such other page as may replace that page on that service, or such other service as may be nominated as the information vendor).

“**TARGET Settlement Day**” means any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System is open.

The Calculation Agent will, as soon as practicable after 11:00 a.m., Brussels time, on each Determination Date, determine the Applicable Rate, and calculate the aggregate amount of interest payable on the Notes in respect of the following Interest Period (the “**Interest Amount**”). The Interest Amount will be calculated by applying the Applicable Rate to the principal amount of the Notes outstanding at the commencement of the Interest Period, multiplying each such amount by the actual number of days in the Interest Period concerned divided by 360.

All percentages resulting from any of the above calculations will be rounded, if necessary, to the nearest one hundred thousandth of a percentage point, with five one-millionths of a percentage point being rounded upwards (e.g., 4.876545% (or 0.04876545) being rounded to 4.87655% (or 0.487655)). All euro amounts used in or resulting from such calculations will be rounded to the nearest euro cent (with one-half euro cent being rounded upwards). The determination of the Applicable Rate and the Interest Rate Amount by the Calculation Agent shall, in the absence of willful default, bad faith or manifest error, be binding on all parties.

The Calculation Agent will, upon the written request of the Holder of any Note, provide the interest rate then in effect with respect to the Notes.

The rights of holders of beneficial interests in the Notes to receive the payments of interest on the Notes will be subject to applicable procedures of the book-entry depository and Euroclear and Clearstream, as applicable.

Interest on overdue principal and interest and Additional Amounts and premium, if any, will accrue at a rate that is 1% higher than the then applicable interest rate on the Notes.

The Applicable Rate on the Notes will in no event be higher than the maximum rate permitted by applicable law.

Subject to the covenant described under “—*Certain Covenants—Limitation on Debt*,” the Issuer is permitted to issue additional Notes (the “**Subsequent Additional Notes**”) under the Indenture from time to time. Any issuance of Subsequent Additional Notes is subject to the covenants in the Indenture. The Notes and any Subsequent Additional Notes that are issued will be treated as a single class for all purposes of the Indenture, including, without limitation, those with respect to waivers, amendments, redemptions and offers to purchase, except as otherwise provided for in the Indenture. Unless the context otherwise requires, references to the “**Notes**” for all purposes of the Indenture and in this “*Description of the Senior Secured Notes*” include references to any Subsequent Additional Notes that are issued.

Form of Notes

The Additional Notes will be issued on August 5, 2014 only in fully registered form without coupons and only in denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Additional Notes will be initially in the form of one or more global notes (collectively, the “**Global Notes**”). The Global Notes will be deposited with a common depository for Euroclear and Clearstream or a nominee of such common depository. Ownership of interests in the Global Notes, referred to in this description as “**book-entry interests**,” will be limited to persons that have accounts with Euroclear or Clearstream or their respective participants. The terms of the Indenture provides for the issuance of definitive registered Notes in certain circumstances. See the section entitled “*Book-Entry, Delivery and Form*.”

Transfer

The Notes will be subject to certain restrictions on transfer and certification requirements, as described under “*Notice to Investors*.”

All transfers of book-entry interests between participants in Euroclear or Clearstream will be effected by Euroclear or Clearstream pursuant to customary procedures and subject to applicable rules and procedures established by Euroclear or Clearstream Banking and their respective participants. See the section entitled “*Book-Entry, Delivery and Form.*”

Subject to the restrictions on transfer referred to above, Notes issued as definitive registered Notes may be transferred or exchanged, in whole or in part, in minimum denominations of €100,000 in principal amount and integral multiples of €1,000 in excess thereof, to persons who take delivery thereof in the form of definitive registered Notes. In connection with any such transfer or exchange, the Indenture requires the transferring or exchanging Holder to, among other things, furnish appropriate endorsements and transfer documents, furnish information regarding the account of the transferee at Euroclear or Clearstream, where appropriate, furnish certain certificates and opinions and pay any taxes in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the Holder, other than any Taxes payable in connection with such transfer or exchange.

Notwithstanding the foregoing, the Issuer is not required to register the transfer of any definitive registered Notes:

- (a) for a period of 15 days prior to any date fixed for the redemption of the Notes;
- (b) for a period of 15 days immediately prior to the date fixed for selection of Notes to be redeemed in part;
- (c) for a period of 15 days prior to the record date with respect to any interest payment date;
- (d) which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Excess Proceeds Offer.

Payments on the Notes; Paying Agent and Registrar

The Issuer will make all payments, including principal of, premium and Additional Amounts, if any, and interest on the Notes, at its office or through an agent in London, England that it will maintain for these purposes. Initially, that agent will be the office of the Principal Paying Agent. Elavon Financial Services Limited, UK Branch will act as the principal paying agent. The Issuer may change the paying agent without prior notice to the Holders. In addition, the Issuer or any of its Subsidiaries may act as paying agent in connection with the Notes other than for the purposes of effecting a redemption described under “—*Optional Redemption*” or an offer to purchase the Notes described under either of “—*Certain Covenants—Change of Control*” and “—*Certain Covenants—Limitation on Asset Sales.*” The Issuer will make all payments in same day funds. Payments on the Global Notes will be made to the common depository as the registered Holder of the Global Notes.

The Issuer undertakes that it will maintain a paying agent in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to the European Council Directive 2003/48/EC (as amended from time to time) or any other directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such directive.

The Issuer maintains a registrar (the “**Registrar**”) with offices in Ireland. The Issuer also maintains a transfer agent in London. The Registrar is Elavon Financial Services Limited. The transfer agent is Elavon Financial Services Limited, UK Branch in London.

The Issuer may change the paying agents, the Registrar or the transfer agents without prior notice to the Holders. For so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market, the Issuer will publish a notice of any change of paying agent, Registrar or transfer agent in a newspaper having a general circulation in Luxembourg (which is currently expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by the rules and regulations of the Luxembourg Stock Exchange posted on the official website of the Luxembourg Stock Exchange at www.bourse.lu.

No service charge will be made for any registration of transfer, exchange or redemption of the Notes, but the Issuer may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection with any such registration of transfer or exchange.

Guarantees

General

Under the Indenture, each Guarantor jointly and severally agrees to guarantee the due and punctual payment of all amounts payable under the Notes, including principal, premium and Additional Amounts, if any, and interest payable under the Notes. The obligations of each Guarantor under its Guarantee are contractually limited to an amount not to exceed the maximum amount that can be guaranteed by such Guarantor by applicable law or without resulting in its obligations under its Guarantee being voidable or unenforceable under applicable laws relating to fraudulent transfer, or under similar laws affecting the rights of creditors generally. Each Guarantor that makes a payment or distribution under its Guarantee is entitled to contribution from any other Guarantor.

Certain of the Restricted Subsidiaries organized in the Netherlands, Spain, the United Kingdom and the United States guaranteed the Notes on the Issue Date, and on June 4, 2013, TMF (B.V.I.) Ltd. guaranteed the Notes as a post-closing guarantor (collectively, the “**Guarantors**”).

We pledged the shares of Equity Trust Holdings S.à r.l and TMF Luxembourg Holding S.A. in the share capital of TMF Luxembourg S.A. (the “**Luxembourg Regulated Entity**”) to secure the Notes, the Revolving Credit Facility and certain hedging. The Guarantors, excluding the Luxembourg Regulated Entity, represented 60.8% of the Issuer’s consolidated Adjusted EBITDA for the twelve months ended March 31, 2014 and held 52.6% of the Issuer’s consolidated assets as of March 31, 2014. The Luxembourg Regulated Entity, together with the Guarantors, represented 82.1% of the Issuer’s consolidated Adjusted EBITDA for the twelve months ended March 31, 2014 and held 58.7% of the Issuer’s consolidated assets as of March 31, 2014.

Release of the Guarantees

A Guarantee will be automatically and unconditionally released (and thereupon will terminate and be discharged and be of no further force and effect):

- (a) in connection with any sale or other disposition of all or substantially all of the assets of that Guarantor (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction) the Issuer or any Restricted Subsidiary, if the sale or other disposition is not prohibited by or does not otherwise violate the “Asset Sale” provisions of the Indenture;
- (b) in connection with any sale or other disposition of Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) the Issuer or any Restricted Subsidiary, if the sale or other disposition is not prohibited by or does not otherwise violate the covenant described under “*Limitation on Asset Sales*” and the Guarantor ceases to be a Restricted Subsidiary as a result of the sale or other disposition;
- (c) in connection with an enforcement sale pursuant to the terms of the Intercreditor Agreement or any Additional Intercreditor Agreement, or as otherwise provided for in the Intercreditor Agreement or any Additional Intercreditor Agreements (see “*Description of Other Indebtedness—Intercreditor Agreement*”);
- (d) upon a Legal Defeasance, Covenant Defeasance or satisfaction and discharge of the Indenture that complies with the provisions under “—*Defeasance*” or “—*Satisfaction and Discharge*”;
- (e) upon the designation by the Issuer of the Guarantor as an Unrestricted Subsidiary in compliance with the terms of the Indenture;
- (f) in the case of any Restricted Subsidiary that after the Issue Date is required to Guarantee the Notes pursuant to the covenant described under “—*Certain Covenants—Additional Guarantees*,” upon the release or discharge of the guarantee of Debt by such Restricted Subsidiary that resulted in the obligation to Guarantee the Notes; *provided* that no Event of Default would arise as a result and such Restricted Subsidiary does not guarantee any other Debt of the Issuer or any Guarantor;

- (g) as a result of any transaction permitted under paragraph (2) or clause (ii) of the final paragraph under the covenant described under “Certain Covenants—*Merger, Consolidation or Sale of Assets*”;
- (h) in the event that the continuing obligation of such Guarantor under its Guarantee or the continued existence of such Guarantee would, in the good faith determination of the Issuer, result in a violation of an applicable regulation or order of a regulator that cannot be avoided or otherwise prevented through measures reasonably available to the Issuer or such Guarantor, and provided that such Guarantor does not guarantee any other Debt of the Issuer or a Restricted Subsidiary;
- or (i) as described under “—*Amendments and Waivers*.”

Upon any occurrence giving rise to a release of a Guarantee as specified above, the Trustee, subject to receipt of an Officer’s Certificate from the Issuer, will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect of such Guarantee. Notwithstanding the foregoing, neither the consent nor the acknowledgement of the Trustee shall be necessary to affect any such release. Neither the Trustee, the Issuer nor any Guarantor will be required to make a notation on the Notes to reflect any such release, termination or discharge.

Limitations under the Guarantees

The obligations of each Guarantor under its Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by such Guarantor without resulting in its obligations under its Guarantee, as applicable, being voidable or unenforceable under applicable laws relating to fraudulent transfer or under similar laws affecting the rights of creditors generally, or the maximum amount otherwise permitted by law. In particular, each Guarantee will be limited as required to comply with corporate benefit, maintenance of capital and other laws applicable in the jurisdiction of the relevant Guarantor. By virtue of these limitations, a Guarantor’s obligations under its Guarantee could be significantly less than amounts payable in respect of the Senior Notes, or a Guarantor may have effectively no obligations under its Guarantee. See “*Limitations on Validity and Enforceability of the Guarantees and Security*.”

Security

General

The assets and property of the Issuer and its Subsidiaries that are from time to time subject to, or required to be subject to, a Lien pursuant to the Security Documents are referred to as the “**Collateral**.” The obligations of the Issuer under the Notes and the Indenture are secured by the following:

- (a) a pledge of the Issuer’s shares in the share capital of TMF Group B.V. (the “**Company**”);
- (b) pledges of the Restricted Subsidiaries’ shares in the share capital of each of the Guarantors (other than (i) certain of the Guarantors organized in Luxembourg that are owned by the Luxembourg Regulated Entity and (ii) TMF Spain S.A.);
- (c) a pledge of each of Equity Trust Holdings S.à r.l.’s and TMF Luxembourg Holding S.A.’s shares in the share capital of the Luxembourg Regulated Entity;
- (d) pledges of certain of the Restricted Subsidiaries’ shares in the share capital of certain Non-Guarantor Restricted Subsidiaries organized in Spain; and
- (e) pledges of certain intercompany receivables, trade receivables and bank accounts of certain of the Guarantors organized in the Netherlands and Luxembourg.
- (f) a fixed and floating charge granted by TMF (B.V.I.) Ltd.

Any additional security interests that are in the future pledged to secure obligations under the Notes, the Guarantees and the Indenture will also constitute Collateral.

The Issuer, the Guarantors and the Security Trustee entered into certain security agreements defining the terms of the Collateral that secures the Notes and the Guarantees (the “**Security Documents**”).

Subject to certain conditions, including compliance with the covenant described under “—*Certain Covenants—Impairment of Security Interest*” and “—*Certain Covenants—Limitation on Liens*,” the pledgors of the Collateral are permitted to pledge the Collateral in connection with future issuances of

Debt of the Issuer or its Restricted Subsidiaries, including any Subsequent Additional Notes, permitted under the Indenture.

Subject to the terms of the Indenture, the Revolving Credit Facility and the Security Documents, the Issuer and the Guarantors, as the case may be, will have the right to remain in possession and retain exclusive control of the Collateral, and to exercise any and all voting rights and to receive and retain any and all cash dividends, stock dividends, liquidating dividends, non-cash dividends, shares of stock resulting from stock splits or reclassifications, rights issue, warrants, options and other distributions (whether similar or dissimilar to the foregoing) in respect of the shares that are part of the Collateral.

No appraisals of the Collateral have been prepared by or on behalf of the Issuer or the Guarantors in connection with the Offering. There can be no assurance that the proceeds of any sale of the Collateral, in whole or in part, pursuant to the Indenture and the Security Documents following an Event of Default, would be sufficient to satisfy amounts due on the Notes or the Guarantees. Furthermore, the Collateral securing the Notes may be reduced or diluted under certain circumstances, including the issuance of Subsequent Additional Notes and the disposition of assets comprising the Collateral, subject to the terms of the Indenture. See the section entitled “*Risk Factors—Risks Relating to the Additional Notes—The value of the Collateral securing the Senior Secured Notes may not be sufficient to satisfy our obligations under the Senior Secured Notes and such Collateral may be reduced or diluted under certain circumstances.*” By its nature, some or all of the Collateral will be illiquid and may have no readily ascertainable market value. Accordingly, there can be no assurance that the Collateral would be sold in a timely manner or at all.

The Security Documents, respectively, are governed by applicable local laws and provide that the rights with respect to the Notes and the Indenture must be exercised by the Security Trustee and in respect of the entire outstanding amount of the Notes.

The Indenture also provides that the Security Documents may be enforced only upon an acceleration of the amounts due under the Notes following an Event of Default. The Security Trustee entered into the Security Documents in its own name for the benefit of the Trustee and the Holders. Each Holder, by accepting a Note, appoints the Security Trustee as its agent under the Security Documents and authorizes it to act as such. Neither the Trustee nor the Holders may, individually or collectively, take any direct action to enforce any rights in their favor under the Security Documents. The Holders may only act through the Security Trustee. The Security Trustee will agree to any release of the security interest created by the Security Documents that is in accordance with the Indenture without requiring any consent of the Holders.

Priority and Sharing

Pursuant to the Intercreditor Agreement, the Security Trustee will act on behalf of, and the Collateral (or, in the case of the Collateral constituting pledges over the shares of certain of the Issuer’s Spanish Subsidiaries, any proceeds following the enforcement thereof) will be shared equally and ratably among (but without prejudice to the agreed order of application of proceeds following the enforcement thereof), the holders of all Debt entitled to first-ranking security under the Indenture. This Debt includes the Notes, obligations under the Revolving Credit Facility, certain obligations under Hedging Agreements and any other Senior Secured Debt incurred in compliance with the Indenture. In addition, the Issuer and the Restricted Subsidiaries will be permitted to create, incur, assume or otherwise cause or suffer to exist other Permitted Collateral Liens as provided for under the caption “—*Certain Covenants—Limitation on Liens.*” Under certain circumstances, the amount of such additional Debt secured by the Collateral could be significant.

Pursuant to the terms of the Intercreditor Agreement, any liabilities in respect of obligations under the Revolving Credit Facility and certain obligations under Hedging Agreements that are permitted to be Incurred by clause (i) of the definition of Permitted Debt and permitted to be secured on the Collateral (see “—*Certain Definitions—Permitted Collateral Liens*”) will receive priority with respect to any proceeds received upon any enforcement over any Collateral. Any proceeds received upon any enforcement over any Collateral, after all obligations under the Revolving Credit Facility have been repaid and such obligations under Hedging Agreements have been discharged from such recoveries, will be applied *pro rata* in repayment of all obligations under the Indenture and the Notes and any other Debt of the Issuer and the Guarantors permitted to be incurred and secured by the Collateral pursuant to the Indenture and the Intercreditor Agreement.

The Intercreditor Agreement also provides that if additional Debt is to be incurred which is permitted to share in the Collateral pursuant to the terms of the Revolving Credit Facility and the Indenture, all required documentation (including, if required, an Additional Intercreditor Agreement) will be entered into in order to ensure that any such Debt will have the ranking permitted to be conferred upon it in accordance with the terms of the Revolving Credit Facility and the Indenture; *provided* that such documentation does not adversely affect the interests of the parties benefitting from the Collateral (other than the effect of such additional Debt sharing in the Collateral). Such amendments may be made without the consent of the Holders provided that such conditions are satisfied.

Releases

The Issuer and the Guarantors will be entitled to release the Liens over property and other assets constituting Collateral securing the Notes and the Guarantees under any one or more of the following circumstances:

- (a) with respect to a Guarantor, upon the release of such Guarantor's Guarantee as described in "*—Guarantees—Release of the Guarantees*";
- (b) in a transaction that complies with the provisions described in "*—Certain Covenants—Merger, Consolidation or Sale of Assets*"; *provided* that in such a transaction where the Issuer ceases to exist, the Lien on the Capital Stock of the Company will be released and will reattach pursuant to a new share pledge (on terms substantially identical to the existing Lien on the Capital Stock of the Company), which will be granted by the successor entity;
- (c) upon the Legal Defeasance, Covenant Defeasance, satisfaction or discharge of the Notes as provided in "*—Defeasance*" or "*—Satisfaction and Discharge*," in each case, in accordance with the terms and conditions of the Indenture;
- (d) in connection with any sale, assignment, transfer, conveyance or other disposition of such property or assets to a Person that is not (either before or after giving effect to such transaction) the Issuer or any Restricted Subsidiary, if the sale or other disposition is not prohibited by, or does not otherwise violate the "Asset Sale" provisions of the Indenture;
- (e) in connection with an enforcement sale pursuant to the terms of the Intercreditor Agreement or any Additional Intercreditor Agreement, or as otherwise provided for in the Intercreditor Agreement or any Additional Intercreditor Agreements (see "*Description of Other Indebtedness—Intercreditor Agreement*");
- (f) in the event that the continued existence of such Lien would, in the good faith determination of the Issuer, result in a violation of an applicable regulation or order of a regulator that cannot be avoided or otherwise prevented through measures reasonably available to the Issuer or such pledgor, and provided that such assets do not secure any other Debt of the Issuer or a Restricted Subsidiary;
- (g) if the Issuer designates any Restricted Subsidiary to be an Unrestricted Subsidiary in accordance with the applicable provisions of the Indenture, the release of Liens on property and assets and capital stock of such Restricted Subsidiary; or
- (h) as described under "*—Amendments and Waivers.*"

The Security Trustee and the Trustee (as applicable) will take all necessary action required to effectuate any release of Collateral securing the Notes and the Note Guarantees, in accordance with the provisions of the Indenture and the relevant Security Document, the Intercreditor Agreement or any Additional Intercreditor Agreement. Each of the releases set forth above shall be effected by the Security Trustee without the consent of the Holders or any action on the part of the Trustee.

In addition, subject to compliance with the covenants described under the headings "*—Impairment of Security Interests*" and "*—Limitation on Liens*," if an Incurrence of Debt permitted by the covenant described under the heading "*—Limitation on Debt*" is implemented in a manner that requires the release of the first priority security interest over all or some of the Collateral, the security interest over such Collateral will be automatically released and replaced by new security in favor of the Notes and Guarantees, on substantially the same terms as prior to release.

Intercreditor Agreement and Additional Intercreditor Agreements

The Indenture provides that the Issuer, each Guarantor and the Trustee was authorized (without any further consent of the Holders) to enter into the Intercreditor Agreement in favor of the lenders under the Revolving Credit Facility and any Additional Intercreditor Agreement. The Indenture provides that it is subject to the terms of such Intercreditor Agreement and Additional Intercreditor Agreement.

Pursuant to the terms of the Intercreditor Agreement, any liability in respect of obligations under the Revolving Credit Facility and certain obligations under Hedging Agreements will have priority to any proceeds received upon any enforcement action over any Collateral. For a description of the Intercreditor Agreement, see “*Description of Other Indebtedness—Intercreditor Agreement.*” Any proceeds received upon any enforcement over any Collateral, after all obligations under the Revolving Credit Facility have been repaid and such obligations under Hedging Agreements have been discharged from such recoveries, will be applied *pro rata* in repayment of all obligations under the Indenture and the Notes and any other Debt of the Issuer and the Guarantors permitted to be Incurred and secured by the Collateral on a first priority basis pursuant to the Indenture and the Intercreditor Agreement.

In addition, the Indenture provides that at the request of the Issuer, at the time of, or prior to, any Incurrence of Debt that is permitted to share the Collateral, the Issuer, the relevant Guarantors, the Trustee and the Security Trustee may (without the consent of the Holders) amend the Intercreditor Agreement to reflect such additional Debt or enter into a new intercreditor agreement with the holders of such Debt (or their duly authorized representatives) (an “**Additional Intercreditor Agreement**”) on substantially the same terms as the Intercreditor Agreement, including with respect to enforcement instructions, distributions and releases of Guarantees and Collateral; *provided* that any amendment to the Intercreditor Agreement or any Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or the Security Trustee or adversely affect the rights, duties, liabilities or immunities of the Trustee under the Indenture or the Intercreditor Agreement as in effect on the Issue Date.

The Indenture also provides that, at the written direction of the Issuer and without the consent of the Holders, the Trustee and the Security Trustee shall from time to time enter into one or more amendments to the Intercreditor Agreement or any Additional Intercreditor Agreement to: (1) cure any ambiguity, omission, defect or inconsistency of any such agreement, (2) increase the amount or types of Debt covered by the Intercreditor Agreement or any such Additional Intercreditor Agreement that may be Incurred by the Issuer or its Restricted Subsidiaries that is subject to the Intercreditor Agreement or any such Additional Intercreditor Agreement, respectively; *provided* that such Debt is Incurred in compliance with the Indenture, (3) add Guarantors or other Restricted Subsidiaries to the Intercreditor Agreement or any Additional Intercreditor Agreement, (4) further secure the Notes (including Subsequent Additional Notes), (5) make provision for equal and ratable pledges of the Collateral to secure Subsequent Additional Notes or to implement any Permitted Collateral Liens or (6) make any other change that does not adversely affect the Holders of Notes in any material respect. The Issuer shall not otherwise direct the Trustee or Security Trustee to enter into any amendment to the Intercreditor Agreement or any Additional Intercreditor Agreement without the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding, except as otherwise permitted below under “*—Amendments and Waivers*” or as permitted by the terms of the Intercreditor Agreement or such Additional Intercreditor Agreement, as applicable, and the Issuer may only direct the Trustee or Security Trustee to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or Security Trustee or, in the opinion of the Trustee or Security Trustee, adversely affect their respective rights, duties, liabilities or immunities under the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement.

The Indenture also provides that each Holder, by accepting such Note, will be deemed to have:

- (a) appointed and authorized the Trustee to give effect to provisions in the Intercreditor Agreement and any Additional Intercreditor Agreement;
- (b) authorized the Trustee to become a party to any Additional Intercreditor Agreement;
- (c) agreed to be bound by the provisions of the Intercreditor Agreement and any Additional Intercreditor Agreement; and

- (d) irrevocably appointed the Trustee to act on its behalf to enter into and comply with the provisions of the Intercreditor Agreement and any Additional Intercreditor Agreement.

Neither the Trustee nor the Security Trustee shall be required to seek the consent of any Holders to perform its obligations under and in accordance with this covenant.

Additional Amounts

All payments made under or with respect to the Notes or the Guarantees will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, levies, imposts, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any jurisdiction in which the Issuer or any Guarantor is organized, engaged in business or resident for tax purposes, or from or through which payment on the Notes or Guarantees is made (including the jurisdiction of any paying agent) or any political subdivision or governmental authority thereof or therein having the power to tax (each, a “**Relevant Taxing Jurisdiction**”) and any interest, penalties and other liabilities with respect thereto (collectively, “**Taxes**”), unless such Taxes are required to be withheld or deducted from such payments by law or by the relevant taxing authority’s interpretation or administration thereof. In the event that any amount for or on account of any such Taxes is required to be withheld or deducted from any payment made under or with respect to the Notes or Guarantees, the Issuer or relevant Guarantor, as the case may be, will pay such additional amounts (“**Additional Amounts**”) as may be necessary so that the net amount received by each Holder or beneficial owner of the Notes after such withholding or deduction (including any withholding or deduction from such Additional Amounts) will be not less than the amount that such Holder or beneficial owner would have received if such Taxes had not been required to be withheld or deducted.

Notwithstanding the foregoing, neither the Issuer nor the Guarantor will pay Additional Amounts to a Holder or beneficial owner of any Note in respect or on account of:

- (a) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of the Holder’s or beneficial owner’s present or former connection with such Relevant Taxing Jurisdiction (including, but not limited to, citizenship, nationality, residence, domicile, or existence of a business, a permanent establishment, a dependent agent, a place of business or a place of management present or deemed present within the Relevant Taxing Jurisdiction) other than the mere receipt or holding of any Note or by reason of the receipt of payments thereunder or the exercise or enforcement of rights under such Note, Guarantee or the Indenture;
- (b) any Taxes that are imposed or withheld by reason of the failure of the eligible Holder or beneficial owner of any Note, prior to the relevant date on which a payment under and with respect to the Notes is due and payable (the “**Relevant Payment Date**”), to comply with the Issuer’s reasonable written request addressed to the Holder or beneficial owner at least 30 calendar days prior to the Relevant Payment Date, to provide accurate applicable information with respect to any certification, identification, information or other reporting requirements concerning nationality, residence, identity or connection with the Relevant Taxing Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Relevant Taxing Jurisdiction) which the Holder or such beneficial owner is legally required and entitled to provide, whether imposed by statute, treaty, regulation or administrative practice, in each such case by the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of deduction or withholding of, Taxes imposed by the Relevant Taxing Jurisdiction;
- (c) any estate, inheritance, gift, sales, transfer, personal property or similar Taxes;
- (d) any Tax that is payable other than by deduction or withholding from payments made under or with respect to any Note;
- (e) any Tax which would not have been so imposed but for the presentation for payment (where presentation is required in order to receive payment) by the Holder or beneficial owner of a Note on a date more than 30 days after the date on which such payment becomes due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the Holder or beneficial owner would have been entitled to such Additional Amounts on presenting the same for payment on any day (including the last day) within such 30-day period;
- (f) any withholding or deduction in respect of any Taxes where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to the European

Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meetings of November 26 and 27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such directive; or

- (g) any Taxes that are imposed on or with respect to a payment made to a Holder or beneficial owner of Notes who would have been able to avoid such withholding or deduction by presenting the relevant Note for a payment to another paying agent in a Member State of the European Union.

In addition, Additional Amounts will not be payable with respect to any Taxes that are imposed in respect of any combination of the above items.

The Issuer or relevant Guarantor will also make or cause to be made such withholding or deduction of Taxes required by law and will remit the full amount of Taxes so deducted or withheld to the relevant taxing authority in accordance with all applicable laws. The Issuer or the relevant Guarantor will use its reasonable efforts to obtain tax receipts from each such tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or relevant Guarantor will, upon request, make available to the Trustee, within 30 days after the date on which the payment of any Taxes so deducted or withheld is due pursuant to applicable law, copies of tax receipts evidencing such payment by the Issuer or relevant Guarantor or if, notwithstanding the Issuer's or relevant Guarantor's efforts to obtain such receipts, the same are not obtainable, other evidence reasonably satisfactory to the Trustee of such payment by the Issuer or relevant Guarantor. Upon reasonable request, copies of tax receipts or other evidence of payments, as the case may be, will be made available by the Trustee to the Holders or beneficial owners of the Notes.

At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Issuer or a Guarantor will be obliged to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 45th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it will notify the Trustee promptly thereafter), the Issuer or relevant Guarantor will deliver to the Trustee an Officer's Certificate stating that such Additional Amounts will be payable and the amounts so payable and setting forth such other information as is necessary to enable the Paying Agent to pay such Additional Amounts to the Holders and beneficial owners on the payment date. The Issuer or relevant Guarantor will provide the Trustee with documentation satisfactory to the Trustee evidencing the payment of Additional Amounts. The Trustee shall be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary. The Issuer or relevant Guarantor will promptly publish a notice in accordance with the provisions set forth in "*—Notices*" stating that such Additional Amounts will be payable and describing the obligation to pay such amounts.

The Indenture further provides that if the Issuer or any Guarantor conducts business in any jurisdiction (an "**Additional Taxing Jurisdiction**") other than a Relevant Taxing Jurisdiction and, as a result, is required by the law of such Additional Taxing Jurisdiction to withhold or deduct any amount on account of the Taxes imposed by such Additional Taxing Jurisdiction from payment under the Notes or any Guarantee, as the case may be, which would not have been required to be so withheld or deducted but for such conduct of business in such Additional Taxing Jurisdiction, the Additional Amounts provision described above will be considered to apply as if references in such provision to "**Taxes**" included taxes imposed by way of withholding or deduction by any such Additional Taxing Jurisdiction (or any political subdivision thereof or therein).

In addition to the foregoing, the Issuer or the relevant Guarantor will pay (i) any present or future stamp, issue, registration, transfer, documentation, court, excise or property taxes or other similar taxes, charges and duties, including interest, penalties and Additional Amounts with respect thereto in respect of the execution, issue, delivery, registration of, or receipt of payments with respect to, the Notes, the Indenture or the Guarantees, or any other document or instrument referred to thereunder (other than, in each case, on or in connection with a transfer of the Notes other than the initial resale of the Notes); and (ii) any such taxes, charges or duties imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, Guarantee, Indenture or any other such document or instrument following the occurrence of any Event of Default with respect to the Notes.

The foregoing provisions will survive any termination, defeasance or discharge of the Indenture and will apply *mutatis mutandis* to any Surviving Entity (as defined below) or successor person to the Issuer or any Guarantor.

Whenever in the Indenture, this Offering Memorandum or this “*Description of the Senior Secured Notes*” there is mentioned, in any context, the payment of principal (and premiums, if any), Redemption Price, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee), such mention will be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are or would be payable in respect thereof.

Optional Redemption

Optional Redemption on or after January 1, 2014

At any time on or after January 1, 2014 and prior to maturity, upon not less than 30 nor more than 60 days’ notice, the Issuer may redeem all or part of the Notes. These redemptions will be in amounts of € 100,000 or integral multiples of €1,000 in excess thereof at the following redemption prices (expressed as percentages of their principal amount at maturity), plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date, if redeemed during the 12-month period commencing on January 1 of the years set forth below.

<u>Year</u>	<u>Redemption Price</u>
2014	102.000%
2015	101.000%
2016 and thereafter	100.000%

Redemption upon Changes in Withholding Taxes

The Issuer may, at its option, redeem the Notes, in whole but not in part, at any time upon giving not less than 30 nor more than 60 days’ notice to the Holders (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date and all Additional Amounts (as defined above under “—*Additional Amounts*”), if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuer or any Guarantor is or, on the next date on which any amount would be payable in respect of the Notes or Guarantees, would be obliged to pay Additional Amounts (but, in the case of any Guarantor, only if such amount cannot be paid by the Issuer or another Guarantor who can pay such amount without the obligation to pay Additional Amounts) which are more than a *de minimis* amount in respect of the Notes or Guarantees pursuant to the terms and conditions thereof, which the Issuer or relevant Guarantor cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:

- (a) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of any Relevant Taxing Jurisdiction (as defined above under “—*Additional Amounts*”) affecting taxation which is publicly announced and becomes effective on or after the date of the Indenture or, if such Relevant Taxing Jurisdiction has become a Relevant Taxing Jurisdiction after the date of the Indenture, on or after the date on which such Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a successor person, on or after the date of assumption by the successor person of the Issuer’s or Guarantor’s obligations hereunder); or
- (b) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction (including a holding, judgment or order by a court of competent jurisdiction) which is publicly announced and becomes effective on or after the date of the Indenture or, if such Relevant Taxing Jurisdiction has become a Relevant Taxing Jurisdiction after the date of the Indenture, on or after the date on which such Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a successor person, on or after the date of assumption by the successor person of the Issuer’s or Guarantor’s obligations hereunder) (each of the foregoing clause (a) and this clause (b), a “**Change in Tax Law**”).

No right to redeem the Notes will result from a Change in Tax Law affecting payments by a successor person, unless the Change in Tax Law is publicly announced after the date that such entity first makes a payment on the Notes. In the case of Additional Amounts required to be paid as a result of the Issuer or a Guarantor conducting business in an Additional Taxing Jurisdiction (as defined above), the Change in Tax Law must be publicly announced after the date the Issuer or relevant Guarantor begins to conduct the business giving rise to the relevant withholding or deduction.

Notwithstanding the foregoing, no such notice of redemption will be given (a) earlier than 60 days prior to the earliest date on which the Issuer or relevant Guarantor would be obligated to make such payment of Additional Amounts if a payment in respect of the Notes or Guarantee were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts remains in effect.

Prior to the publication or, where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuer will deliver to the Trustee:

- (a) an Officer's Certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to so redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Issuer or relevant Guarantor taking reasonable measures available to it); and
- (b) an opinion of independent tax counsel of recognized standing, qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Issuer or relevant Guarantor, as the case may be, is or would be obliged to pay such Additional Amounts as a result of the Change in Tax Law.

The Trustee will accept and shall be entitled to rely on such Officer's Certificate and opinion of independent tax counsel as sufficient evidence of the existence and satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the Holders.

For the avoidance of doubt, the implementation of European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meetings of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such directive will not be a change or amendment for such purposes.

The foregoing provisions will apply *mutatis mutandis* to any successor person, after such successor person becomes a party to the Indenture.

Selection and Notice of Optional Redemption

The Issuer will publish a notice of any optional redemption of the Notes described above in accordance with the provisions of the Indenture described under "*—Notices.*" The Issuer will inform the Luxembourg Stock Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If fewer than all the Notes are to be redeemed at any time, the Registrar will select the Notes by a method that complies with the requirements, as certified to the Trustee and the Registrar by the Issuer, of applicable law and the principal securities exchange, if any, on which the Notes are listed at such time or, if the Notes are not listed on a securities exchange, *pro rata* or by such other method as the Registrar in its sole discretion shall deem fair and appropriate; provided that no such partial redemption will reduce the portion of the principal amount of a Note not redeemed to less than €100,000.

In connection with any redemption of Notes (including with the proceeds from an Equity Offering), any such redemption may, at the Issuer's discretion, be subject to one or more conditions precedent. Neither the Trustee nor the Registrar shall be liable for any selection made by the Registrar in accordance with this paragraph.

Mandatory Redemption; Offers to Purchase; Open Market Purchases

The Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the Notes as described under the captions "*—Certain Covenants—Change of Control*" and "*—Certain Covenants—Limitation on Asset Sales.*" The Issuer and the Restricted Subsidiaries may at any time and from time to time purchase Notes in the open market or otherwise.

Certain Covenants

The Indenture contains, among others, the following covenants.

Limitation on Debt

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, create, issue, incur, assume, guarantee or in any manner become directly or indirectly liable with respect to or otherwise become

responsible for, contingently or otherwise, the payment of (individually and collectively, to “**Incur**” or, as appropriate, an “**Incurrence**”), any Debt (including any Acquired Debt); *provided* that the Issuer and any Restricted Subsidiary will be permitted to Incur Debt (including Acquired Debt) if:

- (a) at the time of such Incurrence and after giving effect to the Incurrence of such Debt and the application of the proceeds thereof, on a *pro forma* basis, the Consolidated Fixed Charge Coverage Ratio for the four full fiscal quarters for which financial statements are available immediately preceding the Incurrence of such Debt, taken as one period, would be greater than 2.0 to 1.0; and
- (b) if the debt to be Incurred is Senior Secured Debt, at the time of such Incurrence and after giving effect to the Incurrence of such Debt and the application of the proceeds thereof, on a *pro forma* basis, the Consolidated Senior Secured Leverage Ratio for the four full fiscal quarters for which financial statements are available immediately preceding the Incurrence of such Debt, taken as one period, is less than 3.25 to 1.0.

Notwithstanding the foregoing, but subject to the last proviso of paragraph (2) of this covenant, Non-Guarantor Restricted Subsidiaries may not Incur Debt pursuant to this paragraph (1) if, after giving *pro forma* effect to such Incurrence (including a *pro forma* application of the net proceeds therefrom), the aggregate amount of Debt of Non-Guarantor Restricted Subsidiaries Incurred pursuant to this paragraph (1) would exceed €30.0 million.

- (2) This “*Limitation on Debt*” covenant will not, however, prohibit the following (collectively, “**Permitted Debt**”):

- (a) the Incurrence by the Issuer or any Guarantor of Debt under Credit Facilities in an aggregate principal amount at any one time outstanding not to exceed an amount equal to €70.0 million, *plus*, in the case of any refinancing of any Debt permitted under this clause (a) or any portion thereof, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses Incurred in connection with such refinancing;
- (b) the Incurrence by the Issuer of Debt pursuant to the Notes (other than Subsequent Additional Notes) and the Incurrence by the Guarantors of Debt pursuant to the Guarantees (other than Guarantees of Subsequent Additional Notes);
- (c) the Incurrence by the Issuer of Debt pursuant to the Senior Notes and the Incurrence by the Guarantors of Debt pursuant to the guarantees of the Senior Notes, in each case issued on the Issue Date;
- (d) any Debt of the Issuer or any Restricted Subsidiary outstanding on the Issue Date after giving effect to the use of proceeds of the Original Notes and the Original Senior Notes;
- (e) the Incurrence by the Issuer or any Restricted Subsidiary of intercompany Debt between the Issuer and any Restricted Subsidiary or between or among Restricted Subsidiaries; *provided* that:
 - (i) if the Issuer or a Guarantor is the obligor on any such Debt and the lender of such debt is not the Issuer or a Guarantor, such Debt is (x) unsecured and (y) (except in respect of the intercompany current liabilities incurred in the ordinary course of business in connection with the cash management operations of the Issuer and its Restricted Subsidiaries) it is expressly subordinated in right of payment to the prior payment in full in cash (whether upon Stated Maturity, acceleration or otherwise) and the performance in full of its obligations under the Notes or its Guarantee, as the case may be; and
 - (ii) (x) any disposition, pledge or transfer of any such Debt to any Person (other than a disposition, pledge or transfer to the Issuer or a Restricted Subsidiary) and (y) any transaction pursuant to which any Restricted Subsidiary that has Debt owing to the Issuer or another Restricted Subsidiary ceases to be a Restricted Subsidiary, will, in each case, be deemed to be an Incurrence of such Debt not permitted by this clause (e);
- (f) the guarantee by the Issuer or any Restricted Subsidiary of Debt of the Issuer or any Restricted Subsidiary to the extent that the guaranteed Debt was permitted to be incurred by another provision of this covenant; *provided* that if the Debt being guaranteed is subordinated to or *pari passu* with the Notes or a Note Guarantee, then such guarantee must be subordinated or *pari passu*, as applicable, to the same extent as the Debt guaranteed;

- (g) the Incurrence by the Issuer or any Restricted Subsidiary of Debt represented by Capitalized Lease Obligations, mortgage financings, purchase money obligations or other Debt incurred for the purpose of financing all or any part of the purchase price, lease expense, rental payments or cost of design or cost of construction, installation, maintenance, upgrade or other improvement of property (real or personal or movable or immovable), or assets (including Capital Stock) used or usable in the Issuer's or any Restricted Subsidiary's business (including any reasonable related fees or expenses Incurred in connection with such acquisition or development) and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Restricted Subsidiary owning such Capital Stock or otherwise; *provided* that the principal amount of such Debt so Incurred when aggregated with other outstanding Debt then classified as Incurred in reliance on this clause (g) shall not in the aggregate exceed the greater of €10.0 million and 1.0% of Consolidated Total Assets, plus with respect to any Permitted Refinancing Debt in respect thereof, amounts of the type set forth in clause (a)(ii) of the definition of Permitted Refinancing Debt;
- (h) the Incurrence by the Issuer or any Restricted Subsidiary of Debt arising from agreements providing for guarantees, indemnities or obligations in respect of purchase price adjustments or earn-outs or other similar obligations in connection with the acquisition or disposition of assets, including, without limitation, shares of Capital Stock, other than guarantees or similar credit support given by the Issuer or any Restricted Subsidiary of Debt Incurred by any Person acquiring all or any portion of such assets for the purpose of financing such acquisition; provided that the maximum aggregate liability in respect of all such Debt permitted pursuant to this clause (h) will at no time exceed the gross proceeds, including non-cash proceeds (the Fair Market Value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value), actually received from the sale of such assets;
- (i) the Incurrence of Debt under Hedging Agreements not for speculative purposes;
- (j) Debt in respect of (a) self-insurance obligations, performance, indemnity, surety, judgment, appeal, advance payment, customs, VAT or other tax or other guarantees or other similar bonds, instruments or obligations and completion guarantees and warranties provided by the Issuer or a Restricted Subsidiary or relating to liabilities, obligations or guarantees Incurred in the ordinary course of business, (b) the discounting or factoring of Receivables for credit management purposes, (c) letters of credit, bankers' acceptances, guarantees or other similar instruments or obligations issued or relating to liabilities or obligations Incurred in the ordinary course of business, (d) the financing of insurance premiums in the ordinary course of business and (e) any customary cash management (including controlled disbursement services, overdraft facilities, foreign exchange facilities, deposit and other accounts and merchant services), cash pooling, netting or setting off arrangements or daylight borrowing facilities in connection with customary cash management or cash pooling activities, in each case in the ordinary course of business;
- (k) the Incurrence by the Issuer or any Restricted Subsidiary of Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds; provided that such Debt is extinguished within five Business Days of Incurrence;
- (l) Debt in an aggregate outstanding principal amount which, when taken together with any Permitted Refinancing Debt in respect thereof and the principal amount of all other Debt Incurred pursuant to this clause (l) and then outstanding, including all Debt incurred to renew, refund, refinance, replace, decrease or discharge any Debt incurred pursuant to this clause (l), will not exceed 100% of the Net Cash Proceeds received by the Issuer from the issuance or sale (other than to a Restricted Subsidiary) of its Subordinated Shareholder Funding or its Capital Stock (other than Redeemable Capital Stock or an Excluded Contribution) or otherwise contributed to the equity (other than through the issuance of Redeemable Capital Stock or an Excluded Contribution) of the Issuer, in each case, subsequent to the Issue Date; *provided, however*, that (i) any such Net Cash Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the second paragraph and clauses (d) and (l) of the third paragraph of the covenant described below under "*Limitation on Restricted Payments*" to the extent the Issuer and its Restricted Subsidiaries incur Debt in

reliance thereon and (ii) any Net Cash Proceeds that are so received or contributed shall be excluded for purposes of Incurring Debt pursuant to this clause (l) to the extent the Issuer or any of its Restricted Subsidiaries makes a Restricted Payment under the second paragraph and clauses (d) and (l) of the third paragraph of the covenant described below under “—*Limitation on Restricted Payments*” in reliance thereon;

- (m) Debt of any Persons, businesses or groups of related assets that are acquired by the Issuer or any Restricted Subsidiary, which Debt is outstanding on the date on which such Persons, business or assets becomes a Restricted Subsidiary or are otherwise merged, consolidated, amalgamated or otherwise combined with the Issuer or any Restricted Subsidiary, and any Debt Incurred by such Person to finance the acquisition of such Person, business or assets or Debt Incurred by the Issuer or any Restricted Subsidiary to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Issuer or a Restricted Subsidiary; *provided* that after giving effect to such acquisition or other transaction and after giving effect to the Incurrence of Debt pursuant to this clause (m) either (i) the Issuer would be permitted to Incur at least €1.00 of additional Debt pursuant to the Consolidated Fixed Charge Coverage Ratio test set forth in paragraph (1)(a) of this covenant, or (ii) the Consolidated Fixed Charge Coverage Ratio would not be less than it was immediately prior to such acquisition, merger or consolidation;
- (n) the Incurrence by the Issuer or any Restricted Subsidiary of Permitted Refinancing Debt in exchange for or the net proceeds of which are used to refund, replace or refinance Debt Incurred by it pursuant to, or described in, paragraph (1) and clauses 2(b), (c), (d), (m) and (n) of this “*Limitation on Debt*” covenant, as the case may be;
- (o) guarantees of any loans and advances to directors, officers or employees of the Issuer or any Restricted Subsidiary in an amount outstanding not to exceed at any one time €5.0 million;
- (p) take-or-pay obligations and customer deposits and advance payments received in the ordinary course of business from customers;
- (q) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Debt consisting of promissory notes issued to any current or former employee, director or consultant of the Issuer, any of its Subsidiaries or any of its Holding Companies (or permitted transferees, assigns, estates, or heirs of such employee, director or consultant), to finance the purchase or redemption of Capital Stock of the Issuer or any of its Holding Companies permitted by clause 3(c) of the covenant described below under “—*Certain Covenants—Limitation on Restricted Payments*”;
- (r) the Incurrence by the Issuer or any Restricted Subsidiary of Debt to the extent the net proceeds thereof are promptly deposited to defease the Notes as described below under “—*Defeasance*” or “—*Satisfaction and Discharge*”; and
- (s) subject to the final proviso of this paragraph (2), the Incurrence by the Issuer or any Restricted Subsidiary of Debt (other than and in addition to Debt permitted under clauses (a) through (r) above) in an aggregate principal amount at any one time outstanding, including all Debt incurred to renew, refund, refinance, replace, defease or discharge any Debt Incurred pursuant to this clause (s), not to exceed the greater of €45.0 million and 4.5% of Consolidated Total Assets.

Provided, however, notwithstanding anything to the contrary contained herein, the aggregate principal amount of outstanding Debt that is permitted to be Incurred by a Non-Guarantor Restricted Subsidiary pursuant to each of the last sentence of paragraph (1) of this covenant and clauses (l) and (s) of this paragraph (2), including all Debt Incurred by a Non-Guarantor Restricted Subsidiary to renew, refund, refinance, replace, defease or discharge any such Debt, shall not exceed €30.0 million.

- (3) Notwithstanding anything to the contrary contained herein, if the Debt (or any part thereof) to be Incurred pursuant to this “*Limitation on Debt*” covenant is intended to rank senior to the Notes or the Guarantees with respect to proceeds distributions of any enforcement of any of the Collateral, such Debt (or any part thereof) may only consist of: (i) up to €70.0 million in aggregate principal amount at any one time outstanding and Incurred pursuant to clause (a) of the definition of Permitted Debt

under a revolving credit facility and (ii) and any currency and interest obligations Incurred pursuant to clause (i) of the definition of Permitted Debt under Hedging Agreements in respect of (X) the Notes, any Subsequent Additional Notes and any Permitted Refinancing Debt in respect thereof and (Y) up to €70.0 million in aggregate principal amount at any one time outstanding of Debt to be Incurred under a revolving credit facility pursuant to clause (a) of the definition of Permitted Debt, in each case secured on the Collateral.

- (4) For purposes of determining compliance with this “*Limitation on Debt*” covenant, in the event that an item of Debt meets the criteria of more than one of the categories of Permitted Debt described in clauses (a) through (s) of paragraph (2) above, or is entitled to be Incurred pursuant to the paragraph (1) of this “*Limitation on Debt*” covenant, the Issuer will be permitted to classify such item of Debt on the date of its Incurrence in any manner that complies with this “*Limitation on Debt*” covenant. Debt under the Revolving Credit Facility outstanding on the Issue Date will initially be deemed to have been Incurred on such date in reliance on the exception provided by clause (a) of paragraph (2) above. In addition, any item of Debt initially classified as Incurred pursuant to one of the categories of Permitted Debt described in clauses (a) through (s) of paragraph (2) above, or is entitled to be Incurred pursuant to the paragraph (1) of this “*Limitation on Debt*” covenant, may later be reclassified by the Issuer such that it will be deemed as having been Incurred pursuant to any other applicable clause of paragraph (2) or paragraph (1) of this “*Limitation on Debt*” covenant to the extent that such reclassified Debt could be Incurred pursuant to such other clause of paragraph (2) or paragraph (1) of this “*Limitation on Debt*” covenant at the time of such reclassification.
- (5) For purposes of determining compliance with any restriction on the Incurrence of Debt in euros where Debt is denominated in a different currency, the amount of such Debt will be the Euro Equivalent determined on the date such Debt was Incurred (in the case of term Debt) or committed (in the case of revolving Debt), or the Issue Date, in the case of Debt outstanding as of the Issue Date; *provided* that if any such Debt denominated in a different currency is subject to a Hedging Agreement (with respect to euros) covering principal amounts payable on such Debt, the amount of such Debt expressed in euros will be adjusted to take into account the effect of such agreement. The principal amount of any Permitted Refinancing Debt Incurred in the same currency as the Debt being refinanced will be the Euro Equivalent of the Debt being refinanced determined on the date such Debt being refinanced was initially Incurred. If any Debt is incurred to refinance any Debt denominated in a currency other than euro, and such refinancing would cause the applicable euro denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such euro-denominated restriction will be deemed to not have been exceeded so long as the amount of such Permitted Refinancing Debt does not exceed the amount set forth in clause (a) of the definition of Permitted Refinancing Debt. Notwithstanding any other provision of this “*Limitation on Debt*” covenant, for purposes of determining compliance with this “*Limitation on Debt*” covenant, increases in Debt solely due to fluctuations in the exchange rates of currencies will not be deemed to exceed the maximum amount that the Issuer or a Restricted Subsidiary may Incur under the “*Limitation on Debt*” covenant.
- (6) For purposes of determining any particular amount of Debt under the “*Limitation on Debt*” covenant:
 - (a) obligations in the form of letters of credit, guarantees or Liens, in each case supporting Debt otherwise included in the determination of such particular amount;
 - (b) any Liens granted pursuant to the equal and ratable provisions referred to in the “*Limitation on Liens*” covenant; and
 - (c) accrual of interest, accrual of dividends, the accretion or amortization of original issue discount or of accreted value, the obligation to pay commitment fees and the payment of interest or dividends in the form of additional Debt,

will not, in any case, be treated as Debt, and, with respect to obligations in respect of letters of credit, bankers’ acceptance or other similar instruments Incurred pursuant to any Credit Facility that are being treated as Incurred pursuant to clause (a) of the definition of Permitted Debt and such letters of credit, bankers’ acceptance or other similar instruments relate to other Debt of the Issuers or any Restricted Subsidiary, such other Debt shall not be included for purposes of determining any particular Incurrence of Debt under the “*Limitation on Debt*” covenant.

Limitation on Restricted Payments

(1) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, take any of the following actions (each of which is a “**Restricted Payment**” and which are collectively referred to as “**Restricted Payments**”):

- (a) declare or pay any dividend on or make any distribution (whether made in cash, securities or other property) with respect to any of the Issuer’s or any Restricted Subsidiary’s Capital Stock (including, without limitation, any payment in connection with any merger or consolidation involving the Issuer or any Restricted Subsidiary) (other than to the Issuer or any Wholly Owned Restricted Subsidiary) except for dividends or distributions payable solely in the Issuer’s Qualified Capital Stock;
- (b) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation), directly or indirectly, any of the Issuer’s Capital Stock or any Capital Stock of any direct or indirect Holding Company of the Issuer held by persons other than the Issuer or a Restricted Subsidiary;
- (c) make any principal payment on, or repurchase, redeem, defease or otherwise acquire or retire any Subordinated Debt (other than intercompany Debt between the Issuer and any Restricted Subsidiary or among Restricted Subsidiaries) for value, other than (i) any principal payment, sinking fund payment or Scheduled Maturity paid on the scheduled due date or (ii) any purchase, repurchase or other acquisition of Debt in satisfaction of a principal payment, sinking fund payment or Stated Maturity due within one year of the date of such purchase, repurchase or other acquisition;
- (d) make any principal or interest payment on, or repurchase, redeem, defease or otherwise acquire or retire any Subordinated Shareholder Funding (other than the payment of interest in the form of additional Subordinated Shareholder Funding); or
- (e) make any Investment (other than any Permitted Investment) in any Person.

If any Restricted Payment described above is not made in cash, the amount of the proposed Restricted Payment will be the Fair Market Value of the asset to be transferred as at the date of transfer.

(2) Notwithstanding paragraph (1) above, the Issuer or any Restricted Subsidiary may make a Restricted Payment if, at the time of and after giving pro forma effect to such proposed Restricted Payment:

- (a) no Default or Event of Default has occurred and is continuing;
- (b) the Issuer could Incur at least €1.00 of additional Debt pursuant to the Consolidated Fixed Charge Coverage Ratio set forth in paragraph (1)(a) of the “*Limitation on Debt*” covenant; and
- (c) such Restricted Payment, together with the aggregate amount of all Restricted Payments declared or made after the Issue Date (excluding Restricted Payments permitted by paragraph (3) below other than clauses (a), (j) and (p)), is less than the sum of, without duplication:
 - (i) 50% of aggregate Consolidated Net Income on a cumulative basis during the period beginning on the first day of the fiscal quarter in which the Original Notes were issued and ending on the last day of the Issuer’s last fiscal quarter ending prior to the date of such proposed Restricted Payment (or, if such aggregate cumulative Consolidated Net Income shall be a negative number, minus 100% of such negative amount); *plus*
 - (ii) 100% of the aggregate proceeds and the Fair Market Value of marketable securities or other assets received by the Issuer after the Issue Date as equity capital contributions, Subordinated Shareholder Funding or from the issuance or sale (other than to any Subsidiary) after the Issue Date of shares of the Issuer’s Qualified Capital Stock or warrants, options or rights to purchase shares of the Issuer’s Qualified Capital Stock (except, in each case to the extent such proceeds are used to purchase, redeem or otherwise retire Capital Stock, Subordinated Shareholder Funding or Subordinated Debt as set forth in clause (d) of paragraph (3) below) (excluding Excluded Contributions); *plus*

- (iii) (x) 100% of the amount by which the Issuer's Debt or Debt of any Restricted Subsidiary (to the extent such Debt is incurred after the Issue Date) is reduced on the Issuer's consolidated balance sheet after the Issue Date upon the conversion or exchange (other than by a Subsidiary) of such Debt into the Issuer's Qualified Capital Stock and (y) 100% of the aggregate proceeds received after the Issue Date by the Issuer from the issuance or sale (other than to any Subsidiary) of Redeemable Capital Stock that has been converted into or exchanged for the Issuer's Qualified Capital Stock, together with, in the case of both clauses (x) and (y) of this clause (iii), the aggregate proceeds and the Fair Market Value of marketable securities and other assets received by the Issuer at the time of such conversion or exchange (excluding Excluded Contributions); *plus*
 - (iv) in the case of the disposition of any Unrestricted Subsidiary or the disposition or repayment of any Investment constituting a Restricted Payment made after the Issue Date, an amount (to the extent not included in Consolidated Net Income) equal to the Fair Market Value of such Unrestricted Subsidiary or Investment, excluding the amount of any Investment in such Unrestricted Subsidiary that constituted a Permitted Investment made pursuant to clauses (p) or (q) of the definition of Permitted Investment or that was made pursuant to clause (o) of paragraph (3) below; *plus*
 - (v) upon the full and unconditional release of a Restricted Investment that is a guarantee made by the Issuer or a Restricted Subsidiary to any Person, an amount equal to the amount of such guarantee, excluding the amount of any such Investment in such Unrestricted Subsidiary that constituted a Permitted Investment made pursuant to clauses (p) or (q) of the definition of Permitted Investment or that was made pursuant to clause (o) of paragraph (3) below; *plus*
 - (vi) in the case of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary or all of the assets of such Unrestricted Subsidiary are transferred to the Issuer or a Restricted Subsidiary, or the Unrestricted Subsidiary is merged or consolidated into the Issuer or a Restricted Subsidiary, such amount received in cash and the Fair Market Value of any property or marketable securities received by the Issuer or any Restricted Subsidiary in respect of such redesignation, merger, consolidation or transfer of assets, excluding the amount of any Investment in such Unrestricted Subsidiary that constituted a Permitted Investment made pursuant to clauses (p) or (q) of the definition of Permitted Investment or that was made pursuant to clause (o) of paragraph (3) below; *plus*
 - (vii) 100% of any dividends or distributions received by the Issuer or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary, to the extent that such dividends or distributions were not otherwise included in the Consolidated Net Income of the Issuer for such period.
- (3) Notwithstanding paragraphs (1) and (2) above, the Issuer and any Restricted Subsidiary may take the following actions:
- (a) the payment of any dividend or consummation of any redemption within 60 days after the date of its declaration or giving of such redemption notice if at such date of its declaration such payment or redemption would have been permitted by the provisions of this "*Limitation on Restricted Payments*" covenant;
 - (b) cash payments in lieu of issuing fractional shares pursuant to the exchange or conversion of any exchangeable or convertible securities;
 - (c) the repurchase, redemption or other acquisition or retirement for value of any Capital Stock of the Issuer or any Restricted Subsidiary or Holding Company of the Issuer held by any current or former officer, director or employee of the Issuer or any of its Restricted Subsidiaries pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Capital Stock may not exceed €2.0 million in any calendar year (with unused amounts being carried over to succeeding calendar years, subject to a maximum unused amount of €5.0 million in the aggregate); and *provided, further*, that such amount may be increased in any period by an amount not to exceed the proceeds from the sale of Capital Stock by the Issuer or a Restricted Subsidiary (other than an Excluded Contribution) received by the Issuer or a Restricted Subsidiary during such calendar year, in each case to members of

management, directors or consultants of the Issuer, any of its Restricted Subsidiaries or any of its Permitted Holders plus the cash proceeds of any key man life insurance policies held by the Issuer or any of its Restricted Subsidiaries received after the Issue Date, in each case to the extent the proceeds have not otherwise been applied to the making of Restricted Payments pursuant to this clause, clause (d) below or clause (c)(ii) of paragraph (2) above;

- (d) the repurchase, redemption or other acquisition or retirement for value of any shares of the Issuer's Capital Stock or the payment of or the repurchase, redemption or other defeasance or retirement for value or payment of principal or interest of any Subordinated Debt or Subordinated Shareholder Funding, or the payment of dividends in exchange for (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares or scrip), out of the proceeds of a substantially concurrent issuance and sale (other than to a Subsidiary) of, or substantially concurrent contribution (other than an Excluded Contribution) in respect of, shares of the Issuer's Qualified Capital Stock or substantially concurrent issuance and sale of Subordinated Shareholder Funding, in each case to the extent the proceeds have not otherwise been applied to pursuant to clause (c)(ii) of paragraph (2) above; and the substantially concurrent repurchase, redemption or other acquisition or retirement for value of any Subordinated Debt in exchange for, or out of the proceeds of an Incurrence (other than to a Subsidiary) of, Permitted Refinancing Debt;
- (e) the declaration or payment of any dividend to all holders Capital Stock of a Restricted Subsidiary on a *pro rata* basis or on a basis that results in the receipt by the Issuer or a Restricted Subsidiary of dividends or distributions of greater value than the Issuer or such Restricted Subsidiary would receive on a *pro rata* basis;
- (f) the repurchase of Capital Stock deemed to occur upon the exercise of stock options, warrants or other convertible securities with respect to which payment of the cash exercise price has been forgiven if the cumulative aggregate value of such deemed repurchases does not exceed the cumulative aggregate amount of the exercise price of such convertible securities received;
- (g) the declaration and payment of dividends to holders of any class or series of Redeemable Capital Stock or, in the case of a Restricted Subsidiary, Preferred Stock, in each case issued in accordance with the "*Limitation on Debt*" covenant;
- (h) Permitted Payments to Holding Companies;
- (i) payments pursuant to any tax sharing agreement or arrangement among the Issuer and its Restricted Subsidiaries and other Persons with which the Issuer or any of its Restricted Subsidiaries is required or permitted to file a consolidated tax return or with which the Issuer or any Restricted Subsidiary is a part of a group for tax purposes; *provided, however*, that such payments will not exceed the amount of tax that the Issuer and its Subsidiaries would owe on a stand-alone basis and the related tax liabilities of the Issuer and its Subsidiaries are relieved thereby;
- (j) so long as no Default or Event of Default has occurred and is continuing, following an Initial Public Offering after the Issue Date, the payment of dividends on the Issuer's common stock (or the payment of dividends to a Holding Company to fund the payment by such Holding Company of dividends of such Holding Company's common stock) or payments made with respect to Subordinated Shareholder Funding not to exceed in any fiscal year the greater of
 - (i) 6% of the aggregate proceeds of such Initial Public Offering and any subsequent Equity Offering received by, and in the case of an Initial Public Offering or subsequent Equity Offering of such Holding Company, contributed to the common equity capital of, the Issuer, except to the extent that such proceeds are designated as constituting an Excluded Contribution, and
 - (ii) 5% of the Market Capitalization provided that in the case of clause (ii) the Consolidated Leverage Ratio is equal to or less than 4.0 to 1.0;
- (k) the repurchase, redemption, acquisition or retirement or making of any other payments with respect to Subordinated Debt of the Issuer or any Restricted Subsidiary (i) with any Excess Proceeds remaining after the consummation of an Excess Proceeds Offer pursuant to the covenant described under the caption "*—Limitation on Asset Sales,*" at a purchase price not greater than 100% of the principal amount of such Subordinated Debt plus accrued and unpaid interest (ii) following a Change of Control pursuant to provisions similar to those described

under “—*Change of Control*” but only (X) if required, if the Issuer shall have complied with the terms of the covenant described above under the heading “—*Change of Control*” and purchased all Notes tendered pursuant to the offer to repurchase all of the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Debt and (Y) at a purchase price not greater than 101% of the principal amount of such Subordinated Debt plus accrued and unpaid interest or (iii) that is Acquired Debt (other than Acquired Debt Incurred in connection with the acquisition of a Person resulting in such Person becoming or being acquired by the Issuer or a Restricted Subsidiary);

- (l) Restricted Payments that are made with Excluded Contributions;
- (m) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Debt owed to the Issuer or any of its Restricted Subsidiaries by, Unrestricted Subsidiaries;
- (n) any Restricted Payment permitted under clause (i), (iv), (v) and (x) of paragraph (2) of the covenant described under “—*Limitation on Transactions with Affiliates*”;
- (o) so long as no Default or Event of Default has occurred and is continuing, any other Restricted Payment; *provided* that the total aggregate amount of Restricted Payments outstanding under this clause (o) does not exceed €35.0 million; or
- (p) so long as no Default or Event of Default has occurred and is continuing, any other Restricted Payment so long as after giving effect to such Restricted Payment on a *pro forma* basis, the Consolidated Leverage Ratio of the Issuer is less than 3.5 to 1.0.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Issuer or the Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.

The indenture does not treat (1) unsecured Debt as subordinated or junior to secured Debt merely because it is unsecured or (2) senior Debt as subordinated or junior to any other senior Debt merely because it has a junior priority with respect to the same collateral or is secured by different collateral.

Limitation on Layered Debt

Neither the Issuer nor any Guarantor will Incur any Debt (including Permitted Debt) that is contractually subordinated in right of payment to any other Debt of the Issuer or such Guarantor unless such Debt is also contractually subordinated in right of payment to the Notes and the applicable Guarantee on substantially identical terms; *provided, however*, that no Debt will be deemed to be contractually subordinated in right of payment to any other Debt of the Issuer or any Guarantor solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

Limitation on Transactions with Affiliates

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into any transaction or series of related transactions (including, without limitation, the sale, purchase, exchange or lease of assets or property or the rendering of any service), with any Affiliate of the Issuer or any other Restricted Subsidiary having a value greater than €2.5 million unless such transaction or series of transactions is entered into in good faith and:
 - (a) such transaction or series of transactions is on terms that, taken as a whole, are not materially less favorable to the Issuer or such Restricted Subsidiary, as the case may be, than those that could have been obtained in a comparable arm’s length transaction with third parties that are not Affiliates;
 - (b) with respect to any transaction or series of related transactions involving aggregate payments or the transfer of assets or the provision of services, in each case having a value greater than €10.0 million, such transaction or transactions have been approved by a majority of the Disinterested Members, if any, of the Board of Directors resolving that such transaction complies with clause (a) above; and
 - (c) with respect to any transaction or series of related transactions involving aggregate payments or the transfer of assets or the provision of services, in each case having a value greater than €30.0 million, the Issuer will deliver to the Trustee a written opinion of an Independent Financial

Advisor stating that the transaction or series of transactions is (x) fair to the Issuer or such Restricted Subsidiary from a financial point of view, taking account of all relevant circumstances or (y) on terms not less favorable than might have been obtained in a comparable transaction at such time on an arm's length basis from a Person who is not an Affiliate.

- (2) Notwithstanding the foregoing, the restrictions set forth in this description will not apply to:
- (i) any directors' fees and similar arrangements (including the payment of directors' and officers' insurance premiums), consulting fees, employee compensation, collective bargaining or similar arrangements, employee and director bonuses, employment or consulting agreements and arrangements or employee benefit arrangements, including stock options, stock appreciation rights or similar equity or equity-like incentives or legal fees entered into in the ordinary course of business, and indemnification provided to, and the payment of reasonable and customary fees and reimbursements of expenses of, officers, directors, employees or consultants of the Issuer or any of its Restricted Subsidiaries;
 - (ii) any Permitted Investment (other than pursuant to clauses (c), (i) (to the extent such guarantee, keepwell or similar arrangement is in respect of Debt of a Person that is not the Issuer or a Restricted Subsidiary), (p) or (q) of the definition thereof) or any Restricted Payment not prohibited by the "*Limitation on Restricted Payments*" covenant;
 - (iii) loans and advances to officers, directors and employees (or any amendment or transaction with respect thereto), in each case (X) in the ordinary course of business or consistent with past practices, (Y) to fund such Person's purchase of Capital Stock of the Issuer or any direct or indirect Holding Company thereof, if the proceeds of any such loans to purchase Capital Stock under this clause (iii) are either received by the Issuer or contributed by such Holding Company of the Issuer and are excluded from the calculation under clause (ii) of paragraph (2) of "*Certain Covenants—Limitation on Restricted Payments*" above except to the extent such loans are actually repaid or (Z) otherwise in an aggregate amount not to exceed €5.0 million outstanding at any one time under this clause (iii);
 - (iv) agreements and arrangements existing on the Issue Date (including the agreements and arrangements described under the caption "*Relationships and Transactions with Related Parties*") and any amendment, modification, extension or supplement thereto; *provided* that any such amendment, modification, extension or supplement to the terms thereof, taken as a whole, is not materially more disadvantageous to the Holders and to the Issuer and the Restricted Subsidiaries, as applicable than the original agreement or arrangement as in effect on the Issue Date;
 - (v) the issuance of securities pursuant to, or for the purpose of the funding of, employment arrangements, stock options and stock ownership plans, as long as the terms thereof are or have been previously approved by the Issuer's Board of Directors;
 - (vi) the granting and performance of registration or similar rights for the Issuer's securities;
 - (vii) transactions between or among the Issuer and the Restricted Subsidiaries or between or among Restricted Subsidiaries or any Person (other than an Unrestricted Subsidiary) that is an affiliate of the Issuer solely because the Issuer owns, directly or indirectly through a Restricted Subsidiary, Capital Stock of, or controls, such person;
 - (viii) (a) any issuance of Capital Stock (other than Redeemable Capital Stock) of the Issuer or any Incurrence of or amendment to any Subordinated Shareholder Funding, and (b) the existence of, or the performance by the Issuer or any of its Restricted Subsidiaries of its obligations under the terms of, any stockholders agreement (including any purchase agreement relating thereto);
 - (ix) transactions with customers, clients, suppliers or purchasers or sellers of goods or services or providers of employees or other labor or joint venture partners, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture that are fair to the Issuer or the Restricted Subsidiaries in the reasonable determination of members of the Board of Directors of the Issuer or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person;
 - (x) Permitted Payments to Holding Companies and payments by the Issuer or any Restricted Subsidiaries to the Permitted Holders for any customary financial advisory, financing,

underwriting or placement services or in respect of other investing banking activities, including without limitation in connection with acquisitions or divestitures or any indemnification payments made as a result thereof, which payments are approved by a majority of the Board of Directors in good faith;

- (xi) any purchases by the Issuer's Affiliates of Debt or Redeemable Capital Stock of the Issuer or any of its Restricted Subsidiaries the majority of which Debt or Redeemable Capital Stock is purchased by Persons who are not the Issuer's Affiliates; *provided* that such purchases by the Issuer's Affiliates are on the same terms as such purchases by such Persons who are not the Issuer's Affiliates;
- (xii) payments pursuant to the tax sharing arrangements permitted under paragraph 3(i) under the heading "*—Limitation on Restricted Payments*" (without duplication of any such payments);
- (xiii) transactions in the ordinary course of business with Shelf Companies; and
- (xiv) transactions in which the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee a letter from an Independent Financial Advisor stating that such transaction is fair to the Issuer or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (a) of paragraph (1) above.

Limitation on Liens

The Issuer will not and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Debt upon any of their property or assets, now owned or hereafter acquired, except (1) in the case of any property or asset that does not constitute Collateral, (x) Permitted Liens or (y) Liens on property or assets that are not Permitted Liens (the "**Initial Lien**") if payments due under the Notes and the Indenture are directly secured equally and ratably with (or in the case of Subordinated Debt, prior or senior thereto with the same relative priority as the Notes or such Guarantee, as applicable, shall have with respect to such Subordinated Debt) the obligations secured by the Initial Lien for so long as such obligations are so secured, and (2) in the case of any property or asset that constitutes Collateral, Permitted Collateral Liens.

Any Lien created for the benefit of the Holders pursuant to this covenant will provide by its terms that such Lien will be automatically and unconditionally released and discharged (a) upon the release and discharge of the Initial Lien other than as a consequence of an enforcement action with respect to the assets subject to such Lien or (b) as set forth under the heading "*Security—Releases.*"

Change of Control

- (1) If a Change of Control occurs at any time, then the Issuer will make an offer (a "**Change of Control Offer**") to each Holder of Notes to purchase such Holder's Notes, in whole or in part, in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof at a purchase price (the "**Change of Control Purchase Price**") in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase (the "**Change of Control Purchase Date**").
- (2) Within 30 days following any Change of Control, the Issuer will:
 - (a) cause a notice of the Change of Control Offer to be published, if at the time of such notice the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent that the rules and regulations of the Luxembourg Stock Exchange so require, in the *Luxemburger Wort* (or another leading newspaper of general circulation in Luxembourg) or, to the extent and in the manner permitted by such rules and regulations, posted on the official website of the Luxembourg Stock Exchange, www.bourse.lu; and
 - (b) send notice of the Change of Control Offer by first class mail, with a copy to the Trustee, to each Holder of Notes to the address of such Holder appearing in the security register, which notice will state:
 - (i) that a Change of Control has occurred and the date it occurred;
 - (ii) the transaction or transactions giving rise to the Change of Control;

- (iii) the Change of Control Purchase Price and the Change of Control Purchase Date, which will be a business day no earlier than 30 days nor later than 60 days after the date such notice is mailed, or such later date as is necessary to comply with any requirements under the Exchange Act and any other applicable securities laws or regulations;
 - (iv) that any Note accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Purchase Date unless the Change of Control Purchase Price is not paid on such date;
 - (v) that any Note or part thereof not tendered will continue to accrue interest; and
 - (vi) any other procedures that a Holder of Notes must follow to accept a Change of Control Offer or to withdraw such acceptance.
- (3) The Trustee (or an authenticating agent appointed by it) upon receipt of an authenticating order from the Issuer, will promptly authenticate and deliver a new Note or Notes in a principal amount equal to any unpurchased portion of Notes surrendered, if any, to the Holder of Notes in global form or to each Holder of certificated Notes; *provided* that each such new Note will be in a principal amount of €100,000 or in integral multiples of €1,000 in excess thereof; *provided* that no Holder may tender any Notes if as a result of such tender, such Holder would hold less than €100,000 of Notes. The Issuer will publicly announce the results of a Change of Control Offer on or as soon as practicable after the Change of Control Purchase Date.
- (4) The Issuer will not be required to make a Change of Control Offer following a Change of Control if a third party has made, and not terminated, a tender offer for all of the Notes in the manner and at the times applicable to a Change of Control Offer, at a tender offer purchase price in cash equal to at least 101% of the principal amount thereof on the date of purchase, plus accrued and unpaid interest, if any, and such third party purchases all of the Notes validly tendered and not withdrawn under such tender offer. In addition, the Issuer will not be required to make a Change of Control Offer if the Issuer has, prior to the time that is required to send a notice of the Change of Control Offer to the Trustee pursuant to clause (2) above, delivered notice to the Trustee of its intention to redeem Notes as described under the caption “—*Optional Redemption*.”

The Issuer and the Guarantors will comply with the applicable tender offer rules, including Rule 14e-1 under the Exchange Act, and any other applicable securities laws and regulations in connection with a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with provisions of the Indenture, the Issuer and the Guarantors will comply with such applicable securities laws and regulations and will not be deemed to have breached their obligations under the Indenture by virtue of such conflict.

The occurrence of certain events that would constitute a Change of Control would also constitute a change of control under the Senior Notes Indenture and could constitute a default under the Revolving Credit Facility. The Issuer's future debt and the future debt of its Subsidiaries may also contain descriptions of certain events that, if they occurred, would require such debt to be repurchased. In addition, the exercise by the Holders of their right to require a repurchase of the Notes upon a Change of Control could cause a default under the Revolving Credit Facility and any such future debt, even if the Change of Control itself does not, due to the possible financial effect on the Issuer or the Guarantors of such repurchase.

Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, and may be conditioned upon the consummation of such Change of Control, if a definitive agreement is in place providing for the Change of Control at the time of Change of Control Offer is made.

The provisions of the Indenture does not give Holders the right to require the repurchase of the Notes in the event of certain transactions including a reorganization, restructuring, merger or similar transaction that may adversely affect Holders, if such transaction is not a transaction defined as a Change of Control. Any such transaction, however, would have to comply with the applicable provisions of the Indenture, including those described under “—*Limitation on Debt*.” The existence, however, of a Holder of the Notes' right to require the Issuer to repurchase such Holder's Notes upon a Change of Control may deter a third party from acquiring the Issuer or any of its Subsidiaries if such acquisition would constitute a Change of Control.

If a Change of Control Offer is made, the Issuer will not be able to provide any assurance that it will have available funds sufficient to pay the Change of Control Purchase Price for all the Notes that might be delivered by Holders seeking to accept the Change of Control Offer. Even if sufficient funds were available, the terms of the other debt of the Issuer and its Subsidiaries may prohibit the repurchase of the Notes prior to their scheduled maturity. If the Issuer were not able to prepay any debt containing any such restrictions, or obtain requisite consents, the Issuer would be unable to fulfil its repurchase obligations to Holders who accept the Change of Control Offer. If a Change of Control Offer was not made or consummated or the Change of Control Purchase Price was not paid when due, such failure would result in an Event of Default and would give the Trustee and the Holders the rights described under “—*Events of Default*.” An Event of Default under the Indenture, unless waived, would result in a cross default under certain of the financing arrangements described under “*Description of Other Indebtedness*,” including under the Revolving Credit Facility.

The definition of Change of Control includes a disposition of all or substantially all of the assets of the Issuer and the Restricted Subsidiaries to any Person. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of such phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of “all or substantially all” of the assets of the Issuer and the Restricted Subsidiaries. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of Notes may require the Issuer to make an offer to repurchase the Notes as described above.

The provisions of the Indenture relating to the Issuer’s obligation to make an offer to repurchase the Notes following a Change of Control may be waived or modified with the prior written consent of the Holders of a majority in principal amount of the Notes. Please see the section entitled “—*Amendments and Waivers*.”

Limitation on Asset Sales

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, consummate any Asset Sale unless:
 - (a) the consideration the Issuer or such Restricted Subsidiary receives for such Asset Sale is not less than the Fair Market Value of the assets sold (as determined by the Issuer’s Board of Directors); and
 - (b) at least 75% of the consideration the Issuer or such Restricted Subsidiary receives in respect of such Asset Sale consists of:
 - (i) cash (including any Net Cash Proceeds received from the conversion within 180 days of such Asset Sale of securities, notes or other obligations received in consideration of such Asset Sale);
 - (ii) Cash Equivalents;
 - (iii) the assumption by the purchaser of (x) any liabilities recorded on the Issuer’s or such Restricted Subsidiary’s balance sheet or the footnotes thereto) (other than contingent liabilities and Subordinated Debt), as a result of which neither the Issuer nor any of the Restricted Subsidiaries remains obliged in respect of such liabilities or (y) Debt of a Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, if the Issuer and each other Restricted Subsidiary is released from any guarantee of such Debt as a result of such Asset Sale;
 - (iv) any Capital Stock or assets of the kind referred to in clauses (c) or (e) of paragraph (2) of this covenant;
 - (v) consideration consisting of Debt (other than Subordinated Debt) of the Issuer or any Guarantor received from Persons who are not the Issuer or any Restricted Subsidiary, but only to the extent that such Debt has been extinguished by the Issuer or the applicable Guarantor;
 - (vi) any Designated Non-Cash Consideration received by the Issuer or any Restricted Subsidiary, having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this covenant that is at any one

time outstanding, not to exceed the greater of €40.0 million and 4.0% of Consolidated Total Assets (with the Fair Market Value of each issue of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value); *provided* that Designated Non-Cash Consideration received pursuant to this covenant other than deferred consideration or securities representing deferred consideration shall not exceed the greater of €10.0 million and 1.0% of Consolidated Total Assets; or

- (vii) a combination of the consideration specified in clauses (i) through (vi) of this paragraph (b).
- (2) If the Issuer or any Restricted Subsidiary consummates an Asset Sale, the Net Cash Proceeds of the Asset Sale, within 365 days of the later of (i) the date of the consummation of such Asset Sale and (ii) the receipt of such Net Cash Proceeds, may be used by the Issuer or such Restricted Subsidiary to:
- (a) repay or prepay any then outstanding Senior Debt (i) incurred under clause (a) of paragraph (2) of the “*Limitation on Debt*” covenant; (ii) of a Non-Guarantor Restricted Subsidiary, or (iii) that is secured by a Lien on assets or property which were the subject of the Asset Sale and which did not constitute Collateral;
 - (b) redeem Notes or purchase Notes pursuant to an offer to all Holders at a purchase price equal to at least 100% of the principal amount thereof, plus accrued and unpaid interest (at the option of the Issuer or Restricted Subsidiary);
 - (c) to acquire all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary;
 - (d) to make a capital expenditure;
 - (e) acquire other assets (other than Capital Stock and cash or Cash Equivalents) not classified as current assets under IFRS that are used or useful in a Permitted Business;
 - (f) to repurchase, prepay, redeem or repay (i) Senior Debt that is secured by the Collateral (other than as set forth in clause (a)(i) above) or (ii) Pari Passu Debt; *provided* that, in the case of clauses (i) and (ii) the Issuer (or the applicable Restricted Subsidiary) shall make an offer to all Holders on a *pro rata* basis to purchase their Notes in accordance with the provisions set forth below for an Excess Proceeds Offer;
 - (g) any combination of the foregoing; or
 - (h) enter into a binding commitment to apply the Net Cash Proceeds pursuant to clause (c), (d) or (e) of this paragraph, *provided* that, a binding commitment shall be treated as a permitted application of the Net Cash Proceeds from the date of *such commitment* until the earlier of (x) the date on which such investment is consummated and (y) the 180th day following the expiration of the aforementioned 365-day period, if the investment has not been consummated by that date.

The amount of such Net Cash Proceeds not so used as set forth in this paragraph (2) constitutes “**Excess Proceeds.**” Pending the final application of any such Net Cash Proceeds, the Issuer may temporarily reduce revolving credit borrowings or otherwise use such Net Cash Proceeds in any manner that is not prohibited by the terms of the Indenture.

- (3) When the aggregate amount of Excess Proceeds exceeds €15.0 million, the Issuer will, within 15 Business Days of the end of the applicable period in paragraph (2) above, make an offer to purchase (an “**Excess Proceeds Offer**”) from all Holders and from the holders of any Pari Passu Debt, to the extent required by the terms thereof, on a *pro rata* basis, in accordance with the procedures set forth in the Indenture or the agreements governing any such Pari Passu Debt, the maximum principal amount (expressed as a minimum amount of €100,000 and integral multiples of €1,000 in excess thereof) of the Notes and any such Pari Passu Debt that may be purchased with the amount of the Excess Proceeds. The offer price as to each Note and any such Pari Passu Debt will be payable in cash in an amount equal to (solely in the case of the Notes) 100% of the principal amount of such Note and (solely in the case of Pari Passu Debt) no greater than 100% of the

principal amount (or accreted value, as applicable) of such Pari Passu Debt, plus, in each case, accrued and unpaid interest, if any, to the date of purchase.

To the extent that the aggregate principal amount of Notes and any such Pari Passu Debt tendered pursuant to an Excess Proceeds Offer is less than the aggregate amount of Excess Proceeds, the Issuer may use the amount of such Excess Proceeds not used to purchase Notes and Pari Passu Debt for purposes that are not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and any such Pari Passu Debt validly tendered and not withdrawn by holders thereof exceeds the aggregate amount of Excess Proceeds, the Notes and any such Pari Passu Debt to be purchased will be selected by the Registrar or the Principal Paying Agent on a *pro rata* basis (based upon the principal amount of Notes and the principal amount or accreted value of such Pari Passu Debt tendered by each holder). Upon completion of each such Excess Proceeds Offer, the amount of Excess Proceeds will be reset to zero.

- (4) If the Issuer is obliged to make an Excess Proceeds Offer, the Issuer will purchase the Notes and Pari Passu Debt, at the option of the holders thereof, in whole or in part in a minimum amount of €100,000 and integral multiples of €1,000 in excess thereof on a date that is not later than 60 days from the date the notice of the Excess Proceeds Offer is given to such holders, or such later date as may be required under the Exchange Act.

If the Issuer is required to make an Excess Proceeds Offer, the Issuer will comply with the applicable tender offer rules, including Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations, including the requirements of any applicable securities exchange on which Notes are then listed. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this “*Limitation on Asset Sales*” covenant, the Issuer will comply with such securities laws and regulations and will not be deemed to have breached its obligations described in this “*Limitation on Asset Sales*” covenant by virtue thereof.

Impairment of Security Interest

- (1) Subject to paragraphs (2) and (3) below, the Issuer will not, and will not permit any of its Restricted Subsidiaries to, take or knowingly or negligently omit to take, any action which action or omission might or would have the result of materially impairing any security interest with respect to any of the assets comprising the Collateral for the benefit of the Holders (including the priority thereof), and the Issuer will not, and will not permit any of its Restricted Subsidiaries to, grant to any Person other than the Security Trustee, for the benefit of the Holders and the other beneficiaries described in the Security Documents, any interest whatsoever in any of the Collateral; *provided* that the Issuer and Restricted Subsidiaries may Incur Permitted Collateral Liens in accordance with the Indenture.
- (2) The Indenture provides that, at the direction of the Issuer and without the consent of the Holders, the Trustee and the Security Trustee may from time to time enter into one or more amendments to the Security Documents to: (i) cure any ambiguity, mistakes, omission, defect or inconsistency therein; (ii) provide for any Permitted Collateral Liens; (iii) add to the Collateral; (iv) evidence and provide for the acceptance of the appointment of a successor Trustee or Security Trustee; or (v) make any other change thereto that does not materially impair any security interest over any of the assets comprising the Collateral or otherwise adversely affect the Holders in any material respect; *provided, however*, that in the case of clauses (ii), (iii) and (v) above, no Security Document may be amended, extended, renewed, restated, supplemented, released (followed by an immediate retaking of a Lien of at least equivalent ranking over the same assets) or otherwise modified or replaced, unless contemporaneously with such amendment, extension, renewal, restatement, supplement, release and retaking, modification or renewal, the Issuer delivers to the Trustee, either:
 - (a) a solvency opinion, in form and substance reasonably satisfactory to the Trustee, from an Independent Financial Advisor confirming the solvency of the Issuer and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, release and retaking, modification or replacement;
 - (b) a certificate from the board of directors or chief financial officer of the relevant obligor (acting in good faith), in the form set forth as an exhibit to the Indenture, that confirms the solvency of the Person granting such Lien after giving effect to any transaction related to such amendment, extension, renewal, restatement, supplement, release and retaking, modification or replacement; or

- (c) an opinion of counsel, in form and substance satisfactory to the Trustee (subject to customary qualifications and exceptions) confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, release and retaking, modification or replacement, the Lien or Liens securing the Notes created under the Security Documents as so amended, extended, renewed, restated, supplemented, released and retaken, modified or replaced remain valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, release and retaking, modification or replacement.
- (3) Nothing in this “*Impairment of Security Interest*” covenant will restrict the release or replacement of any security interests in compliance with the provisions set out under the heading “—*Security—Releases*.”
- (4) In the event that the Issuer complies with the requirements of this “*Impairment of Security Interest*” covenant, the Trustee and/or the Security Trustee (as the case may be) will consent to any such amendment, extension, renewal, restatement, supplement, modification or replacement without the need for instructions from the Holders.

Limitation on Holding Company Activities

The Issuer must not carry on any business or own any assets other than (a) the ownership of Capital Stock of the Company (or a Successor Guarantor following a transaction that complies with the provisions described in “—*Certain Covenants—Merger, Consolidation or Sale of Assets*”; provided that in such a transaction where the Company ceases to exist, the Lien on the Capital Stock of the Company will be released and will be replaced with a new share pledge (on terms substantially identical to the existing Lien on the Capital Stock of the Company) over the Capital Stock of the Successor Guarantor); (b) the provision of administrative services (excluding treasury services) and management services to its Subsidiaries of a type customarily provided by a holding company to its Subsidiaries and the ownership of assets necessary to provide such services; (c) the offering, sale, issuance and servicing, purchase, redemption, refinancing or retirement of the Notes, the Revolving Credit Facility or the incurrence of other Debt permitted by the terms of the Indenture or performance of the terms and conditions of such Debt, including on-loans of proceeds from the Notes, the Revolving Credit Facility and other Debt Incurred in accordance with the Indenture, to the extent such activities are otherwise permissible under the Indenture and the granting of Liens permitted pursuant to the “*Limitation on Liens*” covenant; (d) exercising rights and obligations arising under the Indenture, the Notes, the Intercreditor Agreement and the Revolving Credit Facility and any agreement relating to other Debt Incurred in accordance with the Indenture; (e) making Investments in the Notes and other Debt Incurred in accordance with the Indenture; (f) activities directly related or reasonably incidental to the establishment and/or maintenance of its or its Subsidiaries corporate existence; or (g) other activities not specifically enumerated above that are *de minimis* in nature.

Additional Guarantees

- (1) The Issuer will not cause or permit any of its Restricted Subsidiaries that are not Guarantors, directly or indirectly, to guarantee the payment of, assume or in any manner become liable with respect to any other Debt of the Issuer or a Guarantor unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture providing for the Guarantee of the payment of the Notes by such Restricted Subsidiary, which Guarantee will be senior to or *pari passu* with such Restricted Subsidiary’s Guarantee of such other Debt.
- (2) Each additional Guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law or regulation.
- (3) Notwithstanding the foregoing, the Issuer shall not be obligated to cause any Restricted Subsidiary to Guarantee the Notes to the extent that such Guarantee by such Restricted Subsidiary would reasonably be expected to give rise to or result in a violation of applicable law, regulation or order of a regulator which, in any case, cannot be prevented or otherwise avoided through measures

reasonably available to the Issuer or the Restricted Subsidiary or any liability for the officers, directors or shareholders of such Restricted Subsidiary.

- (4) The Indenture provides that any such additional Guarantee will be automatically and unconditionally released and discharged in the circumstances described under “*General—Release of Guarantees.*”

Limitation on Dividends and Other Payment Restrictions Affecting Restricted Subsidiaries

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Restricted Subsidiary to:
- (a) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock or any other interest or participation in, or measured by, its profits, in each case to the Issuer or any Restricted Subsidiary;
 - (b) pay any Debt owed to the Issuer or any other Restricted Subsidiary;
 - (c) make loans or advances to the Issuer or any other Restricted Subsidiary; or
 - (d) transfer any of its properties or assets to the Issuer or any other Restricted Subsidiary,

provided that (x) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (y) the subordination of (including the application of any standstill period to) loans or advances made to the Issuer or any Restricted Subsidiary to other Debt incurred by the Issuer or any Restricted Subsidiary, in each case, shall not be deemed to constitute such an encumbrance or restriction.

- (2) The provisions described in paragraph (1) above will not apply to:
- (a) encumbrances and restrictions imposed by the Notes, the Indenture, the Guarantees, the Senior Notes, the Senior Notes Indenture, the guarantees of the Senior Notes, the Revolving Credit Facility, the Intercreditor Agreement, any Additional Intercreditor Agreements, the Security Documents and encumbrances or restrictions contained in any other agreement in effect on the Issue Date and any encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, extensions, increases, supplements, refundings, replacements or refinancings of those agreements; *provided* that such amendments, modifications, restatements, renewals, extension, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Issuer’s Board of Directors, no more restrictive (taken as a whole) with respect to such encumbrances or restrictions than those contained in the encumbrances or restrictions prior to such amendment, modification, restatement, renewal, extension, increase, supplement, refunding, replacement or refinancing;
 - (b) encumbrances and restrictions: (i) that restrict in a customary manner the subletting, assignment or transfer of any properties or assets that are subject to a lease, license, conveyance or other similar agreement to which the Issuer or any Restricted Subsidiary is a party; and (ii) contained in operating leases for real property and restricting only the transfer of such real property upon the occurrence and during the continuance of a default in the payment of rent;
 - (c) encumbrances or restrictions contained in any agreement or other instrument of a Person acquired by the Issuer or any Restricted Subsidiary in effect at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;
 - (d) encumbrances or restrictions imposed by any Permitted Refinancing Debt; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Debt are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Debt being refinanced (as determined in good faith by the Issuer);
 - (e) encumbrances or restrictions contained in contracts for sales of Capital Stock or assets permitted by the “*Limitation on Asset Sales*” covenant with respect to the assets or Capital Stock to be sold pursuant to such contract or in customary merger or acquisition agreements

(or any option to enter into such contract) for the purchase or acquisition of Capital Stock or assets or any of the Issuer's Subsidiaries by another Person;

- (f) encumbrances or restrictions imposed by applicable law, regulation or order or by governmental licenses, concessions, franchises or permits or required by any regulatory authority, including in respect of funds or assets held for clients and any restriction on funds or assets arising where a Restricted Subsidiary acts as a trustee, bare trustee, agent, custodian, nominee, fiduciary or in a similar capacity, in each case in the ordinary course of business;
- (g) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under contracts entered into the ordinary course of business;
- (h) customary limitations on the distribution or disposition of assets or property of a Restricted Subsidiary in joint venture or similar agreements or other Investments entered into in good faith; *provided* that such encumbrance or restriction is applicable only to such Restricted Subsidiary;
- (i) customary encumbrances or restrictions in connection with purchase money obligations, mortgage financings and Capitalized Lease Obligations for property acquired in the ordinary course of business;
- (j) any encumbrance or restriction arising by reason of customary non assignment provisions in agreements;
- (k) Liens permitted to be incurred under the provisions of the covenant described under the caption "*—Limitation on Liens*" that limit the right to dispose of the assets subject to the Liens;
- (l) restrictions on cash or other deposits or net worth imposed by customers or suppliers or required by insurance, surety or bonding companies, in each case, under contracts entered into in the ordinary course of business;
- (m) any encumbrance or restriction pursuant to Hedging Agreements in respect of hedging obligations Incurred under clause (i) of the definition of Permitted Debt; or
- (n) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Debt permitted to be Incurred after the Issue Date pursuant to the provisions of the covenant described under "*—Limitation on Debt*" if such encumbrance or restriction is not materially more disadvantageous to the Holders than is customary in comparable financings (as determined in good faith by the Issuer) and either: (x) the Issuer determines that such encumbrance or restriction will not materially affect the Issuer's ability to make principal or interest payments on the Notes as and when they come due; or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant relating to such Debt.

Designation of Unrestricted and Restricted Subsidiaries

- (1) The Issuer's Board of Directors may designate any Subsidiary (including newly acquired or newly established Subsidiaries) to be an "**Unrestricted Subsidiary**" only if:
 - (a) no Default has occurred and is continuing at the time of or after giving effect to such designation; and
 - (b) the Issuer would be permitted to make an Investment at the time of designation (assuming the effectiveness of such designation) pursuant to the "*Limitation on Restricted Payments*" covenant in an amount equal to the Fair Market Value of the net assets of such Subsidiary.
- (2) In the event of any such designation, the Issuer will be deemed to have made an Investment constituting a Permitted Investment or a Restricted Payment pursuant to the "*Limitation on Restricted Payments*" covenant, as determined by the Issuer, in an amount equal to the Fair Market Value of the net assets of such Subsidiary.
- (3) The Indenture further provides that neither the Issuer nor any Restricted Subsidiary will at any time:
 - (a) provide a guarantee of, or similar credit support to, any Debt of any Unrestricted Subsidiary (including of any undertaking, agreement or instrument evidencing such Debt); (other than a pledge Capital Stock or Debt of any Unrestricted Subsidiary on a non-recourse basis as long as

the pledgee has no claim whatsoever against the Issuer other than to obtain such pledged property), except to the extent permitted under the “*Limitation on Restricted Payments*” and “*Limitation on Transactions with Affiliates*” covenants; or

- (b) be directly or indirectly liable for any Debt of any Unrestricted Subsidiary, except to the extent permitted under the “*Limitation on Restricted Payments*” and “*Limitation on Transactions with Affiliates*” covenants.
- (4) The Issuer’s Board of Directors may designate any Unrestricted Subsidiary as a Restricted Subsidiary:
- (a) if no Default or Event of Default has occurred and is continuing at the time of, or will occur and be continuing after giving effect to, such designation; and
 - (b) if the Debt of such Unrestricted Subsidiary would be permitted under the “*Limitation on Debt*” covenant.
- (5) Any such designation as an Unrestricted Subsidiary or Restricted Subsidiary by the Issuer’s Board of Directors will be evidenced to the Trustee by filing a resolution of the Issuer’s Board of Directors with the Trustee giving effect to such designation and an Officer’s Certificate certifying that such designation complies with the foregoing conditions, and giving the effective date of such designation. Any such filing with the Trustee must occur within 45 days after the end of the Issuer’s fiscal quarter in which such designation is made (or, in the case of a designation made during the last fiscal quarter of the Issuer’s fiscal year, within 90 days after the end of such fiscal year).

Reports to Holders

- (1) So long as any Notes are outstanding, the Issuer will furnish to the Trustee the following reports:
- (a) within 120 days after the end of the Issuer’s fiscal year beginning with the fiscal year ended December 31, 2012, annual reports containing: (i) information with a level and type of detail that is substantially comparable in all material respects to the sections in this Offering Memorandum entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and “*Business*”; (ii) pro forma income statement and balance sheet information of the Issuer, together with explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year as to which such annual report relates (unless such pro forma information has been provided in a previous report pursuant to clause (b) or (c) below); *provided* that such pro forma financial information will be provided only to the extent available without unreasonable expense, in which case the Issuer will provide, in the case of a material acquisition, acquired company financials to the extent available without unreasonable expense; and (iii) the audited consolidated balance sheet of the Issuer as at the end of the most recent two fiscal years and audited consolidated income statements and statements of cash flow of the Issuer for the most recent three fiscal years, including appropriate footnotes to such financial statements, for and as at the end of such fiscal years and the report of the independent auditors on the financial statements;
 - (b) within 60 days following the end of each of the first three fiscal quarters in each fiscal year of the Issuer beginning with the fiscal quarter ending March 31, 2013, quarterly financial statements containing the following information: (i) the Issuer’s unaudited condensed consolidated balance sheet as at the end of such quarter and unaudited condensed statements of income and cash flow for the most recent quarter year to date period ending on the unaudited condensed balance sheet date and the comparable prior period, together with condensed footnote disclosure; (ii) pro forma income statement and balance sheet information of the Issuer, together with explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year as to which such quarterly report relates; *provided* that such pro forma financial information will be provided only to the extent available without unreasonable expense, in which case the Issuer will provide, in the case of a material acquisition, acquired company financials to the extent available without unreasonable expense; and (iii) an operating and financial review of the unaudited financial statements, including a discussion of the consolidated financial condition and results of operations of the Issuer and any material change

between the current quarter year to date period and the corresponding period of the prior year; and

- (c) promptly after the occurrence of a material event that the Issuer announces publicly or any material acquisition, disposition or restructuring of the Issuer and the Restricted Subsidiaries, taken as a whole, or any senior executive officer changes at the Issuer or a change in auditors of the Issuer, a report containing a description of such event.
- (2) In addition, the Issuer shall furnish to the Holders, beneficial owners of the Notes and prospective investors, upon the request of such Holders or prospective investors, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act for so long as the Notes are not freely transferable under the Exchange Act by Persons who are not “affiliates” under the Securities Act.
- (3) The Issuer shall also make available copies of all reports furnished to the Trustee; (a) on the Issuer’s website and (b) if and so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent that the rules and regulations of the Luxembourg Stock Exchange so require, copies of such reports furnished to the Trustee will also be made available at the specified office of the paying agent in Luxembourg.
- (4) No report need include separate financial statements for any Guarantors or non-Guarantor Subsidiaries of the Issuer or any disclosure with respect to the results of operations or any other financial or statistical disclosure not of a type included in this Offering Memorandum. In addition, the reports set forth in clause (1) above will not be required to contain any reconciliation to U.S. generally accepted accounting principles.
- (5) At any time that any of the Issuer’s subsidiaries are Unrestricted Subsidiaries and any such Unrestricted Subsidiary or a group of Unrestricted Subsidiaries, taken as a whole, constitutes a Significant Subsidiary of the Issuer, then the quarterly and annual financial information required by the first paragraph of this “*Reports to Holders*” covenant will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Issuer and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Issuer.
- (6) All reports provided pursuant to this “*Reports to Holders*” covenant shall be made in the English language.
- (7) So long as any Notes are outstanding, the Issuer will also:
 - (a) Within 10 Business Days after furnishing to the Trustee the annual and quarterly reports required by clauses (1)(a) and (b), hold a conference call to discuss such reports and the results of operations for the relevant reporting period; and
 - (b) Issue a press release to an internationally recognized wire service no fewer than three Business Days prior to the date of the conference call required by the foregoing clause 7(a), announcing the time and date of such conference call and either including all information necessary to access the call or directing Holders, beneficial owners of the Notes, prospective investors, broker dealers and securities analysts to contact the appropriate person at the Issuer to obtain such information.

Merger, Consolidation or Sale of Assets

- (1) The Issuer will not, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or otherwise combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of the Issuer’s and the Restricted Subsidiaries’ properties and assets to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:
 - (a) either: (i) the Issuer will be the continuing corporation; or (ii) the Person (if other than the Issuer) formed by or surviving any such merger, consolidation, amalgamation or other combination or to which such sale, assignment, conveyance, transfer, lease or disposition of all or substantially

all of the properties and assets of the Issuer and the Restricted Subsidiaries on a consolidated basis has been made (the “**Surviving Entity**”):

- (x) will be a corporation duly incorporated and validly existing under the laws of any member state of the European Union, Switzerland, Canada, the United States of America, any state thereof, or the District of Columbia; and
 - (y) will expressly assume, the Issuer’s obligations under the Notes, the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreements, and the Security Documents, pursuant to a supplemental indenture in form reasonably satisfactory to the Trustee; and the Notes, the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreements and the Security Documents will remain in full force and effect as so amended or supplemented;
- (b) immediately after giving effect to such transaction or series of transactions, no Default or Event of Default will have occurred and be continuing;
 - (c) immediately before and immediately after giving effect to such transaction or series of transactions on a *pro forma* basis (on the assumption that the transaction or series of transactions occurred on the first day of the four quarter fiscal period immediately prior to the consummation of such transaction or series of transactions with the appropriate adjustments with respect to the transaction or series of transactions being included in such *pro forma* calculation), the Issuer (or the Surviving Entity if the Issuer is not the continuing obligor under the Indenture) (i) could incur at least €1.00 of additional Debt pursuant to the Consolidated Fixed Charge Coverage Ratio set forth in paragraph (1)(a) of the “*Limitation on Debt*” covenant or (ii) would have a Consolidated Fixed Charge Coverage Ratio not less than it was immediately prior to giving effect to such transaction;
 - (d) the Issuer or the Surviving Entity has delivered to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officer’s Certificate (attaching the computations to demonstrate compliance with clauses (b) and (c) above) and an opinion of counsel, each stating that such merger, consolidation, amalgamation or other combination or sale, assignment, conveyance, transfer, lease or other disposition, and if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with the requirements of the Indenture and that the Notes, the supplemental indenture and the Indenture constitute legal, valid and binding obligations of the Issuer or the Surviving Entity, enforceable in accordance with their terms; provided that in giving an opinion of counsel, counsel may rely on an Officer’s Certificate as to any matters of fact, including as to satisfaction of clauses (1)(b) and (1)(c) above;
 - (e) the Surviving Entity will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture, but, in the case of a lease of all or substantially all of the Issuer’s assets, the Issuer will not be released from the obligation to pay the principal of, premium, if any, and interest, on the Notes; and
 - (f) for as long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent that the rules and regulations of the Luxembourg Stock Exchange so require, notify such exchange of any such merger, consolidation, amalgamation or other combination or sale.

Although there is a limited body of case law interpreting the phrase “all or substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve “all or substantially all” of the property or assets of a Person.

- (2) Subject to the provisions described under “—*Guarantees—Release of the Guarantees*,” no Guarantor will, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or otherwise combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of such Guarantor’s properties and assets to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:
 - (a) either (x) the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other

disposition will have been made (such Guarantor or such Person, as the case may be, being herein called the “**Successor Guarantor**”) expressly assumes all the obligations of such Guarantor under its Guarantee, the Indenture, the Intercreditor Agreement, and Additional Intercreditor Agreements and the Security Documents, pursuant to supplemental indentures and/or agreements in form reasonably satisfactory to the Trustee or (y) such sale, disposition or consolidation, amalgamation or combination is not in violation of the covenant “—*Asset Sales*”;

- (b) immediately after such transaction, no Default or Event of Default exists and is continuing;
- (c) the Guarantor or the Successor Guarantor has delivered to the Trustee, in form and substance satisfactory to the Trustee, an Officer’s Certificate and an opinion of counsel, each stating that such merger, consolidation, amalgamation or other combination or sale, assignment, conveyance, transfer, lease or other disposition, and if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with the requirements of the Indenture and that the Guarantee and the supplemental indenture constitute legal, valid and binding obligations of the Guarantor or the Successor Guarantor, enforceable in accordance with their terms; provided that in giving an opinion of counsel, counsel may rely on an Officer’s Certificate as to any matters of fact, including as to satisfaction of clause (2)(b) above; and
- (d) the Successor Guarantor will succeed to, and be substituted for, and may exercise every right and power of, the relevant Guarantor under the Indenture, but, in the case of a lease of all or substantially all of the Guarantor’s assets, the Guarantor will not be released from the obligation to pay the principal of, premium, if any, and interest, on the Guarantee.

The provisions set forth in this “*Merger, Consolidation and Sale of Assets*” covenant shall not restrict (and shall not apply to): (i) any Non-Guarantor Restricted Subsidiary from consolidating with, merging or liquidating into or transferring all or substantially all of its properties and assets to the Issuer, a Guarantor or any other Non-Guarantor Restricted Subsidiary; (ii) any Guarantor from merging or liquidating into or transferring all or part of its properties and assets to the Issuer or another Guarantor; (iii) any consolidation or merger of the Issuer into any Guarantor; *provided* that, if the Issuer is not the surviving entity of such merger or consolidation, the relevant Guarantor will assume the obligations of the Issuer under the Notes, the Indenture, the Intercreditor, any Additional Intercreditor Agreement and the Security Documents and clauses 1(a) and 1(d) shall apply to such transaction and (iv) the Issuer or any Guarantor consolidating into or merging or combining with an Affiliate incorporated or organized for the purpose of changing the legal domicile of such entity, reincorporating such entity in another jurisdiction, or changing the legal form of such entity; *provided* clauses (1)(a), (1)(d) and (1)(e) above or clauses (2)(a) and (2)(d) above, as applicable, shall apply to such transactions described in this clause (iv).

Business Activities

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses, except to the extent that would not be material to the Issuer and its Restricted Subsidiaries taken as a whole.

Payments for Consent

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder or beneficial owners of the Notes for, or as an inducement to, any consent, waiver or amendment of any of the terms of the provisions of the Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, the Issuer and its Restricted Subsidiaries shall be permitted, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture, to exclude Holders or beneficial owners of the Notes in any jurisdiction where (i) the solicitation of such consent, waiver or amendment, including in connection with an offer to purchase for cash, or (ii) the payment of the consideration therefor would require the Issuer or any of its Restricted Subsidiaries to file a registration statement, prospectus or similar document under any applicable securities laws (including, but not limited to, the United States federal securities laws and the laws of the European Union or its member states), which the Issuer in its sole discretion determines (acting in good faith)

would be materially burdensome (it being understood that it would not be materially burdensome to file the consent document(s) used in other jurisdictions, any substantially similar documents or any summary thereof with the securities or financial services authorities in such jurisdiction; or such solicitation would otherwise not be permitted under applicable law in such jurisdiction.

Covenant Suspension

If on any date following the date of the Indenture:

- (1) the Notes are rated Baa3 or better by Moody's and BBB – or better by S&P (or, if either such entity ceases to rate the Notes for reasons outside of the control of the Issuer, the equivalent investment grade credit rating from any other "nationally recognized statistical rating organization" within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act selected by the Issuer as a replacement agency); and
- (2) no Default or Event of Default shall have occurred and be continuing,

then, beginning on that day and subject to the provisions of the following paragraph, the covenants specifically listed under the following captions under "*Certain Covenants*" will be suspended:

- (a) "*Limitation on Debt*";
- (b) "*Limitation on Restricted Payments*";
- (c) "*Limitation on Layered Debt*";
- (d) "*Limitation on Transactions with Affiliates*";
- (e) "*Limitation on Asset Sales*";
- (f) "*Additional Guarantees*";
- (g) "*Designation of Unrestricted and Restricted Subsidiaries*";
- (h) "*Limitation on Dividends and Other Payment Restrictions Affecting Restricted Subsidiaries*"; and
- (i) clause (c) of paragraph (1) of the covenant described above under the caption "*Merger, Consolidation or Sale of Assets*."

Notwithstanding the foregoing, if the rating assigned by either such rating agency should subsequently decline to below Baa3 or BBB –, respectively, the foregoing covenants will be reinstituted as at and from the date of such rating decline. The period during which the covenants set forth above are suspended pursuant to this provision is the "**Suspension Period**." The reinstatement of any covenants will not, however, be of any effect with regard to the actions of the Issuer and the Restricted Subsidiaries properly taken during the continuance of the Suspension Period; *provided* that, with respect to any Restricted Payments made after any such reinstatement, the amount of Restricted Payments will be calculated as though the "*Restricted Payments*" covenant had been in effect prior to, but not during, the Suspension Period and (2) all Debt incurred during the Suspension Period will be classified to have been incurred or issued pursuant to clause (d) of the definition of Permitted Debt. Upon the occurrence of a Suspension Period, the amount of Excess Proceeds shall be reset to zero.

In addition, the Indenture also permits, without causing a Default or Event of Default, the Issuer or any of the Restricted Subsidiaries to honor any contractual commitments or take actions in the future after any date on which the Notes cease to be rated Baa3 or BBB – as long as the contractual commitments were entered into during the Suspension Period and not in anticipation of the Notes no longer being rated Baa3 or BBB –.

The Issuer shall notify the Trustee that the two conditions set forth in the first paragraph under this heading have been satisfied, provided that such notification shall not be a condition for the suspension of the covenants set forth above to be effective. The Trustee shall not be obliged to notify Holders of such event.

There can be no assurance thereto that the Notes will ever achieve or maintain an investment grade rating.

Events of Default

(1) Each of the following is an “**Event of Default**” under the Indenture:

- (a) default for 30 days in the payment when due of any interest or any Additional Amounts on any Note;
- (b) default in the payment of the principal of or premium, if any, on any Note at its Maturity (upon acceleration, optional or mandatory redemption, if any, required repurchase or otherwise);
- (c) failure to comply with the provisions of paragraph (1) of the covenant described under the heading “—*Certain Covenants—Merger, Consolidation or Sale of Assets*”;
- (d) failure to comply with any covenant or agreement of the Issuer or of any Restricted Subsidiary that is contained in the Indenture or any Guarantee (other than specified in clause (a), (b) or (c) above) and such failure continues for a period of 60 days or more after written notice (i) to the Issuer by the Trustee or (ii) to the Issuer and the Trustee by the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class;
- (e) default under the terms of any instrument evidencing or securing Debt for money borrowed by the Issuer or any Restricted Subsidiary, if that default:
 - (x) results in the acceleration of the payment of such Debt prior to its express maturity; or
 - (y) is caused by the failure to pay such Debt at final maturity thereof after giving effect to the expiration of any applicable grace periods (and other than by regularly scheduled required prepayment) and such failure to make any payment has not been waived or the maturity of such Debt has not been extended,

and, in each case, the outstanding principal amount of any such Debt under which there has been a failure to pay at final maturity thereof or the payment of which has been so accelerated, aggregates €25.0 million or more;

- (f) except as permitted in the Indenture, any Guarantee of any Guarantor that is a Significant Subsidiary ceases to be, or shall be asserted in writing by any such Guarantor, or any Person acting on behalf of any such Guarantor, not to be in full force and effect or enforceable in accordance with its terms (other than as provided for in the Indenture, any Guarantee or the Intercreditor Agreement);
 - (g) with respect to Collateral having a Fair Market Value in excess of €10.0 million, one or more of the Security Documents shall, at any time, cease to be in full force and effect, or a Security Document shall be declared invalid or unenforceable by a court of competent jurisdiction or the relevant grantor of the security granted pursuant to a Security Document asserts, in any pleading in any court of competent jurisdiction, that any such Security Document is invalid or unenforceable for any reason other than the satisfaction in full of all obligations under the Indenture and the Notes and discharge of the Indenture and the Notes, other than, in each case, pursuant to limitations on enforceability, validity or effectiveness imposed by applicable law, regulation or order of a regulator or the terms of such Security Document or except in accordance with the terms of such Security Document, the Intercreditor Agreement, any Additional Intercreditor Agreements or the Indenture, including the release provisions thereof, and any such Default continues for 10 days;
 - (h) one or more final judgments, orders or decrees (not subject to appeal and not covered by insurance) shall be rendered against the Issuer or any Restricted Subsidiary either individually or in an aggregate amount, in each case in excess of €25.0 million, which judgments, orders or decrees are not paid, discharged or stayed for a period of 60 days after the judgment becomes final; and
 - (i) the occurrence of certain events of bankruptcy, insolvency or receivership described in the Indenture with respect to the Issuer, any Restricted Subsidiary that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary.
- (2) If an Event of Default (other than as specified in clause (1)(i) above) occurs and is continuing, the Trustee or the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding by written notice to the Issuer (and to the Trustee if such notice is given by the Holders)

may, and the Trustee, upon the written request of such Holders, shall, declare the principal of, premium, if any, any Additional Amounts and accrued interest on all of the outstanding Notes immediately due and payable, and upon any such declaration all such amounts payable in respect of the Notes will become immediately due and payable.

- (3) If an Event of Default specified in clause (1)(i) above occurs and is continuing, then the principal of, premium, if any, Additional Amounts and accrued and unpaid interest on all of the outstanding Notes shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.
- (4) Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power conferred on the Trustee by the Indenture. The Trustee may withhold from Holders notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or Additional Amounts or premium, if any.
- (5) The Holders of not less than a majority in aggregate principal amount of the outstanding Notes may, on behalf of the Holders, (i) waive any past defaults under the Indenture, except a default in the payment of the principal of, premium, if any, and Additional Amounts or interest on any Note in which case, the consent of the Holders of 90% of the then outstanding Notes shall be required and (ii) rescind any acceleration and its consequences if (x) such rescission would not conflict with any judgment or decree of a court of competent jurisdiction, (y) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, interest and Additional Amounts, if any, on the Notes that have become due solely by such declaration of acceleration, have been cured or waived and (z) the Issuer has paid the Trustee its compensation and reimbursed the Trustee for any properly incurred expense, disbursements and advances.
- (6) No Holder has any right to institute any proceedings with respect to the Indenture or any remedy thereunder unless the Holders of at least 25% in aggregate principal amount of the outstanding Notes have made a written request and offered to the Trustee indemnity and/or security satisfactory to the Trustee against loss, liability or expense to institute such proceeding as Trustee under the Notes and the Indenture, the Trustee has failed to institute such proceeding within 60 days after receipt of such notice and the Trustee within such 60-day period has not received directions inconsistent with such written request by Holders of a majority in aggregate principal amount of the outstanding Notes. Such limitations do not, however, apply to a suit instituted by a Holder for the enforcement of the payment of the principal of, premium, if any, and Additional Amounts or interest on such Note on or after the respective due dates expressed in such Note.
- (7) If a Default or an Event of Default occurs and is continuing and is known to the Trustee, the Trustee will mail to each Holder of the Notes notice of the Default or Event of Default within 60 days after being notified of the Event of Default. Except in the case of a Default or an Event of Default in the payment of principal of, premium, if any, Additional Amounts or interest on any Notes, the Trustee may withhold the giving of such notice to the Holders of such Notes if a committee of its trust officers in good faith determines that withholding the giving of such notice is in the best interests of the Holders.
- (8) The Issuer will be required to notify the Trustee within 15 Business Days of the occurrence of any Default.
- (9) The Indenture provides that (i) if a Default occurs for a failure to report or deliver a required certificate in connection with another default (an “**Initial Default**”) then at the time such Initial Default is cured, such Default for a failure to report or deliver a required certificate in connection with the Initial Default will also be cured without any further action and (ii) any Default or Event of Default for the failure to comply with the time periods prescribed in the covenant entitled “—*Reports to Holders*” or otherwise to deliver any notice or certificate pursuant to any other provision of this Indenture shall be deemed to be cured upon the delivery of any such report required by such covenant or notice or certificate, as applicable, even though such delivery is not within the prescribed period specified in the Indenture.
- (10) In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (e) of paragraph (I) above has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if, within 20 days after the Event of Default arose, the event of default or payment default triggering such Event of Default pursuant to clause (e) shall be

remedied or cured, or waived by the holders of the Debt, or the Debt that gave rise to such Event of Default shall have been discharged in full and if (X) the annulment of the acceleration (if applicable) of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (Y) all existing Events of Default, except nonpayment of principal, premium or interest, including Additional Interest, if any, on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived.

Defeasance

- (1) The Indenture provides that the Issuer may, at its option and at any time prior to the Stated Maturity of the Notes, elect to have the obligations of the Issuer and the Guarantors discharged with respect to the outstanding Notes (“**Legal Defeasance**”). Legal Defeasance means that the Issuer will be deemed to have paid and discharged the entire Debt represented by the outstanding Notes except as to:
 - (a) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, Additional Amounts and interest on such Notes when such payments are due;
 - (b) the Issuer’s obligations to issue temporary Notes, register, transfer or exchange any Notes, replace mutilated, destroyed, lost or stolen Notes, maintain an office or agency for payments in respect of the Notes and segregate and hold such payments on trust;
 - (c) the rights, powers, trusts, duties and immunities of the Trustee and the obligations of the Issuer and the Guarantors in connection therewith; and
 - (d) the Legal Defeasance provisions of the Indenture.
- (2) In addition, the Issuer may, at its option and at any time, elect to have the obligations of the Issuer and the Guarantors released with respect to certain covenants set forth in the Indenture (“**Covenant Defeasance**”) and thereafter any failure to comply with such covenants will not constitute a Default or an Event of Default with respect to the Notes. In the event that a Covenant Defeasance occurs, certain events described under “*Events of Default*” will no longer constitute an Event of Default with respect to the Notes. These events will not include events relating to nonpayment, bankruptcy, insolvency and receivership. The Issuer may exercise its Legal Defeasance option regardless of whether it has previously exercised any Covenant Defeasance.
- (3) In order to exercise either Legal Defeasance or Covenant Defeasance:
 - (a) the Issuer must irrevocably deposit or cause to be deposited on trust with the Trustee (or such other entity designated by the Trustee for this purpose), for the benefit of the Holders, cash in euro, European Government Obligations or a combination thereof, in such amounts as will be sufficient, in the opinion of an internationally recognized firm of independent public accountants, investment bank or appraisal firm, to pay and discharge the principal of, premium, if any, Additional Amounts and interest, on the outstanding Notes on the Stated Maturity or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to maturity or to a particular redemption date;
 - (b) in the case of Legal Defeasance, the Issuer must have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee stating that: (x) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling; or (y) since the Issue Date, there has been a change in applicable U.S. federal income tax law, in either case to the effect that (and based thereon such opinion shall confirm that) the Holders and beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;
 - (c) in the case of Covenant Defeasance, the Issuer must have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee to the effect that the Holders and beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

- (d) no Default or Event of Default will have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit);
 - (e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit), the Indenture;
 - (f) the Issuer must have delivered to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or other creditors, or removing assets beyond the reach of the relevant creditors or increasing debts of the Issuer to the detriment of the relevant creditors; and
 - (g) the Issuer must have delivered to the Trustee an Officer's Certificate and an opinion of counsel, each stating that all conditions precedent provided for relating to the Legal Defeasance or the Covenant Defeasance, as the case may be, have been complied with.
- (4) If the funds deposited with the Trustee to effect Covenant Defeasance are insufficient to pay the principal of, premium, if any, Additional Amounts and interest on the Notes when due because of any acceleration occurring after an Event of Default, then the Issuer and the Guarantors will remain liable for such payments.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes as expressly provided for in the Indenture) when:

- (a) the Issuer has irrevocably deposited or caused to be deposited with the Trustee (or such other entity designated by the Trustee for this purpose) as funds on trust for such purpose an amount in euro or European Government Obligations sufficient to pay and discharge the entire Debt on such Notes that have not, prior to such time, been delivered to the Trustee for cancellation, for principal of, premium, if any, and any Additional Amounts and accrued and unpaid interest on the Notes to the date of such deposit (in the case of Notes which have become due and payable) or to the Stated Maturity or redemption date, as the case may be, and the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of Notes at Stated Maturity or on the redemption date, as the case may be and either:
 - (i) all of the Notes that have been authenticated and delivered (other than destroyed, lost or stolen Notes that have been replaced or paid and Notes for which payment money has been deposited on trust or segregated and held on trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust as provided for in the Indenture) have been delivered to the Principal Paying Agent for cancellation; or
 - (ii) all Notes that have not been delivered to the Principal Paying Agent for cancellation: (x) have become due and payable (by reason of the mailing of a notice of redemption or otherwise); (y) will become due and payable within one year of Stated Maturity; or (z) are to be called for redemption within one year of the proposed discharge date under arrangements satisfactory to the Principal Paying Agent for the giving of notice of redemption by the Trustee in the Issuer's name and at the Issuer's expense;
- (b) the Issuer or any Guarantor has paid or caused to be paid all sums payable by the Issuer under the Indenture; and
- (c) the Issuer has delivered to the Trustee an Officer's Certificate and an opinion of counsel, each stating that all conditions precedent provided in the Indenture relating to the satisfaction and discharge of the Indenture have been satisfied; *provided* that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (a) and (b)).

Amendments and Waivers

- (1) With the consent of the Holders of not less than a majority in aggregate principal amount of the Notes then outstanding, the Issuer, the Guarantors, the Trustee and the Security Trustee are

permitted to amend or supplement the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and/or the Security Documents or waive any Default or non-compliance with any provision of the Indenture; *provided* that no such modification, amendment or waiver may, without the consent of the Holders of 90% of the then outstanding Notes:

- (a) change the Stated Maturity of the principal of, or any installment of Additional Amounts or interest on, any Note (or change any Default or Event of Default related thereto);
 - (b) reduce the principal amount of any Note (or Additional Amounts or premium, if any) or the rate of or extend the time for payment of interest on any Note (or change any Default or Event of Default related thereto);
 - (c) change the coin or currency in which the principal of any Note or any premium or any Additional Amounts or the interest thereon is payable;
 - (d) impair the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note, the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements;
 - (e) reduce the principal amount of Notes whose Holders must consent to any amendment, supplement or waiver of provisions of the Indenture;
 - (f) except as otherwise permitted under “—*Certain Covenants—Merger, Consolidation or Sale of Assets*,” consent to the assignment or transfer by the Issuer of any of the Issuer’s rights or obligations under the Indenture;
 - (g) release all or substantially all of the Guarantors from their obligations under the Guarantees, except in compliance with the terms of the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements; or
 - (h) release any Lien on the Collateral granted for the benefit of the Holders of the Notes, except in compliance with the terms of the Security Documents, Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements.
- (2) Notwithstanding the foregoing, without the consent of any Holder, the Issuer, the Guarantors, the Trustee and the Security Trustee may modify, amend or supplement the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and/or the Security Documents:
- (i) to evidence the succession of another Person to the Issuer and the assumption by any such successor of the covenants in the Indenture and in the Notes in accordance with “—*Certain Covenants—Merger, Consolidation or Sale of Assets*”;
 - (ii) to add to the Issuer’s covenants and those of any Guarantor or any other obligor in respect of the Notes for the benefit of the Holders or to surrender any right or power conferred upon the Issuer or any Guarantor or any other obligor in respect of the Notes, as applicable, in the Indenture, the Notes or any Guarantee;
 - (iii) to cure any ambiguity or mistake or to correct or supplement any provision in the Indenture, the Notes, any Guarantee, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document that may be defective or inconsistent with any other provision in the Indenture, the Notes, any Guarantee, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document or make any other provisions with respect to matters or questions arising under the Indenture, the Notes, any Guarantee, the Intercreditor Agreement, any Additional Intercreditor Agreement or any Security Document; or make any change that does not materially adversely affect the legal rights under the Indenture of the Holders of the Notes;
 - (iv) to conform the text of the Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Security Document to any provision of this Description of the Senior Secured Notes;
 - (v) to release any Guarantor or Collateral in accordance with (and if permitted by) the terms of the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements and the Security Documents;
 - (vi) to add a Guarantor or other guarantor under the Indenture;

- (vii) to evidence and provide the acceptance of the appointment of a successor Trustee and/or Security Trustee under the Indenture;
 - (viii) to mortgage, pledge, hypothecate or grant a security interest in favor of the Trustee and/or the Security Trustee for the benefit of the Holders of the Notes as additional security for the payment and performance of the Issuer's and any Guarantor's obligations under the Indenture, in any property, or assets, including any of which are required to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted to the Trustee pursuant to the Indenture or otherwise, or to enter into additional or supplemental Security Documents;
 - (ix) to provide for the issuance of Subsequent Additional Notes in accordance with and if permitted by the terms of and limitations set forth in the Indenture; and
 - (x) to provide for uncertificated Notes in addition to or in place of certificated Notes.
- (3) The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

In formulating its opinion on such matters, each of the Trustee and the Security Trustee shall be entitled to rely absolutely on such evidence as it deems appropriate, including opinions of counsel and Officer's Certificates.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction or consent or any amendment, modification or other change to the Indenture, Notes owned by the Issuer or by an Affiliate of the Issuer will be disregarded and treated as if they were not outstanding.

Currency Indemnity

Euro is the sole currency of account and payment for all sums payable under the Notes, the Guarantees and the Indenture. Any amount received or recovered in respect of the Notes or the Guarantees in a currency other than euro (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer, any Subsidiary or otherwise) by the Trustee or a Holder of the Notes in respect of any sum expressed to be due to such Holder from the Issuer or the Guarantors will constitute a discharge of their obligation only to the extent of the euro amount which the recipient is able to purchase with the amount so received or recovered in such other currency on the date of that receipt or recovery (or, if it is not possible to purchase euro on that date, on the first date on which it is possible to do so). If the euro amount that could be recovered following such a purchase is less than the euro amount expressed to be due to the recipient under any Note, the Issuer and the Guarantors will jointly and severally indemnify the recipient against the cost of the recipient's making a further purchase of euro in an amount equal to such difference. For the purposes of this paragraph, it will be sufficient for the Holder to certify that it would have suffered a loss had the actual purchase of euro been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of euro on that date had not been possible, on the first date on which it would have been possible). These indemnities, to the extent permitted by law:

- (a) constitute a separate and independent obligation from the Issuer's and the Guarantors' other obligations;
- (b) give rise to a separate and independent cause of action;
- (c) apply irrespective of any waiver granted by any Holder; and
- (d) will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order.

Notices

Notices regarding the Notes will be published, if and for as long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent that the rules and regulations of the Luxembourg Stock Exchange so require, in a newspaper having a general circulation in Luxembourg (which is currently expected to be the *Luxemburger Wort*), or to the extent and in the manner permitted by the rules and regulations of the Luxembourg Stock Exchange, posted on the official website of the Luxembourg Stock Exchange, www.bourse.lu.

If and so long as the Notes are listed on any other securities exchange, notices will also be given in accordance with any applicable requirements of such securities exchange.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture, the Guarantees, the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note will waive and release all such liability. The waiver and release will be part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. federal securities laws.

The Trustee

The Indenture contains limitations on the rights of the Trustee under the Indenture in the event the Trustee becomes a creditor of the Issuer or any Guarantor.

The Indenture contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction.

Governing Law

The Indenture, the Notes and the Guarantees are governed by and construed in accordance with the laws of New York. The Intercreditor Agreement and any non-contractual obligations arising out of it will be governed by and construed in accordance with the laws of England and Wales. The Security Documents are governed by and construed in accordance with the laws of various jurisdictions.

Consent to Jurisdiction and Service of Process

The Issuer and each Guarantor has each irrevocably appointed Lords Securities Corporation as its agent for service of process in any suit, action or proceeding with respect to the Indenture, the Notes and the Guarantees, as the case may be, brought in any U.S. federal or state court located in The Borough of Manhattan, City of New York, State of New York and each of the parties to the Indenture has submitted to the non-exclusive jurisdiction of the U.S. federal or state courts located in The Borough of Manhattan, City of New York, State of New York. If for any reason Lords Securities Corporation is unable to serve in such capacity, the Issuer and each Guarantor shall appoint another agent reasonably satisfactory to the Trustee.

Certain Definitions

“Acquired Debt” means Debt of a Person:

- (a) existing at the time such Person becomes a Restricted Subsidiary or is merged into or consolidated with the Issuer or any Restricted Subsidiary; or
- (b) assumed in connection with the acquisition of assets from any such Person.

Acquired Debt will be deemed to be Incurred on the date the acquired Person becomes a Restricted Subsidiary (or is merged into or consolidated with the Issuer or any Restricted Subsidiary, as the case may be) or the date of the related acquisition of assets from any Person.

“Affiliate” means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control,” when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling,” “controlled” have meanings correlative to the foregoing.

“Applicable Redemption Premium” means, with respect to any Note on any redemption date, the greater of:

- (a) 1.0% of the principal amount of such Note; and

(b) the excess of:

- (i) the present value at such redemption date of: (x) the redemption price of such Notes at January 1, 2014 (such redemption price being set forth in the table appearing below the caption “*Optional Redemption—Optional Redemption on or after January 1, 2014*”) plus (y) all required interest payments that would otherwise be due to be paid on such Note during the period between the redemption date and January 1, 2014 (excluding accrued but unpaid interest), computed using a discount rate equal to the Bund Rate at such redemption date *plus* 50 basis points; over
- (ii) the outstanding principal amount of such Note.

For the avoidance of doubt, the calculation of the Applicable Redemption Premium shall not be a duty or obligation of the Trustee, the Calculation Agent or the Paying Agents.

“**Asset Sale**” means any sale, issuance, conveyance, transfer, lease or other disposition (including, without limitation, by way of merger, consolidation, amalgamation or other combination or Sale and Leaseback Transaction) (collectively, a “**transfer**”), directly or indirectly, in one or a series of related transactions, of:

- (a) any Capital Stock of any Subsidiary (other than directors’ qualifying shares or shares required by applicable law to be held by a Person other than the Issuer or a Subsidiary);
- (b) all or substantially all of the properties and assets of any division or line of business of the Issuer or any Restricted Subsidiary; or
- (c) any other of the Issuer’s or any Restricted Subsidiary’s properties or assets.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

- (i) any single transaction or series of related transactions that involves assets or Capital Stock having a Fair Market Value of less than €5.0 million;
- (ii) any transfer or disposition of assets by the Issuer to any Restricted Subsidiary, or by any Restricted Subsidiary to the Issuer or any Restricted Subsidiary and otherwise in accordance with the terms of the Indenture;
- (iii) any transfer or disposition of obsolete, surplus, damaged or permanently retired equipment, facilities or inventory that are no longer useful in the conduct of the Issuer’s and any Restricted Subsidiary’s business;
- (iv) sales or dispositions of Receivables in connection with any factoring transaction in the ordinary course of business or on arms’ length terms;
- (v) any transfer or disposition of assets that is governed by the provisions of the Indenture described under “—*Certain Covenants—Merger, Consolidation or Sale of Assets*” or “—*Certain Covenants—Change of Control*”;
- (vi) the making of a Permitted Investment or any Restricted Payment made in compliance with “—*Certain Covenants—Limitation on Restricted Payments*”;
- (vii) the sale, lease, sublease, license, sublicense, assignment or other disposition of any real or personal property or any equipment, inventory, software or intellectual property, or other assets in the ordinary course of business;
- (viii) an issuance of Capital Stock by a Restricted Subsidiary to the Issuer or to another Restricted Subsidiary, an issuance or sale of by a Restricted Subsidiary of Preferred Stock or Redeemable Capital Stock that is permitted by the covenant described above under “—*Certain Covenants—Limitation on Debt*”;
- (ix) any transfer, termination, unwinding or other disposition of Hedging Agreements not for speculative purposes;
- (x) sales of assets received by the Issuer or any Restricted Subsidiary upon the foreclosure on a Lien granted in favor of the Issuer or any Restricted Subsidiary;

- (xi) the foreclosure, condemnation, taking by eminent domain or any similar action with respect to any property or other assets or any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims of any kind;
- (xii) the granting of Liens not prohibited by the covenant described above under the caption “—*Certain Covenants—Limitation on Liens*”;
- (xiii) the sale or other disposition of cash or Cash Equivalents;
- (xiv) the disposition of Receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;
- (xv) the surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;
- (xvi) any disposition of any Shelf Company;
- (xvii) the disposition of assets to a Person who is providing services (the provision of which have been or are to be outsourced by the Issuer or any Restricted Subsidiary to such Person) related to such assets; and
- (xviii) any issuance, sale, transfer or other disposition of Capital Stock of, or Debt or other securities of, any Unrestricted Subsidiary.

“**Average Life**” means, as at the date of determination with respect to any Debt, the quotient obtained by dividing:

- (a) the sum of the products of:
 - (i) the numbers of years from the date of determination to the date or dates of each successive scheduled principal payment of such Debt; multiplied by
 - (ii) the amount of each such principal payment;

by

- (b) the sum of all such principal payments.

“**Beneficial Owner**” has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Section 13(d)(3) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms “**Beneficially Owns**” and “**Beneficially Owned**” have a corresponding meaning.

“**Board of Directors**” means:

- (a) with respect to any corporation, the board of directors or managers of the corporation (which, in the case of any corporation having both a supervisory board and an executive or management board, shall be the executive or management board) or any duly authorized committee thereof;
- (b) with respect to any partnership, the board of directors of the general partner of the partnership or any duly authorized committee thereof;
- (c) with respect to a limited liability company, the managing member or members (or analogous governing body) or any controlling committee of managing members thereof; and
- (d) with respect to any other Person, the board or any duly authorized committee thereof or committee of such Person serving a similar function.

“**Bund Rate**” means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as at such redemption date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

- (a) “**Comparable German Bund Issues**” means the German *Bundesanleihe* security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to January 1, 2014 and that would be utilized, at the time of selection and in

accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes and of a maturity most nearly equal to January 1, 2014; *provided* that if the period from such redemption date to January 1, 2014, is less than one year, a fixed maturity of one year shall be used;

- (b) “**Comparable German Bund Price**” means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;
- (c) “**Reference German Bund Dealer**” means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and
- (d) “**Reference German Bund Dealer Quotations**” means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3.30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.

“**Business Day**” means a day other than a Saturday, Sunday or other day on which banking institutions in London, the Netherlands, New York, Luxembourg or a place of payment under the Indenture are authorized or required by law to close.

“**Capital Stock**” means, with respect to any Person, any and all shares, interests, partnership interests (whether general or limited), participations, rights in or other equivalents (however designated) of such Person’s equity, any other interest or participation that confers the right to receive a share of the profits and losses, or distributions of assets of, such Person and any rights (other than debt securities convertible into or exchangeable for Capital Stock), warrants or options exchangeable for, or convertible into, such Capital Stock, whether now outstanding or issued after the Issue Date.

“**Capitalized Lease Obligation**” means, with respect to any Person, any obligation of such Person under a lease of (or other agreement conveying the right to use) any property (whether real, personal or mixed), which obligation is required to be classified and accounted for as a capital lease obligation under IFRS (as in effect on the Issue Date for purposes of determining whether a lease is a Capitalized Lease Obligation), and, for purposes of the Indenture, the amount of such obligation at any date will be the capitalized amount thereof at such date, determined in accordance with IFRS and the Stated Maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty.

“**Cash Equivalents**” means any of the following:

- (a) Euro, U.S. dollars and sterling, Swiss francs, the national currency of any member state in the European Union or, in the case of any Restricted Subsidiary that is not organized or existing under the laws of the United States, any member state of the European Union or any state or territory thereof, such local currencies held by it from time to time in the ordinary course of business;
- (b) any evidence of Debt denominated in euro, sterling or U.S. dollars with a maturity of 365 days or less from the date of acquisition, issued or directly and fully guaranteed or insured by a member state (an “**EU Member State**”) of the European Union whose sole lawful currency on the Issue Date is euro, the government of the United Kingdom of Great Britain and Northern Ireland, the United States of America, any state thereof or the District of Columbia, or any agency or instrumentality thereof (each, an “**Approved Jurisdiction**”);
- (c) time deposit accounts, certificates of deposit, money market deposits or bankers’ acceptances denominated in euro, sterling or U.S. dollars with a maturity of 365 days or less from the date of acquisition issued by a bank or trust company organized in an EU Member State, the United Kingdom of Great Britain and Northern Ireland or any commercial banking institution that is a member of the U.S. Federal Reserve System, in each case having combined capital and surplus and undivided profits of not less than €250 million, whose long-term, unsecured, unsubordinated and unguaranteed debt has a rating, at the time any investment is made therein, of at least A or the equivalent thereof from S&P and at least A2 or the equivalent thereof from Moody’s;

- (d) commercial paper with a maturity of 365 days or less from the date of acquisition issued by a corporation that is not the Issuer's or any Restricted Subsidiary's Affiliate and which is incorporated under the laws of an EU Member State, United Kingdom of Great Britain and Northern Ireland, the United States of America or any state thereof and, at the time of acquisition, having a short-term credit rating of at least A2 or the equivalent thereof from S&P or at least P2 or the equivalent thereof from Moody's;
- (e) repurchase obligations with a term of not more than seven days for underlying securities of the type described in clauses (b) and (c) above, entered into with a financial institution meeting the qualifications described in clause (c) above;
- (f) Debt issued by Persons (other than the Issuer or any of its Affiliates) with a rating of A or the equivalent thereof or higher from S&P or A2 or the equivalent thereof or higher from Moody's, in each case with maturities not exceeding two years from the date of acquisition; and
- (g) Investments in money market mutual funds at least 95% of the assets of which constitute Cash Equivalents of the kind described in clauses (a) through (f) above or are otherwise rated AAA or higher by S&P and Aaa from Moody's.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clause (a) above, *provided* that such amounts are converted into any currency listed in clause (a) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

"Change of Control" means the occurrence of any of the following events:

- (a) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole to any Person (including any "person" (as that term is used in Section 13(d)(3) of the Exchange Act)) other than a Permitted Holder (other than any such sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Issuer to an Affiliate of the Issuer for the purpose of reincorporating the Issuer in another jurisdiction, changing domicile or changing corporate form; provided that such transaction complies with the covenant described under the heading "*—Certain Covenants—Merger, Consolidation or Sale of Assets*"); or
- (b) the consummation of any transaction as a result of which any Person (including any "person" as defined above) other than a Permitted Holder becomes the Beneficial Owner of more than 50% of the issued and outstanding Voting Stock of the Issuer measured by voting power rather than number of shares.

"Clearstream" means Clearstream Banking, *société anonyme*.

"Commission" means the U.S. Securities and Exchange Commission.

"Consolidated EBITDA" means the sum of (A) Consolidated Net Income *plus* (or *minus*, if applicable, in the case of clauses (e) and (f)) (B) in each case to the extent deducted (or added, if applicable, in the cases of clauses (e) and (f)) in computing Consolidated Net Income for such period:

- (a) Consolidated Interest Expense;
- (b) Consolidated Tax Expense;
- (c) the aggregate depreciation, amortization (including amortization of goodwill and other intangibles and deferred financing fees, impairment charges and the impact of purchase accounting) and other non-cash expenses of the Issuer and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with IFRS (excluding any such non-cash charge that requires an accrual of or reserve for cash charges for any future period);
- (d) any expenses, charges or other costs related to the issuance of any Capital Stock (including pursuant to an employee benefit plan), or any Permitted Investment, acquisition, disposition, recapitalisation or listing or the incurrence of Debt permitted to be incurred under the covenant described above under the caption "*—Certain Covenants—Limitation on Debt*" (including any refinancing thereof) whether or not successful, including (i) such fees, expenses or charges related to any incurrence of Debt and (ii) any amendment or other modification of any Debt;

- (e) any foreign currency translation gains or losses (including losses relating to currency remeasurements of Debt) and gains or losses from Hedging Agreements of the Issuer and its Restricted Subsidiaries;
- (f) non-cash items increasing such Consolidated Net Income for such period (other than any non-cash items increasing such Consolidated Net Income pursuant to clauses (a) through (m) of the definition of Consolidated Net Income), other than the reversal of a reserve for cash charges in a future period in the ordinary course of business;
- (g) the proceeds of any business interruption insurance actually received during such period to the extent the associated losses arising out of the event that resulted in the payment of such business interruption insurance proceeds were included in computing Consolidated Net Income;
- (h) the amount of any acquisition costs and any integration costs and expenses relating to or arising from any acquisitions, to the extent such costs were deducted in computing such Consolidated Net Income;
- (i) to the extent actually reimbursed during such period, expenses that are covered by the indemnification provisions in any agreement entered into by such Person in connection with an acquisition to the extent such expenses were included in computing Consolidated Net Income; and
- (j) any amounts paid or payable for any management, monitoring, consulting or advisory fees to a Permitted Holder to the extent permitted in the covenant described in “*Limitation on Transactions with Affiliates.*”

“**Consolidated Fixed Charge Coverage Ratio**” of the Issuer means, for any period, the ratio of (1) Consolidated EBITDA to (2) Consolidated Interest Expense. In the event that the Issuer or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Debt subsequent to the commencement of the period for which the Consolidated Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Fixed Charge Coverage Ratio is made (the “**Calculation Date**”), then the Consolidated Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer) to such Incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Debt, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period (except that, in making such calculation, the amount of Debt under any revolving credit facility shall be computed based on the average daily balance of such Debt during such period); *provided, however*, that the *pro forma* calculation shall not give effect to (i) any Debt incurred on the Calculation Date pursuant to the provisions described in paragraph (2) under “—*Certain Covenants—Limitation on Debt*” (other than for the purpose of calculating the Consolidated Fixed Charge Coverage Ratio under clause (m) thereunder) or (ii) the discharge on the Calculation Date of any Debt to the extent that such discharge results from the proceeds incurred pursuant to the provisions described in paragraph (2) under “—*Certain Covenants—Limitation on Debt.*”

In addition, for purposes of calculating the Consolidated Fixed Charge Coverage Ratio:

- (a) acquisitions and Investments that have been made by the Issuer or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the Issuer or any of its Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period.
- (b) the Consolidated EBITDA (whether positive or negative) attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded on a *pro forma* basis as if such disposition occurred on the first day of such period;
- (c) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded on a *pro forma* basis as if such disposition occurred

on the first day of such period, but only to the extent that the obligations giving rise to such Consolidated Interest Expense will not be obligations of the Issuer or any of its Restricted Subsidiaries following the Calculation Date;

- (d) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;
- (e) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and
- (f) if any Debt bears a floating rate of interest, the interest expense on such Debt will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Debt, and if any Debt is not denominated in the Issuer's functional currency, that Debt for purposes of calculation of the Consolidated Fixed Charge Covering Ratio shall be treated in accordance with IFRS).

"Consolidated Interest Expense" means, for any period, without duplication and in each case determined on a consolidated basis in accordance with IFRS, the sum of:

- (a) the Issuer's and the Restricted Subsidiaries' finance expenses (net of finance income) for such period, plus, to the extent not otherwise included in finance expenses:
 - (i) amortization of original issue discount (but not deferred financing fees, debt issuance costs, commissions, fees and expenses);
 - (ii) any payments with respect to interest rate Hedging Agreements (excluding amortization of fees or any non-cash interest expense attributable to the movement in the mark-to-market valuation of such agreements);
 - (iii) commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and similar transactions; and
 - (iv) the interest portion of any deferred payment obligation; *plus*
- (b) the interest component of the Issuer's and the Restricted Subsidiaries' Capitalized Lease Obligations accrued and/or scheduled to be paid or accrued during such period other than the interest component of Capitalized Lease Obligations between or among the Issuer and any Restricted Subsidiary or between or among Restricted Subsidiaries; *plus*
- (c) the Issuer's and the Restricted Subsidiaries non-cash interest expenses and interest that was capitalized during such period (excluding any such interest in respect of any Subordinated Shareholder Funding); *plus*
- (d) all cash dividends paid on the Issuer's Redeemable Capital Stock or the Preferred Stock of its Restricted Subsidiaries, in each case excluding items eliminated in consolidation; *minus*
- (e) (i) accretion or accrual of discounted liabilities other than Debt, (ii) any expense resulting from the discounting of any Debt in connection with the application of purchase accounting in connection with any acquisition, (iii) interest with respect to Debt of any Holding Company of such Person appearing upon the balance sheet of such Person solely by reason of push-down accounting under IFRS and (iv) any non-cash interest expenses and interest that was capitalized during such period relating to Subordinated Shareholder Funding.

"Consolidated Leverage" means, as of any date of determination, the sum of the total amount of Debt of the Issuer and its Restricted Subsidiaries on a consolidated basis.

"Consolidated Leverage Ratio" of the Issuer means, as of any date of determination, the ratio of (1) the Consolidated Leverage as of the end of the most recent quarterly period for which financial statements are available to (2) Consolidated EBITDA for the most recent four quarters for which financial statements are available; in each case with such *pro forma* adjustments as are consistent with the *pro forma* provisions set forth in the definition of Consolidated Fixed Charge Coverage Ratio.

"Consolidated Net Income" means, for any period, the Issuer's and the Restricted Subsidiaries' consolidated profit/(loss) for such period as determined in accordance with IFRS, and without any

reduction in respect of Preferred Stock dividends, adjusted by excluding (to the extent included in such consolidated net income or loss), without duplication:

- (a) any goodwill or other intangible asset amortization or impairment charges;
- (b) the portion of net income or loss of any Person (other than the Issuer or a Restricted Subsidiary), including Unrestricted Subsidiaries, in which the Issuer or any Restricted Subsidiary has an equity ownership interest which is accounted for using the equity method of accounting, except that the Issuer's or a Restricted Subsidiary's equity in the net income of such Person for such period shall be included in such Consolidated Net Income to the extent of the aggregate amount of dividends or other distributions actually paid to the Issuer or any Restricted Subsidiary in cash dividends or other distributions during such period;
- (c) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(i) of paragraph (2) of the "*Limitation on Restricted Payments*" covenant, the net income (but not the loss) of any Non-Guarantor Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary to the Issuer (or any Guarantor that holds the Capital Stock of such Restricted Subsidiary, as applicable) is not at the date of determination permitted, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary or its shareholders (other than (i) restrictions that have been waived or otherwise released or the Issuer reasonably believes could be released or waived, (ii) restrictions pursuant to the Senior Notes and the Senior Notes Indenture, the Notes and the Indenture or the Revolving Credit Facility, (iii) contractual restrictions in effect on the Issue Date and any extensions thereof with respect to such Restricted Subsidiary, (iv) restrictions specified in clauses (a), (c) or (n) of paragraph (2) of the covenant described under "*—Limitation on Dividends and Other Payment Restriction Affecting Restricted Subsidiaries*" and (v) restrictions in effect on the Issue Date and other restrictions which with respect to such Restricted Subsidiary that, taken as a whole, are not materially less favorable to the Holders than such restrictions that exist on the Issue Date), except that the Issuer's or a Restricted Subsidiary's equity in the net income of such Person for such period shall be included in such Consolidated Net Income to the extent of the aggregate amount of dividends or other distributions actually paid to the Issuer or any Restricted Subsidiary in cash dividends or other distributions during such period (or the portion thereof that would be permitted to be paid pursuant to the applicable restrictions);
- (d) any net gain arising from the acquisition of any securities or extinguishment, under IFRS, of any Debt of such Person;
- (e) any after-tax effect of gains or losses attributable to asset dispositions other than in the ordinary course of business and the net income or loss attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or not such operations were classified as discontinued);
- (f) any extraordinary, exceptional or unusual gain, loss, expense or charge, including any charges or reserves in respect of any restructuring, redundancy, relocation, refinancing, integration or severance or other post-employment arrangements, signing, retention or completion bonuses, transaction costs, acquisition costs, costs related to litigation or governmental investigations and curtailments or modifications to pension or post-retirement benefits schemes; or any asset impairment charges or the financial impacts of natural disasters (including fire, flood and storm and related events);
- (g) any expenses or other costs related to the Refinancing Transactions;
- (h) any non-cash compensation charge or expense arising from any grant of stock, stock options or other equity based awards or any income (loss) attributable to deferred compensation plans or trusts and any non-cash deemed finance charges in respect of any pension liabilities or other provisions;
- (i) all deferred financing costs written off and premium paid or other expenses incurred directly in connection with any early extinguishment of Debt or hedging obligations and any net gain (loss) from any write off or forgiveness of Debt;

- (j) any increases in amortization or depreciation resulting from acquisition accounting, in each case, in relation to any acquisition of another Person or business or resulting from any reorganization involving the Issuer or its Subsidiaries;
- (k) any unrealized gains or losses in respect of Hedging Agreements or other financial instruments or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value or changes therein recognized in earnings for derivatives that do not qualify as hedge transactions;
- (l) any non-cash interest expense or interest that was capitalized, in each case in respect of Subordinated Shareholder Funding;
- (m) any unrealized foreign currency transaction gains or losses in respect of Debt of any Person denominated in a currency other than the functional currency of such Person, and any unrealized foreign currency transaction gains or losses in respect of Debt or other obligations of the Issuer or any Restricted Subsidiary owing to the Issuer or any Restricted Subsidiary and any unrealized foreign exchange gains or losses relating to translation of assets and liabilities denominated in foreign currencies; and
- (n) the cumulative effect of a change in accounting principles.

“Consolidated Senior Secured Leverage” means, as of any date of determination, the sum of the total amount of Senior Secured Debt of the Issuer and its Restricted Subsidiaries on a consolidated basis.

“Consolidated Senior Secured Leverage Ratio” of the Issuer means, as of any date of determination, the ratio of (1) the Consolidated Senior Secured Leverage as of the end of the most recent quarterly period for which financial statements are available to (2) Consolidated EBITDA for the most recent four quarters for which financial statements are available; in each case with such *pro forma* adjustments as are consistent with the *pro forma* provisions set forth in the definition of Consolidated Fixed Charge Coverage Ratio.

“Consolidated Tax Expense” means, for any period with respect to any Relevant Taxing Jurisdiction, the provision for all national, local and foreign federal, state or other taxes of the Issuer and the Restricted Subsidiaries for such period on income, profits or capital as determined on a consolidated basis in accordance with IFRS.

“Consolidated Total Assets” means, with respect to any specified Person at any time, the total assets of such Person and its Subsidiaries which are Restricted Subsidiaries, in each case as shown on the most recent balance sheet of such Person, determined on a consolidated basis in accordance with IFRS, which shall be calculated on a *pro forma* basis giving effect to acquisitions or dispositions of assets to be made on the Calculation Date.

“Contingent Obligations” means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that does not constitute Debt (**“primary obligations”**) of any other Person (the **“primary obligor”**), including any obligation of such Person, whether or not contingent:

- (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor;
- (b) to advance or supply funds:
 - (i) for the purchase or payment of any such primary obligation; or
 - (ii) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or
- (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

“Credit Facility” or **“Credit Facilities”** means, one or more debt facilities or indentures, as the case may be, instruments or arrangements (including the Revolving Credit Facility or commercial paper facilities and overdraft facilities) with banks, other institutions or investors, providing for revolving credit loans, term loans, receivables financing (including through the sale of Receivables to such institutions or to special purpose entities formed to borrow from such institutions against such Receivables), letters of credit, notes or other Debt, in each case, as amended, restated, modified, renewed, refunded, replaced,

restructured, refinanced, repaid, increased or extended in whole or in part from time to time (and whether in whole or in part and whether or not with the original administrative agent and lenders or another administrative agent or agents or trustees or other banks or institutions and whether provided under the Revolving Credit Facility or one or more other credit or other agreements, financing agreements or otherwise) and in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with the foregoing (including any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other guarantees, pledges, agreements, security agreements and collateral documents). Without limiting the generality of the foregoing, the term “Credit Facilities” shall include any agreement or instrument (1) changing the maturity of any Debt Incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Issuer as additional borrowers, issuers or guarantors thereunder, (3) increasing the amount of Debt Incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

“**Debt**” means, with respect to any Person, without duplication:

- (a) the principal amount of all indebtedness of such Person for borrowed money;
- (b) the principal amount of the obligations of such Person to pay for the deferred purchase price of property or services, excluding any trade payables and other accrued current liabilities Incurred in the ordinary course of business, due more than one year after such property is acquired or such services are completed;
- (c) the principal amount of all indebtedness of such Person evidenced by bonds, notes, debentures or other similar instruments;
- (d) all reimbursement obligations, of such Person in connection with any letters of credit, bankers’ acceptances or other similar instruments (the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit or other instruments plus the aggregate amount of drawings thereunder that have been reimbursed) (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 30 days of Incurrence), in each case only to the extent that the underlying obligation in respect of which the investment was issued would be treated as Debt;
- (e) all Capitalized Lease Obligations of such Person;
- (f) all obligations of such Person under or in respect of Hedging Agreements (the amount of any such obligations to be equal at any time to the net payments under such agreement or arrangement giving rise to such obligation that would be payable by such Person at the termination of such agreement or arrangement);
- (g) the principal amount of all Debt referred to in (but not excluded from) the preceding clauses (a) through (f) of other Persons, the payment of which is secured by any Lien upon the assets of such Person, (the amount of such obligation being deemed to be the lesser of the Fair Market Value of such property or asset and the amount of the obligation so secured);
- (h) all guarantees by such Person of the principal amount of Debt referred to in this definition of any other Person;
- (i) all Redeemable Capital Stock of such Person valued at its voluntary fixed repurchase price as if it were purchased on a date on which its value is required to be determined, or if the Redeemable Capital Stock does not have a fixed repurchase price, its Fair Market Value; and
- (j) the principal component of obligations, or liquidation value, of such person with respect to Preferred Stock of any Restricted Subsidiary,

if and to the extent any of the preceding items (other than letters of credit and Hedging Agreements) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of the specified Person prepared in accordance with IFRS.

The term “**Debt**” shall not include: (i) non-interest bearing installment obligations, Contingent Obligations Incurred in the ordinary course of business and accrued liabilities Incurred in the ordinary course of business that are not more than 90 days past due; (ii) anything accounted for as an operating lease or that would be accounted for as an operating lease in accordance with IFRS as in effect on the

Issue Date; (iii) any obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage taxes; (iv) any Subordinated Shareholder Funding; (v) any prepayments or deposits received from customers or obligations in respect of funds or assets held on behalf of clients, or held by a Restricted Subsidiary acting as a trustee, bare trustee, agent, custodian, nominee, fiduciary or in a similar capacity, in each case in the ordinary course of business; (vi) any obligations under any license, permit or approval or guarantees thereof incurred prior to the Issue Date in the ordinary course of business; (vii) in connection with the purchase by the Issuer or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing *provided, however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid in a timely manner; (viii) any obligations that arise as a result of a referral fee arrangement or revenue sharing arrangement, in each case entered into in the ordinary course of business; (ix) any obligations in respect of unpaid share capital of a Shelf Company and (x) Debt Incurred by the Issuer or a Restricted Subsidiary in connection with a transaction where (A) such Debt is borrowed from a bank or trust company, having a combined capital and surplus and undivided profits of not less than €250 million, whose debt has a rating immediately prior to the time such transaction is entered into, of at least A or the equivalent thereof by S&P and A2 or the equivalent thereof by Moody's and (B) a substantially concurrent Investment is made in the form of cash deposited with the lender of such Debt to secure such Debt, in amount equal to or greater than such Debt.

"Default" means any event that is, or after the giving of notice or passage of time or both would be, an Event of Default.

"Designated Non-Cash Consideration" means the Fair Market Value of non-cash consideration received by the Issuer or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of cash and Cash Equivalents received in connection with a subsequent payment, redemption, retirement, sale or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with the *"Limitation on Sales of Assets"* covenant.

"Disinterested Member" means, with respect to any transaction or series of related transactions, a member of the Issuer's Board of Directors who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions. A member of the Issuer's Board of Directors will not be deemed to have such a financial interest solely by reason of such member holding Capital Stock of the Issuer or any Holding Company of the Issuer or any options, warrants or other rights in respect of such Capital Stock or being a creditor under any shareholder funding.

"Equity Offering" means any public or private sale of Capital Stock (other than Redeemable Capital Stock) of the Issuer or any Holding Company of the Issuer, other than (i) public offerings on Form S-4 or S-8 or equivalent forms in jurisdictions other than the United States or (ii) an issuance to any Subsidiary of the Issuer.

"Escrowed Proceeds" means the proceeds from the offering of any debt securities or other Debt paid into an escrow account with an independent escrow agent on the date of the applicable offering or incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow account upon satisfaction of certain conditions or the occurrence of certain events. The term "Escrowed Proceeds" shall include any interest earned on the amounts held in escrow.

"euro" or **"€"** means the lawful currency of the member states of the European Union that participate in the third stage of the European Economic and Monetary Union.

"Euro Equivalent" means, with respect to any monetary amount in a currency other than euro, at any time for the determination thereof, the amount of euro obtained by converting such foreign currency involved in such computation into euro at the spot rate for the purchase of euro with the applicable foreign currency as published under *"Currency Rates"* in the section of *The Financial Times* entitled *"Currencies, Bonds & Interest Rates"* on the date two Business Days prior to such determination.

"Euroclear" means Euroclear Bank, SA/NV.

“European Government Obligations” means direct obligations (or certificates representing an ownership interest in such obligations) of a member state of the European Union (including any agency or instrumentality thereof) for the payment of which the full faith and credit of such government is given.

“European Union” means the European Union as of January 1, 2004, including the countries of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom, but not including any country which became or becomes a member of the European Union after January 1, 2004.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated by the Commission thereunder.

“Excluded Contribution” means the net cash proceeds received by the Issuer as capital contributions to the equity (other than through the issuance of Redeemable Capital Stock) of the Issuer after the Issue Date or from the issuance or sale (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Issuer or any Subsidiary of the Issuer for the benefit of its employees to the extent funded by the Issuer or any Restricted Subsidiary) of Capital Stock (other than Redeemable Capital Stock) of the Issuer or Subordinated Shareholder Funding of the Issuer, in each case, to the extent designated as an Excluded Contribution pursuant to an Officer’s Certificate of the Issuer delivered substantially concurrent with such contribution.

“Fair Market Value” means, with respect to any asset or property, the sale value that would be obtained in an arm’s length free market transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Issuer’s Chief Executive Officer, Chief Financial Officer or responsible accounting or financial officer.

“guarantee” means, as applied to any Debt:

- (a) a guarantee (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business), direct or indirect, in any manner, of any part or all of such Debt; and
- (b) an agreement, direct or indirect, contingent or otherwise, the practical effect of which is to assure in any way the payment or performance (or payment of damages in the event of non-performance) of all or any part of such Debt, including, without limiting the foregoing, by the pledge of assets and the payment of amounts drawn down under letters of credit.

“Guarantee” means any guarantee of the Issuer’s obligations under the Indenture and the Notes by any Restricted Subsidiary or any other Person in accordance with the provisions of the Indenture. When used as a verb, **“Guarantee”** shall have a corresponding meaning.

“Guarantors” means TMF Corporate Secretarial Services Ltd; TMF Management (UK) Ltd; TMF Management Holding UK Ltd; TMF Trustee Ltd.; TMF VAT Services Ltd; TMF Holding UK Limited; EQ Audit S.à r.l.; Equity Trust Holdings S.à r.l.; Immobilière Vauban S.A.; International Pyramide Holdings (Luxembourg) S.A.; Manacor (Luxembourg) S.A.; TMF Corporate Services S.A.; TMF Luxembourg Holding S.A.; TMF Spain S.A.; Clear Management Company B.V.; TMF (B.V.I.) Ltd.; TMF Netherlands B.V.; Nationale Trust Maatschappij N.V.; TMF Holding International B.V.; Tradman FS Holding B.V.; TMF FundServices B.V.; TMF Group B.V.; TMF Group Invest Two B.V.; TMF Holding B.V.; Tradman Netherlands B.V.; TMF North America B.V.; TMF Structured Finance Services B.V.; Venture Support B.V.; Lord Securities Corporation; TMF US Holding Inc. and any other Person that provides a Guarantee in accordance with the provisions of the Indenture.

“Hedging Agreements” means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, commodity swap agreement, commodity cap agreement, commodity collar agreement, foreign exchange contracts, currency swap agreement or similar agreement providing for the transfer or mitigation of interest rate, commodity price or currency risks either generally or under specific contingencies.

“Holder” means the Person in whose name a Note is recorded on the Registrar’s books.

“Holding Company” of a Person means any other Person (other than a natural person) of which the first Person is a Subsidiary (including in respect of the Issuer, Middemhern Group Luxembourg S.A. or its Affiliates or any entity formed for similar purposes as a management investment vehicle in respect of the Issuer and any successor entities thereof).

“**IFRS**” means International Financial Reporting Standards as adopted by the European Union, as in effect on the Issue Date.

“**Independent Financial Advisor**” means an investment banking firm, bank, accounting firm or third party appraiser, in any such case, of international standing; *provided* that such firm is not an Affiliate of the Issuer.

“**Initial Investor Group Affiliate**” (1) any controlling stockholder, partner or member, or any 50% (or more) owned Subsidiary, or immediate family member (in the case of an individual and including, without limitation, any immediate family member of Richard Hanson or the late Nigel Doughty or a trust of which one or more of them are beneficiaries), of an Initial Investor; or (2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding a 50% or more controlling interest of which consist of an Initial Investor and/or such other Persons referred to in clause (1) of this definition.

“**Initial Investors**” means (i) Doughty Hanson and Co. Managers Limited and its Affiliates, any trust, fund, company, partnership or other Person owned, managed, sponsored or advised by or under common control with Doughty Hanson and Co. Managers Limited or its Affiliates, but not including any portfolio companies of the foregoing, and Affiliates for this purpose will include any company or partnership or limited liability partnership or similar entity which becomes the manager of the partnerships constituting Doughty Hanson & Co V, provided that such entity is initially under the control of Richard Hanson whether or not he later cedes control to current or future members or employees of that entity, and (ii) senior management of the Issuer or its business.

“**Initial Public Offering**” means the first public offering of common stock or common equity interests of the Issuer or any Holding Company of the Issuer (the “**IPO Entity**”) following which such common stock or common equity interests are listed on an internationally recognized securities exchange.

“**Intercreditor Agreement**” means that certain intercreditor agreement dated the Issue Date between, among others, TMF Group HoldCo B.V. as Parent, the Issuer as the Company, certain subsidiaries of the Issuer as Original Debtors, and the RCF Agent, the Trustee the Security Agent, the RCF Finance Parties, the Hedge Counterparties, the Intra-Group Lenders and the Shareholder Creditors (each as defined therein).

“**Investments**” means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other similar obligations, but excluding advances or extensions of credit to customers or suppliers made in the ordinary course of business), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions in consideration of Debt, Capital Stock or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. Endorsement of negotiable instruments and documents in the ordinary course of business will not be deemed to be an Investment. If the Issuer or any Restricted Subsidiary of the Issuer sells or otherwise disposes of any Capital Stock of any direct or indirect Subsidiary of the Issuer such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Issuer, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Issuer’s Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the definition of Fair Market Value. The acquisition by Issuer or any Subsidiary of the Issuer of a Person that holds an Investment in a third Person will be deemed to be an Investment by Issuer or such Subsidiary in such third Person in an amount equal to the Fair Market Value. Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value. Investment shall not include any Investment on behalf or for the benefit of clients of the Issuer or its Restricted Subsidiaries in the ordinary course of business, including Investments made acting as a trustee, agent, custodian, fiduciary or in a similar capacity.

“**Issue Date**” means December 7, 2012.

“**Lien**” means any mortgage or deed of trust, charge, pledge, lien (statutory or otherwise), privilege, security interest, hypothecation, assignment for or by way of security or other encumbrance upon or with respect to any property of any kind, real or personal, movable or immovable, now owned or hereafter acquired.

“Market Capitalization” means an amount equal to (i) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity on the date of the date the relevant Restricted Payment is made *multiplied by* (ii) the arithmetic mean of the closing prices per share of such common stock or common equity interests for the 30 consecutive trading days immediately preceding the date the relevant Restricted Payment is made.

“Maturity” means, with respect to any debt, the date on which any principal of such debt becomes due and payable as therein or herein provided, whether at the Stated Maturity with respect to such principal or by declaration of acceleration, call for redemption or purchase or otherwise.

“Moody’s” means Moody’s Investors Service, Inc. and its successors.

“Net Cash Proceeds” means, with respect to any Asset Sale, the cash proceeds thereof including payments in respect of deferred payment obligations when received, in the form of, or Cash Equivalents or stock or other assets when disposed for, cash (except to the extent that such obligations are financed or sold with recourse to the Issuer or any Restricted Subsidiary), net of:

- (a) sales or brokerage commissions and other fees and expenses (including, without limitation, fees and expenses of legal counsel, accountants, investment banks and other consultants) related to such Asset Sale and any relocation expenses as a result of such Asset Sale;
- (b) provisions for all taxes paid or payable, or required to be accrued as a liability under IFRS as a result of such Asset Sale;
- (c) all distributions and other payments required to be made to any Person (other than the Issuer or any Restricted Subsidiary) owning a beneficial interest in the assets (or entity that holds the assets) subject to the Asset Sale; and
- (d) appropriate amounts required to be provided by the Issuer or any Restricted Subsidiary, as the case may be, as a reserve in accordance with IFRS against any liabilities associated with such Asset Sale and retained by the Issuer or any Restricted Subsidiary, as the case may be, after such Asset Sale, including, without limitation, pension and other post employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations or purchase price adjustment obligations associated with such Asset Sale.

“Officer’s Certificate” means a certificate signed by an officer of the Issuer, a Guarantor or a Surviving Entity, as the case may be, and delivered to the Trustee.

“Pari Passu Debt” means (a) any Debt of the Issuer that ranks equally in right of payment with the Notes or (b) any Debt of a Guarantor that ranks equally in right of payment to such Guarantor’s Guarantee. For the avoidance of doubt, the Senior Notes will be considered Pari Passu Debt for purposes of the “Asset Sale” provisions of the Indenture.

“Permitted Business” means (a) any businesses, services or activities engaged in by the Issuer or any of the Restricted Subsidiaries on the Issue Date and (b) any businesses, services and activities engaged in by the Issuer or any of the Restricted Subsidiaries that are related, complementary, incidental, ancillary or similar to any of the foregoing or are extensions or developments of any thereof.

“Permitted Collateral Liens” means:

- (a) Liens on the Collateral to secure the Notes (or the Guarantees) or any Subsequent Additional Notes (or any Guarantee of Subsequent Additional Notes) and any Permitted Refinancing Debt in respect thereof; *provided* that each of the parties thereto will have entered into the Intercreditor Agreement or an Additional Intercreditor Agreement; *provided further* that all property and assets (including, without limitation, the Collateral) securing such Subsequent Additional Notes (or any guarantee of Subsequent Additional Notes) or Permitted Refinancing Debt secures the Notes and the Guarantees on a senior or *pari passu* basis (including by application of payment order, turnover or equalization provisions of any intercreditor agreement or other agreement);
- (b) Liens on the Collateral to secure (i) Senior Debt permitted by clauses (a), (f) (to the extent such guarantee is in respect of Debt otherwise permitted to be secured by Collateral) and (s) of the definition of Permitted Debt and (ii) Senior Secured Debt permitted by the first paragraph of the covenant entitled “*Limitation on Debt*” and Permitted Refinancing Debt in respect thereof; *provided* that each of the parties thereto will have entered into the Intercreditor Agreement or an Additional Intercreditor Agreement; *provided further* that all property and assets (including, without limitation,

the Collateral) securing such Debt secures the Notes and the Guarantees on a senior or *pari passu* basis (including by application of payment order, turnover or equalization provisions of any intercreditor agreement or other agreement), except that up to €70.0 million in aggregate principal amount at any one time outstanding of Debt to be Incurred under a revolving credit facility pursuant to clause (a) of the definition of Permitted Debt, may receive priority as to the receipt of distributions of proceeds of any enforcement of Collateral;

- (c) Liens on the Collateral securing the Issuer's or any Restricted Subsidiary's obligations under Hedging Agreements permitted by clause (i) of the definition of Permitted Debt; *provided* that each of the parties thereto will have entered into the Intercreditor Agreement or an Additional Intercreditor Agreement; *provided further* that all property and assets (including, without limitation, the Collateral) securing such obligations secures the Notes and the Guarantees on a senior or *pari passu* basis (including by application of payment order, turnover or equalization provisions of any intercreditor agreement or other agreement), except that any currency and interest obligations Incurred pursuant to clause (i) of the definition of Permitted Debt under Hedging Agreements in respect of (X) the Notes, any Subsequent Additional Notes and any Permitted Refinancing Debt in respect thereof and (Y) up to €70.0 million in aggregate principal amount at any one time outstanding of Debt to be Incurred under a revolving credit facility pursuant to clause (a) of the definition of Permitted Debt, in each case secured on the Collateral, may receive priority as to the receipt of distributions of proceeds of any enforcement of Collateral;
- (d) Liens on the Collateral that are described in one or more of clauses (f), (g), (h), (i), (j), (k), (l) (to the extent the acquired assets become Collateral and any Liens on such assets at the time they are acquired are not released), (m), (n), (o), (p), (r), (aa), (cc) and (hh) of the definition of Permitted Liens; and
- (e) Liens incurred in the ordinary course of business of the Issuer or any of its Restricted Subsidiaries with respect to obligations that in total do not exceed €10.0 million at any one time outstanding and that (i) are not incurred in connection with the borrowing of money or the obtaining of advances or credit (other than trade credit in the ordinary course of business) and (ii) do not in the aggregate materially detract from the value of the property or materially impair the use thereof or the operation of the Issuer's or such Restricted Subsidiary's business,

provided that not more than; (x) €70.0 million in aggregate principal amount at any one time outstanding and Incurred under a revolving credit facility pursuant to clause (a) of the definition of Permitted Debt and (y) any currency and interest obligations Incurred pursuant to clause (i) of the definition of Permitted Debt under Hedging Agreements in respect of (X) the Notes, any Subsequent Additional Notes and any Permitted Refinancing Debt in respect thereof and (Y) up to €70.0 million in aggregate principal amount at any one time outstanding of Debt to be Incurred under a revolving credit facility pursuant to clause (a) of the definition of Permitted Debt, in each case secured on the Collateral, may be granted the benefit of priority rights on the proceeds of enforcement of Collateral; *provided* that each of the parties thereto will have entered into the Intercreditor Agreement or an Additional Intercreditor Agreement.

"Permitted Debt" has the meaning given to such term under "*Certain Covenants—Limitation on Debt.*"

"Permitted Holders" means, collectively, (1) the Initial Investors and the Initial Investor Group Affiliates and (2) any Person who is acting as an underwriter in connection with a public or private offering of Capital Stock of the Issuer or any of its parent companies, acting in such capacity. Any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) whose acquisition of Beneficial Ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"Permitted Investments" means any of the following:

- (a) Investments in cash or Cash Equivalents;
- (b) intercompany Debt to the extent permitted under clause (e) of the definition of Permitted Debt;
- (c) Investments in: (i) the Issuer; (ii) a Restricted Subsidiary; or (iii) another Person if as a result of such Investment such other Person becomes a Restricted Subsidiary or such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary;

- (d) Investments made by the Issuer or any Restricted Subsidiary as a result of or retained in connection with an Asset Sale permitted under or made in compliance with “—*Certain Covenants—Limitation on Asset Sales*” to the extent such Investments are non-cash proceeds permitted thereunder;
- (e) expenses or advances to cover payroll, travel, entertainment, moving, other relocation and similar matters that are expected at the time of such advances to be treated as expenses in accordance with IFRS;
- (f) Investments in the Notes and any other Debt of the Issuer or any Restricted Subsidiary;
- (g) Investments in Receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business;
- (h) Investments existing at the Issue Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; *provided* that the amount of any such Investment may be increased (i) as required by the terms of the Investment as in existence on the Issue Date or (b) as otherwise permitted under the Indenture;
- (i) Guarantees, keepwells and similar arrangements not prohibited by “—*Certain Covenants—Limitation on Debt*” and Investments in Hedging Agreements permitted under clause (i) of the definition of Permitted Debt;
- (j) loans and advances to officers, directors and employees, in each case (i) in the ordinary course of business or consistent with past practices, (ii) to fund such Person’s purchase of Capital Stock of the Issuer or any direct or indirect Holding Company thereof, if the proceeds of any such loans to purchase Capital Stock under this clause (j) are either received by the Issuer or contributed by such Holding Company of the Issuer and are excluded from the calculation under clause (c)(ii) of paragraph (2) of “—*Certain Covenants—Limitation on Restricted Payments*” except to the extent such loans are actually repaid or (iii) otherwise in an aggregate amount not to exceed €5.0 million outstanding at any one time under this clause (j);
- (k) advances or loans not to exceed €5.0 million at any one time outstanding to any management equity plan or stock option plan or any other management or employee benefit or incentive plan or unit trust or the trustees of any such plan or trust to pay for the purchase or other acquisition for value of Qualified Capital Stock of the Issuer;
- (l) (i) stock, obligations or securities received in satisfaction of judgments, foreclosure of liens or settlement of debts and (ii) any Investments received in compromise of obligations of such persons that were Incurred in the ordinary course of business, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade debtor or customer;
- (m) any Investment solely in exchange for the issuance of Equity Interest (other than Redeemable Capital Stock) of the Issuer or Subordinated Shareholder Funding;
- (n) Investments consisting of earnest money deposits required in connection with a purchase agreement, or letter of intent, or other acquisitions to the extent not otherwise prohibited by the indenture;
- (o) any transaction to the extent constituting an Investment that is permitted and made in accordance with the provisions of paragraph (2) of the covenant described under “—*Certain Covenants—Limitation on Transactions with Affiliates*” (except those described in clauses (ii), (iii), (iv), (vii), (viii)(a), (ix), (x), (xiii) or (xiv) of that paragraph);
- (p) Investments by the Issuer or any of its Restricted Subsidiaries in a Person whose principle business is a Permitted Business having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (p) that are at any one time outstanding (net of the amount of any distribution, dividends, payments or other returns in respect of such Investments), not to exceed the greater of (x) €20.0 million and (y) 2.0% of Consolidated Total Assets; *provided* that if an Investment is made pursuant to this clause (p) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under “—*Certain Covenants—Designation of Unrestricted and Restricted Subsidiaries*,” such Investment

shall thereafter be deemed to have been made pursuant to clause (c) of this definition and not this clause (p);

- (q) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (q) that are at any one time outstanding (net of the amount of any distributions, dividends, payments or other returns in respect of such Investments), not to exceed the greater of (x) €15.0 million and (y) 1.5% of Consolidated Total Assets; *provided* that if an Investment is made pursuant to this clause (q) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under “—*Certain Covenants—Designation of Unrestricted and Restricted Subsidiaries*,” such Investment shall thereafter be deemed to have been made pursuant to clause (c) of this definition and not this clause (q);
- (r) guarantees or similar security or credit support provided to special purpose entities that hold third party funds owed to clients of the Issuer or a Restricted Subsidiary in the ordinary course of business, or other parties (“**Third Party Funds**”) which Third Party Funds are managed or held in escrow by the Issuer or a Restricted Subsidiary; and
- (s) Investments in Shelf Companies in the ordinary course of business.

“**Permitted Liens**” means the following types of Liens:

- (a) Liens (other than Liens securing Debt under the Revolving Credit Facility or the Senior Notes or Senior Note Guarantees) existing as at the Issue Date;
- (b) Liens on assets or property of a Non-Guarantor Restricted Subsidiary securing Debt of any Non-Guarantor Restricted Subsidiary;
- (c) Liens on any property or assets of a Restricted Subsidiary granted in favor of the Issuer or any Restricted Subsidiary;
- (d) Liens on any of the Issuer’s or any Restricted Subsidiary’s property or assets securing the Notes or any Guarantee;
- (e) any interest or title of a lessor under any Capitalized Lease Obligation or operating lease and Liens to secure Debt (including Capitalized Lease Obligations) permitted by clause (g) of the definition of Permitted Debt covering only the assets acquired with such Debt;
- (f) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by the Issuer or any Restricted Subsidiary in the ordinary course of business;
- (g) statutory Liens of landlords and carriers, warehousemen, mechanics, suppliers, materialmen, repairmen, employees, pension plan administrators or other like Liens arising in the ordinary course of the Issuer’s or any Restricted Subsidiary’s business and with respect to amounts not yet delinquent or being contested in good faith by appropriate proceedings and for which a reserve or other appropriate provision, if any, as shall be required in conformity with IFRS shall have been made or Liens arising solely by virtue of any statutory or common law provisions relating to attorney’s liens or bankers’ liens, rights of set off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution;
- (h) Liens for taxes, assessments, government charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as shall be required in conformity with IFRS shall have been made;
- (i) Liens Incurred or pledges or deposits made to secure the performance of tenders, bids or trade or government contracts, or to secure leases, statutory or regulatory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature Incurred in the ordinary course of business (including letters of credit to secure the obligations described in this clause (i));
- (j) zoning restrictions, easements, licenses, reservations, title defects, rights of others for rights of way, utilities, sewers, electrical lines, telephone lines, telegraph wires, restrictions, encroachments and other similar charges, encumbrances or title defects that do not in the aggregate materially interfere

with in any material respect the ordinary conduct of the business of the Issuer and its Restricted Subsidiaries, taken as a whole;

- (k) Liens arising by reason of any judgment, decree or order of any court so long as such Lien is adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment, decree or order shall not have been finally terminated or the period within which such proceedings may be initiated shall not have expired;
- (l) Liens on property of, or on shares of Capital Stock or Debt of, any Person existing at the time such Person is acquired by, merged with or into or consolidated with, the Issuer or any Restricted Subsidiary; *provided* that such Liens do not extend to or cover any property or assets of the Issuer or any Restricted Subsidiary other than the property or assets acquired or than those of the Person that becomes a Restricted Subsidiary or is merged into or consolidated with the Issuer or Restricted Subsidiary;
- (m) Liens securing the Issuer's or any Restricted Subsidiary's obligations under Hedging Agreements permitted under clause (i) of the definition of Permitted Debt or any collateral for the Debt to which such Hedging Agreements relate;
- (n) Liens Incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security or other insurance;
- (o) Liens Incurred in connection with any cash management program established in the ordinary course of business for the Issuer's benefit or that of any Restricted Subsidiary in favor of a bank or trust company, including Liens securing or arising by reason of any cash pooling, netting or set-off arrangement, or daylight borrowing facilities in connection with customary cash management or cash pooling activities;
- (p) Liens encumbering deposits made to secure obligations arising from statutory, regulatory, contractual, or warranty requirements of the Issuer or any Restricted Subsidiary, including rights of offset and set off;
- (q) Liens securing Debt Incurred to refinance Debt that has been secured by a Lien permitted by the Indenture; *provided* that: (i) any such Lien shall not extend to or cover any assets not securing the Debt so refinanced (plus improvements and accessions to such property or proceeds or distributions thereof); and (ii) the Debt so refinanced shall not be increased to an amount greater than the sum of (x) the outstanding principal amount, or if greater, committed amount, of the Debt refinanced with such refinanced Debt and (y) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing;
- (r) purchase money Liens to finance acquisitions, improvements or construction of property or assets of the Issuer or any Restricted Subsidiary in the ordinary course of business; *provided* that: (i) the related Debt shall not exceed the cost of such property or assets and shall not be secured by any property or assets of the Issuer or any Restricted Subsidiary other than the property and assets so acquired; and (ii) the Lien securing such Debt shall be created within 90 days of any such acquisitions;
- (s) Liens Incurred in the ordinary course of business of the Issuer or any Restricted Subsidiary with respect to obligations that do not exceed €10.0 million at any one time outstanding;
- (t) filing of Uniform Commercial Code financing statements under U.S. state law (or similar filings under applicable jurisdiction) in connection with operating leases in the ordinary course of business;
- (u) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Debt;
- (v) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;
- (w) any condemnation or eminent domain actions or compulsory purchase orders regarding real property;
- (x) Liens (including put and call arrangements) on Capital Stock or other securities of any Unrestricted Subsidiary that secure Debt of such Unrestricted Subsidiary;

- (y) pledges of goods, the related documents of title and/or other related documents arising or created in the ordinary course of the Issuer or any Restricted Subsidiary's business or operations as Liens only for Debt to a bank or financial institution directly relating to the goods or documents on or over which the pledge exists;
- (z) Liens over cash paid into an escrow account pursuant to any purchase price retention arrangement as part of any permitted disposal by the Issuer or a Restricted Subsidiary;
- (aa) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries securing obligations of such joint ventures;
- (bb) Liens created on any asset of the Issuer or a Restricted Subsidiary established to hold assets of any stock option plan or any other management or employee benefit or incentive plan or unit trust of the Issuer or a Restricted Subsidiary securing any loan to finance the acquisition of such assets;
- (cc) Leases, licenses, subleases and sublicenses of assets (including real property and intellectual property rights) in each case entered into in the ordinary course of business;
- (dd) Liens over treasury stock of the Issuer or a Restricted Subsidiary purchased or otherwise acquired for value by the Issuer or such Restricted Subsidiary pursuant to a stock buy-back scheme or other similar plan or arrangement;
- (ee) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other Debt (or the underwriters or arrangers thereof) or on cash set aside at the time of the Incurrence of any Debt or government securities purchased with such, in either case to the extent such cash or government securities prefund the payment of interest on such Debt and are held in an escrow account or similar arrangement to be applied for such purpose;
- (ff) any extension, renewal or replacement, in whole or in part, of any Lien described in the foregoing clauses (a) through (ee); *provided* that any such extension, renewal or replacement shall be no more restrictive in any material respect than the Lien so extended, renewed or replaced and shall not extend in any material respect to any additional property or assets;
- (gg) Liens in respect of funds or assets held for clients (including Liens over bank accounts which are designated "client accounts" in connection with the royalties collection business of a Restricted Subsidiary) and any Liens Incurred in connection with a Restricted Subsidiary acting as a trustee, bare trustee, agent, nominee, custodian or fiduciary or in a similar capacity, in each case in the ordinary course of business;
- (hh) Liens imposed by law or regulation and any Liens arising under applicable law or regulation or imposed by a regulator, together with Liens arising under the applicability of the terms and conditions of the Dutch Banks' Association as applied by Dutch Banks;
- (ii) Liens over cash that secures cash collateralized obligations of Shelf Companies and Liens over Shelf Companies, in each case in the ordinary course of business; and
- (jj) Liens in respect of partly paid share capital of Subsidiaries of the Issuer.

"Permitted Payments to Holding Companies" means, without duplication as to amounts any payment of dividends, other distributions or other amounts or the making of loans or advances by the Issuer or any Restricted Subsidiary thereof to any Holding Company of the Issuer (which term for purposes of this definition shall include any Subsidiaries of any such Holding Company of the Issuer) for the purpose set forth below:

- (a) to pay accounting, legal, administrative and other general corporate and overhead expenses, any taxes and other fees and expenses required to maintain such Holding Company's corporate existence and to provide for other ordinary course operating costs, including customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of such Holding Company to pay fees and expenses Incurred in the ordinary course of business to auditors and legal advisors and to pay reasonable directors' fees and directors' and officers' liability insurance premiums and to reimburse reasonable out of pocket expenses of the Board of Directors of such Holding Company and to pay fees and expenses, as Incurred, of an offering of such Holding Company's securities or Debt, or of an acquisition, in each case, where the proceeds of such offering or such acquisition, as the case may be, was intended to be contributed to or combined with the Issuer or its Related Subsidiaries;

- (b) costs (including all professional fees and expenses) Incurred by any Holding Company of the Issuer in connection with reporting obligations under or otherwise Incurred in connection with compliance with applicable laws, rules or regulations of any governmental, regulatory or self-regulatory body or stock exchange, the indenture or any other agreement or instrument relating to Debt of the Issuer or any Restricted Subsidiary;
- (c) any income taxes, to the extent such income taxes are attributable to the income of the Issuer and its Restricted Subsidiaries and, to the extent of the amount actually received in cash from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent attributable to the income of such Unrestricted Subsidiaries; and
- (d) so long as no Default or Event of Default has occurred and is continuing, customary fees relating to transaction, management and consulting services related to the performance of transactions and customary fees for the performance of monitoring, such fees not to exceed €1.0 million in any calendar year (which unused amounts may be carried over in whole or in part, to any subsequent calendar).

“Permitted Refinancing Debt” means any renewals, extensions, substitutions, defeasances, discharges, refinancings or replacements (each, for purposes of this definition and clause (n) of the definition of Permitted Debt, a **“refinancing”**) of any Debt of the Issuer or a Restricted Subsidiary or pursuant to this definition, including any successive refinancings, as long as:

- (a) such Debt is in an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) not in excess of the sum of: (i) the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value plus all accrued interest) then outstanding of the Debt being refinanced; and (ii) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, related to such refinancing;
- (b) if the Debt being refinanced is Subordinated Debt, the Average Life of such Permitted Refinancing Debt is greater than or equal to the lesser of (i) the Average Life of the Debt being refinanced or (ii) the Average Life of the Notes; and
- (c) if the Debt being renewed, extended, substituted, defeased, discharged, refinanced or replaced is subordinated in right of payment to the Notes or the Guarantees (as applicable), such Permitted Refinancing Debt is subordinated in right of payment to, the Notes or the Guarantees (as applicable) on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Debt being renewed, extended, substituted, defeased, discharged, refinanced or replaced,

provided that Permitted Refinancing Debt will not include Debt of a Subsidiary that is not a Guarantor that refinances Debt of the Issuer or a Guarantor.

“Person” means any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Preferred Stock” means, with respect to any Person, Capital Stock of any class or classes (however designated) of such Person that is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over the Capital Stock of any other class of such Person, whether now outstanding or issued after the Issue Date and including, without limitation, all classes and series of preferred or preference stock of such Person.

“pro forma” means, with respect to any calculation made or required to be made pursuant to the terms of the Notes, a calculation made in good faith by the Issuer’s chief financial officer.

“Property” means, with respect to any Person, any interest of such Person in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including Capital Stock and other securities of, any other Person. For purposes of any calculation required pursuant to the Indenture, the value of any Property shall be its Fair Market Value.

“Qualified Capital Stock” of any Person means any and all Capital Stock of such Person other than Redeemable Capital Stock.

“Receivable” means a right to receive payment arising from a sale or lease of goods or provision of services by a Person pursuant to an arrangement with another Person pursuant to which such other Person is obliged to pay for goods or services under terms that permit the purchase of such goods and services on credit, as determined in accordance with IFRS.

“Redeemable Capital Stock” means any class or series of Capital Stock that, either by its terms, by the terms of any security into which it is convertible or exchangeable or by contract or otherwise, is, or upon the happening of an event or passage of time would be, required to be redeemed prior to the Stated Maturity of the Notes or is redeemable at the option of the holder thereof at any time prior to such final Stated Maturity (other than upon a change of control or asset sale in circumstances in which the Holders of the Notes would have similar rights), or is convertible into or exchangeable for debt securities at any time prior to such final Stated Maturity; *provided* that any Capital Stock that would constitute Qualified Capital Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of any “asset sale” or “change of control” occurring prior to the Stated Maturity of the Notes will not constitute Redeemable Capital Stock if the “asset sale” or “change of control” provisions applicable to such Capital Stock are not more favorable to the holders of such Capital Stock than the provisions contained in “*Certain Covenants—Limitation on Assets Sales*” and “*Certain Covenants—Change of Control*” and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such provision prior to the Issuer’s repurchase of such Notes as are required to be repurchased pursuant to “*—Certain Covenants—Limitation on Asset Sales*” and “*—Certain Covenants—Change of Control.*”

“Restricted Investment” means an investment other than a Permitted Investment.

“Restricted Subsidiary” means any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

“Revolving Credit Facility” means the revolving credit facility entered into on the Issue Date providing for up to €70.0 million in revolving loans, which loans will be secured by a first priority lien on the Collateral. See “*Description of Other Indebtedness—Revolving Credit Facility.*”

“Revolving Credit Facility Agreement” means that certain EUR 70,000,000 senior revolving facility agreement dated the Issue Date between, among others, TMF Orange Holding B.V. as the Parent, the Issuer as the Company, certain subsidiaries of the Issuer as original borrowers and original guarantors, the Mandated Lead Arrangers, the Security Trustee, the Facility Agent and the Lenders (each as defined therein).

“S&P” means Standard & Poor’s Ratings Group and its successors.

“Sale and Leaseback Transaction” means any arrangement providing for the leasing by the Issuer or any of its Restricted Subsidiaries of any real or tangible personal property, which property has been or is to be sold or transferred by the Issuer or such Restricted Subsidiary to a third Person in contemplation of such leasing.

“Securities Act” means the U.S. Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated by the Commission thereunder.

“Senior Debt” means any Debt of the Issuer or any Restricted Subsidiary that is not Subordinated Debt.

“Senior Notes” means the 9.875% Senior Notes due 2019, issued by the Issuer pursuant to the terms and conditions described in this Offering Memorandum.

“Senior Notes Indenture” means the indenture for the Senior Notes, as it may be amended, modified or supplemented from time to time.

“Senior Secured Debt” means, as of any date of determination, (1) the Notes and (2) any other Debt of the Issuer or a Restricted Subsidiary for borrowed money that is Senior Debt either (a) secured by a security interest in any portion of the Collateral or other assets of the Issuer or the Restricted Subsidiaries and/or (b) Incurred by a Non-Guarantor Restricted Subsidiary, other than Debt Incurred pursuant to clauses (e), (g), (h), (j), (k), (o), (p) and (q) of the definition of Permitted Debt.

“Shelf Company” means (x) any corporate entity organized or acquired by the Issuer or a Restricted Subsidiary in the ordinary course of business of incorporating, organizing, purchasing or selling shelf companies for clients, or (y) any Cash Box Company acquired in the ordinary course of business, or any nominee company, trust foundation or corporate entity established or acquired in the ordinary course of business which engages in activity substantially similar to that of an entity described in (x) or (y) above,

provided that the Issuer and any Restricted Subsidiary (i) are not directly or indirectly liable for the Debt of any such entity except as would not be prohibited under the covenant described under the heading “*Limitation on Debt*,” and (ii) do not provide a guarantee of, or similar credit support to, any Debt of such entity (including of any undertaking, agreement or instrument evidencing such Debt), except for in the case of entities described in (x) above, to the extent not prohibited under the covenants described under the headings “*Limitation on Restricted Payments*” and “*Limitation on Transactions with Affiliates*” covenants. “**Cash Box Company**” means a corporate entity the assets of which consist primarily of cash which is deposited with a bank or trust company to secure obligations in an amount no greater than such deposit owing by a Restricted Subsidiary that owns such corporate entity.

“**Significant Subsidiary**” means, at the date of determination, any Restricted Subsidiary that together with its Subsidiaries which are Restricted Subsidiaries (1) for the most recent fiscal year, accounted for more than 10% of the consolidated revenues of the Issuer or (2) as of the end of the most recent fiscal year, was the owner of more than 10% of the consolidated assets of the Issuer.

“**Stated Maturity**” means, when used with respect to any Note or any installment of interest thereon, the date specified in such Note as the fixed date on which the principal of such Note or such installment of interest, respectively, is due and payable, and, when used with respect to any other debt, means the date specified in the instrument governing such debt as the fixed date on which the principal of such debt, or any installment of interest thereon, is due and payable.

“**Sterling**” means the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

“**Subordinated Debt**” means Debt of the Issuer or any of the Guarantors that is subordinated in right of payment to the Notes or the Guarantees of such Guarantors, as the case may be. The Senior Notes will not be considered Subordinated Debt for purposes of the covenant described under “—*Certain Covenants—Limitation on Restricted Payments*.”

“**Subordinated Shareholder Funding**” means, collectively, any funds provided to the Issuer by (or any other debt obligations of the Issuer for borrowed money owed to) any Holding Company of the Issuer, any Affiliate of any such Holding Company, any Permitted Holder or any other holder of Capital Stock of any such Holding Company or any Affiliate thereof, in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Funding; *provided* that such Subordinated Shareholder Funding:

- (a) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Qualified Capital Stock or for any other security or instrument meeting the requirements of the definition);
- (b) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the maturity of the Notes;
- (c) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confers on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the maturity of the Notes;
- (d) is not secured by a Lien on any assets of the Issuer or a Restricted Subsidiary and is not guaranteed by any Subsidiary of the Issuer;
- (e) is subordinated in right of payment to the prior payment in full of the Notes in the event of any Default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Issuer and other restrictions, on payment and enforcement, in each case, on terms not materially less favorable to the Holders than the terms applicable to “Shareholder Liabilities” set forth in the Intercreditor Agreement;
- (f) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Notes or compliance by the Issuer with its obligations under the Notes and the Indenture;
- (g) does not (including upon the happening of an event) constitute Voting Stock; and

- (h) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder thereof; in whole or in part, prior to the date on which the Notes mature, other than into or for Qualified Capital Stock of the Issuer.

The shareholder loans and instruments between the Issuer and TMF Group HoldCo B.V. outstanding as of the Issue Date shall be deemed to be Subordinated Shareholder Funding for all purposes under the Indenture and, for purposes of paragraph (2) of the “*Limitation on Restricted Payments*” covenant, shall not be deemed to have been made or incurred after the Issue Date.

“**Subsidiary**” means, with respect to any Person:

- (a) a corporation a majority of whose Voting Stock is at the time, directly or indirectly, owned by such Person, by one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person;
- (b) whose financial statements are consolidated with those of such Person under IFRS; and
- (c) any other Person (other than a corporation), including, without limitation, a partnership, limited liability company, business trust or joint venture, in which such Person, one or more Subsidiaries of such Person or such Person and one or more Subsidiaries thereof, directly or indirectly, at the date of determination thereof, has at least majority ownership interest entitled to vote in the election of directors, managers or trustees thereof (or other Person performing similar functions).

Provided, however, that a Shelf Company shall not be considered a Subsidiary.

“**Unrestricted Subsidiary**” means:

- (a) any Subsidiary of the Issuer that at the time of determination is an Unrestricted Subsidiary (as designated by the Issuer’s Board of Directors pursuant to the “*Designation of Unrestricted and Restricted Subsidiaries*” covenant); and
- (b) any Subsidiary of an Unrestricted Subsidiary.

“**U.S. dollars**” means the lawful currency of the United States of America.

“**Voting Stock**” means any class or classes of Capital Stock pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the Board of Directors, managers or trustees (or Persons performing similar functions) of any Person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

“**Wholly Owned Restricted Subsidiary**” means any Restricted Subsidiary, all of the outstanding Capital Stock (other than directors’ qualifying shares or shares of Restricted Subsidiaries required to be owned by third parties pursuant to applicable law) of which are owned by the Issuer or by one or more other Wholly Owned Restricted Subsidiaries or by the Issuer and one or more other Wholly Owned Restricted Subsidiaries.

DESCRIPTION OF THE SENIOR NOTES

In this “Description of the Senior Notes,” the word “**Issuer**” refers only to TMF Group Holding B.V. and not to any of its Subsidiaries, except for the purposes of financial data determined on a consolidated basis. The definitions of certain other terms used in this description are set forth throughout the text or under “—*Certain Definitions.*”

In this Offering, the Issuer will issue, and the Guarantors will guarantee, €20.0 million aggregate principal amount of its 9.875% Fixed Rate Senior Notes due 2019 (the “**Additional Notes**”) under an indenture (the “**Indenture**”) among, *inter alios*, the Issuer, the Guarantors and U.S. Bank Trustees Limited, as trustee (the “**Trustee**”) pursuant to which the Issuer issued on December 7, 2012 €175 million aggregate principal amount of its Senior Notes due 2019 (the “**Original Notes**” and together with the Additional Notes, the “**Notes**”). The terms of the Notes include those set forth in the Indenture. The Notes will not be registered under the U.S. Securities Act of 1933 (the “**Securities Act**”) and will be subject to certain transfer restrictions. Unless the context requires otherwise, references in this “Description of the Senior Notes” include the Original Notes and the Additional Notes. The Original Notes and the Additional Notes will be treated as a single class for all purposes under the Indenture, including without limitation, waivers, amendments, redemptions and offers to purchase.

The following description is a summary of the material terms of the Indenture and refers to the Intercreditor Agreement. It does not, however, restate the Indenture or the Intercreditor Agreement in their entirety and, where reference is made to a particular provision of the Indenture or the Intercreditor Agreement, such reference, including the definitions of certain terms, is qualified in its entirety by reference to all of the provisions of the Notes, the Indenture and the Intercreditor Agreement. You should read the Indenture and the and the Intercreditor Agreement because they contain additional information and because they and not this description define your rights as a holder of the Notes. After the Notes have been issued, copies of the Indenture, the form of Note and the Intercreditor Agreement may be obtained by requesting it from the Issuer at the address indicated under the caption “*Listing and General Information.*”

Prior to the consummation of the Acquisition, we will not control the Target, and the Target will not be subject to the covenants described in this Description of the Notes. As such, we cannot assure you that prior to the Acquisition Closing Date the Target will not engage in activities that would otherwise have been prohibited by the Indenture had those covenants been applicable to such entities after the date of issuance of the Additional Notes and prior to the Acquisition Closing Date.

The Indenture, the Notes and the Guarantees are subject to the terms of the Intercreditor Agreement and any Additional Intercreditor Agreements entered into in the future. The terms of the Intercreditor Agreement are important to understanding the terms and ranking of the Notes and the Guarantees. See the section entitled “*Description of Other Indebtedness—Intercreditor Agreement*” for a summary of the material terms of the Intercreditor Agreement.

The Indenture will not be qualified under, or be subject to, the U.S. Trust Indenture Act of 1939, as amended (the “**TIA**”). Consequently, the Holders generally will not be entitled to the protections provided under such TIA to holders of debt securities issued under a qualified indenture, including those requiring the Trustee to resign in the event of certain conflicts of interest and to inform the Holders of certain relationships between it and the Issuer or the Guarantor.

The Issuer has made an application to list the Additional Notes on the Official List of the Luxembourg Stock Exchange and to admit the Additional Notes for trading on the Euro MTF Market. The Issuer can provide no assurance that this application will be accepted.

The registered holder of a Note will be treated as the owner of it for all purposes. Only registered holders will have rights under the Indenture.

Brief Description of the Structure and Ranking of the Notes, the Guarantees and the Security

The Notes

The Notes:

- (a) are the general obligations of the Issuer;
- (b) mature on December 1, 2019;

- (c) rank equally in right of payment with all of the Issuer's existing and future obligations that are not subordinated in right of payment to the Notes, including Debt Incurred under the Revolving Credit Facility and the Senior Secured Notes;
- (d) are senior in right of payment to any of the Issuer's existing and future Debt that is subordinated in right of payment to the Notes;
- (e) are effectively subordinated to any existing and future obligations of the Issuer that are secured by Liens senior to the Liens securing the Notes, or secured by property or assets that do not secure the Notes, to the extent of the value of property and assets securing such obligations;
- (f) are structurally subordinated to all existing and future obligations of Subsidiaries of the Issuer that do not provide Guarantees; and
- (g) are guaranteed on a senior subordinated basis by the Guarantors.

The Guarantees

The Notes are guaranteed by the Guarantors. Each Guarantee:

- (a) is a general subordinated obligation of the Guarantor that granted such Guarantee;
- (b) ranks equally in right of payment with all existing and future subordinated Debt of the applicable Guarantor that is not subordinated in right of payment to such Guarantee;
- (c) is effectively subordinated to any existing and future obligations of the applicable Guarantor that are secured by Liens to the extent of the value of property and assets securing such obligations;
- (d) is junior in right of payment to any and all of the applicable Guarantor's existing and future Senior Debt, including the guarantee of the Revolving Credit Facility and the Senior Secured Notes by the applicable Guarantor; and
- (e) is subject to the restrictions on enforcement as set forth in the Intercreditor Agreement and as described in the section entitled "*Description of Other Indebtedness—Intercreditor Agreement.*"

General

As of March 31, 2014, on a *pro forma* basis after giving effect to the Offering, but not the Acquisition, the Issuer and the Guarantors would have had total consolidated third-party debt (which excludes Subordinated Shareholder Funding) of €673.1 million. We would also have had €70.0 million available to draw under the Revolving Credit Facility. As indicated above and as discussed in detail below under the caption "*—Guarantees—Subordination and Limitations of the Guarantees,*" payments under the Guarantees will be subordinated to the payment of Senior Debt of the relevant Guarantor. The Indenture will permit the Issuer and the Guarantors to incur additional Senior Debt.

The operations of the Issuer are conducted through its Subsidiaries and, therefore, the Issuer depends on the cash flow of its Subsidiaries to meet its obligations, including its obligations under the Notes. The Notes are effectively subordinated in right of payment to all Debt and other liabilities and commitments (including trade payables and lease obligations) of the Issuer's Subsidiaries that are not Guarantors. Any right of the Issuer or any Guarantor to receive assets of any of its Subsidiaries upon the Subsidiary's liquidation or reorganization (and the consequent right of the Holders to participate in those assets) will be effectively subordinated to the claims of that Subsidiary's creditors, except to the extent that the Issuer or such Guarantor is itself recognized as a creditor of the Subsidiary, in which case the claims of the Issuer or such Guarantor would still be subordinate in right of payment to any security in the assets of the Subsidiary and any Debt of the Subsidiary senior to that held by the Issuer or such Guarantor. As of March 31, 2014, the Restricted Subsidiaries that are not Guarantors would have had €9.6 million of indebtedness and €65.9 million of trade payables and other liabilities outstanding, excluding the provisions, retirement benefit obligations and FIT liabilities. All of the Issuer's Subsidiaries are "Restricted Subsidiaries." However, under the circumstances described below under the caption "*—Certain Covenants—Designation of Unrestricted and Restricted Subsidiaries,*" the Issuer will be permitted to designate certain of its Subsidiaries as "*Unrestricted Subsidiaries.*" Unrestricted Subsidiaries of the Issuer will not be subject to many of the restrictive covenants in the Indenture. Further, Unrestricted Subsidiaries of the Issuer will not Guarantee the Notes.

Although the Indenture contains limitations on the amount of additional Debt that the Issuer, the Guarantors and the Restricted Subsidiaries that are not Guarantors (the “**Non-Guarantor Restricted Subsidiaries**”) may incur, the amount of such additional Debt could be substantial.

Principal, Maturity and Interest

The Notes will mature on December 1, 2019 unless redeemed prior thereto as described herein. The Issuer will issue the Notes in the aggregate principal amount of €20.0 million in this Offering. Subject to the covenant described under “—*Certain Covenants—Limitation on Debt*,” the Issuer is permitted to issue additional Notes under the Indenture from time to time after the Issue Date (the “**Subsequent Additional Notes**”). Any issuance of Subsequent Additional Notes is subject to the covenants in the Indenture. The Notes and any Subsequent Additional Notes that are issued will be treated as a single class for all purposes of the Indenture, including, without limitation, those with respect to waivers, amendments, redemptions and offers to purchase. Unless the context otherwise requires, references to the “**Notes**” for all purposes of the Indenture and in this “*Description of the Senior Notes*” include references to any Subsequent Additional Notes that are issued.

Interest on the Notes will accrue at the rate of 9.875% per annum. Interest on the Notes will be payable semi-annually in arrears on June 1 and December 1. Interest will be payable to Holders of record on each Note in respect of the principal amount thereof outstanding as at the immediately preceding May 15 or November 15, as the case may be.

Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. Interest on overdue principal and interest and Additional Amounts and premium if any, will accrue at a rate that is 1% higher than the then applicable interest rate on the Notes. In no event will the rate of interest on the Notes be higher than the maximum rate permitted by applicable law.

Form of Notes

The Additional Notes will be issued on August 5, 2014 only in fully registered form without coupons and only in denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Additional Notes will be initially in the form of one or more global notes (collectively, the “**Global Notes**”). The Global Notes will be deposited with a common depository for Euroclear and Clearstream or a nominee of such common depository. Ownership of interests in the Global Notes, referred to in this description as “**book-entry interests**,” will be limited to persons that have accounts with Euroclear or Clearstream or their respective participants. The terms of the Indenture provides for the issuance of definitive registered Notes in certain circumstances. See the section entitled “*Book-Entry, Delivery and Form*.”

Transfer

The Notes will be subject to certain restrictions on transfer and certification requirements, as described under “*Notice to Investors*.”

All transfers of book-entry interests between participants in Euroclear or Clearstream will be effected by Euroclear or Clearstream pursuant to customary procedures and subject to applicable rules and procedures established by Euroclear or Clearstream Banking and their respective participants. See the section entitled “*Book-Entry, Delivery and Form*.”

Subject to the restrictions on transfer referred to above, Notes issued as definitive registered Notes may be transferred or exchanged, in whole or in part, in minimum denominations of €100,000 in principal amount and integral multiples of €1,000 in excess thereof, to persons who take delivery thereof in the form of definitive registered Notes. In connection with any such transfer or exchange, the Indenture requires the transferring or exchanging Holder to, among other things, furnish appropriate endorsements and transfer documents, furnish information regarding the account of the transferee at Euroclear or Clearstream, where appropriate, furnish certain certificates and opinions and pay any taxes in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the Holder, other than any Taxes payable in connection with such transfer or exchange.

Notwithstanding the foregoing, the Issuer is not required to register the transfer of any definitive registered Notes:

- (a) for a period of 15 days prior to any date fixed for the redemption of the Notes;

- (b) for a period of 15 days immediately prior to the date fixed for selection of Notes to be redeemed in part;
- (c) for a period of 15 days prior to the record date with respect to any interest payment date;
- (d) which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Excess Proceeds Offer.

Payments on the Notes; Paying Agent and Registrar

The Issuer will make all payments, including principal of, premium, and Additional Amounts, if any, and interest on the Notes, at its office or through an agent in London, England that it will maintain for these purposes. Initially, that agent will be the office of the Principal Paying Agent. Elavon Financial Services Limited, UK Branch will act as the principal paying agent. The Issuer may change the paying agent without prior notice to the Holders. In addition, the Issuer or any of its Subsidiaries may act as paying agent in connection with the Notes other than for the purposes of effecting a redemption described under “—*Optional Redemption*” or an offer to purchase the Notes described under either of “—*Certain Covenants—Change of Control*” and “—*Certain Covenants—Limitation on Asset Sales*.” The Issuer will make all payments in same day funds. Payments on the Global Notes will be made to the common depositary as the registered Holder of the Global Notes.

The Issuer undertakes that it will maintain a paying agent in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to the European Council Directive 2003/48/EC (as amended from time to time) or any other directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such directive.

The Issuer maintains a registrar (the “**Registrar**”) with offices in Ireland. The Issuer also maintains a transfer agent in London. The Registrar is Elavon Financial Services Limited. The transfer agent is Elavon Financial Services Limited, UK Branch in London.

The Issuer may change the paying agents, the Registrar or the transfer agents without prior notice to the Holders. For so long as the Notes are listed on the official list of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market, the Issuer will publish a notice of any change of paying agent, Registrar or transfer agent in a newspaper having a general circulation in Luxembourg (which is currently expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by the rules and regulations of the Luxembourg Stock Exchange posted on the official website of the Luxembourg Stock Exchange at www.bourse.lu.

No service charge will be made for any registration of transfer, exchange or redemption of the Notes, but the Issuer may require payment of a sum sufficient to cover any transfer tax or similar governmental charge payable in connection with any such registration of transfer or exchange.

Guarantees

General

Under the Indenture, each Guarantor jointly and severally agrees to guarantee the due and punctual payment of all amounts payable under the Notes, including principal, premium, and Additional Amounts, if any, and interest payable under the Notes. The obligations of each Guarantor under its Guarantee are contractually limited to an amount not to exceed the maximum amount that can be guaranteed by such Guarantor by applicable law or without resulting in its obligations under its Guarantee being voidable or unenforceable under applicable laws relating to fraudulent transfer, or under similar laws affecting the rights of creditors generally. Each Guarantor that makes a payment or distribution under its Guarantee will be entitled to contribution from any other Guarantor. Each Guarantee is subordinated to the prior payment in full of all Senior Debt of that Guarantor.

Certain of the Restricted Subsidiaries organized in the Netherlands, Spain, the United Kingdom and the United States guaranteed the Notes on the Issue Date, and on June 4, 2013, TMF (B.V.I.) Ltd. guaranteed the Notes as a post-closing guarantor (collectively, the “**Guarantors**”).

We pledged the shares of Equity Trust Holdings S.à r.l and TMF Luxembourg Holding S.A. in the share capital of TMF Luxembourg S.A. (the “**Luxembourg Regulated Entity**”) to secure the Notes, the Revolving Credit Facility and certain hedging. The Guarantors, excluding the Luxembourg Regulated

Entity, represented 60.8% of the Issuer's consolidated Adjusted EBITDA for the twelve months ended March 31, 2014 and held 52.6% of the Issuer's consolidated assets as of March 31, 2014. The Luxembourg Regulated Entity, together with the Guarantors, represented 82.1% of the Issuer's consolidated Adjusted EBITDA for the twelve months ended March 31, 2014 and held 58.7% of the Issuer's consolidated assets as of March 31, 2014.

Release of the Guarantees

A Guarantee will be automatically and unconditionally released (and thereupon will terminate and be discharged and be of no further force and effect):

- (a) in connection with any sale or other disposition of all or substantially all of the assets of that Guarantor (including by way of merger, consolidation, amalgamation or combination) to a Person that is not (either before or after giving effect to such transaction) the Issuer or any Restricted Subsidiary, if the sale or other disposition is not prohibited by or does not otherwise violate the "Asset Sale" provisions of the Indenture;
- (b) in connection with any sale or other disposition of Capital Stock of that Guarantor to a Person that is not (either before or after giving effect to such transaction) the Issuer or any Restricted Subsidiary, if the sale or other disposition is not prohibited by or does not otherwise violate the covenant described under "*Limitation on Asset Sales*" and the Guarantor ceases to be a Restricted Subsidiary as a result of the sale or other disposition;
- (c) in connection with an enforcement sale pursuant to the terms of the Intercreditor Agreement or any Additional Intercreditor Agreement, or as otherwise provided for in the Intercreditor Agreement or any Additional Intercreditor Agreements (see "*Description of Other Indebtedness—Intercreditor Agreement*");
- (d) upon a Legal Defeasance, Covenant Defeasance or satisfaction and discharge of the Indenture that complies with the provisions under "*—Defeasance*" or "*—Satisfaction and Discharge*";
- (e) upon the designation by the Issuer of the Guarantor as an Unrestricted Subsidiary in compliance with the terms of the Indenture;
- (f) in the case of any Restricted Subsidiary that after the Issue Date is required to Guarantee the Notes pursuant to the covenant described under "*—Certain Covenants—Additional Guarantees*," upon the release or discharge of the guarantee of Debt by such Restricted Subsidiary that resulted in the obligation to Guarantee the Notes; *provided* that no Event of Default would arise as a result and such Restricted Subsidiary does not guarantee any other Debt of the Issuer or any Guarantor;
- (g) as a result of any transaction permitted under paragraph (2) or clause (ii) of the final paragraph under the covenant described under "*Certain Covenants—Merger, Consolidation or Sale of Assets*";
- (h) in the event that the continuing obligation of such Guarantor under its Guarantee or the continued existence of such Guarantee would, in the good faith determination of the Issuer, result in a violation of an applicable regulation or order of a regulator that cannot be avoided or otherwise prevented through measures reasonably available to the Issuer or such Guarantor, and provided that such Guarantor does not guarantee any other Debt of the Issuer or a Restricted Subsidiary; or
- (i) as described under "*—Amendments and Waivers*."

Upon any occurrence giving rise to a release of a Guarantee as specified above, the Trustee, subject to receipt of an Officer's Certificate from the Issuer, will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect of such Guarantee. Notwithstanding the foregoing, neither the consent nor the acknowledgement of the Trustee shall be necessary to affect any such release. Neither the Trustee, the Issuer nor any Guarantor will be required to make a notation on the Notes to reflect any such release, termination or discharge.

Subordination and Limitations under the Guarantees

Each of the Guarantees is a senior subordinated Guarantee, which means that, each such Guarantee ranks behind, and is expressly subordinated to, all the existing and future Senior Debt of the relevant Guarantor, including any obligations owed by the relevant Guarantor under the Revolving Credit Facility and under the Senior Secured Notes. The ability to take enforcement action against the Guarantors

under their Guarantees is subject to significant restrictions imposed by the Intercreditor Agreement and the terms of the Guarantees, and potentially any new intercreditor agreement with the holders of such Debt (or their duly authorized representatives) (an “**Additional Intercreditor Agreement**”) entered into after the Issue Date. For a description of the restrictions imposed by the Intercreditor Agreement, please see “*Description of Other Indebtedness—Intercreditor Agreement*.”

The obligations of each Guarantor under its Guarantee will be limited to an amount not to exceed the maximum amount that can be guaranteed by such Guarantor without resulting in its obligations under its Guarantee, as applicable, being voidable or unenforceable under applicable laws relating to fraudulent transfer or under similar laws affecting the rights of creditors generally, or the maximum amount otherwise permitted by law. In particular, each Guarantee will be limited as required to comply with corporate benefit, maintenance of capital and other laws applicable in the jurisdiction of the relevant Guarantor. By virtue of these limitations, a Guarantor’s obligations under its Guarantee could be significantly less than amounts payable in respect of the Senior Notes, or a Guarantor may have effectively no obligations under its Guarantee. Please see “*Limitations on Validity and Enforceability of the Guarantees and Security*.”

Because of the foregoing subordination and guarantee limitation provisions, it is likely that holders of Senior Debt and other creditors (including trade creditors) of a Guarantor would recover disproportionately more than the holders of the Notes recover in any insolvency or similar proceeding relating to such Guarantor. In any such case, there may be insufficient assets, or no assets, remaining to pay the principal of or interest on the Notes.

Intercreditor Agreement and Additional Intercreditor Agreements

The Indenture provides that the Issuer, each Guarantor and the Trustee was authorized (without any further consent of the Holders) to enter into the Intercreditor Agreement in favor of the lenders under the Revolving Credit Facility and holders of the Senior Secured Notes and any Additional Intercreditor Agreement. The Indenture provides that it is subject to the terms of such Intercreditor Agreement and Additional Intercreditor Agreement. For a description of the Intercreditor Agreement, see “*Description of Other Indebtedness—Intercreditor Agreement*.”

In addition, the Indenture provides that at the request of the Issuer, at the time of, or prior to, any Incurrence of Senior Debt that is permitted to be Incurred pursuant to the covenants described under the heading “—*Certain Covenants—Limitation on Debt*” and “—*Certain Covenants—Limitation on Liens*,” the Issuer, the relevant Restricted Subsidiaries and the Trustee may (without the consent of the Holders) amend the Intercreditor Agreement to reflect such additional Debt or enter into an Additional Intercreditor Agreement with the holders of such Debt (or their duly authorized representatives) on substantially the same terms as the Intercreditor Agreement, including with respect to subordination, payment blockage, limitation on enforcement and release of Guarantees and priority; *provided* that any amendment to the Intercreditor Agreement or any Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or adversely affect the rights, duties, liabilities or immunities of the Trustee under the Indenture or the Intercreditor Agreement as in effect on the Issue Date.

The Indenture also provides that, at the written direction of the Issuer and without the consent of the Holders, the Trustee shall from time to time enter into one or more amendments to the Intercreditor Agreement or any Additional Intercreditor Agreement to: (1) cure any ambiguity, omission, defect or inconsistency of any such agreement, (2) increase the amount or types of Debt covered by the Intercreditor Agreement or any such Additional Intercreditor Agreement that may be Incurred by the Issuer or its Restricted Subsidiaries that is subject to the Intercreditor Agreement or any such Additional Intercreditor Agreement, respectively; *provided* that such Debt is Incurred in compliance with the Indenture, (3) add Guarantors or other Restricted Subsidiaries to the Intercreditor Agreement or any Additional Intercreditor Agreement, (4) secure the Notes (including Subsequent Additional Notes), or (5) make any other change that does not adversely affect the Holders of Notes in any material respect. The Issuer shall not otherwise direct the Trustee to enter into any amendment to the Intercreditor Agreement or any Additional Intercreditor Agreement without the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding, except as otherwise permitted below under “—*Amendments and Waivers*” or as permitted by the terms of the Intercreditor Agreement or such Additional Intercreditor Agreement, as applicable, and the Issuer may only direct the Trustee to enter into any amendment to the extent such amendment does not impose any personal obligations on the

Trustee or, in the opinion of the Trustee, adversely affect their respective rights, duties, liabilities or immunities under the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement.

The Indenture also provides that each Holder, by accepting such Note, will be deemed to have:

- (a) appointed and authorized the Trustee to give effect to provisions in the Intercreditor Agreement and any Additional Intercreditor Agreement;
- (b) authorized the Trustee to become a party to any Additional Intercreditor Agreement;
- (c) agreed to be bound by the provisions of the Intercreditor Agreement and any Additional Intercreditor Agreement; and
- (d) irrevocably appointed the Trustee to act on its behalf to enter into and comply with the provisions of the Intercreditor Agreement and any Additional Intercreditor Agreement.

The Trustee shall not be required to seek the consent of any Holders to perform its obligations under and in accordance with this covenant.

Additional Amounts

All payments made under or with respect to the Notes or the Guarantees will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, levies, imposts, assessments or governmental charges of whatever nature imposed or levied by or on behalf of any jurisdiction in which the Issuer or any Guarantor is organized, engaged in business or resident for tax purposes, or from or through which payment on the Notes or Guarantees is made (including the jurisdiction of any paying agent) or any political subdivision or governmental authority thereof or therein having the power to tax (each, a “**Relevant Taxing Jurisdiction**”) and any interest, penalties and other liabilities with respect thereto (collectively, “**Taxes**”), unless such Taxes are required to be withheld or deducted from such payments by law or by the relevant taxing authority’s interpretation or administration thereof. In the event that any amount for or on account of any such Taxes is required to be withheld or deducted from any payment made under or with respect to the Notes or Guarantees, the Issuer or relevant Guarantor, as the case may be, will pay such additional amounts (“**Additional Amounts**”) as may be necessary so that the net amount received by each Holder or beneficial owner of the Notes after such withholding or deduction (including any withholding or deduction from such Additional Amounts) will be not less than the amount that such Holder or beneficial owner would have received if such Taxes had not been required to be withheld or deducted.

Notwithstanding the foregoing, neither the Issuer nor the Guarantor will pay Additional Amounts to a Holder or beneficial owner of any Note in respect or on account of:

- (a) any Taxes that are imposed or levied by a Relevant Taxing Jurisdiction by reason of the Holder’s or beneficial owner’s present or former connection with such Relevant Taxing Jurisdiction (including, but not limited to, citizenship, nationality, residence, domicile, or existence of a business, a permanent establishment, a dependent agent, a place of business or a place of management present or deemed present within the Relevant Taxing Jurisdiction) other than the mere receipt or holding of any Note or by reason of the receipt of payments thereunder or the exercise or enforcement of rights under such Note, Guarantee or the Indenture;
- (b) any Taxes that are imposed or withheld by reason of the failure of the eligible Holder or beneficial owner of any Note, prior to the relevant date on which a payment under and with respect to the Notes is due and payable (the “**Relevant Payment Date**”), to comply with the Issuer’s reasonable written request addressed to the Holder or beneficial owner at least 30 calendar days prior to the Relevant Payment Date, to provide accurate applicable information with respect to any certification, identification, information or other reporting requirements concerning nationality, residence, identity or connection with the Relevant Taxing Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Relevant Taxing Jurisdiction) which the Holder or such beneficial owner is legally required and entitled to provide, whether imposed by statute, treaty, regulation or administrative practice, in each such case by the Relevant Taxing Jurisdiction, as a precondition to exemption from, or reduction in the rate of deduction or withholding of, Taxes imposed by the Relevant Taxing Jurisdiction;
- (c) any estate, inheritance, gift, sales, transfer, personal property or similar Taxes;

- (d) any Tax that is payable other than by deduction or withholding from payments made under or with respect to any Note;
- (e) any Tax which would not have been so imposed but for the presentation for payment (where presentation is required in order to receive payment) by the Holder or beneficial owner of a Note on a date more than 30 days after the date on which such payment becomes due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the Holder or beneficial owner would have been entitled to such Additional Amounts on presenting the same for payment on any day (including the last day) within such 30-day period;
- (f) any withholding or deduction in respect of any Taxes where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to the European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meetings of November 26 and 27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such directive; or
- (g) any Taxes that are imposed on or with respect to a payment made to a Holder or beneficial owner of Notes who would have been able to avoid such withholding or deduction by presenting the relevant Note for a payment to another paying agent in a Member State of the European Union.

In addition, Additional Amounts will not be payable with respect to any Taxes that are imposed in respect of any combination of the above items.

The Issuer or relevant Guarantor will also make or cause to be made such withholding or deduction of Taxes required by law and will remit the full amount of Taxes so deducted or withheld to the relevant taxing authority in accordance with all applicable laws. The Issuer or the relevant Guarantor will use its reasonable efforts to obtain tax receipts from each such tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or relevant Guarantor will, upon request, make available to the Trustee, within 30 days after the date on which the payment of any Taxes so deducted or withheld is due pursuant to applicable law, copies of tax receipts evidencing such payment by the Issuer or relevant Guarantor or if, notwithstanding the Issuer's or relevant Guarantor's efforts to obtain such receipts, the same are not obtainable, other evidence reasonably satisfactory to the Trustee of such payment by the Issuer or relevant Guarantor. Upon reasonable request, copies of tax receipts or other evidence of payments, as the case may be, will be made available by the Trustee to the Holders or beneficial owners of the Notes.

At least 30 calendar days prior to each date on which any payment under or with respect to the Notes is due and payable, if the Issuer or a Guarantor will be obliged to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 45th day prior to the date on which payment under or with respect to the Notes is due and payable, in which case it will notify the Trustee promptly thereafter), the Issuer or relevant Guarantor will deliver to the Trustee an Officer's Certificate stating that such Additional Amounts will be payable and the amounts so payable and setting forth such other information as is necessary to enable the Paying Agent to pay such Additional Amounts to the Holders and beneficial owners on the payment date. The Issuer or relevant Guarantor will provide the Trustee with documentation satisfactory to the Trustee evidencing the payment of Additional Amounts. The Trustee shall be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary. The Issuer or relevant Guarantor will promptly publish a notice in accordance with the provisions set forth in "*—Notices*" stating that such Additional Amounts will be payable and describing the obligation to pay such amounts.

The Indenture further provides that if the Issuer or any Guarantor conducts business in any jurisdiction (an "**Additional Taxing Jurisdiction**") other than a Relevant Taxing Jurisdiction and, as a result, is required by the law of such Additional Taxing Jurisdiction to withhold or deduct any amount on account of the Taxes imposed by such Additional Taxing Jurisdiction from payment under the Notes or any Guarantee, as the case may be, which would not have been required to be so withheld or deducted but for such conduct of business in such Additional Taxing Jurisdiction, the Additional Amounts provision described above will be considered to apply as if references in such provision to "**Taxes**" included taxes imposed by way of withholding or deduction by any such Additional Taxing Jurisdiction (or any political subdivision thereof or therein).

In addition to the foregoing, the Issuer or the relevant Guarantor will pay (i) any present or future stamp, issue, registration, transfer, documentation, court, excise or property taxes or other similar taxes, charges and duties, including interest, penalties and Additional Amounts with respect thereto in respect

of the execution, issue, delivery, registration of, or receipt of payments with respect to, the Notes, the Indenture or the Guarantees, or any other document or instrument referred to thereunder (other than, in each case, on or in connection with a transfer of the Notes other than the initial resale of the Notes); and (ii) any such taxes, charges or duties imposed by any jurisdiction as a result of, or in connection with, the enforcement of the Notes, Guarantee, Indenture or any other such document or instrument following the occurrence of any Event of Default with respect to the Notes.

The foregoing provisions will survive any termination, defeasance or discharge of the Indenture and will apply *mutatis mutandis* to any Surviving Entity (as defined below) or successor person to the Issuer or any Guarantor.

Whenever in the Indenture, this Offering Memorandum or this “*Description of the Senior Notes*” there is mentioned, in any context, the payment of principal (and premiums, if any), Redemption Price, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee), such mention will be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are or would be payable in respect thereof.

Optional Redemption

Optional Redemption prior to December 1, 2015

At any time prior to December 1, 2015, upon not less than 30 nor more than 60 days’ notice, the Issuer may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes at a redemption price of 109.875% of their principal amount, plus accrued and unpaid interest, if any, to the redemption date, with the proceeds from one or more Equity Offerings. The Issuer may only do this, however, if:

- (a) at least 65% of the aggregate principal amount of Notes that were initially issued would remain outstanding immediately after the proposed redemption; and
- (b) the redemption occurs within 120 days after the closing of such Equity Offering.

At any time prior to December 1, 2015, upon not less than 30 nor more than 60 days’ notice, the Issuer may also redeem all or part of the Notes at a redemption price equal to 100% of the principal amount thereof plus the Applicable Redemption Premium and accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

Optional Redemption on or after December 1, 2015

At any time on or after December 1, 2015 and prior to maturity, upon not less than 30 nor more than 60 days’ notice, the Issuer may redeem all or part of the Notes. These redemptions will be in amounts of €100,000 or integral multiples of €1,000 in excess thereof at the following redemption prices (expressed as percentages of their principal amount at maturity), plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date, if redeemed during the 12-month period commencing on December 1 of the years set forth below.

<u>Year</u>	<u>Redemption Price</u>
2015	107.40625%
2016	104.93750%
2017	102.46875%
2018 and thereafter	100.00000%

Redemption upon Changes in Withholding Taxes

The Issuer may, at its option, redeem the Notes, in whole but not in part, at any time upon giving not less than 30 nor more than 60 days’ notice to the Holders (which notice will be irrevocable), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date and all Additional Amounts (as defined above under “—*Additional Amounts*”), if any, then due and which will become due on the date of redemption as a result of the redemption or otherwise, if the Issuer or any Guarantor is or, on the next date on which any amount

would be payable in respect of the Notes or Guarantees, would be obliged to pay Additional Amounts (but, in the case of any Guarantor, only if such amount cannot be paid by the Issuer or another Guarantor who can pay such amount without the obligation to pay Additional Amounts) which are more than a *de minimis* amount in respect of the Notes or Guarantees pursuant to the terms and conditions thereof, which the Issuer or relevant Guarantor cannot avoid by the use of reasonable measures available to it (including making payment through a paying agent located in another jurisdiction) as a result of:

- (a) any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of any Relevant Taxing Jurisdiction (as defined above under “—*Additional Amounts*”) affecting taxation which is publicly announced and becomes effective on or after the date of the Indenture or, if such Relevant Taxing Jurisdiction has become a Relevant Taxing Jurisdiction after the date of the Indenture, on or after the date on which such Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a successor person, on or after the date of assumption by the successor person of the Issuer’s or Guarantor’s obligations hereunder); or
- (b) any change in the official application, administration, or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction (including a holding, judgment or order by a court of competent jurisdiction) which is publicly announced and becomes effective on or after the date of the Indenture or, if such Relevant Taxing Jurisdiction has become a Relevant Taxing Jurisdiction after the date of the Indenture, on or after the date on which such Relevant Taxing Jurisdiction became a Relevant Taxing Jurisdiction under the Indenture (or, in the case of a successor person, on or after the date of assumption by the successor person of the Issuer’s or Guarantor’s obligations hereunder) (each of the foregoing clause (a) and this clause (b), a “**Change in Tax Law**”).

No right to redeem the Notes will result from a Change in Tax Law affecting payments by a successor person, unless the Change in Tax Law is publicly announced after the date that such entity first makes a payment on the Notes. In the case of Additional Amounts required to be paid as a result of the Issuer or a Guarantor conducting business in an Additional Taxing Jurisdiction (as defined above), the Change in Tax Law must be publicly announced after the date the Issuer or relevant Guarantor begins to conduct the business giving rise to the relevant withholding or deduction.

Notwithstanding the foregoing, no such notice of redemption will be given (a) earlier than 60 days prior to the earliest date on which the Issuer or relevant Guarantor would be obligated to make such payment of Additional Amounts if a payment in respect of the Notes or Guarantee were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts remains in effect.

Prior to the publication or, where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuer will deliver to the Trustee:

- (a) an Officer’s Certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to so redeem have occurred (including that such obligation to pay such Additional Amounts cannot be avoided by the Issuer or relevant Guarantor taking reasonable measures available to it); and
- (b) an opinion of independent tax counsel of recognized standing, qualified under the laws of the Relevant Taxing Jurisdiction and reasonably satisfactory to the Trustee to the effect that the Issuer or relevant Guarantor, as the case may be, is or would be obliged to pay such Additional Amounts as a result of the Change in Tax Law.

The Trustee will accept and shall be entitled to rely on such Officer’s Certificate and opinion of independent tax counsel as sufficient evidence of the existence and satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the Holders.

For the avoidance of doubt, the implementation of European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meetings of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such directive will not be a change or amendment for such purposes.

The foregoing provisions will apply *mutatis mutandis* to any successor person after such successor person becomes a party to the Indenture.

Selection and Notice of Optional Redemption

The Issuer will publish a notice of any optional redemption of the Notes described above in accordance with the provisions of the Indenture described under “—Notices.” The Issuer will inform the Luxembourg Stock Exchange of the principal amount of the Notes that have not been redeemed in connection with any optional redemption. If fewer than all the Notes are to be redeemed at any time, the Registrar will select the Notes by a method that complies with the requirements, as certified to the Trustee and the Registrar by the Issuer, of applicable law and the principal securities exchange, if any, on which the Notes are listed at such time or, if the Notes are not listed on a securities exchange, *pro rata* or by such other method as the Registrar in its sole discretion shall deem fair and appropriate; provided that no such partial redemption will reduce the portion of the principal amount of a Note not redeemed to less than €100,000.

In connection with any redemption of Notes (including with the proceeds from an Equity Offering), any such redemption may, at the Issuer’s discretion, be subject to one or more conditions precedent. Neither the Trustee nor the Registrar shall be liable for any selection made by the Registrar in accordance with this paragraph.

Mandatory Redemption; Offers to Purchase; Open Market Purchases

The Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, under certain circumstances, the Issuer may be required to offer to purchase the Notes as described under the captions “—Certain Covenants—Change of Control” and “—Certain Covenants—Limitation on Asset Sales.” The Issuer and the Restricted Subsidiaries may at any time and from time to time purchase Notes in the open market or otherwise.

Certain Covenants

The Indenture contains, among others, the following covenants.

Limitation on Debt

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, create, issue, incur, assume, guarantee or in any manner become directly or indirectly liable with respect to or otherwise become responsible for, contingently or otherwise, the payment of (individually and collectively, to “**Incur**” or, as appropriate, an “**Incurrence**”), any Debt (including any Acquired Debt); *provided* that the Issuer and any Restricted Subsidiary will be permitted to Incur Debt (including Acquired Debt) if at the time of such Incurrence and after giving effect to the Incurrence of such Debt and the application of the proceeds thereof, on a *pro forma* basis, the Consolidated Fixed Charge Coverage Ratio for the four full fiscal quarters for which financial statements are available immediately preceding the Incurrence of such Debt, taken as one period, would be greater than 2.0 to 1.0.
- (2) This “*Limitation on Debt*” covenant will not, however, prohibit the following (collectively, “**Permitted Debt**”):
 - (a) the Incurrence by the Issuer or any Guarantor of Debt under Credit Facilities in an aggregate principal amount at any one time outstanding not to exceed an amount equal to €70.0 million, *plus*, in the case of any refinancing of any Debt permitted under this clause (a) or any portion thereof, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses Incurred in connection with such refinancing;
 - (b) the Incurrence by the Issuer of Debt pursuant to the Notes (other than Subsequent Additional Notes) and the Incurrence by the Guarantors of Debt pursuant to the Guarantees (other than Guarantees of Subsequent Additional Notes);
 - (c) the Incurrence by the Issuer of Debt pursuant to the Senior Secured Notes and the Incurrence by the Guarantors of Debt pursuant to the guarantees of the Senior Secured Notes, in each case issued on the Issue Date;
 - (d) any Debt of the Issuer or any Restricted Subsidiary outstanding on the Issue Date after giving effect to the use of proceeds of the Original Notes and the Original Senior Secured Notes;

- (e) the Incurrence by the Issuer or any Restricted Subsidiary of intercompany Debt between the Issuer and any Restricted Subsidiary or between or among Restricted Subsidiaries; *provided* that:
- (i) if the Issuer or a Guarantor is the obligor on any such Debt and the lender of such debt is not the Issuer or a Guarantor, such Debt is (x) unsecured and (y) (except in respect of the intercompany current liabilities incurred in the ordinary course of business in connection with the cash management operations of the Issuer and its Restricted Subsidiaries) it is expressly subordinated in right of payment to the prior payment in full in cash (whether upon Stated Maturity, acceleration or otherwise) and the performance in full of its obligations under the Notes or its Guarantee, as the case may be; and
 - (ii) (x) any disposition, pledge or transfer of any such Debt to any Person (other than a disposition, pledge or transfer to the Issuer or a Restricted Subsidiary) and (y) any transaction pursuant to which any Restricted Subsidiary that has Debt owing to the Issuer or another Restricted Subsidiary ceases to be a Restricted Subsidiary, will, in each case, be deemed to be an Incurrence of such Debt not permitted by this clause (e);
- (f) the guarantee by the Issuer or any Restricted Subsidiary of Debt of the Issuer or any Restricted Subsidiary to the extent that the guaranteed Debt was permitted to be incurred by another provision of this covenant; *provided* that if the Debt being guaranteed is subordinated to or *pari passu* with the Notes or a Note Guarantee, then such guarantee must be subordinated or *pari passu*, as applicable, to the same extent as the Debt guaranteed;
- (g) the Incurrence by the Issuer or any Restricted Subsidiary of Debt represented by Capitalized Lease Obligations, mortgage financings, purchase money obligations or other Debt incurred for the purpose of financing all or any part of the purchase price, lease expense, rental payments or cost of design or cost of construction, installation, maintenance, upgrade or other improvement of property (real or personal or movable or immovable), or assets (including Capital Stock) used or usable in the Issuer's or any Restricted Subsidiary's business (including any reasonable related fees or expenses Incurred in connection with such acquisition or development) and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Restricted Subsidiary owning such Capital Stock or otherwise; *provided* that the principal amount of such Debt so Incurred when aggregated with other outstanding Debt then classified as Incurred in reliance on this clause (g) shall not in the aggregate exceed the greater of €10.0 million and 1.0% of Consolidated Total Assets, plus with respect to any Permitted Refinancing Debt in respect thereof, amounts of the type set forth in clause (a)(ii) of the definition of Permitted Refinancing Debt;
- (h) the Incurrence by the Issuer or any Restricted Subsidiary of Debt arising from agreements providing for guarantees, indemnities or obligations in respect of purchase price adjustments or earn-outs or other similar obligations in connection with the acquisition or disposition of assets, including, without limitation, shares of Capital Stock, other than guarantees or similar credit support given by the Issuer or any Restricted Subsidiary of Debt Incurred by any Person acquiring all or any portion of such assets for the purpose of financing such acquisition; provided that the maximum aggregate liability in respect of all such Debt permitted pursuant to this clause (h) will at no time exceed the gross proceeds, including non-cash proceeds (the Fair Market Value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value), actually received from the sale of such assets;
- (i) the Incurrence of Debt under Hedging Agreements not for speculative purposes;
- (j) Debt in respect of (a) self-insurance obligations, performance, indemnity, surety, judgment, appeal, advance payment, customs, VAT or other tax or other guarantees or other similar bonds, instruments or obligations and completion guarantees and warranties provided by the Issuer or a Restricted Subsidiary or relating to liabilities, obligations or guarantees Incurred in the ordinary course of business, (b) the discounting or factoring of Receivables for credit management purposes, (c) letters of credit, bankers' acceptances, guarantees or other similar instruments or obligations issued or relating to liabilities or obligations Incurred in the ordinary course of business, (d) the financing of insurance premiums in the ordinary course of business and (e) any customary cash management (including controlled disbursement services,

overdraft facilities, foreign exchange facilities, deposit and other accounts and merchant services), cash pooling, netting or setting off arrangements or daylight borrowing facilities in connection with customary cash management or cash pooling activities, in each case in the ordinary course of business;

- (k) the Incurrence by the Issuer or any Restricted Subsidiary of Debt arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently drawn against insufficient funds; provided that such Debt is extinguished within five Business Days of Incurrence;
- (l) Debt in an aggregate outstanding principal amount which, when taken together with any Permitted Refinancing Debt in respect thereof and the principal amount of all other Debt Incurred pursuant to this clause (l) and then outstanding, including all Debt incurred to renew, refund, refinance, replace, decrease or discharge any Debt incurred pursuant to this clause (l), will not exceed 100% of the Net Cash Proceeds received by the Issuer from the issuance or sale (other than to a Restricted Subsidiary) of its Subordinated Shareholder Funding or its Capital Stock (other than Redeemable Capital Stock or an Excluded Contribution) or otherwise contributed to the equity (other than through the issuance of Redeemable Capital Stock or an Excluded Contribution) of the Issuer, in each case, subsequent to the Issue Date; *provided, however*, that (i) any such Net Cash Proceeds that are so received or contributed shall be excluded for purposes of making Restricted Payments under the second paragraph and clauses (d) and (l) of the third paragraph of the covenant described below under “—*Limitation on Restricted Payments*” to the extent the Issuer and its Restricted Subsidiaries incur Debt in reliance thereon and (ii) any Net Cash Proceeds that are so received or contributed shall be excluded for purposes of Incurring Debt pursuant to this clause (l) to the extent the Issuer or any of its Restricted Subsidiaries makes a Restricted Payment under the second paragraph and clauses (d) and (l) of the third paragraph of the covenant described below under “—*Limitation on Restricted Payments*” in reliance thereon;
- (m) Debt of any Persons, businesses or groups of related assets that are acquired by the Issuer or any Restricted Subsidiary, which Debt is outstanding on the date on which such Persons, business or assets becomes a Restricted Subsidiary or are otherwise merged, consolidated, amalgamated or otherwise combined with the Issuer or any Restricted Subsidiary, and any Debt Incurred by such Person to finance the acquisition of such Person, business or assets or Debt Incurred by the Issuer or any Restricted Subsidiary to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which such Person became a Restricted Subsidiary or was otherwise acquired by the Issuer or a Restricted Subsidiary; *provided* that after giving effect to such acquisition or other transaction and after giving effect to the Incurrence of Debt pursuant to this clause (m) either (i) the Issuer would be permitted to Incur at least €1.00 of additional Debt pursuant to the Consolidated Fixed Charge Coverage Ratio set forth in paragraph (1) of this covenant, or (ii) the Consolidated Fixed Charge Coverage Ratio would not be less than it was immediately prior to such acquisition, merger or consolidation;
- (n) the Incurrence by the Issuer or any Restricted Subsidiary of Permitted Refinancing Debt in exchange for or the net proceeds of which are used to refund, replace or refinance Debt Incurred by it pursuant to, or described in, paragraph (1) and clauses 2(b), (c), (d), (m) and (n) of this “*Limitation on Debt*” covenant, as the case may be;
- (o) guarantees of any loans and advances to directors, officers or employees of the Issuer or any Restricted Subsidiary in an amount outstanding not to exceed at any one time €5.0 million;
- (p) take-or-pay obligations and customer deposits and advance payments received in the ordinary course of business from customers;
- (q) the Incurrence by the Issuer or any of its Restricted Subsidiaries of Debt consisting of promissory notes issued to any current or former employee, director or consultant of the Issuer, any of its Subsidiaries or any of its Holding Companies (or permitted transferees, assigns, estates, or heirs of such employee, director or consultant), to finance the purchase or redemption of Capital Stock of the Issuer or any of its Holding Companies permitted by clause 3(c) of the covenant described below under “—*Certain Covenants—Limitation on Restricted Payments*”;

- (r) the Incurrence by the Issuer or any Restricted Subsidiary of Debt to the extent the net proceeds thereof are promptly deposited to defease the Notes as described below under “—*Defeasance*” or “—*Satisfaction and Discharge*”; and
 - (s) the Incurrence by the Issuer or any Restricted Subsidiary of Debt (other than and in addition to Debt permitted under clauses (a) through (r) above) in an aggregate principal amount at any one time outstanding, including all Debt incurred to renew, refund, refinance, replace, defease or discharge any Debt Incurred pursuant to this clause (s), not to exceed the greater of €45.0 million and 4.5% of Consolidated Total Assets.
- (3) For purposes of determining compliance with this “*Limitation on Debt*” covenant, in the event that an item of Debt meets the criteria of more than one of the categories of Permitted Debt described in clauses (a) through (s) of paragraph (2) above, or is entitled to be Incurred pursuant to the paragraph (1) of this “*Limitation on Debt*” covenant, the Issuer will be permitted to classify such item of Debt on the date of its Incurrence in any manner that complies with this “*Limitation on Debt*” covenant. Debt under the Revolving Credit Facility outstanding on the Issue Date will initially be deemed to have been Incurred on such date in reliance on the exception provided by clause (a) of paragraph (2) above. In addition, any item of Debt initially classified as Incurred pursuant to one of the categories of Permitted Debt described in clauses (a) through (s) of paragraph (2) above, or is entitled to be Incurred pursuant to the paragraph (1) of this “*Limitation on Debt*” covenant, may later be reclassified by the Issuer such that it will be deemed as having been Incurred pursuant to any other applicable clause of paragraph (2) or paragraph (1) of this “*Limitation on Debt*” covenant to the extent that such reclassified Debt could be Incurred pursuant to such other clause of paragraph (2) or paragraph (1) of this “*Limitation on Debt*” covenant at the time of such reclassification.
- (4) For purposes of determining compliance with any restriction on the Incurrence of Debt in euros where Debt is denominated in a different currency, the amount of such Debt will be the Euro Equivalent determined on the date such Debt was Incurred (in the case of term Debt) or committed (in the case of revolving Debt), or the Issue Date, in the case of Debt outstanding as of the Issue Date; *provided* that if any such Debt denominated in a different currency is subject to a Hedging Agreement (with respect to euros) covering principal amounts payable on such Debt, the amount of such Debt expressed in euros will be adjusted to take into account the effect of such agreement. The principal amount of any Permitted Refinancing Debt Incurred in the same currency as the Debt being refinanced will be the Euro Equivalent of the Debt being refinanced determined on the date such Debt being refinanced was initially Incurred. If any Debt is incurred to refinance any Debt denominated in a currency other than euro, and such refinancing would cause the applicable euro denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such euro-denominated restriction will be deemed to not have been exceeded so long as the amount of such Permitted Refinancing Debt does not exceed the amount set forth in clause (a) of the definition of Permitted Refinancing Debt. Notwithstanding any other provision of this “*Limitation on Debt*” covenant, for purposes of determining compliance with this “*Limitation on Debt*” covenant, increases in Debt solely due to fluctuations in the exchange rates of currencies will not be deemed to exceed the maximum amount that the Issuer or a Restricted Subsidiary may Incur under the “*Limitation on Debt*” covenant.
- (5) For purposes of determining any particular amount of Debt under the “*Limitation on Debt*” covenant:
- (a) obligations in the form of letters of credit, guarantees or Liens, in each case supporting Debt otherwise included in the determination of such particular amount;
 - (b) any Liens granted pursuant to the equal and ratable provisions referred to in the “*Limitation on Liens*” covenant; and
 - (c) accrual of interest, accrual of dividends, the accretion or amortization of original issue discount or of accreted value, the obligation to pay commitment fees and the payment of interest or dividends in the form of additional Debt,

will not, in any case, be treated as Debt, and with respect to obligations in respect of letters of credit, bankers’ acceptance or other similar instruments Incurred pursuant to any Credit Facility that are being treated as Incurred pursuant to clause (a) of the definition of Permitted Debt and such letters of credit, bankers’ acceptance or other similar instruments relate to other Debt of the Issuer or any

Restricted Subsidiary, such other Debt shall not be included for purposes of determining any particular Incurrence as Debt under the “*Limitation on Debt*” covenant.

Limitation on Restricted Payments

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, take any of the following actions (each of which is a “**Restricted Payment**” and which are collectively referred to as “**Restricted Payments**”):
- (a) declare or pay any dividend on or make any distribution (whether made in cash, securities or other property) with respect to any of the Issuer’s or any Restricted Subsidiary’s Capital Stock (including, without limitation, any payment in connection with any merger or consolidation involving the Issuer or any Restricted Subsidiary) (other than to the Issuer or any Wholly Owned Restricted Subsidiary) except for dividends or distributions payable solely in the Issuer’s Qualified Capital Stock;
 - (b) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger or consolidation), directly or indirectly, any of the Issuer’s Capital Stock or any Capital Stock of any direct or indirect Holding Company of the Issuer held by persons other than the Issuer or a Restricted Subsidiary;
 - (c) make any principal payment on, or repurchase, redeem, defease or otherwise acquire or retire any Subordinated Debt (other than intercompany Debt between the Issuer and any Restricted Subsidiary or among Restricted Subsidiaries) for value, other than (i) any principal payment, sinking fund payment or Scheduled Maturity paid on the scheduled due date or (ii) any purchase, repurchase or other acquisition of Debt in satisfaction of a principal payment, sinking fund payment or Stated Maturity due within one year of the date of such purchase, repurchase or other acquisition;
 - (d) make any principal or interest payment on, or repurchase, redeem, defease or otherwise acquire or retire any Subordinated Shareholder Funding (other than the payment of interest in the form of additional Subordinated Shareholder Funding); or
 - (e) make any Investment (other than any Permitted Investment) in any Person.

If any Restricted Payment described above is not made in cash, the amount of the proposed Restricted Payment will be the Fair Market Value of the asset to be transferred as at the date of transfer.

- (2) Notwithstanding paragraph (1) above, the Issuer or any Restricted Subsidiary may make a Restricted Payment if, at the time of and after giving pro forma effect to such proposed Restricted Payment:
- (a) no Default or Event of Default has occurred and is continuing;
 - (b) the Issuer could Incur at least €1.00 of additional Debt pursuant to the Consolidated Fixed Charge Coverage Ratio set forth in paragraph (1) of the “*Limitation on Debt*” covenant; and
 - (c) such Restricted Payment, together with the aggregate amount of all Restricted Payments declared or made after the Issue Date (excluding Restricted Payments permitted by paragraph (3) below other than clauses (a), (j) and (p)), is less than the sum of, without duplication:
 - (i) 50% of aggregate Consolidated Net Income on a cumulative basis during the period beginning on the first day of the fiscal quarter in which the Original Notes were issued and ending on the last day of the Issuer’s last fiscal quarter ending prior to the date of such proposed Restricted Payment (or, if such aggregate cumulative Consolidated Net Income shall be a negative number, minus 100% of such negative amount); *plus*
 - (ii) 100% of the aggregate proceeds and the Fair Market Value of marketable securities or other assets received by the Issuer after the Issue Date as equity capital contributions, Subordinated Shareholder Funding or from the issuance or sale (other than to any Subsidiary) after the Issue Date of shares of the Issuer’s Qualified Capital Stock or warrants, options or rights to purchase shares of the Issuer’s Qualified Capital Stock (except, in each case to the extent such proceeds are used to purchase, redeem or

otherwise retire Capital Stock, Subordinated Shareholder Funding or Subordinated Debt as set forth in clause (d) of paragraph (3) below) (excluding Excluded Contributions); *plus*

- (iii) (x) 100% of the amount by which the Issuer's Debt or Debt of any Restricted Subsidiary (to the extent such Debt is incurred after the Issue Date) is reduced on the Issuer's consolidated balance sheet after the Issue Date upon the conversion or exchange (other than by a Subsidiary) of such Debt into the Issuer's Qualified Capital Stock and (y) 100% of the aggregate proceeds received after the Issue Date by the Issuer from the issuance or sale (other than to any Subsidiary) of Redeemable Capital Stock that has been converted into or exchanged for the Issuer's Qualified Capital Stock, together with, in the case of both clauses (x) and (y) of this clause (iii), the aggregate proceeds and the Fair Market Value of marketable securities and other assets received by the Issuer at the time of such conversion or exchange (excluding Excluded Contributions); *plus*
 - (iv) in the case of the disposition of any Unrestricted Subsidiary or the disposition or repayment of any Investment constituting a Restricted Payment made after the Issue Date, an amount (to the extent not included in Consolidated Net Income) equal to the Fair Market Value of such Unrestricted Subsidiary or Investment, excluding the amount of any Investment in such Unrestricted Subsidiary that constituted a Permitted Investment made pursuant to clauses (p) or (q) of the definition of Permitted Investment or that was made pursuant to clause (o) of paragraph (3) below; *plus*
 - (v) upon the full and unconditional release of a Restricted Investment that is a guarantee made by the Issuer or a Restricted Subsidiary to any Person, an amount equal to the amount of such guarantee, excluding the amount of any such Investment in such Unrestricted Subsidiary that constituted a Permitted Investment made pursuant to clauses (p) or (q) of the definition of Permitted Investment or that was made pursuant to clause (o) of paragraph (3) below; *plus*
 - (vi) in the case of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary or all of the assets of such Unrestricted Subsidiary are transferred to the Issuer or a Restricted Subsidiary, or the Unrestricted Subsidiary is merged or consolidated into the Issuer or a Restricted Subsidiary, such amount received in cash and the Fair Market Value of any property or marketable securities received by the Issuer or any Restricted Subsidiary in respect of such redesignation, merger, consolidation or transfer of assets, excluding the amount of any Investment in such Unrestricted Subsidiary that constituted a Permitted Investment made pursuant to clauses (p) or (q) of the definition of Permitted Investment or that was made pursuant to clause (o) of paragraph (3) below; *plus*
 - (vii) 100% of any dividends or distributions received by the Issuer or a Restricted Subsidiary after the Issue Date from an Unrestricted Subsidiary, to the extent that such dividends or distributions were not otherwise included in the Consolidated Net Income of the Issuer for such period.
- (3) Notwithstanding paragraphs (1) and (2) above, the Issuer and any Restricted Subsidiary may take the following actions:
- (a) the payment of any dividend or consummation of any redemption within 60 days after the date of its declaration or giving of such redemption notice if at such date of its declaration such payment or redemption would have been permitted by the provisions of this "*Limitation on Restricted Payments*" covenant;
 - (b) cash payments in lieu of issuing fractional shares pursuant to the exchange or conversion of any exchangeable or convertible securities;
 - (c) the repurchase, redemption or other acquisition or retirement for value of any Capital Stock of the Issuer or any Restricted Subsidiary of the Issuer held by any current or former officer, director or employee of the Issuer or any of its Restricted Subsidiaries or Holding Company pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement; *provided* that the aggregate price paid for all such repurchased, redeemed, acquired or retired Capital Stock may not exceed €2.0 million in any calendar year (with unused amounts being carried over to succeeding calendar years, subject to a maximum unused amount of €5.0 million in the aggregate); and *provided, further*, that such

amount may be increased in any period by an amount not to exceed the proceeds from the sale of Capital Stock by the Issuer or a Restricted Subsidiary (other than an Excluded Contribution) received by the Issuer or a Restricted Subsidiary during such calendar year, in each case to members of management, directors or consultants of the Issuer, any of its Restricted Subsidiaries or any of its Permitted Holders plus the cash proceeds of any key man life insurance policies held by the Issuer or any of its Restricted Subsidiaries received after the Issue Date, in each case to the extent the proceeds have not otherwise been applied to the making of Restricted Payments pursuant to this clause, clause (d) below or clause (c)(ii) of paragraph (a) above;

- (d) the repurchase, redemption or other acquisition or retirement for value of any shares of the Issuer's Capital Stock or the payment of or the repurchase, redemption or other defeasance or retirement for value or payment of principal or interest of any Subordinated Debt or Subordinated Shareholder Funding, or the payment of dividends in exchange for (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares or scrip), out of the proceeds of a substantially concurrent issuance and sale (other than to a Subsidiary) of, or substantially concurrent contribution (other than an Excluded Contribution) in respect of, shares of the Issuer's Qualified Capital Stock or substantially concurrent issuance and sale of Subordinated Shareholder Funding, in each case to the extent the proceeds have not otherwise been applied to pursuant to clause (c)(ii) of paragraph (a) above; and the substantially concurrent repurchase, redemption or other acquisition or retirement for value of any Subordinated Debt in exchange for, or out of the proceeds of an Incurrence (other than to a Subsidiary) of, Permitted Refinancing Debt;
- (e) the declaration or payment of any dividend to all holders Capital Stock of a Restricted Subsidiary on a *pro rata* basis or on a basis that results in the receipt by the Issuer or a Restricted Subsidiary of dividends or distributions of greater value than the Issuer or such Restricted Subsidiary would receive on a *pro rata* basis;
- (f) the repurchase of Capital Stock deemed to occur upon the exercise of stock options, warrants or other convertible securities with respect to which payment of the cash exercise price has been forgiven if the cumulative aggregate value of such deemed repurchases does not exceed the cumulative aggregate amount of the exercise price of such convertible securities received;
- (g) the declaration and payment of dividends to holders of any class or series of Redeemable Capital Stock or, in the case of a Restricted Subsidiary, Preferred Stock, in each case issued in accordance with the "*Limitation on Debt*" covenant;
- (h) Permitted Payments to Holding Companies;
- (i) payments pursuant to any tax sharing agreement or arrangement among the Issuer and its Restricted Subsidiaries and other Persons with which the Issuer or any of its Restricted Subsidiaries is required or permitted to file a consolidated tax return or with which the Issuer or any Restricted Subsidiary is a part of a group for tax purposes; *provided, however*, that such payments will not exceed the amount of tax that the Issuer and its Subsidiaries would owe on a stand-alone basis and the related tax liabilities of the Issuer and its Subsidiaries are relieved thereby;
- (j) so long as no Default or Event of Default has occurred and is continuing, following an Initial Public Offering after the Issue Date, the payment of dividends on the Issuer's common stock (or the payment of dividends to a Holding Company to fund the payment by such Holding Company of dividends of such Holding Company's common stock) or payments made with respect to Subordinated Shareholder Funding not to exceed in any fiscal year the greater of (i) 6% per annum of the aggregate proceeds of such Initial Public Offering and any subsequent Equity Offering received by, and in the case of an Initial Public Offering or subsequent Equity Offering of such Holding Company, contributed to the common equity capital of, the Issuer, except to the extent that such proceeds are designated as constituting an Excluded Contribution, and (ii) 5% of the Market Capitalization, provided that in the case of clause (ii) the Consolidated Leverage Ratio is equal to or less than 4.0 to 1.0;
- (k) the repurchase, redemption, acquisition or retirement or making of any other payments with respect to Subordinated Debt of the Issuer or any Restricted Subsidiary (i) with any Excess

Proceeds remaining after the consummation of an Excess Proceeds Offer pursuant to the covenant described under the caption “—*Limitation on Asset Sales*,” at a purchase price not greater than 100% of the principal amount of such Subordinated Debt plus accrued and unpaid interest (ii) following a Change of Control pursuant to provisions similar to those described under “—*Change of Control*” but only (X) if required, if the Issuer shall have complied with the terms of the covenant described above under the heading “—*Change of Control*” and purchased all Notes tendered pursuant to the offer to repurchase all of the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Debt and (Y) at a purchase price not greater than 101% of the principal amount of such Subordinated Debt plus accrued and unpaid interest or (iii) that is Acquired Debt (other than Acquired Debt Incurred in connection with the acquisition of a Person resulting in such Person becoming or being acquired by the Issuer or a Restricted Subsidiary);

- (l) Restricted Payments that are made with Excluded Contributions;
- (m) the distribution, as a dividend or otherwise, of shares of Capital Stock of, or Debt owed to the Issuer or any of its Restricted Subsidiaries by, Unrestricted Subsidiaries;
- (n) any Restricted Payment permitted under clause (i), (iv), (v) and (x) of paragraph (2) of the covenant described under “—*Limitation on Transactions with Affiliates*”;
- (o) so long as no Default or Event of Default has occurred and is continuing, any other Restricted Payment; *provided* that the total aggregate amount of Restricted Payments outstanding under this clause (o) does not exceed €35.0 million; or
- (p) so long as no Default or Event of Default has occurred and is continuing, any other Restricted Payment so long as after giving effect to such Restricted Payment on a *pro forma* basis, the Consolidated Leverage Ratio of the Issuer, is less than 3.5 to 1.0.

The amount of all Restricted Payments (other than cash) will be the Fair Market Value on the date of the Restricted Payment of the asset(s) or securities proposed to be transferred or issued by the Issuer or the Restricted Subsidiary, as the case may be, pursuant to the Restricted Payment.

The indenture does not treat (1) unsecured Debt as subordinated or junior to secured Debt merely because it is unsecured or (2) senior Debt as subordinated or junior to any other senior Debt merely because it has a junior priority with respect to the same collateral or is secured by different collateral.

Limitation on Layered Debt

- (1) The Issuer will not Incur any Debt (including Permitted Debt) that is contractually subordinated in right of payment to any other Debt of the Issuer unless such Debt is also contractually subordinated in right of payment to the Notes on substantially identical terms; and
- (2) No Guarantor will Incur any Debt (including Permitted Debt) that is contractually subordinated in right of payment to any other Debt of such Guarantor unless such Debt is also *pari passu* with, or contractually subordinated in right of payment to, such Guarantor’s Guarantee on substantially identical terms,

provided, however, that no Debt will be deemed to be contractually subordinated in right of payment to any other Debt of the Issuer or any Guarantor solely by virtue of being unsecured or by virtue of being secured on a first or junior Lien basis.

Limitation on Transactions with Affiliates

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into any transaction or series of related transactions (including, without limitation, the sale, purchase, exchange or lease of assets or property or the rendering of any service), with any Affiliate of the Issuer or any other Restricted Subsidiary having a value greater than €2.5 million unless such transaction or series of transactions is entered into in good faith and:
 - (a) such transaction or series of transactions is on terms that, taken as a whole, are not materially less favorable to the Issuer or such Restricted Subsidiary, as the case may be, than those that could have been obtained in a comparable arm’s length transaction with third parties that are not Affiliates;

- (b) with respect to any transaction or series of related transactions involving aggregate payments or the transfer of assets or the provision of services, in each case having a value greater than €10.0 million, such transaction or transactions have been approved by a majority of the Disinterested Members, if any, of the Board of Directors resolving that such transaction complies with clause (a) above; and
 - (c) with respect to any transaction or series of related transactions involving aggregate payments or the transfer of assets or the provision of services, in each case having a value greater than €30.0 million, the Issuer will deliver to the Trustee a written opinion of an Independent Financial Advisor stating that the transaction or series of transactions is (x) fair to the Issuer or such Restricted Subsidiary from a financial point of view, taking account of all relevant circumstances or (y) on terms not less favorable than might have been obtained in a comparable transaction at such time on an arm's length basis from a Person who is not an Affiliate.
- (2) Notwithstanding the foregoing, the restrictions set forth in this description will not apply to:
- (i) any directors' fees and similar arrangements (including the payment of directors' and officers' insurance premiums), consulting fees, employee compensation, collective bargaining or similar arrangements, employee and director bonuses, employment or consulting agreements and arrangements or employee benefit arrangements, including stock options, stock appreciation rights or similar equity or equity-like incentives or legal fees entered into in the ordinary course of business, and indemnification provided to, and the payment of reasonable and customary fees and reimbursements of expenses of, officers, directors, employees or consultants of the Issuer or any of its Restricted Subsidiaries;
 - (ii) any Permitted Investment (other than pursuant to clauses (c), (i) (to the extent such guarantee, keepwell or similar arrangement is in respect of Debt of a Person that is not the Issuer or a Restricted Subsidiary), (p) or (q) of the definition thereof) or any Restricted Payment not prohibited by the "*Limitation on Restricted Payments*" covenant;
 - (iii) loans and advances to officers, directors and employees (or any amendment or transaction with respect thereto), in each case (X) in the ordinary course of business or consistent with past practices, (Y) to fund such Person's purchase of Capital Stock of the Issuer or any direct or indirect Holding Company thereof, if the proceeds of any such loans to purchase Capital Stock under this clause (iii) are either received by the Issuer or contributed by such Holding Company of the Issuer and are excluded from the calculation under clause (ii) of paragraph (2) of "*Certain Covenants—Limitation on Restricted Payments*" above except to the extent such loans are actually repaid or (Z) otherwise in an aggregate amount not to exceed €5.0 million outstanding at any one time under this clause (iii);
 - (iv) agreements and arrangements existing on the Issue Date (including the agreements and arrangements described under the caption "*Relationships and Transactions with Related Parties*") and any amendment, modification, extension or supplement thereto; *provided* that any such amendment, modification, extension or supplement to the terms thereof, taken as a whole, is not materially more disadvantageous to the Holders and to the Issuer and the Restricted Subsidiaries, as applicable than the original agreement or arrangement as in effect on the Issue Date;
 - (v) the issuance of securities pursuant to, or for the purpose of the funding of, employment arrangements, stock options and stock ownership plans, as long as the terms thereof are or have been previously approved by the Issuer's Board of Directors;
 - (vi) the granting and performance of registration or similar rights for the Issuer's securities;
 - (vii) transactions between or among the Issuer and the Restricted Subsidiaries or between or among Restricted Subsidiaries or any Person (other than an Unrestricted Subsidiary) that is an affiliate of the Issuer solely because the Issuer owns, directly or indirectly through a Restricted Subsidiary, Capital Stock of, or controls, such person;
 - (viii) (a) any issuance of Capital Stock (other than Redeemable Capital Stock) of the Issuer or any Incurrence of or amendment to any Subordinated Shareholder Funding, and (b) the existence of, or the performance by the Issuer or any of its Restricted Subsidiaries of its obligations under the terms of, any stockholders agreement (including any purchase agreement relating thereto);

- (ix) transactions with customers, clients, suppliers or purchasers or sellers of goods or services or providers of employees or other labor or joint venture partners, in each case in the ordinary course of business and otherwise in compliance with the terms of the Indenture that are fair to the Issuer or the Restricted Subsidiaries in the reasonable determination of members of the Board of Directors of the Issuer or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person;
- (x) Permitted Payments to Holding Companies and payments by the Issuer or any Restricted Subsidiaries to the Permitted Holders for any customary financial advisory, financing, underwriting or placement services or in respect of other investing banking activities, including without limitation in connection with acquisitions or divestitures or any indemnification payments made as a result thereof, which payments are approved by a majority of the Board of Directors in good faith;
- (xi) any purchases by the Issuer's Affiliates of Debt or Redeemable Capital Stock of the Issuer or any of its Restricted Subsidiaries the majority of which Debt or Redeemable Capital Stock is purchased by Persons who are not the Issuer's Affiliates; *provided* that such purchases by the Issuer's Affiliates are on the same terms as such purchases by such Persons who are not the Issuer's Affiliates;
- (xii) payments pursuant to the tax sharing arrangements permitted under paragraph 3(i) under the heading "*—Limitation on Restricted Payments*" (without duplication of any such payments);
- (xiii) transactions in the ordinary course of business with Shelf Companies; and
- (xiv) transactions in which the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee a letter from an Independent Financial Advisor stating that such transaction is fair to the Issuer or such Restricted Subsidiary from a financial point of view or meets the requirements of clause (a) of paragraph (1) above.

Limitation on Liens

The Issuer will not and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, create, incur, assume or otherwise cause or suffer to exist or become effective any Lien of any kind securing Debt upon any of their property or assets, now owned or hereafter acquired (other than Permitted Liens), except (a) in the case of any Lien securing Subordinated Debt, the Issuer's obligations in respect of the Notes (or the Guarantees in the case of Liens securing Subordinated Debt of the Guarantors) are directly secured by a Lien on such property, assets or proceeds that is senior in priority to the Lien securing the Subordinated Debt until such time as the Subordinated Debt is no longer secured by a Lien; and (b) in the case of any other Lien, the Issuer's obligations in respect of the Notes (or the Guarantees in the case of Liens securing Debt of the Guarantors), and all other amounts due under the Indenture are equally and ratably secured with the obligation or liability secured by such Lien until such time as such obligations are no longer secured by a Lien.

Any Lien created for the benefit of the Holders pursuant to this covenant will provide by its terms that such Lien will be automatically and unconditionally released and discharged upon the release and discharge of the Initial Lien other than as a consequence of an enforcement action with respect to the assets subject to such Lien.

Change of Control

- (1) If a Change of Control occurs at any time, then the Issuer will make an offer (a "**Change of Control Offer**") to each Holder of Notes to purchase such Holder's Notes, in whole or in part, in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof at a purchase price (the "**Change of Control Purchase Price**") in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest, if any, to the date of purchase (the "**Change of Control Purchase Date**").

- (2) Within 30 days following any Change of Control, the Issuer will:
- (a) cause a notice of the Change of Control Offer to be published, if at the time of such notice the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent that the rules and regulations of the Luxembourg Stock Exchange so require, in the *Luxemburger Wort* (or another leading newspaper of general circulation in Luxembourg) or, to the extent and in the manner permitted by such rules and regulations, posted on the official website of the Luxembourg Stock Exchange, www.bourse.lu; and
 - (b) send notice of the Change of Control Offer by first class mail, with a copy to the Trustee, to each Holder of Notes to the address of such Holder appearing in the security register, which notice will state:
 - (i) that a Change of Control has occurred and the date it occurred;
 - (ii) the transaction or transactions giving rise to the Change of Control;
 - (iii) the Change of Control Purchase Price and the Change of Control Purchase Date, which will be a business day no earlier than 30 days nor later than 60 days after the date such notice is mailed, or such later date as is necessary to comply with any requirements under the Exchange Act and any other applicable securities laws or regulations;
 - (iv) that any Note accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Purchase Date unless the Change of Control Purchase Price is not paid on such date;
 - (v) that any Note or part thereof not tendered will continue to accrue interest; and
 - (vi) any other procedures that a Holder of Notes must follow to accept a Change of Control Offer or to withdraw such acceptance.
- (3) The Trustee (or an authenticating agent appointed by it) upon receipt of an authenticating order from the Issuer, will promptly authenticate and deliver a new Note or Notes in a principal amount equal to any unpurchased portion of Notes surrendered, if any, to the Holder of Notes in global form or to each Holder of certificated Notes; *provided* that each such new Note will be in a principal amount of €100,000 or in integral multiples of €1,000 in excess thereof; *provided* that no Holder may tender any Notes if as a result of such tender, such Holder would hold less than €100,000 of Notes. The Issuer will publicly announce the results of a Change of Control Offer on or as soon as practicable after the Change of Control Purchase Date.
- (4) The Issuer will not be required to make a Change of Control Offer following a Change of Control if a third party has made, and not terminated, a tender offer for all of the Notes in the manner and at the times applicable to a Change of Control Offer, at a tender offer purchase price in cash equal to at least 101% of the principal amount thereof on the date of purchase, plus accrued and unpaid interest, if any, and such third party purchases all of the Notes validly tendered and not withdrawn under such tender offer. In addition, the Issuer will not be required to make a Change of Control Offer if the Issuer has, prior to the time that is required to send a notice of the Change of Control Offer to the Trustee pursuant to clause (2) above, delivered notice to the Trustee of its intention to redeem Notes as described under the caption “—*Optional Redemption*.”

The Issuer and the Guarantors will comply with the applicable tender offer rules, including Rule 14e-1 under the Exchange Act, and any other applicable securities laws and regulations in connection with a Change of Control Offer. To the extent that the provisions of any securities laws or regulations conflict with provisions of the Indenture, the Issuer and the Guarantors will comply with such applicable securities laws and regulations and will not be deemed to have breached their obligations under the Indenture by virtue of such conflict.

The occurrence of certain events that would constitute a Change of Control would also constitute a change of control under the Senior Secured Notes Indenture and could constitute a default under the Revolving Credit Facility. The Issuer's future debt and the future debt of its Subsidiaries may also contain descriptions of certain events that, if they occurred, would require such debt to be repurchased. In addition, the exercise by the Holders of their right to require a repurchase of the Notes upon a Change of Control could cause a default under the Revolving Credit Facility and any such future debt, even if the

Change of Control itself does not, due to the possible financial effect on the Issuer or the Guarantors of such repurchase.

Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, and may be conditioned upon the consummation of such Change of Control, if a definitive agreement is in place providing for the Change of Control at the time of Change of Control Offer is made.

The provisions of the Indenture does not give Holders the right to require the repurchase of the Notes in the event of certain transactions including a reorganization, restructuring, merger or similar transaction that may adversely affect Holders, if such transaction is not a transaction defined as a Change of Control. Any such transaction, however, would have to comply with the applicable provisions of the Indenture, including those described under “—*Limitation on Debt*.” The existence, however, of a Holder of the Notes’ right to require the Issuer to repurchase such Holder’s Notes upon a Change of Control may deter a third party from acquiring the Issuer or any of its Subsidiaries if such acquisition would constitute a Change of Control.

If a Change of Control Offer is made, the Issuer will not be able to provide any assurance that it will have available funds sufficient to pay the Change of Control Purchase Price for all the Notes that might be delivered by Holders seeking to accept the Change of Control Offer. Even if sufficient funds were available, the terms of the other debt of the Issuer and its Subsidiaries may prohibit the repurchase of the Notes prior to their scheduled maturity. If the Issuer were not able to prepay any debt containing any such restrictions, or obtain requisite consents, the Issuer would be unable to fulfill its repurchase obligations to Holders who accept the Change of Control Offer. If a Change of Control Offer was not made or consummated or the Change of Control Purchase Price was not paid when due, such failure would result in an Event of Default and would give the Trustee and the Holders the rights described under “—*Events of Default*.” An Event of Default under the Indenture, unless waived, would result in a cross default under certain of the financing arrangements described under “*Description of Other Indebtedness*,” including under the Revolving Credit Facility.

The definition of Change of Control includes a disposition of all or substantially all of the assets of the Issuer and the Restricted Subsidiaries to any Person. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of such phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of “all or substantially all” of the assets of the Issuer and the Restricted Subsidiaries. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder of Notes may require the Issuer to make an offer to repurchase the Notes as described above.

The provisions of the Indenture relating to the Issuer’s obligation to make an offer to repurchase the Notes following a Change of Control may be waived or modified with the prior written consent of the Holders of a majority in principal amount of the Notes. Please see the section entitled “—*Amendments and Waivers*.”

Limitation on Asset Sales

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, consummate any Asset Sale unless:
 - (a) the consideration the Issuer or such Restricted Subsidiary receives for such Asset Sale is not less than the Fair Market Value of the assets sold (as determined by the Issuer’s Board of Directors); and
 - (b) at least 75% of the consideration the Issuer or such Restricted Subsidiary receives in respect of such Asset Sale consists of:
 - (i) cash (including any Net Cash Proceeds received from the conversion within 180 days of such Asset Sale of securities, notes or other obligations received in consideration of such Asset Sale);
 - (ii) Cash Equivalents;
 - (iii) the assumption by the purchaser of (x) any liabilities recorded on the Issuer’s or such Restricted Subsidiary’s balance sheet or the footnotes thereto) (other than contingent

liabilities and Subordinated Debt), as a result of which neither the Issuer nor any of the Restricted Subsidiaries remains obliged in respect of such liabilities or (y) Debt of a Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, if the Issuer and each other Restricted Subsidiary is released from any guarantee of such Debt as a result of such Asset Sale;

- (iv) any Capital Stock or assets of the kind referred to in clauses (c) or (e) of paragraph (2) of this covenant;
 - (v) consideration consisting of Debt (other than Subordinated Debt) of the Issuer or any Guarantor received from Persons who are not the Issuer or any Restricted Subsidiary, but only to the extent that such Debt has been extinguished by the Issuer or the applicable Guarantor;
 - (vi) any Designated Non-Cash Consideration received by the Issuer or any Restricted Subsidiary, having an aggregate Fair Market Value, taken together with all other Designated Non-Cash Consideration received pursuant to this covenant that is at any one time outstanding, not to exceed the greater of €40.0 million and 4.0% of Consolidated Total Assets (with the Fair Market Value of each issue of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value); *provided* that Designated Non-Cash Consideration received pursuant to this covenant other than deferred consideration or securities representing deferred consideration shall not exceed the greater of €10.0 million and 1.0% of Consolidated Total Assets; or
 - (vii) a combination of the consideration specified in clauses (i) through (vi) of this paragraph (b).
- (2) If the Issuer or any Restricted Subsidiary consummates an Asset Sale, the Net Cash Proceeds of the Asset Sale, within 365 days of the later of (i) the date of the consummation of such Asset Sale and (ii) the receipt of such Net Cash Proceeds, may be used by the Issuer or such Restricted Subsidiary to:
- (a) repay or prepay any then outstanding Senior Debt;
 - (b) redeem Notes or purchase Notes pursuant to an offer to all Holders at a purchase price equal to at least 100% of the principal amount thereof, plus accrued and unpaid interest (at the option of the Issuer or Restricted Subsidiary);
 - (c) to acquire all or substantially all of the assets of, or any Capital Stock of, another Permitted Business, if, after giving effect to any such acquisition of Capital Stock, the Permitted Business is or becomes a Restricted Subsidiary;
 - (d) to make a capital expenditure;
 - (e) acquire other assets (other than Capital Stock and cash or Cash Equivalents) not classified as current assets under IFRS that are used or useful in a Permitted Business;
 - (f) to repurchase, prepay, redeem or repay *Pari Passu* Debt other than Senior Debt; *provided* that the Issuer (or the applicable Restricted Subsidiary) shall make an offer to all Holders on a *pro rata* basis to purchase their Notes in accordance with the provisions set forth below for an Excess Proceeds Offer;
 - (g) any combination of the foregoing; or
 - (h) enter into a binding commitment to apply the Net Cash Proceeds pursuant to clause (c), (d) or (e) of this paragraph, *provided* that, a binding commitment shall be treated as a permitted application of the Net Cash Proceeds from the date of *such commitment* until the earlier of (x) the date on which such investment is consummated and (y) the 180th day following the expiration of the aforementioned 365-day period, if the investment has not been consummated by that date.

The amount of such Net Cash Proceeds not so used as set forth in this paragraph (2) constitutes “**Excess Proceeds**.” Pending the final application of any such Net Cash Proceeds, the Issuer may temporarily reduce revolving credit borrowings or otherwise use such Net Cash Proceeds in any manner that is not prohibited by the terms of the Indenture.

- (3) When the aggregate amount of Excess Proceeds exceeds €15.0 million, the Issuer will, within 15 Business Days of the end of the applicable period in paragraph (2) above, make an offer to purchase (an “**Excess Proceeds Offer**”) from all Holders and from the holders of any Pari Passu Debt, to the extent required by the terms thereof, on a *pro rata* basis, in accordance with the procedures set forth in the Indenture or the agreements governing any such Pari Passu Debt, the maximum principal amount (expressed as a minimum amount of €100,000 and integral multiples of €1,000 in excess thereof) of the Notes and any such Pari Passu Debt that may be purchased with the amount of the Excess Proceeds. The offer price as to each Note and any such Pari Passu Debt will be payable in cash in an amount equal to (solely in the case of the Notes) 100% of the principal amount of such Note and (solely in the case of Pari Passu Debt) no greater than 100% of the principal amount (or accreted value, as applicable) of such Pari Passu Debt, plus, in each case, accrued and unpaid interest, if any, to the date of purchase.

To the extent that the aggregate principal amount of Notes and any such Pari Passu Debt tendered pursuant to an Excess Proceeds Offer is less than the aggregate amount of Excess Proceeds, the Issuer may use the amount of such Excess Proceeds not used to purchase Notes and Pari Passu Debt for purposes that are not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and any such Pari Passu Debt validly tendered and not withdrawn by holders thereof exceeds the aggregate amount of Excess Proceeds, the Notes and any such Pari Passu Debt to be purchased will be selected by the Registrar or the Principal Paying Agent on a *pro rata* basis (based upon the principal amount of Notes and the principal amount or accreted value of such Pari Passu Debt tendered by each holder). Upon completion of each such Excess Proceeds Offer, the amount of Excess Proceeds will be reset to zero.

- (4) If the Issuer is obliged to make an Excess Proceeds Offer, the Issuer will purchase the Notes and Pari Passu Debt, at the option of the holders thereof, in whole or in part in a minimum amount of €100,000 and integral multiples of €1,000 in excess thereof on a date that is not later than 60 days from the date the notice of the Excess Proceeds Offer is given to such holders, or such later date as may be required under the Exchange Act.

If the Issuer is required to make an Excess Proceeds Offer, the Issuer will comply with the applicable tender offer rules, including Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations, including the requirements of any applicable securities exchange on which Notes are then listed. To the extent that the provisions of any securities laws or regulations conflict with the provisions of this “*Limitation on Asset Sales*” covenant, the Issuer will comply with such securities laws and regulations and will not be deemed to have breached its obligations described in this “*Limitation on Asset Sales*” covenant by virtue thereof.

Limitation on Holding Company Activities

The Issuer must not carry on any business or own any assets other than (a) the ownership of Capital Stock of the Company (or a Successor Guarantor following a transaction that complies with the provisions described in “—*Certain Covenants—Merger, Consolidation or Sale of Assets*”; *provided that* in such a transaction where the Company ceases to exist, the Lien on the Capital Stock of the Company will be released and will be replaced with a new share pledge (on terms substantially identical to the existing Lien on the Capital Stock of the Company) over the Capital Stock of the Successor Guarantor); (b) the provision of administrative services (excluding treasury services) and management services to its Subsidiaries of a type customarily provided by a holding company to its Subsidiaries and the ownership of assets necessary to provide such services; (c) the offering, sale, issuance and servicing, purchase, redemption, refinancing or retirement of the Notes, the Revolving Credit Facility or the incurrence of other Debt permitted by the terms of the Indenture or performance of the terms and conditions of such Debt, including on-loans of proceeds from the Notes, the Revolving Credit Facility and other Debt Incurred in accordance with the Indenture, to the extent such activities are otherwise permissible under the Indenture and the granting of Liens permitted pursuant to the “*Limitation on Liens*” covenant; (d) exercising rights and obligations arising under the Indenture, the Notes, the Intercreditor Agreement and the Revolving Credit Facility and any agreement relating to other Debt Incurred in accordance with the Indenture; (e) making Investments in the Notes and other Debt Incurred in accordance with the Indenture; (f) activities directly related or reasonably incidental to the establishment and/or maintenance of its or its Subsidiaries corporate existence; or (g) other activities not specifically enumerated above that are *de minimis* in nature.

Additional Guarantees

- (1) The Issuer will not cause or permit any of its Restricted Subsidiaries that are not Guarantors, directly or indirectly, to guarantee the payment of, assume or in any manner become liable with respect to any other Debt of the Issuer or a Guarantor unless such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture providing for the Guarantee of the payment of the Notes by such Restricted Subsidiary, which Guarantee will be subordinated to any Senior Debt of such additional Guarantor.
- (2) Each additional Guarantee will be limited as necessary to recognize certain defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law or regulation.
- (3) Notwithstanding the foregoing, the Issuer shall not be obligated to cause any Restricted Subsidiary to Guarantee the Notes to the extent that such Guarantee by such Restricted Subsidiary would reasonably be expected to give rise to or result in a violation of applicable law, regulation or order of a regulator which, in any case, cannot be prevented or otherwise avoided through measures reasonably available to the Issuer or the Restricted Subsidiary or any liability for the officers, directors or shareholders of such Restricted Subsidiary.
- (4) The Indenture will provide that any such additional Guarantee will be automatically and unconditionally released and discharged in the circumstances described under “*General—Release of Guarantees.*”

Limitation on Dividends and Other Payment Restrictions Affecting Restricted Subsidiaries

- (1) The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Restricted Subsidiary to:
 - (a) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock or any other interest or participation in, or measured by, its profits, in each case to the Issuer or any Restricted Subsidiary;
 - (b) pay any Debt owed to the Issuer or any other Restricted Subsidiary;
 - (c) make loans or advances to the Issuer or any other Restricted Subsidiary; or
 - (d) transfer any of its properties or assets to the Issuer or any other Restricted Subsidiary;

provided that (x) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (y) the subordination of (including the application of any standstill period to) loans or advances made to the Issuer or any Restricted Subsidiary to other Debt incurred by the Issuer or any Restricted Subsidiary, in each case, shall not be deemed to constitute such an encumbrance or restriction.
- (2) The provisions described in paragraph (1) above will not apply to:
 - (a) encumbrances and restrictions imposed by the Notes, the Indenture, the Guarantees, the Senior Secured Notes, the Senior Secured Notes Indenture, the guarantees of the Senior Secured Notes, the Revolving Credit Facility, the Intercreditor Agreement, any Additional Intercreditor Agreements, the security documents in respect of the Senior Secured Notes and/or Revolving Credit Facility and encumbrances or restrictions contained in any other agreement in effect on the Issue Date and any encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, extensions, increases, supplements, refundings, replacements or refinancings of those agreements; *provided* that such amendments, modifications, restatements, renewals, extension, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Issuer’s Board of Directors, no more restrictive (taken as a whole) with respect to such encumbrances or restrictions than those contained in the encumbrances or restrictions prior to such amendment, modification, restatement, renewal, extension, increase, supplement, refunding, replacement or refinancing;

- (b) encumbrances and restrictions: (i) that restrict in a customary manner the subletting, assignment or transfer of any properties or assets that are subject to a lease, license, conveyance or other similar agreement to which the Issuer or any Restricted Subsidiary is a party; and (ii) contained in operating leases for real property and restricting only the transfer of such real property upon the occurrence and during the continuance of a default in the payment of rent;
- (c) encumbrances or restrictions contained in any agreement or other instrument of a Person acquired by the Issuer or any Restricted Subsidiary in effect at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;
- (d) encumbrances or restrictions imposed by any Permitted Refinancing Debt; *provided* that the restrictions contained in the agreements governing such Permitted Refinancing Debt are not materially more restrictive, taken as a whole, than those contained in the agreements governing the Debt being refinanced (as determined in good faith by the Issuer);
- (e) encumbrances or restrictions contained in contracts for sales of Capital Stock or assets permitted by the “*Limitation on Asset Sales*” covenant with respect to the assets or Capital Stock to be sold pursuant to such contract or in customary merger or acquisition agreements (or any option to enter into such contract) for the purchase or acquisition of Capital Stock or assets or any of the Issuer’s Subsidiaries by another Person;
- (f) encumbrances or restrictions imposed by applicable law, regulation or order or by governmental licenses, concessions, franchises or permits or required by any regulatory authority, including in respect of funds or assets held for clients and any restriction on funds or assets arising where a Restricted Subsidiary acts as a trustee, bare trustee, agent, custodian, nominee, fiduciary or in a similar capacity, in each case in the ordinary course of business;
- (g) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under contracts entered into in the ordinary course of business;
- (h) customary limitations on the distribution or disposition of assets or property of a Restricted Subsidiary in joint venture or similar agreements or other Investments entered into in good faith; *provided* that such encumbrance or restriction is applicable only to such Restricted Subsidiary;
- (i) customary encumbrances or restrictions in connection with purchase money obligations, mortgage financings and Capitalized Lease Obligations for property acquired in the ordinary course of business;
- (j) any encumbrance or restriction arising by reason of customary non assignment provisions in agreements;
- (k) Liens permitted to be incurred under the provisions of the covenant described under the caption “—*Limitation on Liens*” that limit the right to dispose of the assets subject to the Liens;
- (l) restrictions on cash or other deposits or net worth imposed by customers or suppliers or required by insurance, surety or bonding companies, in each case, under contracts entered into in the ordinary course of business;
- (m) any encumbrance or restriction pursuant to Hedging Agreements in respect of hedging obligations Incurred under clause (i) of the definition of Permitted Debt; or
- (n) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Debt permitted to be Incurred after the Issue Date pursuant to the provisions of the covenant described under “—*Limitation on Debt*” if such encumbrance or restriction is not materially more disadvantageous to the Holders than is customary in comparable financings (as determined in good faith by the Issuer) and either: (x) the Issuer determines that such encumbrance or restriction will not materially affect the Issuer’s ability to make principal or interest payments on the Notes as and when they come due; or (y) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant relating to such Debt.

Designation of Unrestricted and Restricted Subsidiaries

- (1) The Issuer's Board of Directors may designate any Subsidiary (including newly acquired or newly established Subsidiaries) to be an "**Unrestricted Subsidiary**" only if:
 - (a) no Default has occurred and is continuing at the time of or after giving effect to such designation; and
 - (b) the Issuer would be permitted to make an Investment at the time of designation (assuming the effectiveness of such designation) pursuant to the "*Limitation on Restricted Payments*" covenant in an amount equal to the Fair Market Value of the net assets of such Subsidiary.
- (2) In the event of any such designation, the Issuer will be deemed to have made an Investment constituting a Permitted Investment or a Restricted Payment pursuant to the "*Limitation on Restricted Payments*" covenant, as determined by the Issuer, in an amount equal to the Fair Market Value of the net assets of such Subsidiary.
- (3) The Indenture will further provide that neither the Issuer nor any Restricted Subsidiary will at any time:
 - (a) provide a guarantee of, or similar credit support to, any Debt of any Unrestricted Subsidiary (including of any undertaking, agreement or instrument evidencing such Debt); (other than a pledge Capital Stock or Debt of any Unrestricted Subsidiary on a non-recourse basis as long as the pledgee has no claim whatsoever against the Issuer other than to obtain such pledged property), except to the extent permitted under the "*Limitation on Restricted Payments*" and "*Limitation on Transactions with Affiliates*" covenants; or
 - (b) be directly or indirectly liable for any Debt of any Unrestricted Subsidiary, except to the extent permitted under the "*Limitation on Restricted Payments*" and "*Limitation on Transactions with Affiliates*" covenants.
- (4) The Issuer's Board of Directors may designate any Unrestricted Subsidiary as a Restricted Subsidiary:
 - (a) if no Default or Event of Default has occurred and is continuing at the time of, or will occur and be continuing after giving effect to, such designation; and
 - (b) if the Debt of such Unrestricted Subsidiary would be permitted under the "*Limitation on Debt*" covenant.
- (5) Any such designation as an Unrestricted Subsidiary or Restricted Subsidiary by the Issuer's Board of Directors will be evidenced to the Trustee by filing a resolution of the Issuer's Board of Directors with the Trustee giving effect to such designation and an Officer's Certificate certifying that such designation complies with the foregoing conditions, and giving the effective date of such designation. Any such filing with the Trustee must occur within 45 days after the end of the Issuer's fiscal quarter in which such designation is made (or, in the case of a designation made during the last fiscal quarter of the Issuer's fiscal year, within 90 days after the end of such fiscal year).

Reports to Holders

- (1) So long as any Notes are outstanding, the Issuer will furnish to the Trustee the following reports:
 - (a) within 120 days after the end of the Issuer's fiscal year beginning with the fiscal year ended December 31, 2012, annual reports containing: (i) information with a level and type of detail that is substantially comparable in all material respects to the sections in this Offering Memorandum entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Business*"; (ii) pro forma income statement and balance sheet information of the Issuer, together with explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year as to which such annual report relates (unless such pro forma information has been provided in a previous report pursuant to clause (b) or (c) below); *provided* that such pro forma financial information will be provided only to the extent available without unreasonable expense, in which case the Issuer will provide, in the case of a material acquisition, acquired company financials to the extent available without unreasonable expense; and (iii) the audited consolidated balance sheet of the Issuer as at the end of the most recent two fiscal years and

audited consolidated income statements and statements of cash flow of the Issuer for the most recent three fiscal years, including appropriate footnotes to such financial statements, for and as at the end of such fiscal years and the report of the independent auditors on the financial statements;

- (b) within 60 days following the end of each of the first three fiscal quarters in each fiscal year of the Issuer beginning with the fiscal quarter ending March 31, 2013, quarterly financial statements containing the following information: (i) the Issuer's unaudited condensed consolidated balance sheet as at the end of such quarter and unaudited condensed statements of income and cash flow for the most recent quarter year to date period ending on the unaudited condensed balance sheet date and the comparable prior period, together with condensed footnote disclosure; (ii) pro forma income statement and balance sheet information of the Issuer, together with explanatory footnotes, for any material acquisitions, dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year as to which such quarterly report relates; *provided* that such pro forma financial information will be provided only to the extent available without unreasonable expense, in which case the Issuer will provide, in the case of a material acquisition, acquired company financials to the extent available without unreasonable expense; and (iii) an operating and financial review of the unaudited financial statements, including a discussion of the consolidated financial condition and results of operations of the Issuer and any material change between the current quarter year to date period and the corresponding period of the prior year; and
 - (c) promptly after the occurrence of a material event that the Issuer announces publicly or any material acquisition, disposition or restructuring of the Issuer and the Restricted Subsidiaries, taken as a whole, or any senior executive officer changes at the Issuer or a change in auditors of the Issuer, a report containing a description of such event.
- (2) In addition, the Issuer shall furnish to the Holders, beneficial owners of the Notes and prospective investors, upon the request of such Holders or prospective investors, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act for so long as the Notes are not freely transferable under the Exchange Act by Persons who are not "affiliates" under the Securities Act.
 - (3) The Issuer shall also make available copies of all reports furnished to the Trustee; (a) on the Issuer's website and (b) if and so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent that the rules and regulations of the Luxembourg Stock Exchange so require, copies of such reports furnished to the Trustee will also be made available at the specified office of the paying agent in Luxembourg.
 - (4) No report need include separate financial statements for any Guarantors or non-Guarantor Subsidiaries of the Issuer or any disclosure with respect to the results of operations or any other financial or statistical disclosure not of a type included in this Offering Memorandum. In addition, the reports set forth in clause (1) above will not be required to contain any reconciliation to U.S. generally accepted accounting principles.
 - (5) At any time that any of the Issuer's subsidiaries are Unrestricted Subsidiaries and any such Unrestricted Subsidiary or a group of Unrestricted Subsidiaries, taken as a whole, constitutes a Significant Subsidiary of the Issuer, then the quarterly and annual financial information required by the first paragraph of this "*Reports to Holders*" covenant will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Issuer and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Issuer.
 - (6) All reports provided pursuant to this "*Reports to Holders*" covenant shall be made in the English language.
 - (7) So long as any Notes are outstanding, the Issuer will also:
 - (a) Within 10 Business Days after furnishing to the Trustee the annual and quarterly reports required by clauses (1)(a) and (b), hold a conference call to discuss such reports and the results of operations for the relevant reporting period; and
 - (b) Issue a press release to an internationally recognized wire service no fewer than three Business Days prior to the date of the conference call required by the foregoing clause 7(a), announcing

the time and date of such conference call and either including all information necessary to access the call or directing Holders, beneficial owners of the Notes, prospective investors, broker dealers and securities analysts to contact the appropriate person at the Issuer to obtain such information.

Merger, Consolidation or Sale of Assets

- (1) The Issuer will not, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or otherwise combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of the Issuer's and the Restricted Subsidiaries' properties and assets to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:
 - (a) either: (i) the Issuer will be the continuing corporation; or (ii) the Person (if other than the Issuer) formed by or surviving any such merger, consolidation, amalgamation or other combination or to which such sale, assignment, conveyance, transfer, lease or disposition of all or substantially all of the properties and assets of the Issuer and the Restricted Subsidiaries on a consolidated basis has been made (the "**Surviving Entity**"):
 - (x) will be a corporation duly incorporated and validly existing under the laws of any member state of the European Union, Switzerland, Canada, the United States of America, any state thereof, or the District of Columbia; and
 - (y) will expressly assume, the Issuer's obligations under the Notes, the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements, pursuant to a supplemental indenture in form reasonably satisfactory to the Trustee; and the Notes, the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements will remain in full force and effect as so amended or supplemented;
 - (b) immediately after giving effect to such transaction or series of transactions, no Default or Event of Default will have occurred and be continuing;
 - (c) immediately before and immediately after giving effect to such transaction or series of transactions on a *pro forma* basis (on the assumption that the transaction or series of transactions occurred on the first day of the four quarter fiscal period immediately prior to the consummation of such transaction or series of transactions with the appropriate adjustments with respect to the transaction or series of transactions being included in such *pro forma* calculation), the Issuer (or the Surviving Entity if the Issuer is not the continuing obligor under the Indenture) (i) could incur at least €1.00 of additional Debt pursuant to the Consolidated Fixed Charge Coverage Ratio set forth in paragraph (1) of the "*Limitation on Debt*" covenant or (ii) would have a Fixed Charge Coverage Ratio not less than it was immediately prior to giving effect to such transaction;
 - (d) the Issuer or the Surviving Entity has delivered to the Trustee, in form and substance reasonably satisfactory to the Trustee, an Officer's Certificate (attaching the computations to demonstrate compliance with clauses (b) and (c) above) and an opinion of counsel, each stating that such merger, consolidation, amalgamation or other combination or sale, assignment, conveyance, transfer, lease or other disposition, and if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with the requirements of the Indenture and that the Notes, the supplemental indenture and the Indenture constitute legal, valid, and binding obligations of the Issuer or the Surviving Entity, enforceable in accordance with their terms; provided that in giving an opinion of counsel, counsel may rely on an Officer's Certificate as to any matters of fact, including as to satisfaction of clauses (1)(b) and (1)(c) above;
 - (e) the Surviving Entity will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture, but, in the case of a lease of all or substantially all of the Issuer's assets, the Issuer will not be released from the obligation to pay the principal of, premium, if any, and interest, on the Notes; and
 - (f) for as long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent that the rules and regulations of

the Luxembourg Stock Exchange so require, notify such exchange of any such merger, consolidation, amalgamation or other combination or sale.

Although there is a limited body of case law interpreting the phrase “all or substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve “all or substantially all” of the property or assets of a Person.

- (2) Subject to the provisions described under “—*Guarantees—Release of the Guarantees*,” no Guarantor will, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or other combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of all or substantially all of such Guarantor’s properties and assets to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:
- (a) either (x) the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made (such Guarantor or such Person, as the case may be, being herein called the “**Successor Guarantor**”) expressly assumes all the obligations of such Guarantor under its Guarantee, the Indenture, the Intercreditor Agreement and Additional Intercreditor Agreements, pursuant to supplemental indentures and/or agreements in form reasonably satisfactory to the Trustee or (y) such sale, disposition or consolidation, amalgamation or combination is not in violation of the covenant “—*Asset Sales*”;
 - (b) immediately after such transaction, no Default or Event of Default exists and is continuing;
 - (c) the Guarantor or the Successor Guarantor has delivered to the Trustee, in form and substance satisfactory to the Trustee, an Officer’s Certificate and an opinion of counsel, each stating that such merger, consolidation, amalgamation or other combination or sale, assignment, conveyance, transfer, lease or other disposition, and if a supplemental indenture is required in connection with such transaction, such supplemental indenture, comply with the requirements of the Indenture and that the Guarantee and the supplemental indenture constitute legal, valid and binding obligations of the Guarantor or the Successor Guarantor, enforceable in accordance with their terms; provided that in giving an opinion of counsel, counsel may rely on an Officer’s Certificate as to any matters of fact, including as to satisfaction of clause (2)(b) above; and
 - (d) the Successor Guarantor will succeed to, and be substituted for, and may exercise every right and power of, the relevant Guarantor under the Indenture, but, in the case of a lease of all or substantially all of the Guarantor’s assets, the Guarantor will not be released from the obligation to pay the principal of, premium, if any, and interest, on the Guarantee.

The provisions set forth in this “*Merger, Consolidation and Sale of Assets*” covenant shall not restrict (and shall not apply to): (i) any Non-Guarantor Restricted Subsidiary from consolidating with, merging or liquidating into or transferring all or substantially all of its properties and assets to the Issuer, a Guarantor or any other Non-Guarantor Restricted Subsidiary; (ii) any Guarantor from merging or liquidating into or transferring all or part of its properties and assets to the Issuer or another Guarantor; (iii) any consolidation or merger of the Issuer into any Guarantor; *provided* that, if the Issuer is not the surviving entity of such merger or consolidation, the relevant Guarantor will assume the obligations of the Issuer under the Notes, the Indenture, the Intercreditor and any Additional Intercreditor Agreement and clauses 1(a) and 1(d) shall apply to such transaction and (iv) the Issuer or any Guarantor consolidating into or merging or combining with an Affiliate incorporated or organized for the purpose of changing the legal domicile of such entity, reincorporating such entity in another jurisdiction, or changing the legal form of such entity; *provided* that clauses (1)(a), (1)(d) and (1)(e) above or clauses (2)(a) and (2)(d) above, as applicable, shall apply to such transactions described in this clause (iv).

Business Activities

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, engage in any business other than Permitted Businesses, except to the extent that would not be material to the Issuer and its Restricted Subsidiaries taken as a whole.

Payments for Consent

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder or beneficial owners of the Notes for, or as an inducement to, any consent, waiver or amendment of any of the terms of the provisions of the Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders of the Notes that consent, waive or agree to amend in the time frame set forth in the solicitation documents relating to such consent, waiver or agreement. Notwithstanding the foregoing, the Issuer and its Restricted Subsidiaries shall be permitted, in any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of the Indenture, to exclude Holders or beneficial owners of the Notes in any jurisdiction where (i) the solicitation of such consent, waiver or amendment, including in connection with an offer to purchase for cash, or (ii) the payment of the consideration therefor would require the Issuer or any of its Restricted Subsidiaries to file a registration statement, prospectus or similar document under any applicable securities laws (including, but not limited to, the United States federal securities laws and the laws of the European Union or its member states), which the Issuer in its sole discretion determines (acting in good faith) would be materially burdensome (it being understood that it would not be materially burdensome to file the consent document(s) used in other jurisdictions, any substantially similar documents or any summary thereof with the securities or financial services authorities in such jurisdiction; or such solicitation would otherwise not be permitted under applicable law in such jurisdiction.

Covenant Suspension

If on any date following the date of the Indenture:

- (1) the Notes are rated Baa3 or better by Moody's and BBB – or better by S&P (or, if either such entity ceases to rate the Notes for reasons outside of the control of the Issuer, the equivalent investment grade credit rating from any other “nationally recognized statistical rating organization” within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act selected by the Issuer as a replacement agency); and
- (2) no Default or Event of Default shall have occurred and be continuing,

then, beginning on that day and subject to the provisions of the following paragraph, the covenants specifically listed under the following captions under “—*Certain Covenants*” will be suspended:

- (a) “—*Limitation on Debt*”;
- (b) “—*Limitation on Restricted Payments*”;
- (c) “—*Limitation on Layered Debt*”;
- (d) “—*Limitation on Transactions with Affiliates*”;
- (e) “—*Limitation on Asset Sales*”;
- (f) “—*Additional Guarantees*”;
- (g) “—*Designation of Unrestricted and Restricted Subsidiaries*”;
- (h) “—*Limitation on Dividends and Other Payment Restrictions Affecting Restricted Subsidiaries*”;
- and
- (i) clause (c) of paragraph (1) of the covenant described above under the caption “—*Merger, Consolidation or Sale of Assets*.”

Notwithstanding the foregoing, if the rating assigned by either such rating agency should subsequently decline to below Baa3 or BBB –, respectively, the foregoing covenants will be reinstituted as at and from the date of such rating decline. The period during which the covenants set forth above are suspended pursuant to this provision is the “**Suspension Period**.” The reinstatement of any covenants will not, however, be of any effect with regard to the actions of the Issuer and the Restricted Subsidiaries properly taken during the continuance of the Suspension Period; *provided* that, with respect to any Restricted Payments made after any such reinstatement, the amount of Restricted Payments will be calculated as though the “*Restricted Payments*” covenant had been in effect prior to, but not during, the Suspension Period and (2) all Debt incurred during the Suspension Period will be classified to have been incurred or

issued pursuant to clause (d) of the definition of Permitted Debt. Upon the occurrence of a Suspension Period, the amount of Excess Proceeds shall be reset to zero.

In addition, the Indenture also permits, without causing a Default or Event of Default, the Issuer or any of the Restricted Subsidiaries to honor any contractual commitments or take actions in the future after any date on which the Notes cease to be rated Baa3 or BBB – as long as the contractual commitments were entered into during the Suspension Period and not in anticipation of the Notes no longer being rated Baa3 or BBB –.

The Issuer shall notify the Trustee that the two conditions set forth in the first paragraph under this heading have been satisfied, provided that such notification shall not be a condition for the suspension of the covenants set forth above to be effective. The Trustee shall not be obliged to notify Holders of such event.

There can be no assurance thereto that the Notes will ever achieve or maintain an investment grade rating.

Events of Default

(1) Each of the following is an “**Event of Default**” under the Indenture:

- (a) default for 30 days in the payment when due of any interest or any Additional Amounts on any Note;
- (b) default in the payment of the principal of or premium, if any, on any Note at its Maturity (upon acceleration, optional or mandatory redemption, if any, required repurchase or otherwise);
- (c) failure to comply with the provisions of paragraph (1) of the covenant described under the heading “—*Certain Covenants—Merger, Consolidation or Sale of Assets*”;
- (d) failure to comply with any covenant or agreement of the Issuer or of any Restricted Subsidiary that is contained in the Indenture or any Guarantee (other than specified in clause (a), (b) or (c) above) and such failure continues for a period of 60 days or more after written notice (i) to the Issuer by the Trustee or (ii) to the Issuer and the Trustee by the Holders of at least 25% in aggregate principal amount of the Notes then outstanding voting as a single class;
- (e) default under the terms of any instrument evidencing or securing Debt for money borrowed by the Issuer or any Restricted Subsidiary, if that default:
 - (x) results in the acceleration of the payment of such Debt prior to its express maturity; or
 - (y) is caused by the failure to pay such Debt at final maturity thereof after giving effect to the expiration of any applicable grace periods (and other than by regularly scheduled required prepayment) and such failure to make any payment has not been waived or the maturity of such Debt has not been extended,

and, in each case, the outstanding principal amount of any such Debt under which there has been a failure to pay at final maturity thereof or the payment of which has been so accelerated, aggregates €25.0 million or more;

- (f) except as permitted in the Indenture, any Guarantee of any Guarantor that is a Significant Subsidiary ceases to be, or shall be asserted in writing by any such Guarantor, or any Person acting on behalf of any such Guarantor, not to be in full force and effect or enforceable in accordance with its terms (other than as provided for in the Indenture, any Guarantee or the Intercreditor Agreement);
- (g) one or more final judgments, orders or decrees (not subject to appeal and not covered by insurance) shall be rendered against the Issuer or any Restricted Subsidiary either individually or in an aggregate amount, in each case in excess of €25.0 million, which judgments, orders or decrees are not paid, discharged or stayed for a period of 60 days after the judgment becomes final; and
- (h) the occurrence of certain events of bankruptcy, insolvency or receivership described in the Indenture with respect to the Issuer, any Restricted Subsidiary that is a Significant Subsidiary or any group of Restricted Subsidiaries that, taken together, would constitute a Significant Subsidiary.

- (2) If an Event of Default (other than as specified in clause (1)(i) above) occurs and is continuing, the Trustee or the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding by written notice to the Issuer (and to the Trustee if such notice is given by the Holders) may, and the Trustee, upon the written request of such Holders, shall, declare the principal of, premium, if any, any Additional Amounts and accrued interest on all of the outstanding Notes immediately due and payable, and upon any such declaration all such amounts payable in respect of the Notes will become immediately due and payable.
- (3) If an Event of Default specified in clause (1)(i) above occurs and is continuing, then the principal of, premium, if any, Additional Amounts and accrued and unpaid interest on all of the outstanding Notes shall become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.
- (4) Subject to certain limitations, Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the Trustee in its exercise of any trust or power conferred on the Trustee by the Indenture. The Trustee may withhold from Holders notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal, interest or Additional Amounts or premium, if any.
- (5) The Holders of not less than a majority in aggregate principal amount of the outstanding Notes may, on behalf of the Holders, (i) waive any past defaults under the Indenture, except a default in the payment of the principal of, premium, if any, and Additional Amounts or interest on any Note in which case, the consent of the Holders of 90% of the then outstanding Notes shall be required and (ii) rescind any acceleration and its consequences if (x) such rescission would not conflict with any judgment or decree of a court of competent jurisdiction, (y) all existing Events of Default, other than the nonpayment of the principal of, premium, if any, interest and Additional Amounts, if any, on the Notes that have become due solely by such declaration of acceleration, have been cured or waived and (z) the Issuer has paid the Trustee its compensation and reimbursed the Trustee for any properly incurred expense, disbursements and advances.
- (6) No Holder has any right to institute any proceedings with respect to the Indenture or any remedy thereunder unless the Holders of at least 25% in aggregate principal amount of the outstanding Notes have made a written request and offered to the Trustee indemnity and/or security satisfactory to the Trustee against loss, liability or expense to institute such proceeding as Trustee under the Notes and the Indenture, the Trustee has failed to institute such proceeding within 60 days after receipt of such notice and the Trustee within such 60-day period has not received directions inconsistent with such written request by Holders of a majority in aggregate principal amount of the outstanding Notes. Such limitations do not, however, apply to a suit instituted by a Holder for the enforcement of the payment of the principal of, premium, if any, and Additional Amounts or interest on such Note on or after the respective due dates expressed in such Note.
- (7) If a Default or an Event of Default occurs and is continuing and is known to the Trustee, the Trustee will mail to each Holder of the Notes notice of the Default or Event of Default within 60 days after being notified of the Event of Default. Except in the case of a Default or an Event of Default in the payment of principal of, premium, if any, Additional Amounts or interest on any Notes, the Trustee may withhold the giving of such notice to the Holders of such Notes if a committee of its trust officers in good faith determines that withholding the giving of such notice is in the best interests of the Holders.
- (8) The Issuer will be required to notify the Trustee within 15 Business Days of the occurrence of any Default.
- (9) The Indenture provides that (i) if a Default occurs for a failure to report or deliver a required certificate in connection with another default (an “**Initial Default**”) then at the time such Initial Default is cured, such Default for a failure to report or deliver a required certificate in connection with the Initial Default will also be cured without any further action and (ii) any Default or Event of Default for the failure to comply with the time periods prescribed in the covenant entitled “—*Reports to Holders*” or otherwise to deliver any notice or certificate pursuant to any other provision of this Indenture shall be deemed to be cured upon the delivery of any such report required by such covenant or notice or certificate, as applicable, even though such delivery is not within the prescribed period specified in the Indenture.

- (10) In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (e) of paragraph (I) above has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if, within 20 days after the Event of Default arose, the event of default or payment default triggering such Event of Default pursuant to clause (e) shall be remedied or cured, or waived by the holders of the Debt, or the Debt that gave rise to such Event of Default shall have been discharged in full and if (X) the annulment of the acceleration (if applicable) of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (Y) all existing Events of Default, except nonpayment of principal, premium or interest, including Additional Interest, if any, on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived.

Defeasance

- (1) The Indenture provides that the Issuer may, at its option and at any time prior to the Stated Maturity of the Notes, elect to have the obligations of the Issuer and the Guarantors discharged with respect to the outstanding Notes ("**Legal Defeasance**"). Legal Defeasance means that the Issuer will be deemed to have paid and discharged the entire Debt represented by the outstanding Notes except as to:
- (a) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium, if any, Additional Amounts and interest on such Notes when such payments are due;
 - (b) the Issuer's obligations to issue temporary Notes, register, transfer or exchange any Notes, replace mutilated, destroyed, lost or stolen Notes, maintain an office or agency for payments in respect of the Notes and segregate and hold such payments on trust;
 - (c) the rights, powers, trusts, duties and immunities of the Trustee and the obligations of the Issuer and the Guarantors in connection therewith; and
 - (d) the Legal Defeasance provisions of the Indenture.
- (2) In addition, the Issuer may, at its option and at any time, elect to have the obligations of the Issuer and the Guarantors released with respect to certain covenants set forth in the Indenture ("**Covenant Defeasance**") and thereafter any failure to comply with such covenants will not constitute a Default or an Event of Default with respect to the Notes. In the event that a Covenant Defeasance occurs, certain events described under "*Events of Default*" will no longer constitute an Event of Default with respect to the Notes. These events will not include events relating to nonpayment, bankruptcy, insolvency and receivership. The Issuer may exercise its Legal Defeasance option regardless of whether it has previously exercised any Covenant Defeasance.
- (3) In order to exercise either Legal Defeasance or Covenant Defeasance:
- (a) the Issuer must irrevocably deposit or cause to be deposited on trust with the Trustee (or such other entity designated by the Trustee for this purpose), for the benefit of the Holders, cash in euro, European Government Obligations or a combination thereof, in such amounts as will be sufficient in the opinion of an internationally recognized firm of independent public accountants, investment bank or appraisal firm, to pay and discharge the principal of, premium, if any, Additional Amounts and interest, on the outstanding Notes on the Stated Maturity or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to maturity or to a particular redemption date;
 - (b) in the case of Legal Defeasance, the Issuer must have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee stating that: (x) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling; or (y) since the Issue Date, there has been a change in applicable U.S. federal income tax law, in either case to the effect that (and based thereon such opinion shall confirm that) the Holders and beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred;
 - (c) in the case of Covenant Defeasance, the Issuer must have delivered to the Trustee an opinion of counsel reasonably acceptable to the Trustee to the effect that the Holders and beneficial owners of the outstanding Notes will not recognize income, gain or loss for U.S. federal income

tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

- (d) no Default or Event of Default will have occurred and be continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit);
 - (e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit), the Indenture;
 - (f) the Issuer must have delivered to the Trustee an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding creditors of the Issuer or other creditors, or removing assets beyond the reach of the relevant creditors or increasing debts of the Issuer to the detriment of the relevant creditors; and
 - (g) the Issuer must have delivered to the Trustee an Officer's Certificate and an opinion of counsel, each stating that all conditions precedent provided for relating to the Legal Defeasance or the Covenant Defeasance, as the case may be, have been complied with.
- (4) If the funds deposited with the Trustee to effect Covenant Defeasance are insufficient to pay the principal of, premium, if any, Additional Amounts and interest on the Notes when due because of any acceleration occurring after an Event of Default, then the Issuer and the Guarantors will remain liable for such payments.

Satisfaction and Discharge

The Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes as expressly provided for in the Indenture) when:

- (a) the Issuer has irrevocably deposited or caused to be deposited with the Trustee (or such other entity designated by the Trustee for this purpose) as funds on trust for such purpose an amount in euro or European Government Obligations sufficient, to pay and discharge the entire Debt on such Notes that have not, prior to such time, been delivered to the Trustee for cancellation, for principal of, premium, if any, and any Additional Amounts and accrued and unpaid interest on the Notes to the date of such deposit (in the case of Notes which have become due and payable) or to the Stated Maturity or redemption date, as the case may be, and the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money toward the payment of Notes at Stated Maturity or on the redemption date, as the case may be and either:
 - (i) all of the Notes that have been authenticated and delivered (other than destroyed, lost or stolen Notes that have been replaced or paid and Notes for which payment money has been deposited on trust or segregated and held on trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust as provided for in the Indenture) have been delivered to the Principal Paying Agent for cancellation; or
 - (ii) all Notes that have not been delivered to the Principal Paying Agent for cancellation: (x) have become due and payable (by reason of the mailing of a notice of redemption or otherwise); (y) will become due and payable within one year of Stated Maturity; or (z) are to be called for redemption within one year of the proposed discharge date under arrangements satisfactory to the Principal Paying Agent for the giving of notice of redemption by the Trustee in the Issuer's name and at the Issuer's expense;
- (b) the Issuer or any Guarantor has paid or caused to be paid all sums payable by the Issuer under the Indenture; and
- (c) the Issuer has delivered to the Trustee an Officer's Certificate and an opinion of counsel, each stating that all conditions precedent provided in the Indenture relating to the satisfaction and discharge of the Indenture have been satisfied; *provided* that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (a) and (b)).

Amendments and Waivers

- (1) With the consent of the Holders of not less than a majority in aggregate principal amount of the Notes then outstanding, the Issuer, the Guarantors and the Trustee are permitted to amend or supplement the Indenture, the Intercreditor Agreement and/or any Additional Intercreditor Agreement or waive any Default or non-compliance with any provision of the Indenture; *provided* that no such modification, amendment or waiver may, without the consent of the Holders of 90% of the then outstanding Notes:
 - (a) change the Stated Maturity of the principal of, or any installment of Additional Amounts or interest on, any Note (or change any Default or Event of Default related thereto);
 - (b) reduce the principal amount of any Note (or Additional Amounts or premium, if any) or the rate of or extend the time for payment of interest on any Note (or change any Default or Event of Default related thereto);
 - (c) change the coin or currency in which the principal of any Note or any premium or any Additional Amounts or the interest thereon is payable;
 - (d) impair the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note, the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements;
 - (e) reduce the principal amount of Notes whose Holders must consent to any amendment, supplement or waiver of provisions of the Indenture;
 - (f) except as otherwise permitted under “—*Certain Covenants—Merger, Consolidation or Sale of Assets*,” consent to the assignment or transfer by the Issuer of any of the Issuer’s rights or obligations under the Indenture; or
 - (g) release all or substantially all of the Guarantors from their obligations under the Guarantees, except in compliance with the terms of the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements.
- (2) Notwithstanding the foregoing, without the consent of any Holder, the Issuer, the Guarantors and the Trustee may modify, amend or supplement the Indenture, the Intercreditor Agreement and/or any Additional Intercreditor Agreement:
 - (i) to evidence the succession of another Person to the Issuer and the assumption by any such successor of the covenants in the Indenture and in the Notes in accordance with “—*Certain Covenants—Merger, Consolidation or Sale of Assets*”;
 - (ii) to add to the Issuer’s covenants and those of any Guarantor or any other obligor in respect of the Notes for the benefit of the Holders or to surrender any right or power conferred upon the Issuer or any Guarantor or any other obligor in respect of the Notes, as applicable, in the Indenture, the Notes or any Guarantee;
 - (iii) to cure any ambiguity or mistake or to correct or supplement any provision in the Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Additional Intercreditor Agreement that may be defective or inconsistent with any other provision in the Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Additional Intercreditor Agreement or make any other provisions with respect to matters or questions arising under the Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Additional Intercreditor Agreement; or make any change that does not materially adversely affect the legal rights under the Indenture of the Holders of the Notes;
 - (iv) to conform the text of the Indenture, the Notes, any Guarantee or the Intercreditor Agreement to any provision of this Description of the Senior Notes;
 - (v) to release any Guarantor in accordance with (and if permitted by) the terms of the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreements;
 - (vi) to add a Guarantor or other guarantor under the Indenture;
 - (vii) to evidence and provide the acceptance of the appointment of a successor Trustee under the Indenture;

- (viii) to mortgage, pledge, hypothecate or grant a security interest in favor of the Trustee for the benefit of the Holders of the Notes as security for the payment and performance of the Issuer's and any Guarantor's obligations under the Indenture, in any property, or assets, including any of which are required to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted to the Trustee pursuant to the Indenture or otherwise;
 - (ix) to provide for the issuance of Subsequent Additional Notes in accordance with and if permitted by the terms of and limitations set forth in the Indenture; and
 - (x) to provide for uncertificated Notes in addition to or in place of certificated Notes.
- (3) The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment. It is sufficient if such consent approves the substance of the proposed amendment.

In formulating its opinion on such matters, the Trustee shall be entitled to rely absolutely on such evidence as it deems appropriate, including opinions of counsel and Officer's Certificates.

In determining whether the Holders of the required principal amount of Notes have concurred in any direction or consent or any amendment, modification or other change to the Indenture, Notes owned by the Issuer or by an Affiliate of the Issuer will be disregarded and treated as if they were not outstanding.

Currency Indemnity

Euro is the sole currency of account and payment for all sums payable under the Notes, the Guarantees and the Indenture. Any amount received or recovered in respect of the Notes or the Guarantees in a currency other than euro (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer, any Subsidiary or otherwise) by the Trustee or a Holder of the Notes in respect of any sum expressed to be due to such Holder from the Issuer or the Guarantors will constitute a discharge of their obligation only to the extent of the euro amount which the recipient is able to purchase with the amount so received or recovered in such other currency on the date of that receipt or recovery (or, if it is not possible to purchase euro on that date, on the first date on which it is possible to do so). If the euro amount that could be recovered following such a purchase is less than the euro amount expressed to be due to the recipient under any Note, the Issuer and the Guarantors will jointly and severally indemnify the recipient against the cost of the recipient's making a further purchase of euro in an amount equal to such difference. For the purposes of this paragraph, it will be sufficient for the Holder to certify that it would have suffered a loss had the actual purchase of euro been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of euro on that date had not been possible, on the first date on which it would have been possible). These indemnities, to the extent permitted by law:

- (a) constitute a separate and independent obligation from the Issuer's and the Guarantors' other obligations;
- (b) give rise to a separate and independent cause of action;
- (c) apply irrespective of any waiver granted by any Holder; and
- (d) will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order.

Notices

Notices regarding the Notes will be published, if and for as long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market and to the extent that the rules and regulations of the Luxembourg Stock Exchange so require, in a newspaper having a general circulation in Luxembourg (which is currently expected to be the *Luxemburger Wort*), or to the extent and in the manner permitted by the rules and regulations of the Luxembourg Stock Exchange, posted on the official website of the Luxembourg Stock Exchange, www.bourse.lu.

If and so long as the Notes are listed on any other securities exchange, notices will also be given in accordance with any applicable requirements of such securities exchange.

No Personal Liability of Directors, Officers, Employees and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, the Indenture, the Guarantees or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note will waive and release all such liability. The waiver and release will be part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. federal securities laws.

The Trustee

The Indenture contains limitations on the rights of the Trustee under the Indenture in the event the Trustee becomes a creditor of the Issuer or any Guarantor.

The Indenture contains provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified and/or secured to its satisfaction.

Consent to Jurisdiction and Service of Process

The Issuer and each Guarantor has each irrevocably appointed Lords Securities Corporation as its agent for service of process in any suit, action or proceeding with respect to the Indenture, the Notes and the Guarantees, as the case may be, brought in any U.S. federal or state court located in The Borough of Manhattan, City of New York, State of New York and each of the parties to the Indenture has submitted to the non-exclusive jurisdiction of the U.S. federal or state courts located in The Borough of Manhattan, City of New York, State of New York. If for any reason Lords Securities Corporation is unable to serve in such capacity, the Issuer and each Guarantor shall appoint another agent reasonably satisfactory to the Trustee.

Governing Law

The Indenture, the Notes and the Guarantees are governed by and construed in accordance with the laws of New York. The Intercreditor Agreement and any non-contractual obligations arising out of it will be governed by and construed in accordance with the laws of England and Wales.

Certain Definitions

“Acquired Debt” means Debt of a Person:

- (a) existing at the time such Person becomes a Restricted Subsidiary or is merged into or consolidated with the Issuer or any Restricted Subsidiary; or
- (b) assumed in connection with the acquisition of assets from any such Person.

Acquired Debt will be deemed to be Incurred on the date the acquired Person becomes a Restricted Subsidiary (or is merged into or consolidated with the Issuer or any Restricted Subsidiary, as the case may be) or the date of the related acquisition of assets from any Person.

“Affiliate” means, with respect to any specified Person, any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control,” when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms “controlling,” “controlled” have meanings correlative to the foregoing.

“Applicable Redemption Premium” means, with respect to any Note on any redemption date, the greater of:

- (a) 1.0% of the principal amount of the Note; and
- (b) the excess of:
 - (i) the present value at such redemption date of: (x) the redemption price of such Note at December 1, 2015 (such redemption price being set forth in the table appearing below the caption *“Optional Redemption—Optional Redemption on or after December 1, 2015”*); plus
 - (y) all required interest payments that would otherwise be due to be paid on such Note during

the period between the redemption date and December 1, 2015 (excluding accrued but unpaid interest), computed using a discount rate equal to the Bund Rate at such redemption date *plus* 50 basis points; over

- (ii) the outstanding principal amount of the Note.

For the avoidance of doubt, the calculation of the Applicable Redemption Premium shall not be a duty or obligation of the Trustee, the Calculation Agent or the Paying Agents.

“**Asset Sale**” means any sale, issuance, conveyance, transfer, lease or other disposition (including, without limitation, by way of merger, consolidation, amalgamation or other combination or Sale and Leaseback Transaction) (collectively, a “**transfer**”), directly or indirectly, in one or a series of related transactions, of:

- (a) any Capital Stock of any Subsidiary (other than directors’ qualifying shares or shares required by applicable law to be held by a Person other than the Issuer or a Subsidiary);
- (b) all or substantially all of the properties and assets of any division or line of business of the Issuer or any Restricted Subsidiary; or
- (c) any other of the Issuer’s or any Restricted Subsidiary’s properties or assets.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

- (i) any single transaction or series of related transactions that involves assets or Capital Stock having a Fair Market Value of less than €5.0 million;
- (ii) any transfer or disposition of assets by the Issuer to any Restricted Subsidiary, or by any Restricted Subsidiary to the Issuer or any Restricted Subsidiary and otherwise in accordance with the terms of the Indenture;
- (iii) any transfer or disposition of obsolete, surplus, damaged or permanently retired equipment, facilities or inventory that are no longer useful in the conduct of the Issuer’s and any Restricted Subsidiary’s business;
- (iv) sales or dispositions of Receivables in connection with any factoring transaction in the ordinary course of business or on arms’ length terms;
- (v) any transfer or disposition of assets that is governed by the provisions of the Indenture described under “—*Certain Covenants—Merger, Consolidation or Sale of Assets*” or “—*Certain Covenants—Change of Control*”;
- (vi) the making of a Permitted Investment or any Restricted Payment made in compliance with “—*Certain Covenants—Limitation on Restricted Payments*”;
- (vii) the sale, lease, sublease, license, sublicense, assignment or other disposition of any real or personal property or any equipment, inventory, software or intellectual property, or other assets in the ordinary course of business;
- (viii) an issuance of Capital Stock by a Restricted Subsidiary to the Issuer or to another Restricted Subsidiary, an issuance or sale of by a Restricted Subsidiary of Preferred Stock or Redeemable Capital Stock that is permitted by the covenant described above under “—*Certain Covenants—Limitation on Debt*”;
- (ix) any transfer, termination, unwinding or other disposition of Hedging Agreements not for speculative purposes;
- (x) sales of assets received by the Issuer or any Restricted Subsidiary upon the foreclosure on a Lien granted in favor of the Issuer or any Restricted Subsidiary;
- (xi) the foreclosure, condemnation, taking by eminent domain or any similar action with respect to any property or other assets or any surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims of any kind;
- (xii) the granting of Liens not prohibited by the covenant described above under the caption “—*Certain Covenants—Limitation on Liens*”;
- (xiii) the sale or other disposition of cash or Cash Equivalents;

- (xiv) the disposition of Receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements;
- (xv) the surrender or waiver of contract rights or settlement, release, recovery on or surrender of contract, tort or other claims in the ordinary course of business;
- (xvi) any disposition of any Shelf Company;
- (xvii) the disposition of assets to a Person who is providing services (the provision of which have been or are to be outsourced by the Issuer or any Restricted Subsidiary to such Person) related to such assets; and
- (xviii) any issuance, sale, transfer or other disposition of Capital Stock of, or Debt or other securities of, any Unrestricted Subsidiary.

“Average Life” means, as at the date of determination with respect to any Debt, the quotient obtained by dividing:

- (a) the sum of the products of:
 - (i) the numbers of years from the date of determination to the date or dates of each successive scheduled principal payment of such Debt; multiplied by
 - (ii) the amount of each such principal payment;

by

- (b) the sum of all such principal payments.

“Beneficial Owner” has the meaning assigned to such term in Rule 13d-3 and Rule 13d-5 under the Exchange Act, except that in calculating the beneficial ownership of any particular “person” (as that term is used in Section 13(d)(3) of the Exchange Act), such “person” will be deemed to have beneficial ownership of all securities that such “person” has the right to acquire by conversion or exercise of other securities, whether such right is currently exercisable or is exercisable only after the passage of time. The terms **“Beneficially Owns”** and **“Beneficially Owned”** have a corresponding meaning.

“Board of Directors” means:

- (a) with respect to any corporation, the board of directors or managers of the corporation (which, in the case of any corporation having both a supervisory board and an executive or management board, shall be the executive or management board) or any duly authorized committee thereof;
- (b) with respect to any partnership, the board of directors of the general partner of the partnership or any duly authorized committee thereof;
- (c) with respect to a limited liability company, the managing member or members (or analogous governing body) or any controlling committee of managing members thereof; and
- (d) with respect to any other Person, the board or any duly authorized committee thereof or committee of such Person serving a similar function.

“Bund Rate” means, with respect to any redemption date, the rate per annum equal to the equivalent yield to maturity as at such redemption date of the Comparable German Bund Issue, assuming a price for the Comparable German Bund Issue (expressed as a percentage of its principal amount) equal to the Comparable German Bund Price for such redemption date, where:

- (a) **“Comparable German Bund Issues”** means the German *Bundesanleihe* security selected by any Reference German Bund Dealer as having a fixed maturity most nearly equal to the period from such redemption date to December 1, 2015 and that would be utilized, at the time of selection and in accordance with customary financial practice, in pricing new issues of euro-denominated corporate debt securities in a principal amount approximately equal to the then outstanding principal amount of the Notes and of a maturity most nearly equal to December 1, 2015; *provided* that if the period from such redemption date to December 1, 2015, is less than one year, a fixed maturity of one year shall be used;
- (b) **“Comparable German Bund Price”** means, with respect to any redemption date, the average of the Reference German Bund Dealer Quotations for such redemption date, after excluding the

highest and lowest such Reference German Bund Dealer Quotations, or if the Issuer obtains fewer than four such Reference German Bund Dealer Quotations, the average of all such quotations;

- (c) “**Reference German Bund Dealer**” means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and
- (d) “**Reference German Bund Dealer Quotations**” means, with respect to each Reference German Bund Dealer and any redemption date, the average as determined by the Issuer of the bid and offered prices for the Comparable German Bund issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Issuer by such Reference German Bund Dealer at 3.30 p.m. Frankfurt, Germany time on the third business day preceding such redemption date.

“**Business Day**” means a day other than a Saturday, Sunday or other day on which banking institutions in London, the Netherlands, New York, Luxembourg or a place of payment under the Indenture are authorized or required by law to close.

“**Capital Stock**” means, with respect to any Person, any and all shares, interests, partnership interests (whether general or limited), participations, rights in or other equivalents (however designated) of such Person’s equity, any other interest or participation that confers the right to receive a share of the profits and losses, or distributions of assets of, such Person and any rights (other than debt securities convertible into or exchangeable for Capital Stock), warrants or options exchangeable for, or convertible into, such Capital Stock, whether now outstanding or issued after the Issue Date.

“**Capitalized Lease Obligation**” means, with respect to any Person, any obligation of such Person under a lease of (or other agreement conveying the right to use) any property (whether real, personal or mixed), which obligation is required to be classified and accounted for as a capital lease obligation under IFRS (as in effect on the Issue Date for purposes of determining whether a lease is a Capitalized Lease Obligation), and, for purposes of the Indenture, the amount of such obligation at any date will be the capitalized amount thereof at such date, determined in accordance with IFRS and the Stated Maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty.

“**Cash Equivalents**” means any of the following:

- (a) Euro, U.S. dollars and sterling, Swiss francs, the national currency of any member state in the European Union or, in the case of any Restricted Subsidiary that is not organized or existing under the laws of the United States, any member state of the European Union or any state or territory thereof, such local currencies held by it from time to time in the ordinary course of business;
- (b) any evidence of Debt denominated in euro, sterling or U.S. dollars with a maturity of 365 days or less from the date of acquisition, issued or directly and fully guaranteed or insured by a member state (an “**EU Member State**”) of the European Union whose sole lawful currency on the Issue Date is euro, the government of the United Kingdom of Great Britain and Northern Ireland, the United States of America, any state thereof or the District of Columbia, or any agency or instrumentality thereof (each, an “**Approved Jurisdiction**”);
- (c) time deposit accounts, certificates of deposit, money market deposits or bankers’ acceptances denominated in euro, sterling or U.S. dollars with a maturity of 365 days or less from the date of acquisition issued by a bank or trust company organized in an EU Member State, the United Kingdom of Great Britain and Northern Ireland or any commercial banking institution that is a member of the U.S. Federal Reserve System, in each case having combined capital and surplus and undivided profits of not less than €250 million, whose long-term, unsecured, unsubordinated and unguaranteed debt has a rating, at the time any investment is made therein, of at least A or the equivalent thereof from S&P and at least A2 or the equivalent thereof from Moody’s;
- (d) commercial paper with a maturity of 365 days or less from the date of acquisition issued by a corporation that is not the Issuer’s or any Restricted Subsidiary’s Affiliate and which is incorporated under the laws of an EU Member State, United Kingdom of Great Britain and Northern Ireland, the United States of America or any state thereof and, at the time of acquisition, having a short-term credit rating of at least A2 or the equivalent thereof from S&P or at least P2 or the equivalent thereof from Moody’s;

- (e) repurchase obligations with a term of not more than seven days for underlying securities of the type described in clauses (b) and (c) above, entered into with a financial institution meeting the qualifications described in clause (c) above;
- (f) Debt issued by Persons (other than the Issuer or any of its Affiliates) with a rating of A or the equivalent thereof or higher from S&P or A2 or the equivalent thereof or higher from Moody's, in each case with maturities not exceeding two years from the date of acquisition; and
- (g) Investments in money market mutual funds at least 95% of the assets of which constitute Cash Equivalents of the kind described in clauses (a) through (f) above or are otherwise rated AAA or higher by S&P and Aaa from Moody's.

Notwithstanding the foregoing, Cash Equivalents shall include amounts denominated in currencies other than those set forth in clause (a) above, *provided* that such amounts are converted into any currency listed in clause (a) as promptly as practicable and in any event within ten Business Days following the receipt of such amounts.

“Change of Control” means the occurrence of any of the following events:

- (a) the sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of the assets of the Issuer and its Restricted Subsidiaries taken as a whole to any Person (including any “person” (as that term is used in Section 13(d)(3) of the Exchange Act)) other than a Permitted Holder (other than any such sale, lease, transfer, conveyance or other disposition of all or substantially all of the assets of the Issuer to an Affiliate of the Issuer for the purpose of reincorporating the Issuer in another jurisdiction, changing domicile or changing corporate form; provided that such transaction complies with the covenant described under the heading “—*Certain Covenants—Merger, Consolidation or Sale of Assets*”); or
- (b) the consummation of any transaction as a result of which any Person (including any “person” as defined above) other than a Permitted Holder becomes the Beneficial Owner of more than 50% of the issued and outstanding Voting Stock of the Issuer measured by voting power rather than number of shares.

“Clearstream” means Clearstream Banking, *société anonyme*.

“Commission” means the U.S. Securities and Exchange Commission.

“Consolidated EBITDA” means the sum of (A) Consolidated Net Income *plus* (or *minus*, if applicable, in the case of clauses (e) and (f)) (B) in each case to the extent deducted (or added, if applicable, in the cases of clauses (e) and (f)) in computing Consolidated Net Income for such period:

- (a) Consolidated Interest Expense;
- (b) Consolidated Tax Expense;
- (c) the aggregate depreciation, amortization (including amortization of goodwill and other intangibles and deferred financing fees, impairment charges and the impact of purchase accounting) and other non-cash expenses of the Issuer and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with IFRS (excluding any such non-cash charge that requires an accrual of or reserve for cash charges for any future period);
- (d) any expenses, charges or other costs related to the issuance of any Capital Stock (including pursuant to an employee benefit plan), or any Permitted Investment, acquisition, disposition, recapitalisation or listing or the incurrence of Debt permitted to be incurred under the covenant described above under the caption “—*Certain Covenants—Limitation on Debt*” (including any refinancing thereof) whether or not successful, including (i) such fees, expenses or charges related to any incurrence of Debt and (ii) any amendment or other modification of any Debt;
- (e) any foreign currency translation gains or losses (including losses relating to currency remeasurements of Debt) and gains or losses from Hedging Agreements of the Issuer and its Restricted Subsidiaries;
- (f) non-cash items increasing such Consolidated Net Income for such period (other than any non-cash items increasing such Consolidated Net Income pursuant to clauses (a) through (m) of the definition

of Consolidated Net Income), other than the reversal of a reserve for cash charges in a future period in the ordinary course of business;

- (g) the proceeds of any business interruption insurance actually received during such period to the extent the associated losses arising out of the event that resulted in the payment of such business interruption insurance proceeds were included in computing Consolidated Net Income;
- (h) the amount of any acquisition costs and any integration costs and expenses relating to or arising from any acquisitions, to the extent such costs were deducted in computing such Consolidated Net Income;
- (i) to the extent actually reimbursed during such period, expenses that are covered by the indemnification provisions in any agreement entered into by such Person in connection with an acquisition to the extent such expenses were included in computing Consolidated Net Income; and
- (j) any amounts paid or payable for any management, monitoring, consulting or advisory fees to a Permitted Holder to the extent permitted in the covenant described in “*Limitation on Transactions with Affiliates.*”

“**Consolidated Fixed Charge Coverage Ratio**” of the Issuer means, for any period, the ratio of (1) Consolidated EBITDA to (2) Consolidated Interest Expense. In the event that the Issuer or any of its Restricted Subsidiaries Incurs, assumes, guarantees, repays, repurchases, redeems, defeases or otherwise discharges any Debt subsequent to the commencement of the period for which the Consolidated Fixed Charge Coverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Fixed Charge Coverage Ratio is made (the “**Calculation Date**”), then the Consolidated Fixed Charge Coverage Ratio will be calculated giving pro forma effect (as determined in good faith by a responsible accounting or financial officer of the Issuer) to such Incurrence, assumption, guarantee, repayment, repurchase, redemption, defeasance or other discharge of Debt, and the use of the proceeds therefrom, as if the same had occurred at the beginning of the applicable four-quarter reference period (except that, in making such calculation, the amount of Debt under any revolving credit facility shall be computed based on the average daily balance of such Debt during such period); *provided, however*, that the pro forma calculation shall not give effect to (i) any Debt incurred on the Calculation Date pursuant to the provisions described in paragraph (2) under “—*Certain Covenants—Limitation on Debt*” (other than for the purpose of calculating the Consolidated Fixed Charge Coverage Ratio under clause (m) thereunder) or (ii) the discharge on the Calculation Date of any Debt to the extent that such discharge results from the proceeds incurred pursuant to the provisions described in paragraph (2) under “—*Certain Covenants—Limitation on Debt.*”

In addition, for purposes of calculating the Consolidated Fixed Charge Coverage Ratio:

- (a) acquisitions and Investments that have been made by the Issuer or any of its Restricted Subsidiaries, including through mergers or consolidations, or any Person or any of its Subsidiaries which are Restricted Subsidiaries acquired by the Issuer or any of its Restricted Subsidiaries, and including all related financing transactions and including increases in ownership of Subsidiaries which are Restricted Subsidiaries, during the four-quarter reference period or subsequent to such reference period and on or prior to the Calculation Date, or that are to be made on the Calculation Date, will be given *pro forma* effect (as determined in good faith by a responsible accounting or financial officer of the Issuer and may include anticipated expense and cost reduction synergies) as if they had occurred on the first day of the four-quarter reference period.
- (b) the Consolidated EBITDA (whether positive or negative) attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded on a *pro forma* basis as if such disposition occurred on the first day of such period;
- (c) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with IFRS, and operations or businesses (and ownership interests therein) disposed of prior to the Calculation Date, will be excluded on a *pro forma* basis as if such disposition occurred on the first day of such period, but only to the extent that the obligations giving rise to such Consolidated Interest Expense will not be obligations of the Issuer or any of its Restricted Subsidiaries following the Calculation Date;
- (d) any Person that is a Restricted Subsidiary on the Calculation Date will be deemed to have been a Restricted Subsidiary at all times during such four-quarter period;

- (e) any Person that is not a Restricted Subsidiary on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during such four-quarter period; and
- (f) if any Debt bears a floating rate of interest, the interest expense on such Debt will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Debt, and if any Debt is not denominated in the Issuer's functional currency, that Debt for purposes of calculation of the Consolidated Fixed Charge Covering Ratio shall be treated in accordance with IFRS).

"Consolidated Interest Expense" means, for any period, without duplication and in each case determined on a consolidated basis in accordance with IFRS, the sum of:

- (a) the Issuer's and the Restricted Subsidiaries' finance expenses (net of finance income) for such period, plus, to the extent not otherwise included in finance expenses:
 - (i) amortization of original issue discount (but not deferred financing fees, debt issuance costs, commissions, fees and expenses);
 - (ii) any payments with respect to interest rate Hedging Agreements (excluding amortization of fees or any non-cash interest expense attributable to the movement in the mark-to-market valuation of such agreements);
 - (iii) commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and similar transactions; and
 - (iv) the interest portion of any deferred payment obligation; *plus*
- (b) the interest component of the Issuer's and the Restricted Subsidiaries' Capitalized Lease Obligations accrued and/or scheduled to be paid or accrued during such period other than the interest component of Capitalized Lease Obligations between or among the Issuer and any Restricted Subsidiary or between or among Restricted Subsidiaries; *plus*
- (c) the Issuer's and the Restricted Subsidiaries non-cash interest expenses and interest that was capitalized during such period (excluding any such interest in respect of any Subordinated Shareholder Funding); *plus*
- (d) all cash dividends paid on the Issuer's Redeemable Capital Stock or the Preferred Stock of its Restricted Subsidiaries, in each case excluding items eliminated in consolidation; *minus*
- (e) (i) accretion or accrual of discounted liabilities other than Debt, (ii) any expense resulting from the discounting of any Debt in connection with the application of purchase accounting in connection with any acquisition, (iii) interest with respect to Debt of any Holding Company of such Person appearing upon the balance sheet of such Person solely by reason of push-down accounting under IFRS and (iv) any non-cash interest expense and interest that was capitalized during such period relating to Subordinated Shareholder Funding.

"Consolidated Leverage" means, as of any date of determination, the sum of the total amount of Debt of the Issuer and its Restricted Subsidiaries on a consolidated basis.

"Consolidated Leverage Ratio" of the Issuer means, as of any date of determination, the ratio of (1) the Consolidated Leverage as of the end of the most recent quarterly period for which financial statements are available to (2) Consolidated EBITDA for the most recent four quarters for which financial statements are available; in each case with such *pro forma* adjustments as are consistent with the *pro forma* provisions set forth in the definition of Consolidated Fixed Charge Coverage Ratio.

"Consolidated Net Income" means, for any period, the Issuer's and the Restricted Subsidiaries' consolidated profit/(loss) for such period as determined in accordance with IFRS, and without any reduction in respect of Preferred Stock dividends, adjusted by excluding (to the extent included in such consolidated net income or loss), without duplication:

- (a) any goodwill or other intangible asset amortization or impairment charges;
- (b) the portion of net income or loss of any Person (other than the Issuer or a Restricted Subsidiary), including Unrestricted Subsidiaries, in which the Issuer or any Restricted Subsidiary has an equity ownership interest which is accounted for using the equity method of accounting, except that the Issuer's or a Restricted Subsidiary's equity in the net income of such Person for such period shall be included in such Consolidated Net Income to the extent of the aggregate amount of dividends or

other distributions actually paid to the Issuer or any Restricted Subsidiary in cash dividends or other distributions during such period;

- (c) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(i) of paragraph (2) of the “*Limitation on Restricted Payments*” covenant, the net income (but not the loss) of any Non-Guarantor Restricted Subsidiary will be excluded to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary to the Issuer (or any Guarantor that holds the Capital Stock of such Restricted Subsidiary, as applicable) is not at the date of determination permitted, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary or its shareholders (other than (i) restrictions that have been waived or otherwise released or the Issuer reasonably believes could be released or waived, (ii) restrictions pursuant to the Senior Secured Notes and the Senior Secured Notes Indenture, the Notes and the Indenture or the Revolving Credit Facility, (iii) contractual restrictions in effect on the Issue Date and any extensions thereof with respect to such Restricted Subsidiary, (iv) restrictions specified in clauses (a), (c) or (n) of paragraph (2) of the covenant described under “—*Limitation on Dividends and Other Payment Restriction Affecting Restricted Subsidiaries*” and (v) restrictions in effect on the Issue Date and other restrictions which with respect to such Restricted Subsidiary that, taken as a whole, are not materially less favorable to the Holders than such restrictions that exist on the Issue Date), except that the Issuer’s or a Restricted Subsidiary’s equity in the net income of such Person for such period shall be included in such Consolidated Net Income to the extent of the aggregate amount of dividends or other distributions actually paid to the Issuer or any Restricted Subsidiary in cash dividends or other distributions during such period (or the portion thereof that would be permitted to be paid pursuant to the applicable restrictions);
- (d) any net gain arising from the acquisition of any securities or extinguishment, under IFRS, of any Debt of such Person;
- (e) any after-tax effect of gains or losses attributable to asset dispositions other than in the ordinary course of business and the net income or loss attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or not such operations were classified as discontinued);
- (f) any extraordinary, exceptional or unusual gain, loss, expense or charge, including any charges or reserves in respect of any restructuring, redundancy, relocation, refinancing, integration or severance or other post-employment arrangements, signing, retention or completion bonuses, transaction costs, acquisition costs, costs related to litigation or governmental investigations and curtailments or modifications to pension or post-retirement benefits schemes; or any asset impairment charges or the financial impacts of natural disasters (including fire, flood and storm and related events);
- (g) any expenses or other costs related to the Refinancing Transactions;
- (h) any non-cash compensation charge or expense arising from any grant of stock, stock options or other equity based awards or any income (loss) attributable to deferred compensation plans or trusts and any non-cash deemed finance charges in respect of any pension liabilities or other provisions;
- (i) all deferred financing costs written off and premium paid or other expenses incurred directly in connection with any early extinguishment of Debt or hedging obligations and any net gain (loss) from any write off or forgiveness of Debt;
- (j) any increases in amortization or depreciation resulting from acquisition accounting, in each case, in relation to any acquisition of another Person or business or resulting from any reorganization involving the Issuer or its Subsidiaries;
- (k) any unrealized gains or losses in respect of Hedging Agreements or other financial instruments or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value or changes therein recognized in earnings for derivatives that do not qualify as hedge transactions;
- (l) any non-cash interest expense or interest that was capitalized, in each case in respect of Subordinated Shareholder Funding;

- (m) any unrealized foreign currency transaction gains or losses in respect of Debt of any Person denominated in a currency other than the functional currency of such Person, and any unrealized foreign currency transaction gains or losses in respect of Debt or other obligations of the Issuer or any Restricted Subsidiary owing to the Issuer or any Restricted Subsidiary and any unrealized foreign exchange gains or losses relating to translation of assets and liabilities denominated in foreign currencies; and
- (n) the cumulative effect of a change in accounting principles.

“Consolidated Tax Expense” means, for any period with respect to any Relevant Taxing Jurisdiction, the provision for all national, local and foreign federal, state or other taxes of the Issuer and the Restricted Subsidiaries for such period on income, profits or capital as determined on a consolidated basis in accordance with IFRS.

“Consolidated Total Assets” means, with respect to any specified Person at any time, the total assets of such Person and its Subsidiaries which are Restricted Subsidiaries, in each case as shown on the most recent balance sheet of such Person, determined on a consolidated basis in accordance with IFRS, which shall be calculated on a *pro forma* basis giving effect to acquisitions or dispositions of assets to be made on the Calculation Date.

“Contingent Obligations” means, with respect to any Person, any obligation of such Person guaranteeing in any manner, whether directly or indirectly, any operating lease, dividend or other obligation that does not constitute Debt (**“primary obligations”**) of any other Person (the **“primary obligor”**), including any obligation of such Person, whether or not contingent:

- (a) to purchase any such primary obligation or any property constituting direct or indirect security therefor;
- (b) to advance or supply funds:
 - (i) for the purchase or payment of any such primary obligation; or
 - (ii) to maintain the working capital or equity capital of the primary obligor or otherwise to maintain the net worth or solvency of the primary obligor; or
- (c) to purchase property, securities or services primarily for the purpose of assuring the owner of any such primary obligation of the ability of the primary obligor to make payment of such primary obligation against loss in respect thereof.

“Credit Facility” or **“Credit Facilities”** means, one or more debt facilities or indentures, as the case may be, instruments or arrangements (including the Revolving Credit Facility or commercial paper facilities and overdraft facilities) with banks, other institutions or investors, providing for revolving credit loans, term loans, receivables financing (including through the sale of Receivables to such institutions or to special purpose entities formed to borrow from such institutions against such Receivables), letters of credit, notes or other Debt, in each case, as amended, restated, modified, renewed, refunded, replaced, restructured, refinanced, repaid, increased or extended in whole or in part from time to time (and whether in whole or in part and whether or not with the original administrative agent and lenders or another administrative agent or agents or trustees or other banks or institutions and whether provided under the Revolving Credit Facility or one or more other credit or other agreements, financing agreements or otherwise) and in each case including all agreements, instruments and documents executed and delivered pursuant to or in connection with the foregoing (including any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other guarantees, pledges, agreements, security agreements and collateral documents). Without limiting the generality of the foregoing, the term **“Credit Facilities”** shall include any agreement or instrument (1) changing the maturity of any Debt Incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Issuer as additional borrowers, issuers or guarantors thereunder, (3) increasing the amount of Debt Incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

“Debt” means, with respect to any Person, without duplication:

- (a) the principal amount of all indebtedness of such Person for borrowed money;

- (b) the principal amount of the obligations of such Person to pay for the deferred purchase price of property or services, excluding any trade payables and other accrued current liabilities Incurred in the ordinary course of business, due more than one year after such property is acquired or such services are completed;
- (c) the principal amount of all indebtedness of such Person evidenced by bonds, notes, debentures or other similar instruments;
- (d) all reimbursement obligations, of such Person in connection with any letters of credit, bankers' acceptances or other similar instruments (the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit or other instruments plus the aggregate amount of drawings thereunder that have been reimbursed) (except to the extent such reimbursement obligations relate to trade payables and such obligations are satisfied within 30 days of Incurrence), in each case only to the extent that the underlying obligation in respect of which the investment was issued would be treated as Debt;
- (e) all Capitalized Lease Obligations of such Person;
- (f) all obligations of such Person under or in respect of Hedging Agreements (the amount of any such obligations to be equal at any time to the net payments under such agreement or arrangement giving rise to such obligation that would be payable by such Person at the termination of such agreement or arrangement);
- (g) the principal amount of all Debt referred to in (but not excluded from) the preceding clauses (a) through (f) of other Persons, the payment of which is secured by any Lien upon the assets of such Person, (the amount of such obligation being deemed to be the lesser of the Fair Market Value of such property or asset and the amount of the obligation so secured);
- (h) all guarantees by such Person of the principal amount of Debt referred to in this definition of any other Person;
- (i) all Redeemable Capital Stock of such Person valued at its voluntary fixed repurchase price as if it were purchased on a date on which its value is required to be determined, or if the Redeemable Capital Stock does not have a fixed repurchase price, its Fair Market Value; and
- (j) the principal component of obligations, or liquidation value, of such person with respect to Preferred Stock of any Restricted Subsidiary,

if and to the extent any of the preceding items (other than letters of credit and Hedging Agreements) would appear as a liability upon a balance sheet (excluding the footnotes thereto) of the specified Person prepared in accordance with IFRS.

The term “**Debt**” shall not include: (i) non-interest bearing installment obligations, Contingent Obligations Incurred in the ordinary course of business and accrued liabilities Incurred in the ordinary course of business that are not more than 90 days past due; (ii) anything accounted for as an operating lease or that would be accounted for as an operating lease in accordance with IFRS as in effect on the Issue Date; (iii) any obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations or contributions or social security or wage taxes; (iv) any Subordinated Shareholder Funding; (v) any prepayments or deposits received from customers or obligations in respect of funds or assets held on behalf of clients, or held by a Restricted Subsidiary acting as a trustee, bare trustee, agent, custodian, nominee, fiduciary or in a similar capacity, in each case in the ordinary course of business; (vi) any obligations under any license, permit or approval or guarantees thereof incurred prior to the Issue Date in the ordinary course of business; (vii) in connection with the purchase by the Issuer or any Restricted Subsidiary of any business, any post-closing payment adjustments to which the seller may become entitled to the extent such payment is determined by a final closing balance sheet or such payment depends on the performance of such business after the closing *provided, however*, that, at the time of closing, the amount of any such payment is not determinable and, to the extent such payment thereafter becomes fixed and determined, the amount is paid in a timely manner; (viii) any obligations that arise as a result of a referral fee arrangement or revenue sharing arrangement, in each case entered into in the ordinary course of business; (ix) any obligations in respect of unpaid share capital of a Shelf Company and (x) Debt Incurred by the Issuer or a Restricted Subsidiary in connection with a transaction where (A) such Debt is borrowed from a bank or trust company, having a combined capital and surplus and undivided profits of not less than €250 million, whose debt has a rating immediately prior to the time such

transaction is entered into, of at least A or the equivalent thereof by S&P and A2 or the equivalent thereof by Moody's and (B) a substantially concurrent Investment is made in the form of cash deposited with the lender of such Debt to secure such Debt, in amount equal to or greater than such Debt.

"Default" means any event that is, or after the giving of notice or passage of time or both would be, an Event of Default.

"Designated Non-Cash Consideration" means the Fair Market Value of non-cash consideration received by the Issuer or one of its Restricted Subsidiaries in connection with an Asset Sale that is so designated as Designated Non-Cash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation, less the amount of cash and Cash Equivalents received in connection with a subsequent payment, redemption, retirement, sale or other disposition of such Designated Non-Cash Consideration. A particular item of Designated Non-Cash Consideration will no longer be considered to be outstanding when and to the extent it has been paid, redeemed or otherwise retired or sold or otherwise disposed of in compliance with the *"Limitation on Sales of Assets"* covenant.

"Disinterested Member" means, with respect to any transaction or series of related transactions, a member of the Issuer's Board of Directors who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions. A member of the Issuer's Board of Directors will not be deemed to have such a financial interest solely by reason of such member holding Capital Stock of the Issuer or any Holding Company of the Issuer or any options, warrants or other rights in respect of such Capital Stock or being a creditor under any shareholder funding.

"Equity Offering" means any public or private sale of Capital Stock (other than Redeemable Capital Stock) of the Issuer or any Holding Company of the Issuer, other than (i) public offerings on Form S-4 or S-8 or equivalent forms in jurisdictions other than the United States or (ii) an issuance to any Subsidiary of the Issuer.

"Escrowed Proceeds" means the proceeds from the offering of any debt securities or other Debt paid into an escrow account with an independent escrow agent on the date of the applicable offering or incurrence pursuant to escrow arrangements that permit the release of amounts on deposit in such escrow account upon satisfaction of certain conditions or the occurrence of certain events. The term "Escrowed Proceeds" shall include any interest earned on the amounts held in escrow.

"euro" or **"€"** means the lawful currency of the member states of the European Union that participate in the third stage of the European Economic and Monetary Union.

"Euro Equivalent" means, with respect to any monetary amount in a currency other than euro, at any time for the determination thereof, the amount of euro obtained by converting such foreign currency involved in such computation into euro at the spot rate for the purchase of euro with the applicable foreign currency as published under *"Currency Rates"* in the section of *The Financial Times* entitled *"Currencies, Bonds & Interest Rates"* on the date two Business Days prior to such determination.

"Euroclear" means Euroclear Bank, SA/NV.

"European Government Obligations" means direct obligations (or certificates representing an ownership interest in such obligations) of a member state of the European Union (including any agency or instrumentality thereof) for the payment of which the full faith and credit of such government is given.

"European Union" means the European Union as of January 1, 2004, including the countries of Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom, but not including any country which became or becomes a member of the European Union after January 1, 2004.

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated by the Commission thereunder.

"Excluded Contribution" means the net cash proceeds received by the Issuer as capital contributions to the equity (other than through the issuance of Redeemable Capital Stock) of the Issuer after the Issue Date or from the issuance or sale (other than to a Restricted Subsidiary or an employee stock ownership plan or trust established by the Issuer or any Subsidiary of the Issuer for the benefit of its employees to the extent funded by the Issuer or any Restricted Subsidiary) of Capital Stock (other than Redeemable Capital Stock) of the Issuer or Subordinated Shareholder Funding of the Issuer, in each case, to the extent designated as an Excluded Contribution pursuant to an Officer's Certificate of the Issuer delivered substantially concurrent with such contribution.

“Fair Market Value” means, with respect to any asset or property, the sale value that would be obtained in an arm’s length free market transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Issuer’s Chief Executive Officer, Chief Financial Officer or responsible accounting or financial officer.

“guarantee” means, as applied to any Debt:

- (a) a guarantee (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business), direct or indirect, in any manner, of any part or all of such Debt; and
- (b) an agreement, direct or indirect, contingent or otherwise, the practical effect of which is to assure in any way the payment or performance (or payment of damages in the event of non-performance) of all or any part of such Debt, including, without limiting the foregoing, by the pledge of assets and the payment of amounts drawn down under letters of credit.

“Guarantee” means any guarantee of the Issuer’s obligations under the Indenture and the Notes by any Restricted Subsidiary or any other Person in accordance with the provisions of the Indenture. When used as a verb, **“Guarantee”** shall have a corresponding meaning.

“Guarantors” means TMF Corporate Secretarial Services Ltd; TMF Management (UK) Ltd; TMF Management Holding UK Ltd; TMF Trustee Ltd.; TMF VAT Services Ltd; TMF Holding UK Limited; EQ Audit S.à r.l.; Equity Trust Holdings S.à r.l.; Immobilière Vauban S.A.; International Pyramide Holdings (Luxembourg) S.A.; Manacor (Luxembourg) S.A.; TMF Corporate Services S.A.; TMF Luxembourg Holding S.A.; TMF Spain S.A.; Clear Management Company B.V.; TMF (B.V.I.) Ltd.; TMF Netherlands B.V.; Nationale Trust Maatschappij N.V.; TMF Holding International B.V.; Tradman FS Holding B.V.; TMF FundServices B.V.; TMF Group B.V.; TMF Group Invest Two B.V.; TMF Holding B.V.; Tradman Netherlands B.V.; TMF North America B.V.; TMF Structured Finance Services B.V.; Venture Support B.V.; Lord Securities Corporation; TMF US Holding Inc. and any other Person that provides a Guarantee in accordance with the provisions of the Indenture.

“Hedging Agreements” means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, commodity swap agreement, commodity cap agreement, commodity collar agreement, foreign exchange contracts, currency swap agreement or similar agreement providing for the transfer or mitigation of interest rate, commodity price or currency risks either generally or under specific contingencies.

“Holder” means the Person in whose name a Note is recorded on the Registrar’s books.

“Holding Company” of a Person means any other Person (other than a natural person) of which the first Person is a Subsidiary (including in respect of the Issuer, Middembern Group Luxembourg S.A. or its Affiliates or any entity formed for similar purposes as a management investment vehicle in respect of the Issuer and any successor entities thereof).

“IFRS” means International Financial Reporting Standards as adopted by the European Union, as in effect on the Issue Date.

“Independent Financial Advisor” means an investment banking firm, bank, accounting firm or third party appraiser, in any such case, of international standing; *provided* that such firm is not an Affiliate of the Issuer.

“Initial Investor Group Affiliate” (1) any controlling stockholder, partner or member, or any 50% (or more) owned Subsidiary, or immediate family member (in the case of an individual and including, without limitation, any immediate family member of Richard Hanson or the late Nigel Doughty or a trust of which one or more of them are beneficiaries), of an Initial Investor; or (2) any trust, corporation, partnership or other entity, the beneficiaries, stockholders, partners, owners or Persons beneficially holding a 50% or more controlling interest of which consist of an Initial Investor and/or such other Persons referred to in clause (1) of this definition.

“Initial Investors” means (i) Doughty Hanson and Co. Managers Limited and its Affiliates, any trust, fund, company, partnership or other Person owned, managed, sponsored or advised by or under common control with Doughty Hanson and Co. Managers Limited or its Affiliates, but not including any portfolio companies of the foregoing, and Affiliates for this purpose will include any company or partnership or limited liability partnership or similar entity which becomes the manager of the partnerships constituting Doughty Hanson & Co V, provided that such entity is initially under the control

of Richard Hanson whether or not he later cedes control to current or future members or employees of that entity, and (ii) senior management of the Issuer or its business.

“Initial Public Offering” means the first public offering of common stock or common equity interests of the Issuer or any Holding Company of the Issuer (the **“IPO Entity”**) following which such common stock or common equity interests are listed on an internationally recognized securities exchange.

“Intercreditor Agreement” means that certain intercreditor agreement dated the Issue Date between, among others, TMF Group HoldCo B.V. as Parent, the Issuer as the Company, certain subsidiaries of the Issuer as Original Debtors, and the RCF Agent, the Trustee the Security Agent, the RCF Finance Parties, the Hedge Counterparties, the Intra-Group Lenders and the Shareholder Creditors (each as defined therein).

“Investments” means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other similar obligations, but excluding advances or extensions of credit to customers or suppliers made in the ordinary course of business), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions in consideration of Debt, Capital Stock or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. Endorsement of negotiable instruments and documents in the ordinary course of business will not be deemed to be an Investment. If the Issuer or any Restricted Subsidiary of the Issuer sells or otherwise disposes of any Capital Stock of any direct or indirect Subsidiary of the Issuer such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Issuer, the Issuer will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Issuer’s Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the definition of Fair Market Value. The acquisition by Issuer or any Subsidiary of the Issuer of a Person that holds an Investment in a third Person will be deemed to be an Investment by Issuer or such Subsidiary in such third Person in an amount equal to the Fair Market Value. Except as otherwise provided in the Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value. Investment shall not include any Investment on behalf or for the benefit of clients of the Issuer or its Restricted Subsidiaries in the ordinary course of business, including Investments made acting as a trustee, agent, custodian, fiduciary or in a similar capacity.

“Issue Date” means December 7, 2012.

“Lien” means any mortgage or deed of trust, charge, pledge, lien (statutory or otherwise), privilege, security interest, hypothecation, assignment for or by way of security or other encumbrance upon or with respect to any property of any kind, real or personal, movable or immovable, now owned or hereafter acquired.

“Market Capitalization” means an amount equal to (i) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity on the date of the date the relevant Restricted Payment is made *multiplied by* (ii) the arithmetic mean of the closing prices per share of such common stock or common equity interests for the 30 consecutive trading days immediately preceding the date the relevant Restricted Payment is made.

“Maturity” means, with respect to any debt, the date on which any principal of such debt becomes due and payable as therein or herein provided, whether at the Stated Maturity with respect to such principal or by declaration of acceleration, call for redemption or purchase or otherwise.

“Moody’s” means Moody’s Investors Service, Inc. and its successors.

“Net Cash Proceeds” means, with respect to any Asset Sale, the cash proceeds thereof including payments in respect of deferred payment obligations when received, in the form of, or Cash Equivalents or stock or other assets when disposed for, cash (except to the extent that such obligations are financed or sold with recourse to the Issuer or any Restricted Subsidiary), net of:

- (a) sales or brokerage commissions and other fees and expenses (including, without limitation, fees and expenses of legal counsel, accountants, investment banks and other consultants) related to such Asset Sale and any relocation expenses as a result of such Asset Sale;

- (b) provisions for all taxes paid or payable, or required to be accrued as a liability under IFRS as a result of such Asset Sale;
- (c) all distributions and other payments required to be made to any Person (other than the Issuer or any Restricted Subsidiary) owning a beneficial interest in the assets (or entity that holds the assets) subject to the Asset Sale; and
- (d) appropriate amounts required to be provided by the Issuer or any Restricted Subsidiary, as the case may be, as a reserve in accordance with IFRS against any liabilities associated with such Asset Sale and retained by the Issuer or any Restricted Subsidiary, as the case may be, after such Asset Sale, including, without limitation, pension and other post employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations or purchase price adjustment obligations associated with such Asset Sale.

“Officer’s Certificate” means a certificate signed by an officer of the Issuer, a Guarantor or a Surviving Entity, as the case may be, and delivered to the Trustee.

“Pari Passu Debt” means any Debt of the Issuer or a Restricted Subsidiary that is not Subordinated Debt.

“Permitted Business” means (a) any businesses, services or activities engaged in by the Issuer or any of the Restricted Subsidiaries on the Issue Date and (b) any businesses, services and activities engaged in by the Issuer or any of the Restricted Subsidiaries that are related, complementary, incidental, ancillary or similar to any of the foregoing or are extensions or developments of any thereof.

“Permitted Debt” has the meaning given to such term under “—*Certain Covenants—Limitation on Debt.*”

“Permitted Holders” means, collectively, (1) the Initial Investors and the Initial Investor Group Affiliates and (2) any Person who is acting as an underwriter in connection with a public or private offering of Capital Stock of the Issuer or any of its parent companies, acting in such capacity. Any Person or group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) whose acquisition of Beneficial Ownership constitutes a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

“Permitted Investments” means any of the following:

- (a) Investments in cash or Cash Equivalents;
- (b) intercompany Debt to the extent permitted under clause (e) of the definition of Permitted Debt;
- (c) Investments in: (i) the Issuer; (ii) a Restricted Subsidiary; or (iii) another Person if as a result of such Investment such other Person becomes a Restricted Subsidiary or such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all of its assets to, or is liquidated into, the Issuer or a Restricted Subsidiary;
- (d) Investments made by the Issuer or any Restricted Subsidiary as a result of or retained in connection with an Asset Sale permitted under or made in compliance with “—*Certain Covenants—Limitation on Asset Sales*” to the extent such Investments are non-cash proceeds permitted thereunder;
- (e) expenses or advances to cover payroll, travel, entertainment, moving, other relocation and similar matters that are expected at the time of such advances to be treated as expenses in accordance with IFRS;
- (f) Investments in the Notes and any other Debt of the Issuer or any Restricted Subsidiary;
- (g) Investments in Receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business;
- (h) Investments existing at the Issue Date and any Investment consisting of an extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on, the Issue Date; *provided* that the amount of any such Investment may be increased (i) as required by the terms of the Investment as in existence on the Issue Date or (b) as otherwise permitted under the Indenture;

- (i) Guarantees, keepwells and similar arrangements not prohibited by “—*Certain Covenants—Limitation on Debt*” and Investments in Hedging Agreements permitted under clause (i) of the definition of Permitted Debt;
- (j) loans and advances to officers, directors and employees, in each case (i) in the ordinary course of business or consistent with past practices, (ii) to fund such Person’s purchase of Capital Stock of the Issuer or any direct or indirect Holding Company thereof, if the proceeds of any such loans to purchase Capital Stock under this clause (j) are either received by the Issuer or contributed by such Holding Company of the Issuer and are excluded from the calculation under clause (c)(ii) of paragraph (2) of “—*Certain Covenants—Limitation on Restricted Payments*” except to the extent such loans are actually repaid or (iii) otherwise in an aggregate amount not to exceed €5.0 million outstanding at any one time under this clause (j);
- (k) advances or loans not to exceed €5.0 million at any one time outstanding to any management equity plan or stock option plan or any other management or employee benefit or incentive plan or unit trust or the trustees of any such plan or trust to pay for the purchase or other acquisition for value of Qualified Capital Stock of the Issuer;
- (l) (i) stock, obligations or securities received in satisfaction of judgments, foreclosure of liens or settlement of debts and (ii) any Investments received in compromise of obligations of such persons that were Incurred in the ordinary course of business, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy or insolvency of any trade debtor or customer;
- (m) any Investment solely in exchange for the issuance of Equity Interest (other than Redeemable Capital Stock) of the Issuer or Subordinated Shareholder Funding;
- (n) Investments consisting of earnest money deposits required in connection with a purchase agreement, or letter of intent, or other acquisitions to the extent not otherwise prohibited by the indenture;
- (o) any transaction to the extent constituting an Investment that is permitted and made in accordance with the provisions of paragraph (2) of the covenant described under “—*Certain Covenants—Limitation on Transactions with Affiliates*” (except those described in clauses (ii), (iii), (iv), (vii), (viii)(a), (ix), (x), (xiii) or (xiv) of that paragraph);
- (p) Investments by the Issuer or any of its Restricted Subsidiaries in a Person whose principle business is a Permitted Business having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (p) that are at any one time outstanding (net of the amount of any distribution, dividends, payments or other returns in respect of such Investments), not to exceed the greater of (x) €20.0 million and (y) 2.0% of Consolidated Total Assets; *provided* that if an Investment is made pursuant to this clause (p) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under “—*Certain Covenants—Designation of Unrestricted and Restricted Subsidiaries*,” such Investment shall thereafter be deemed to have been made pursuant to clause (c) of this definition and not this clause (p);
- (q) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (q) that are at any one time outstanding (net of the amount of any distributions, dividends, payments or other returns in respect of such Investments), not to exceed the greater of (x) €15.0 million and (y) 1.5% of Consolidated Total Assets; *provided* that if an Investment is made pursuant to this clause (q) in a Person that is not a Restricted Subsidiary and such Person subsequently becomes a Restricted Subsidiary or is subsequently designated a Restricted Subsidiary pursuant to the covenant described above under “—*Certain Covenants—Designation of Unrestricted and Restricted Subsidiaries*,” such Investment shall thereafter be deemed to have been made pursuant to clause (c) of this definition and not this clause (q);
- (r) guarantees or similar security or credit support provided to special purpose entities that hold third party funds owed to clients of the Issuer or a Restricted Subsidiary in the ordinary course of

business, or other parties (“**Third Party Funds**”) which Third Party Funds are managed or held in escrow by the Issuer or a Restricted Subsidiary; and

- (s) Investments in Shelf Companies in the ordinary course of business.

“**Permitted Liens**” means the following types of Liens:

- (a) Liens existing as at the date of the Issue Date;
- (b) Liens on assets or property of a Non-Guarantor Restricted Subsidiary securing Debt of any Non-Guarantor Restricted Subsidiary;
- (c) Liens on any property or assets of a Restricted Subsidiary granted in favor of the Issuer or any Restricted Subsidiary;
- (d) Liens on any of the Issuer’s or any Restricted Subsidiary’s property or assets securing the Notes or any Guarantee;
- (e) any interest or title of a lessor under any Capitalized Lease Obligation or operating lease and Liens to secure Debt (including Capitalized Lease Obligations) permitted by clause (g) of the definition of Permitted Debt covering only the assets acquired with such Debt;
- (f) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by the Issuer or any Restricted Subsidiary in the ordinary course of business;
- (g) statutory Liens of landlords and carriers, warehousemen, mechanics, suppliers, materialmen, repairmen, employees, pension plan administrators or other like Liens arising in the ordinary course of the Issuer’s or any Restricted Subsidiary’s business and with respect to amounts not yet delinquent or being contested in good faith by appropriate proceedings and for which a reserve or other appropriate provision, if any, as shall be required in conformity with IFRS shall have been made or Liens arising solely by virtue of any statutory or common law provisions relating to attorney’s liens or bankers’ liens, rights of set off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depository institution;
- (h) Liens for taxes, assessments, government charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as shall be required in conformity with IFRS shall have been made;
- (i) Liens Incurred or pledges or deposits made to secure the performance of tenders, bids or trade or government contracts, or to secure leases, statutory or regulatory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature Incurred in the ordinary course of business (including letters of credit to secure the obligations described in this clause (i));
- (j) zoning restrictions, easements, licenses, reservations, title defects, rights of others for rights of way, utilities, sewers, electrical lines, telephone lines, telegraph wires, restrictions, encroachments and other similar charges, encumbrances or title defects that do not in the aggregate materially interfere with in any material respect the ordinary conduct of the business of the Issuer and its Restricted Subsidiaries, taken as a whole;
- (k) Liens arising by reason of any judgment, decree or order of any court so long as such Lien is adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment, decree or order shall not have been finally terminated or the period within which such proceedings may be initiated shall not have expired;
- (l) Liens on property of, or on shares of Capital Stock or Debt of, any Person existing at the time such Person is acquired by, merged with or into or consolidated with, the Issuer or any Restricted Subsidiary; *provided* that such Liens do not extend to or cover any property or assets of the Issuer or any Restricted Subsidiary other than the property or assets acquired or than those of the Person that becomes a Restricted Subsidiary or is merged into or consolidated with the Issuer or Restricted Subsidiary;
- (m) Liens securing the Issuer’s or any Restricted Subsidiary’s obligations under Hedging Agreements permitted under clause (i) of the definition of Permitted Debt or any collateral for the Debt to which such Hedging Agreements relate;

- (n) Liens Incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security or other insurance;
- (o) Liens Incurred in connection with any cash management program established in the ordinary course of business for the Issuer's benefit or that of any Restricted Subsidiary in favor of a bank or trust company, including Liens securing or arising by reason of any cash pooling, netting or set-off arrangement, or daylight borrowing facilities in connection with customary cash management or cash pooling activities;
- (p) Liens encumbering deposits made to secure obligations arising from statutory, regulatory, contractual, or warranty requirements of the Issuer or any Restricted Subsidiary, including rights of offset and set off;
- (q) Liens securing Debt Incurred to refinance Debt that has been secured by a Lien permitted by the Indenture; *provided* that: (i) any such Lien shall not extend to or cover any assets not securing the Debt so refinanced (plus improvements and accessions to such property or proceeds or distributions thereof); and (ii) the Debt so refinanced shall not be increased to an amount greater than the sum of (x) the outstanding principal amount, or if greater, committed amount, of the Debt refinanced with such refinanced Debt and (y) an amount necessary to pay any fees and expenses, including premiums, related to such refinancing;
- (r) purchase money Liens to finance acquisitions, improvements or construction of property or assets of the Issuer or any Restricted Subsidiary in the ordinary course of business; *provided* that: (i) the related Debt shall not exceed the cost of such property or assets and shall not be secured by any property or assets of the Issuer or any Restricted Subsidiary other than the property and assets so acquired; and (ii) the Lien securing such Debt shall be created within 90 days of any such acquisitions;
- (s) Liens Incurred in the ordinary course of business of the Issuer or any Restricted Subsidiary with respect to obligations that do not exceed €10.0 million at any one time outstanding;
- (t) filing of Uniform Commercial Code financing statements under U.S. state law (or similar filings under applicable jurisdiction) in connection with operating leases in the ordinary course of business;
- (u) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Debt;
- (v) Liens on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets;
- (w) any condemnation or eminent domain actions or compulsory purchase orders regarding real property;
- (x) Liens (including put and call arrangements) on Capital Stock or other securities of any Unrestricted Subsidiary that secure Debt of such Unrestricted Subsidiary;
- (y) pledges of goods, the related documents of title and/or other related documents arising or created in the ordinary course of the Issuer or any Restricted Subsidiary's business or operations as Liens only for Debt to a bank or financial institution directly relating to the goods or documents on or over which the pledge exists;
- (z) Liens over cash paid into an escrow account pursuant to any purchase price retention arrangement as part of any permitted disposal by the Issuer or a Restricted Subsidiary;
- (aa) limited recourse Liens in respect of the ownership interests in, or assets owned by, any joint ventures which are not Restricted Subsidiaries securing obligations of such joint ventures;
- (bb) Liens created on any asset of the Issuer or a Restricted Subsidiary established to hold assets of any stock option plan or any other management or employee benefit or incentive plan or unit trust of the Issuer or a Restricted Subsidiary securing any loan to finance the acquisition of such assets;
- (cc) Leases, licenses, subleases and sublicenses of assets (including real property and intellectual property rights) in each case entered into in the ordinary course of business;

- (dd) Liens over treasury stock of the Issuer or a Restricted Subsidiary purchased or otherwise acquired for value by the Issuer or such Restricted Subsidiary pursuant to a stock buy-back scheme or other similar plan or arrangement;
- (ee) Liens on Escrowed Proceeds for the benefit of the related holders of debt securities or other Debt (or the underwriters or arrangers thereof) or on cash set aside at the time of the Incurrence of any Debt or government securities purchased with such, in either case to the extent such cash or government securities prefund the payment of interest on such Debt and are held in an escrow account or similar arrangement to be applied for such purpose;
- (ff) any extension, renewal or replacement, in whole or in part, of any Lien described in the foregoing clauses (a) through (ee); *provided* that any such extension, renewal or replacement shall be no more restrictive in any material respect than the Lien so extended, renewed or replaced and shall not extend in any material respect to any additional property or assets;
- (gg) Liens in respect of funds or assets held for clients (including Liens over bank accounts which are designated “client accounts” in connection with the royalties collection business of a Restricted Subsidiary) and any Liens Incurred in connection with a Restricted Subsidiary acting as a trustee, bare trustee, agent, nominee, custodian or fiduciary or in a similar capacity, in each case in the ordinary course of business;
- (hh) Liens imposed by law or regulation and any Liens arising under applicable law or regulation or imposed by a regulator, together with Liens arising under the applicability of the terms and conditions of the Dutch Bank’s Association as applied by Dutch Banks;
- (ii) Liens over cash that secures cash collateralized obligations of Shelf Companies and Liens over Shelf Companies, in each case in the ordinary course of business;
- (jj) Liens in respect of partly paid share capital of Subsidiaries of the Issuer; and
- (kk) Liens on any property or assets of the Issuer or any of its Restricted Subsidiaries securing Senior Debt permitted to be Incurred pursuant to the covenant described under the heading “—*Certain Covenants—Limitation on Debt*” and Permitted Refinancing Debt in respect thereof.

“**Permitted Payments to Holding Companies**” means, without duplication as to amounts any payment of dividends, other distributions or other amounts or the making of loans or advances by the Issuer or any Restricted Subsidiary thereof to any Holding Company of the Issuer (which term for purposes of this definition shall include any Subsidiaries of any such Holding Company of the Issuer) for the purpose set forth below:

- (a) to pay accounting, legal, administrative and other general corporate and overhead expenses, any taxes and other fees and expenses required to maintain such Holding Company’s corporate existence and to provide for other ordinary course operating costs, including customary salary, bonus and other benefits payable to, and indemnities provided on behalf of, officers and employees of such Holding Company to pay fees and expenses Incurred in the ordinary course of business to auditors and legal advisors and to pay reasonable directors’ fees and directors’ and officers’ liability insurance premiums and to reimburse reasonable out of pocket expenses of the Board of Directors of such Holding Company and to pay fees and expenses, as Incurred, of an offering of such Holding Company’s securities or Debt, or of an acquisition, in each case, where the proceeds of such offering or such acquisition, as the case may be, was intended to be contributed to or combined with the Issuer or its Related Subsidiaries;
- (b) costs (including all professional fees and expenses) Incurred by any Holding Company of the Issuer in connection with reporting obligations under or otherwise Incurred in connection with compliance with applicable laws, rules or regulations of any governmental, regulatory or self-regulatory body or stock exchange, the indenture or any other agreement or instrument relating to Debt of the Issuer or any Restricted Subsidiary;
- (c) any income taxes, to the extent such income taxes are attributable to the income of the Issuer and its Restricted Subsidiaries and, to the extent of the amount actually received in cash from its Unrestricted Subsidiaries, in amounts required to pay such taxes to the extent attributable to the income of such Unrestricted Subsidiaries; and
- (d) so long as no Default or Event of Default has occurred and is continuing, customary fees relating to transaction, management and consulting services related to the performance of transactions and

customary fees for the performance of monitoring, such fees not to exceed €1.0 million in any calendar year (which unused amounts may be carried over in whole or in part, to any subsequent calendar).

“Permitted Refinancing Debt” means any renewals, extensions, substitutions, defeasances, discharges, refinancings or replacements (each, for purposes of this definition and clause (n) of the definition of Permitted Debt, a **“refinancing”**) of any Debt of the Issuer or a Restricted Subsidiary or pursuant to this definition, including any successive refinancings, as long as:

- (a) such Debt is in an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) not in excess of the sum of: (i) the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value plus all accrued interest) then outstanding of the Debt being refinanced; and (ii) an amount necessary to pay any fees and expenses, including premiums and defeasance costs, related to such refinancing;
- (b) if the Debt being refinanced is Subordinated Debt, the Average Life of such Permitted Refinancing Debt is greater than or equal to the lesser of (i) the Average Life of the Debt being refinanced or (ii) the Average Life of the Notes; and
- (c) if the Debt being renewed, extended, substituted, defeased, discharged, refinanced or replaced is subordinated in right of payment to the Notes or the Guarantees (as applicable), such Permitted Refinancing Debt is subordinated in right of payment to, the Notes or the Guarantees (as applicable) on terms at least as favorable to the Holders of Notes as those contained in the documentation governing the Debt being renewed, extended, substituted, defeased, discharged, refinanced or replaced;

provided that Permitted Refinancing Debt will not include Debt of a Subsidiary that is not a Guarantor that refinances Debt of the Issuer or a Guarantor.

“Person” means any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Preferred Stock” means, with respect to any Person, Capital Stock of any class or classes (however designated) of such Person that is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over the Capital Stock of any other class of such Person, whether now outstanding or issued after the Issue Date and including, without limitation, all classes and series of preferred or preference stock of such Person.

“pro forma” means, with respect to any calculation made or required to be made pursuant to the terms of the Notes, a calculation made in good faith by the Issuer’s chief financial officer.

“Property” means, with respect to any Person, any interest of such Person in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, including Capital Stock and other securities of, any other Person. For purposes of any calculation required pursuant to the Indenture, the value of any Property shall be its Fair Market Value.

“Qualified Capital Stock” of any Person means any and all Capital Stock of such Person other than Redeemable Capital Stock.

“Receivable” means a right to receive payment arising from a sale or lease of goods or provision of services by a Person pursuant to an arrangement with another Person pursuant to which such other Person is obliged to pay for goods or services under terms that permit the purchase of such goods and services on credit, as determined in accordance with IFRS.

“Redeemable Capital Stock” means any class or series of Capital Stock that, either by its terms, by the terms of any security into which it is convertible or exchangeable or by contract or otherwise, is, or upon the happening of an event or passage of time would be, required to be redeemed prior to the Stated Maturity of the Notes or is redeemable at the option of the holder thereof at any time prior to such final Stated Maturity (other than upon a change of control or asset sale in circumstances in which the Holders of the Notes would have similar rights), or is convertible into or exchangeable for debt securities at any time prior to such final Stated Maturity; *provided* that any Capital Stock that would constitute Qualified Capital Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of any “asset sale” or “change of

control” occurring prior to the Stated Maturity of the Notes will not constitute Redeemable Capital Stock if the “asset sale” or “change of control” provisions applicable to such Capital Stock are not more favorable to the holders of such Capital Stock than the provisions contained in “Certain Covenants—Limitation on Assets Sales” and “Certain Covenants—Change of Control” and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such provision prior to the Issuer’s repurchase of such Notes as are required to be repurchased pursuant to “—*Certain Covenants—Limitation on Asset Sales*” and “—*Certain Covenants—Change of Control*.”

“**Restricted Investment**” means an investment other than a Permitted Investment.

“**Restricted Subsidiary**” means any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

“**Revolving Credit Facility**” means the revolving credit facility entered into on the Issue Date providing for up to €70.0 million in revolving loans, which loans will be secured by a first priority lien on the Collateral. See “*Description of Other Indebtedness—Revolving Credit Facility*.”

“**Revolving Credit Facility Agreement**” means that certain EUR 70,000,000 senior revolving facility agreement dated on or about the Issue Date between, among others, TMF Orange Holding B.V. as the Parent, the Issuer as the Company, certain subsidiaries of the Issuer as original borrowers and original guarantors, the Mandated Lead Arrangers, the Security Trustee, the Facility Agent and the Lenders (each as defined therein).

“**S&P**” means Standard & Poor’s Ratings Group and its successors.

“**Sale and Leaseback Transaction**” means any arrangement providing for the leasing by the Issuer or any of its Restricted Subsidiaries of any real or tangible personal property, which property has been or is to be sold or transferred by the Issuer or such Restricted Subsidiary to a third Person in contemplation of such leasing.

“**Securities Act**” means the U.S. Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated by the Commission thereunder.

“**Senior Debt**” means:

- (1) all Debt of the Issuer or any Restricted Subsidiary outstanding under the Revolving Credit Facility, any hedging obligations Incurred under a Hedging Agreement permitted under clause (i) of the definition of Permitted Debt, and all obligations with respect to any of the foregoing;
- (2) the Senior Secured Notes; and
- (3) any other Debt of the Issuer or any Restricted Subsidiary permitted to be Incurred under the covenant described under the heading “—*Certain Covenants—Limitation on Debt*,” unless the instrument under which such Debt is Incurred expressly provides, in the case of the Issuer, that it is subordinated in right of payment to the Notes, or in the case of any Guarantor, that it is on a parity with or subordinated in right of payment to the Guarantee of such Guarantor, and all obligations with respect to any of the foregoing.

Notwithstanding anything to the contrary in the preceding, Senior Debt will not include:

- (1) any liability for national, state, local or other taxes owed or owing by the Issuer or any of its Subsidiaries;
- (2) any intercompany Debt of the Issuer or any of its Subsidiaries to the Issuer or any of its Affiliates;
- (3) any trade payables;
- (4) the portion of any Debt that is Incurred in violation of the Indenture; or
- (5) Debt which is classified as non-recourse in accordance with IFRS or any unsecured claim arising in respect of any insolvency proceedings.

“**Senior Secured Notes**” means the Floating Rate Senior Secured Notes due 2018, issued by the Issuer pursuant to the terms and conditions described in this Offering Memorandum.

“**Senior Secured Notes Indenture**” means the indenture for the Senior Secured Notes, as it may be amended, modified or supplemented from time to time.

“**Shelf Company**” means (x) any corporate entity organized or acquired by the Issuer or a Restricted Subsidiary in the ordinary course of business of incorporating, organizing, purchasing or selling shelf

companies for clients, or (y) any Cash Box Company acquired in the ordinary course of business, or any nominee company, trust foundation or corporate entity established or acquired in the ordinary course of business which engages in activities substantially similar to that of an entity described in (x) or (y) above, provided that the Issuer and any Restricted Subsidiary (i) are not directly or indirectly liable for the Debt of any such entity except as would not be prohibited under the covenant described under the heading “*Limitation on Debt*,” and (ii) do not provide a guarantee of, or similar credit support to, any Debt of such entity (including of any undertaking, agreement or instrument evidencing such Debt), except for in the case of entities described in (x) above, to the extent not prohibited under the covenants described under the headings “*Limitation on Restricted Payments*” and “*Limitation on Transactions with Affiliates*” covenants. “**Cash Box Company**” means a corporate entity the assets of which consist primarily of cash which is deposited with a bank or trust company to secure obligations in an amount no greater than such deposit owing by a Restricted Subsidiary that owns such corporate entity.

“**Significant Subsidiary**” means, at the date of determination, any Restricted Subsidiary that together with its Subsidiaries which are Restricted Subsidiaries (1) for the most recent fiscal year, accounted for more than 10% of the consolidated revenues of the Issuer or (2) as of the end of the most recent fiscal year, was the owner of more than 10% of the consolidated assets of the Issuer.

“**Stated Maturity**” means, when used with respect to any Note or any installment of interest thereon, the date specified in such Note as the fixed date on which the principal of such Note or such installment of interest, respectively, is due and payable, and, when used with respect to any other debt, means the date specified in the instrument governing such debt as the fixed date on which the principal of such debt, or any installment of interest thereon, is due and payable.

“**Sterling**” means the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

“**Subordinated Debt**” means Debt of the Issuer or any of the Guarantors that is subordinated in right of payment to the Notes or the Guarantees of such Guarantors, as the case may be.

“**Subordinated Shareholder Funding**” means, collectively, any funds provided to the Issuer by (or any other debt obligations of the Issuer for borrowed money owed to) any Holding Company of the Issuer, any Affiliate of any such Holding Company, any Permitted Holder or any other holder of Capital Stock of any such Holding Company or any Affiliate thereof, in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, together with any such security, instrument or agreement and any other security or instrument other than Capital Stock issued in payment of any obligation under any Subordinated Shareholder Funding; *provided* that such Subordinated Shareholder Funding:

- (a) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the maturity of the Notes (other than through conversion or exchange of any such security or instrument for Qualified Capital Stock or for any other security or instrument meeting the requirements of the definition);
- (b) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the maturity of the Notes;
- (c) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confers on its shareholders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the maturity of the Notes;
- (d) is not secured by a Lien on any assets of the Issuer or a Restricted Subsidiary and is not guaranteed by any Subsidiary of the Issuer;
- (e) is subordinated in right of payment to the prior payment in full of the Notes in the event of any Default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of the Issuer and other restrictions, on payment and enforcement, in each case, on terms not materially less favorable to the Holders than the terms applicable to “Shareholder Liabilities” set forth in the Intercreditor Agreement;
- (f) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Notes or compliance by the Issuer with its obligations under the Notes and the Indenture;
- (g) does not (including upon the happening of an event) constitute Voting Stock;

- (h) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder thereof; in whole or in part, prior to the date on which the Notes mature, other than into or for Qualified Capital Stock of the Issuer.

The shareholder loans and instruments between the Issuer and TMF Group HoldCo B.V. outstanding as of the Issue Date shall be deemed to be Subordinated Shareholder Funding for all purposes under the Indenture and, for purposes of paragraph (2) of the “*Limitation on Restricted Payments*” covenant, shall not be deemed to have been made or incurred after the Issue Date.

“**Subsidiary**” means, with respect to any Person:

- (a) a corporation a majority of whose Voting Stock is at the time, directly or indirectly, owned by such Person, by one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person;
- (b) whose financial statements are consolidated with those of such Person under IFRS; and
- (c) any other Person (other than a corporation), including, without limitation, a partnership, limited liability company, business trust or joint venture, in which such Person, one or more Subsidiaries of such Person or such Person and one or more Subsidiaries thereof, directly or indirectly, at the date of determination thereof, has at least majority ownership interest entitled to vote in the election of directors, managers or trustees thereof (or other Person performing similar functions).

Provided, however, that a Shelf Company shall not be considered a Subsidiary.

“**Unrestricted Subsidiary**” means:

- (a) any Subsidiary of the Issuer that at the time of determination is an Unrestricted Subsidiary (as designated by the Issuer’s Board of Directors pursuant to the “*Designation of Unrestricted and Restricted Subsidiaries*” covenant); and
- (b) any Subsidiary of an Unrestricted Subsidiary.

“**U.S. dollars**” means the lawful currency of the United States of America.

“**Voting Stock**” means any class or classes of Capital Stock pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the Board of Directors, managers or trustees (or Persons performing similar functions) of any Person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

“**Wholly Owned Restricted Subsidiary**” means any Restricted Subsidiary, all of the outstanding Capital Stock (other than directors’ qualifying shares or shares of Restricted Subsidiaries required to be owned by third parties pursuant to applicable law) of which are owned by the Issuer or by one or more other Wholly Owned Restricted Subsidiaries or by the Issuer and one or more other Wholly Owned Restricted Subsidiaries.

BOOK-ENTRY, DELIVERY AND FORM

General

Each series of Additional Notes sold to qualified institutional buyers in reliance on Rule 144A under the Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (the “Rule 144A Global Notes”). Each series of Additional Notes sold to non-US persons outside the United States in reliance on Regulation S under the Securities Act will initially be represented by one or more global notes in registered form without interest coupons attached (the “Regulation S Global Notes” and, together with the Rule 144A Global Notes, the “Global Notes”). The Global Notes will be deposited, on the Issue Date, with a common depositary and registered in the name of the nominee of the common depositary for the account of Euroclear and Clearstream.

Ownership of interests in the Rule 144A Global Notes (“Rule 144A Book-Entry Interests”) and ownership of interests in the Regulation S Global Notes (the “Regulation S Book-Entry Interests” and, together with the Rule 144A Book-Entry Interests, the “Book-Entry Interests”) will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that hold interests through such participants. Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers’ securities accounts in their respective names on the books of their respective depositories. Except under the limited circumstances described below, Book-Entry Interests will not be issued in definitive form.

Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream and their participants. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of those securities in definitive form. The foregoing limitations may impair your ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, holders of Book-Entry Interests will not be considered the owners or “holders” of the Notes for any purpose.

So long as the Notes are held in global form, the common depositary for Euroclear and/or Clearstream (or its nominee), as applicable, will be considered the sole holders of the Global Notes for all purposes under the respective Indentures. In addition, participants must rely on the procedures of Euroclear and Clearstream, and indirect participants must rely on the procedures of Euroclear and Clearstream and the participants through which they own Book-Entry Interests, to transfer their interests or to exercise any rights of holders of the Notes under the respective Indentures.

Neither of the Issuer nor the Trustee will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

Redemption of the Global Notes

In the event that any Global Note (or any portion thereof) is redeemed, Euroclear and/or Clearstream, as applicable, will redeem an equal amount of the Book-Entry Interests in such Global Note from the amount received by them in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear and Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). The Issuer understands that, under the existing practices of Euroclear and Clearstream, if fewer than all of its Notes are to be redeemed at any time, Euroclear and Clearstream will credit its participants’ accounts on a proportionate basis (with adjustments to prevent fractions), by lot or on such other basis as they deem fair and appropriate, *provided, however*, that no Book-Entry Interest of less than €100,000 principal amount may be redeemed in part.

Payments on Global Notes

The Issuer will make payments of any amounts owing in respect of the relevant Global Notes (including principal, premium, if any, interest and additional amounts, if any) to the common depositary or its nominee for Euroclear and Clearstream. The common depositary will distribute such payments to participants in accordance with their customary procedures. The Issuer will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under “*Description of the Senior Secured Notes—Additional Amounts*” or “*Description of the Senior Notes—Additional Amounts*.” If any such deduction or withholding is required to be made, then, to the extent described under “*Description of the Senior Secured Notes—Additional Amounts*” or

“Description of the Senior Notes—Additional Amounts,” above, as the case may be, the Issuer will pay such additional amounts as may be necessary to ensure that the net amounts received by any holder of the relevant Global Notes or owner of Book-Entry Interests after such deduction or withholding are not less than the net amounts that such holder or owner would have otherwise received in respect of such Global Note or Book-Entry Interest, as the case may be, absent such withholding or deduction. The Issuers expect that standing customer instructions and customary practices will govern payments by participants to owners of Book-Entry Interests held through such participants.

Under the terms of the respective Indentures, the Issuer, the Trustee and the relevant agents will treat the registered holders of the Global Notes (e.g., Euroclear or Clearstream (or their respective nominees)) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuers, the Trustee or any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest or for maintaining, supervising or reviewing the records of Euroclear or Clearstream or any participant or indirect participant relating to, or payments made on account of, a Book-Entry Interest;
- Euroclear, Clearstream or any participant or indirect participant; or
- the records of the common depository.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants.

Currency of Payment for the Global Notes

The principal of, premium, if any, and interest on, and all other amounts payable in respect of the Global Notes will be paid to holders of interests in such Global Notes through Euroclear and/or Clearstream in pounds sterling.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised us that they will take any action permitted to be taken by a holder of a Note (including the presentation of Notes for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. However, if there is an event of default under the relevant Notes, Euroclear and Clearstream, at the request of the holders of such Notes, reserve the right to exchange the Global Notes for definitive registered Notes in certificated form (the “Definitive Registered Notes”), and to distribute such Definitive Registered Notes to their participants.

Transfers

Transfers between participants in Euroclear or Clearstream will be effected in accordance with Euroclear and Clearstream’s rules and will be settled in immediately available funds. If a holder of a Note requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in states that require physical delivery of such securities or to pledge such securities, such holder of Notes must transfer its interests in the Global Notes in accordance with the normal procedures of Euroclear and Clearstream and in accordance with the procedures set forth in the relevant Indenture.

The Global Notes will bear a legend to the effect set forth under *“Offering and Transfer Restrictions.”* Book-Entry Interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed under *“Offering and Transfer Restrictions.”*

Transfers of Rule 144A Book-Entry Interests to persons wishing to take delivery of Rule 144A Book-Entry Interests will at all times be subject to such transfer restrictions.

Rule 144A Book-Entry Interests may be transferred to a person who takes delivery in the form of a Regulation S Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the relevant Indenture) to the effect that such transfer is being made in accordance with

Regulation S or Rule 144 under the Securities Act or any other exemption (if available under the Securities Act).

Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of a Rule 144A Book-Entry Interest only upon delivery by the transferor of a written certification (in the form provided in the relevant Indenture) to the effect that such transfer is being made to a person who the transferor reasonably believes is a “qualified institutional buyer” within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under “*Offering and Transfer Restrictions*” and in accordance with any applicable securities laws of any other jurisdiction.

In connection with transfers involving an exchange of a Regulation S Book-Entry Interest for a Rule 144A Book-Entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Note and a corresponding increase in the principal amount of the Rule 144A Global Note.

Definitive Registered Notes may be transferred and exchanged for Book-Entry Interests in a Global Note only as described under “*Description of the Notes—Book-Entry, Delivery and Form*” if required, only if the transferor first delivers to the Trustee a written certificate (in the form provided in the relevant Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to the Notes. See “*Offering and Transfer Restrictions*.”

Any Book-Entry Interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a Book-Entry Interest in any other Global Note will, upon transfer, cease to be a Book-Entry Interest in the first-mentioned Global Note and become a Book-Entry Interest in such other Global Note, and accordingly will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such other Global Note for as long as it remains such a Book-Entry Interest.

Definitive Registered Notes

Under the terms of each Indenture, owners of the Book-Entry Interests will receive Definitive Registered Notes:

1. if Euroclear or Clearstream notifies the Issuer that it is unwilling or unable to continue to act as depository and a successor depository is not appointed by the Issuer within 120 days;
2. if the owner of a Book-Entry Interest requests such exchange in writing delivered through Euroclear or Clearstream following an event of default under the relevant Indenture and enforcement action is being taken in respect thereof under the relevant Indenture.

In such an event, the Registrar will issue Definitive Registered Notes, registered in the name or names and issued in any approved denominations, requested by or on behalf of Euroclear, Clearstream or the Issuer, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Definitive Registered Notes will bear the restrictive legend as provided in the relevant Indenture, unless that legend is not required by such indenture or applicable law.

To the extent permitted by law, the Issuer, the Trustee, the Paying Agent and the Registrar shall be entitled to treat the registered holder of any Global Note as the absolute owner thereof and no person will be liable for treating the registered holder as such. Ownership of the Global Notes will be evidenced through registration from time to time at the registered office of the Issuer, and such registration is a means of evidencing title to the Notes.

We will not impose any fees or other charges in respect of the Notes; however, owners of the Book-Entry Interests may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and Clearstream.

Information Concerning Euroclear and Clearstream

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. We provide the following summaries of those operations and procedures solely for the convenience of investors. The operations and procedures of the settlement system are controlled by the

settlement system and may be changed at any time. Neither of the Issuer nor any of the Initial Purchaser is responsible for those operations or procedures.

The Issuer understands as follows with respect to Euroclear and Clearstream: Euroclear and Clearstream hold securities for participating organizations. They facilitate the clearance and settlement of securities transactions between their participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide various services to their participants, including the safekeeping, administration, clearance, settlement, lending and borrowing of internationally traded securities. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear and Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a Euroclear and Clearstream participant, either directly or indirectly.

Because Euroclear and Clearstream can act only on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the Euroclear and/or Clearstream system, or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the Euroclear or Clearstream systems will receive distributions attributable to the Rule 144A Global Notes only through Euroclear or Clearstream participants.

Global Clearance and Settlement under the Book-Entry System

The Additional Notes represented by the Global Notes are expected to be admitted to the Official List of the Luxembourg Stock Exchange and admitted to trading on the Euro MTF Market of the Luxembourg Stock Exchange. Transfers of interests in the Global Notes between participants in Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective system's rules and operating procedures.

Although Euroclear and Clearstream currently follow the foregoing procedures in order to facilitate transfers of interests in the Global Notes among participants in Euroclear or Clearstream, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or modified at any time. None of the Issuer, the Guarantors, the Initial Purchaser, the Trustee or the Paying Agent will have any responsibility for the performance by Euroclear, Clearstream or their participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Initial Settlement

Initial settlement for the Notes will be made in euros. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional bonds in registered form. Book-Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value of the settlement date.

Secondary Market Trading

The Book-Entry Interests will trade through participants of Euroclear and Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and the seller's accounts are located to ensure that settlement can be made on the desired value date.

TAX CONSIDERATIONS

Certain Netherlands Tax Considerations

The following general summary of certain Dutch taxation matters is based on the laws, published regulations and practice of the Netherlands in force as of the date of this Offering Memorandum and is subject to any changes in law in the Netherlands and the interpretation and application thereof, which changes could be made with retroactive effect. The following summary does not purport to be a comprehensive description of all the Dutch tax considerations that may be relevant to a decision to acquire, hold or dispose of a Note, and does not purport to deal with the tax consequences applicable to all categories of investors, some of which may be subject to special rules, such as trusts or similar arrangements.

For the purpose of this summary, the term “entity” means a corporation as well as any other person that is taxable as a corporation for Dutch corporate tax purposes.

Where this summary refers to a holder of a Note, an individual holding a Note or an entity holding a Note, such reference is restricted to an individual or entity holding legal title to as well as an economic interest in such Note.

Where this summary refers to “the Netherlands” or “Dutch” it refers only to the European part of the Kingdom of the Netherlands and its law, respectively, only.

Investors should consult their professional advisers on the tax consequences of their acquiring, holding and disposing of a Note in their specific circumstances. The discussion below is included for general information purposes only.

Withholding Tax

All payments made by the Issuer under the Notes can be made free of withholding or deduction of any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Taxes on Income and Capital Gains

Please note that the summary in this section does not apply to any holder of a Note:

- being an individual for whom the Notes or the income or capital gains derived therefrom are attributable to activities performed by such holder which are taxed as employment income in the Netherlands or to activities performed by certain individuals related to such holder which are taxed as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) at the level of such holder;
- being an individual or entity who holds or is deemed to hold a substantial interest in the Issuer as defined below; or
- being an entity that is, in whole or in part, not subject to or is exempt from Dutch corporate income tax, including but not limited to a pension fund, a fiscal investment institution (*fiscale beleggingsinstelling*) or an exempt investment institution (*vrijgestelde beleggingsinstelling*) as defined in the 1969 Corporate Income Tax Act (*Wet op de vennootschapsbelasting 1969*).

Generally speaking, an individual has a substantial interest in a company if (a) such individual, either alone or together with his partner, directly or indirectly has, or is deemed to have or (b) certain relatives of such individual or his partner directly or indirectly have or are deemed to have (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5% or more of either the total issued and outstanding capital of such company or the issued and outstanding capital of any class of shares of such company, or (ii) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5% or more of either the annual profit or the liquidation proceeds of such company.

Generally speaking, a non-resident entity has a substantial interest in a company if such entity, directly or indirectly has (i) the ownership of, a right to acquire the ownership of, or certain rights over, shares representing 5% or more of either the total issued and outstanding capital of such company or the issued and outstanding capital of any class of shares of the company, or (ii) the ownership of, or certain rights over, profit participating certificates (*winstbewijzen*) that relate to 5%

or more of either the annual profit or the liquidation proceeds of such company. An entity holding a Note has a deemed substantial interest in a company if such entity has disposed of or is deemed to have disposed of all or part of a substantial interest on a non-recognition basis.

Resident entities

An entity holding a Note which is, or is deemed to be, resident in the Netherlands for Dutch corporate tax purposes, will be subject to Dutch corporate tax in respect of income or a capital gain or loss derived from a Note at the prevailing statutory rates.

Resident individuals

An individual holding a Note who is, is deemed to be, or has elected to be treated as, resident in the Netherlands for Dutch income tax purposes will be subject to Dutch income tax in respect of income or a capital gain or loss derived from a Note at progressive rates up to 52% if:

- the holder derives profits from an enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise (other than as an entrepreneur or a shareholder), to which enterprise the Notes are attributable; or
- the income or capital gain or loss qualifies as income from miscellaneous activities (*resultaat uit overige werkzaamheden*) as defined in the 2001 Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal active asset management (*normaal active vermogensbeheer*).

If the holder of a Note is an individual whose situation has not been discussed above, such individual holding a Note will be subject to Dutch income tax on the basis of a deemed return, regardless of any actual income or capital gain or loss derived from a Note. The deemed return amounts to 4% of the actual value of the individual's net assets generally as at the beginning of the relevant financial year (including the Note). Subject to application of certain allowances, the deemed return will be taxed at a rate of 30%.

Non-residents

A holder of a Note which is not, is not deemed to be, and—in case the holder is an individual—has not elected to be treated as, resident in the Netherlands for Dutch tax purposes will not be subject to Dutch income tax or corporate tax on income or a capital gain or loss derived from a Note unless:

- the holder of a Note derives profits from an enterprise or deemed enterprise, whether as entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of such enterprise (other than as an entrepreneur or a shareholder), which enterprise is, in whole or in part, carried on through a permanent establishment (*vaste inrichting*), deemed permanent establishment or a permanent representative (*vaste vertegenwoordiger*) in the Netherlands and to which enterprise or part of an enterprise, as the case may be, the Notes are attributable or deemed attributable;
- the holder of a Note is not an individual and is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth (*medegerechtigd tot het vermogen*) of an enterprise which is effectively managed in the Netherlands and to which enterprise the Notes or payments in respect of the Notes are attributable (other than by way of the holding of securities);
- the holder of a Note is an individual and is entitled to a share in the profits of an enterprise which is effectively managed in the Netherlands and to which enterprise the Notes or payments in respect of the Notes are attributable (other than by way of securities); or
- the holder is an individual and the income or capital gain or loss derived from the Notes qualifies as income from miscellaneous activities (*belastbaar resultaat uit overige werkzaamheden*) in the Netherlands as defined in the 2001 Income Tax Act (*Wet inkomstenbelasting 2001*), including, without limitation, activities that exceed normal active asset management (*normaal actief vermogensbeheer*).

Gift and Inheritance Taxes

Dutch gift or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder of a Note, unless:

- the holder of a Note is, or is deemed to be, resident in the Netherlands for the purpose of the relevant provisions;
- the transfer is construed as an inheritance or gift made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands for the purpose of the relevant provisions;
- such holder dies while being a resident or deemed resident of the Netherlands within 180 days after the date of a gift of the Notes; or
- the gift is made under a condition precedent and such holder is or is deemed to be a resident of the Netherlands at the time the condition is fulfilled.

For purposes of Dutch gift and inheritance tax, amongst others, an individual with the Netherlands nationality will be deemed to be resident in the Netherlands if he or she has been resident in the Netherlands at any time during the ten years preceding the date of the gift or his or her death.

Additionally, for Dutch gift tax purposes, amongst others, an individual that does not hold the Netherlands nationality will be deemed to be resident in the Netherlands if he or she has been resident in the Netherlands at any time during the twelve months preceding the date of the gift.

Value Added Tax

There is no Dutch value added tax payable by a holder of a Note in respect of payments in consideration for the issue of the Notes, in respect of the payment of interest or principal under the Notes, or the transfer of the Notes (other than value added taxes on fees payable for services in connection with the transfer of the Notes which are not exempt from Dutch value added tax).

Other Taxes and Duties

The acquiring, holding or disposing of a Note will not be subject to registration tax, stamp duty or any other similar documentary tax or duty payable in the Netherlands.

Residence

A holder of a Note will not be, or deemed to be, resident in the Netherlands for tax purposes and, subject to the exceptions set out above, will not otherwise be subject to Dutch taxation, by reason only of acquiring, holding or disposing of a Note.

Certain European Tax Considerations

European Union Savings Directive

Under EC Council Directive 2003/48/EC on the taxation of savings income in the form of interest payments (the “EU Savings Directive”), Member States are required to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to, or for the benefit of, an individual resident in that other Member State or to certain limited types of entities established in that other Member State. However, for a transitional period, Luxembourg and Austria have instead opted to apply a withholding system in relation to such payments, deducting tax at a rate of 35%, unless during that period they elect otherwise (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). However, during that transitional period, withholding will not apply under the EU Savings Directive to a payment if the beneficial owner of that payment authorizes exchange of information instead. Luxembourg has announced that it will no longer apply the withholding tax system as from January 1, 2015 and will provide details of payments of interest (or similar income) as from this date.

A number of non-EU countries and territories, including Switzerland, have adopted similar measures (a withholding system, in the case of Switzerland). On 24 March 2014, the EU Savings Directive has been amended by the Council Directive 2014/48/EU (the “Amending Directive”). The Amending Directive

broadens the scope of the requirements described above. Member States have until 1 January 2016 to adopt the national legislation necessary to comply with the Amending Directive. The Amending Directive will apply from 1 January 2017. The changes made under the Amending Directive include extending the scope of EU Savings Directive to payments made to, or collected for, certain other entities and legal arrangements. They also broaden the definition of “interest payment” to cover income that is equivalent to interest.

The Proposed Financial Transactions Tax (“FTT”)

On February 14, 2013, the European Commission published a proposal for a directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “Participating Member States”). The proposed FTT has very broad scope. If introduced in the form proposed on February 14, 2013, it could apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt. In May 2014, a joint statement by ministers of the Participating Member States (excluding Slovenia) proposed a “progressive implementation” of the FTT, with the initial focus on applying the tax to transactions in shares and some derivatives.

Under the February 14, 2013 proposal, FTT could apply in certain circumstances to persons both within and outside of the Participating Member States. Generally, it would apply to certain dealings in Notes where at least one party to the transaction is established in the territory of a Participating Member State and a financial institution established in the territory of a Participating Member State is a party to the transaction, acting either for its own account or for the account of another person or is acting in the name of a party to the transaction. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State. The FTT proposal remains subject to negotiation between the Participating Member States. Additional EU Member States may decide to participate, although certain other Member States have expressed strong objections to the proposal. Further, the legality of the FTT proposal is at present uncertain. The FTT proposal may therefore be altered prior to any implementation, the timing of which remains unclear. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

U.S. Taxation

The following discussion is a summary of U.S. federal income tax considerations generally applicable to the purchase, ownership and disposition of the Additional Notes, but does not purport to be a complete analysis of all potential tax effects. This summary is based upon the U.S. Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations issued thereunder, and judicial and administrative interpretations thereof, each as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect. This discussion does not address all of the U.S. federal income tax consequences that may be relevant to a holder in light of such holder’s particular circumstances or to holders subject to special rules, such as certain financial institutions, U.S. expatriates, insurance companies, dealers in securities or currencies, traders in securities, U.S. holders (as defined below) whose functional currency is not the U.S. dollar, tax-exempt organizations, persons liable for alternative minimum tax, regulated investment companies, real estate investment trusts and persons holding the Additional Notes as part of a “straddle,” “hedge,” “conversion transaction” or other integrated transaction. In addition, this discussion is limited to persons who purchase the Additional Notes for cash pursuant to this offer and who hold the Additional Notes as capital assets within the meaning of section 1221 of the Code.

For purposes of this discussion, a “U.S. holder” is a beneficial owner of an Additional Note that is, for U.S. federal income tax purposes: (i) an individual who is a citizen or resident of the United States; (ii) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) that is created or organized in or under the laws of the United States or any political subdivision thereof; (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or if a valid election is in place to treat the trust as a United States person. A “Non-U.S. holder” is a beneficial owner of an Additional Note, other than a person treated as a partnership or other pass-through entity for U.S. federal income tax purposes, that is not a U.S. holder. If a partnership is a

holder of Additional Notes, the U.S. federal income tax treatment of a partner in such partnership will generally depend upon the status of the partner and the activities of the partnership. A partner in a partnership holding the Additional Notes should consult its tax advisor with regard to the U.S. federal income tax treatment of its investment in the Additional Notes.

Prospective holders of the Additional Notes should consult their tax advisors concerning the tax consequences of holding the Additional Notes in light of their particular circumstances, including the application of the U.S. federal income tax considerations discussed below, as well as the application of state, local, non-U.S. or other tax laws.

Qualified Reopening

We intend to treat each series of Additional Notes as being issued in a “qualified reopening” for U.S. federal income tax purposes and thus will treat each series of Additional Notes as part of the applicable series of Existing Notes. Under this treatment, each series of Additional Notes will be deemed to have the same issue date and issue price as the applicable series of Existing Notes for U.S. federal income tax purposes. The Additional Notes, like the Existing Notes, will not have original issue discount. However, depending on a holder’s purchase price, either series of Additional Notes may have amortizable bond premium. Special rules governing the treatment of amortizable bond premium are described below under “U.S. Holders—Bond Premium.”

U.S. Holders

Pre-Issuance Accrued Interest

A portion of the purchase price of the Additional Notes will be attributable to the amount of interest accrued prior to the date the Additional Notes are issued, or “pre-issuance accrued interest.” A portion of the first stated interest payment, due on September 1, 2014, equal to the pre-issuance accrued interest may be treated as a nontaxable return of such portion of the purchase price rather than as interest income and such U.S. holder’s adjusted tax basis in the Additional Notes will exclude the amount of pre-issuance accrued interest.

Payments of Interest

Subject to discussions concerning pre-issuance accrued interest and bond premium, payments of interest on an Additional Note will be qualified stated interest that is taxable to a U.S. holder as ordinary income at the time it is received or accrued, in accordance with such holder’s method of accounting for U.S. federal income tax purposes.

A U.S. holder that uses the cash method of accounting for U.S. federal income tax purposes and that receives a payment of qualified stated interest will be required to include in ordinary income the U.S. dollar value of the foreign currency interest payment (as determined based on the spot rate of exchange on the date such payment is received) regardless of whether the payment is in fact converted to U.S. dollars. A cash method U.S. holder will not recognize exchange gain or loss with respect to the receipt of such payment, but may have exchange gain or loss attributable to the actual disposition of foreign currency so received if it is disposed of after the date of receipt.

A U.S. holder that uses the accrual method of accounting for U.S. federal income tax purposes will be required to include in income the U.S. dollar value of the amount of interest income in foreign currency that has accrued with respect to an Additional Note during an accrual period. The U.S. dollar value of such accrued income will be determined by translating such income at the average rate of exchange for the accrual period or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within each taxable year. A U.S. holder may elect, however, to translate such accrued interest income using the spot rate of exchange on the last day of the accrual period or, with respect to an accrual period that spans two taxable years, using the spot rate of exchange on the last day of the portion of the accrual period within each taxable year. If the last day of an accrual period is within five business days of the date of receipt of the accrued interest, a U.S. holder may elect to translate such interest using the spot rate of exchange on the date of receipt. The above election will apply to other foreign currency debt obligations held by the U.S. holder and may not be changed without the consent of the IRS. A U.S. holder that uses the accrual method of accounting for U.S. federal income tax purposes may recognize exchange gain or loss with respect to accrued interest income on the date such interest is received. The amount of exchange gain or loss recognized will equal the difference, if any,

between the U.S. dollar value of the foreign currency payment received (as determined based on the spot rate of exchange on the date such payment is received) in respect of such accrual period and the U.S. dollar value of interest income that has accrued during such accrual period (as determined above) regardless of whether such foreign currency is in fact converted to U.S. dollars. Such foreign currency gain or loss will generally constitute ordinary income or loss and be treated as U.S. source income or as an offset to U.S. source income, respectively.

Interest income on a Note will generally constitute foreign source income and will generally be considered “passive category income” for foreign tax credit purposes. U.S. holders should consult independent tax advisors regarding the availability of the foreign tax credit in their particular circumstances.

Should any Dutch tax be withheld, the amount withheld and the gross amount of any Additional Amounts paid to a U.S. holder will be includible in such holder’s income at the time such amount is received or accrued in accordance with such holder’s method of tax accounting. Dutch withholding tax imposed on a U.S. holder would, subject to limitations and conditions and at the election of such holder, be treated as foreign income tax eligible for credit against such holder’s U.S. federal income tax liability or a deduction in computing taxable income, to the extent such tax is not otherwise refundable. U.S. holders should consult their tax advisors regarding the creditability, deductibility or refundability of any withholding taxes. Any Additional Amounts would generally constitute foreign source income and should be translated into the U.S. dollar value in accordance with the rules governing stated interest as described above.

Bond Premium

If, and to the extent, a U.S. holder’s initial purchase price for an Additional Note (excluding any pre-issuance accrued interest excluded from the purchase price of an Additional Note, as discussed above under “—*Pre-Issuance Accrued Interest*”) exceeds the stated principal amount of such Additional Note, such U.S. holder will be considered to have acquired the Additional Note with amortizable bond premium equal to such excess. Subject to the limitation described below, a U.S. holder generally may elect to amortize any such bond premium over the remaining term of such Additional Note using a constant yield method described under applicable Treasury regulations as an offset to stated interest. However, because the Additional Notes may be redeemed by us prior to maturity at a premium, special rules apply that may reduce, eliminate or defer the amount of premium that a U.S. holder may amortize with respect to the Additional Notes. If a U.S. holder elects to amortize bond premium, such holder must reduce its adjusted tax basis in such Additional Note by the amount of the premium amortized in any year. If a U.S. holder does not make this election, the premium will decrease the gain or increase the loss that would otherwise be recognized on disposition of such Additional Note. Amortizable bond premium is computed in the foreign currency of the interest payments on the applicable Additional Note. A U.S. holder will recognize foreign currency exchange gain or loss equal to the difference between the U.S. dollar value of bond premium amortized with respect to a period determined on the date the interest attributable to such period is received and the U.S. dollar value of that portion of the bond premium determined on the date of acquisition of the Additional Note. An election to amortize bond premium will also apply to all other taxable debt instruments held or subsequently acquired by a U.S. holder on or after the first day of the first taxable year for which the election is made. Such an election may not be revoked without the consent of the IRS. The rules relating to amortizable bond premium, the determination of the accrual period for any such bond premium, and the effect of an election to amortize bond premium, are complex and potential investors should consult their own tax advisors regarding the application of these rules in their particular circumstances.

Sale, Exchange, and Redemption of Additional Notes

Generally, upon the sale, exchange or redemption of an Additional Note, a U.S. holder will recognize taxable gain or loss equal to the difference between the amount realized on the sale, exchange, or redemption (less any amount attributable to accrued but unpaid interest not previously included in income, which will be taxable as such) and such U.S. holder’s adjusted tax basis in the Additional Note (which will not include any pre-issuance accrued interest). Except as discussed below with respect to foreign currency exchange gain or loss, such gain or loss generally will be U.S. source capital gain or loss and will be long-term capital gain or loss if at the time of sale, exchange, or redemption the U.S. holder’s holding period for the Additional Note exceeds one year. Deductions in respect of capital losses are subject to limitations. If a U.S. holder receives foreign currency on such a sale, exchange or

redemption, the amount realized will be based on the U.S. dollar value of the foreign currency on the date the payment is disposed of. In the case of an Additional Note that is traded on an established securities market, a cash basis U.S. holder and, if it so elects, an accrual basis U.S. holder will determine the U.S. dollar value of the amount realized by translating such amount at the spot rate on the settlement date of the sale.

A U.S. holder's adjusted tax basis in an Additional Note will generally equal the cost of such Additional Note to such U.S. holder reduced by any principal payments previously received by such U.S. holder and any bond premium previously amortized, and the cost of the Additional Note will be the U.S. dollar value of the purchase price on the date of purchase. In the case of an Additional Note that is traded on an established securities market, a cash basis U.S. holder, and, if it so elects, an accrual basis U.S. holder, will determine the U.S. dollar value of the cost of such Additional Note by translating the amount paid at the spot rate of exchange on the settlement date of the purchase. The conversion of U.S. dollars to a foreign currency and the immediate use of that currency to purchase an Additional Note generally will not result in taxable gain or loss for a U.S. holder.

The special election available to accrual basis U.S. holders with respect to the purchase and sale of Additional Notes traded on an established securities market must be applied consistently to all debt instruments held by an electing U.S. holder from year to year and cannot be changed without the consent of the IRS.

Gain or loss realized upon the sale, exchange or redemption of an Additional Note that is attributable to fluctuations in currency exchange rates will be ordinary income or loss and will generally be treated as U.S. source income or as an offset to U.S. source income, respectively. Gain or loss attributable to fluctuations in exchange rates will equal the difference between the U.S. dollar value of the principal amount of the Note, (excluding any pre-issuance accrued interest and any bond premium previously amortized), determined on the date such payment is received or such Additional Note is disposed of, and the U.S. dollar value of the principal amount of the Additional Note, determined on the date the U.S. holder acquired such Additional Note. For these purposes, the principal amount of an Additional Note is the U.S. holder's purchase price of the Additional Note in foreign currency. Exchange gain or loss will be recognized only to the extent of the total gain or loss realized by the U.S. holder on the sale, exchange or redemption of the Additional Note. This exchange gain or loss will not be treated as an adjustment to interest income received on the Additional Notes.

Certain Reporting Requirements

Certain U.S. holders may be required, subject to certain exceptions including holding the Additional Notes through certain financial institutions, to file IRS Form 8938 (Statement of Specified Foreign Financial Assets) with respect to their interest in the Additional Notes. A U.S. holder who fails to timely furnish the required information may be subject to a penalty. Accordingly, U.S. holders should consult their tax advisors regarding the requirement to file IRS Form 8938 and any other applicable reporting requirements.

Reportable Transactions

A U.S. holder that participates in a "reportable transaction" will be required to disclose its participation to the IRS. Under the relevant rules, a U.S. holder may be required to treat a foreign currency exchange loss from the Additional Notes as a reportable transaction if this loss exceeds the relevant threshold in the Treasury regulations (US\$50,000 in a single taxable year, if the U.S. holder is an individual or trust, or higher amounts for other non-individual U.S. holders), and to disclose its investment by filing Form 8886 with the IRS. A penalty is generally imposed on any U.S. person that fails to timely file an information return with the IRS with respect to a transaction resulting in a loss that is treated as a reportable transaction. Prospective purchasers should consult their tax advisers regarding the application of these rules.

Non-U.S. Holders

Subject to the discussion concerning information reporting and backup withholding below, a Non-U.S. holder generally will not be subject to U.S. federal income or withholding tax on payments of interest, or Additional Amounts, if any, on, or gain on the sale of an Additional Note unless such Non-U.S. holder held the Additional Note in connection with a U.S. trade or business carried on by such Non-U.S. holder (and, if required by an applicable income tax treaty, such items are attributable to the conduct of a trade

or business through a permanent establishment or fixed base maintained by the Non-U.S. holder in the United States), or in the case of the sale of an Additional Note by a Non-U.S. holder who is an individual, such individual was present in the United States for 183 days or more during the tax year in which such gain is realized and certain other requirements are satisfied. If the Non-U.S. holder holds the Additional Note in connection with the conduct of a U.S. trade or business (and, in the case of certain tax treaties, the gain is attributable to a permanent establishment or fixed base maintained by the Non-U.S. holder in the United States), the Non-U.S. holder generally will be subject to U.S. federal income tax on a net basis and, if it is a non-U.S. corporation, may be subject to a 30% U.S. branch profits tax (or lower applicable treaty rate). If the Non-U.S. holder is an individual that is present in the United States for 183 days or more during the taxable year in which gain is realized (and certain other conditions are met), the Non-U.S. holder generally will be subject to U.S. federal income tax at a rate of 30% (or at a reduced rate under an applicable income tax treaty) on the amount by which capital gains allocable to U.S. sources (including gains from the sale, exchange, retirement or other disposition of the Additional Notes) exceed capital losses allocable to U.S. sources. Non-U.S. holders should consult their tax advisors as to the tax consequences to them of an investment in the Additional Notes in light of their particular circumstances.

Information Reporting and Backup Withholding

Payments of interest, principal and Additional Amounts, if any, and the proceeds from sales of Additional Notes that are made within the United States or through some U.S.- related financial intermediaries may be required to be reported to the IRS and backup withholding may apply unless, if the holder is a U.S. holder, the holder (i) is a corporation or other exempt recipient or (ii) provides a taxpayer identification number and otherwise complies with applicable certification requirements and, if the holder is a Non-U.S. holder, the holder complies with certification procedures to establish that it is not a U.S. person or is otherwise exempt.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a holder may be refunded or credited against the holder's U.S. federal income tax liability, if any, if the holder timely provides the required information to the IRS.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of the Additional Notes by (a) employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (“ERISA”), (b) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code (collectively, “Similar Laws”) and (c) entities whose underlying assets are considered to include “plan assets” (within the meaning of 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA or any applicable Similar Laws (“Plan Assets”)) of any such plan, account or arrangement (each of (a), (b) and (c) a “Plan”).

General Fiduciary Matters

ERISA and the Code impose certain duties on persons who are fiduciaries of a Plan subject to Title I of ERISA or Section 4975 of the Code (an “ERISA Plan”) and prohibit certain transactions involving the assets of an ERISA Plan and its fiduciaries or other interested parties. Under ERISA and the Code, any person who exercises any discretionary authority or control over the administration of such an ERISA Plan or the management or disposition of the assets of such an ERISA Plan, or who renders investment advice for a fee or other compensation to such an ERISA Plan, is generally considered to be a fiduciary of the ERISA Plan.

In considering an investment in the Additional Notes of a portion of the assets of any Plan, a fiduciary should determine whether the investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the Code or any Similar Law relating to a fiduciary’s duties to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the Code and any other applicable Similar Laws.

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans from engaging in specified transactions involving plan assets with persons or entities who are “parties in interest,” within the meaning of Section 3(14) of ERISA, or “disqualified persons,” within the meaning of Section 4975 of the Code, unless an exemption is available. A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the ERISA Plan that engages in such a prohibited transaction may be subject to penalties and liabilities under ERISA and the Code. Plans that are “governmental plans” (as defined in Section 3(32) of ERISA), certain “church plans” (as defined in Section 3(33) of ERISA or Section 4975(g)(3) of the Code) and non-U.S. plans (as described in Section 4(b)(4) of ERISA) are not subject to the requirements of ERISA or Section 4975 of the Code but may be subject to similar prohibitions under other applicable Similar Laws. The acquisition and/or holding of Additional Notes by an ERISA Plan with respect to which the Issuer, a Guarantor or an Initial Purchaser is considered a party in interest or a disqualified person may constitute or result in a direct or indirect prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, unless the investment is acquired and is held in accordance with an applicable statutory, class or individual prohibited transaction exemption. In this regard, the U.S. Department of Labor has issued prohibited transaction class exemptions, or “PTCEs,” that may apply to the acquisition and holding of the Additional Notes. These class exemptions include, without limitation, PTCE 84-14 respecting transactions determined by independent qualified professional asset managers, PTCE 90-1 respecting insurance company pooled separate accounts, PTCE 91-38 respecting bank collective investment funds, PTCE 95-60 respecting life insurance company general accounts and PTCE 96-23 respecting transactions determined by in-house asset managers. In addition, Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide relief from the prohibited transaction provisions of ERISA and Section 4975 of the Code for certain transactions, provided that neither the issuer of the securities nor any of its affiliates (directly or indirectly) has or exercises any discretionary authority or control or render any investment advice with respect to the assets of any ERISA Plan involved in the transaction and *provided further* that the ERISA Plan receives no less, and pays no more, than adequate consideration in connection with the transaction. There can be no assurance that all of the conditions of any such exemptions will be satisfied.

Because of the foregoing, the Additional Notes should not be purchased or held by any person investing “plan assets,” unless such purchase and holding will not constitute a prohibited transaction under ERISA and the Code or similar violation of any applicable Similar Laws.

Representation

Accordingly, by acceptance of an Additional Note, each purchaser and subsequent transferee of the Additional Note will be deemed to have represented and warranted that either (i) no portion of the assets used by such purchaser or transferee to acquire or hold the Additional Notes constitutes assets of any Plan or (ii) the purchase and holding of the Additional Notes by such purchaser or transferee will not constitute a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or similar violation under any applicable Similar Laws.

The foregoing discussion is general in nature and is not intended to be all inclusive. Due to the complexity of these rules and the penalties that may be imposed upon persons involved in prohibited transactions, it is particularly important that fiduciaries, or other persons considering purchasing the Additional Notes on behalf of, or with the assets of, any Plan, consult with their counsel regarding the potential applicability of ERISA, Section 4975 of the Code and any Similar Laws to such investment and whether an exemption would be applicable to the purchase and holding of the Additional Notes.

PLAN OF DISTRIBUTION

Subject to the terms and conditions set forth in the purchase agreement (the “Purchase Agreement”) entered into on July 22, 2014, by and among the Issuer, the Guarantors and the Initial Purchaser, the Issuer has agreed to sell to the Initial Purchaser, and the Initial Purchaser has agreed to purchase from the Issuer the entire principal amount of the Additional Notes.

The Purchase Agreement provides for the obligations of the Initial Purchaser to pay for and accept delivery of the Additional Notes. The Additional Notes will initially be offered at the price indicated on the cover page of this Offering Memorandum.

The Purchase Agreement also provides that the Issuer and the Guarantors will indemnify the Initial Purchaser against certain liabilities, including liabilities under the Securities Act, and will contribute to payments that the Initial Purchaser may be required to make in respect thereof. The Issuer has agreed, subject to certain limited exceptions, that during the period from the date hereof through and including the date that is 90 days after the date the Additional Notes are issued, to not, without having received the prior written consent provided for in the Purchase Agreement, offer, sell, contract to sell or otherwise dispose of any debt securities issued or guaranteed by the Issuer, or any of the Guarantors or their affiliates that are substantially similar to the Notes and the Guarantees.

The Initial Purchaser is offering the Additional Notes, subject to the conditions contained in the Purchase Agreement, including the receipt by the Initial Purchaser of officer’s certificates and legal opinions. The Initial Purchaser reserves the right to withdraw, cancel or modify offers to investors and to reject orders in whole or in part.

The Initial Purchaser proposes to offer the Additional Notes for resale in transactions not requiring registration under the Securities Act or applicable state securities laws, including sales pursuant to Rule 144A. The Initial Purchaser will not offer or sell the Additional Notes except:

- to persons they reasonably believe to be “qualified institutional buyers,” as defined in Rule 144A under the Securities Act; or
- pursuant to offers and sales that occur outside the United States within the meaning of Regulation S.

The Additional Notes may not be offered or resold in the United States (as defined in Regulation S), except under an exemption from the registration requirements of the Securities Act or under a registration statement declared effective under the Securities Act.

Each purchaser of the Additional Notes will be deemed to have made acknowledgments, representations and agreements as described under “*Offering and Transfer Restrictions.*”

The Initial Purchaser has advised the Issuer that it presently intends to make a market in the Additional Notes as permitted by applicable laws and regulations. The Initial Purchaser is not obligated, however, to make a market in the Additional Notes and any such market making may be discontinued at any time at the sole discretion of the Initial Purchaser without any notice.

The Initial Purchaser has also represented and agreed that, (i) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act 2000 (the “FSMA”) with respect to anything done by it in relation to the Additional Notes in, from or otherwise involving the United Kingdom; and (ii) it will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of the Additional Notes in circumstances in which section 21(1) of the FSMA does not apply to us.

In relation to each Member State of the EEA that has implemented the Prospectus Directive (each, a “Relevant Member State”), the Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, it has not made and will not make an offer to the public of any Additional Notes which are the subject of the Offering contemplated by this Offering Memorandum in that Relevant Member State, other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Additional Notes shall require us or the Initial Purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

The Initial Purchaser has further represented and warranted that it has not made and will not make any offer to the public of the Additional Notes in the Netherlands, unless such offer is made exclusively to legal entities, which are qualified investors (as defined in the Prospectus Directive) and to authorize discretionary asset managers acting for the account of retail investors under a discretionary investment management contract.

For the purposes of this provision, the expression an “offer of Additional Notes to the public” in relation to the Additional Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Additional Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Additional Notes, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State, and the expression “Prospectus Directive” means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression 2010 PD Amending Directive means Directive 2010/73/EU.

The Issuer expects that delivery of the Additional Notes will be made to investors on or about the date specified on the cover page of this Offering Memorandum, which is ten business days (as such term is used for purposes of Rule 15(c)6-1 of the Exchange Act) following the date of this Offering Memorandum (such settlement being referred to as “T+10”). Under Rule 15(c)6-1 under the Exchange Act, trades in the secondary market are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Additional Notes on the date of this Offering Memorandum or the next six succeeding business days will be required to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Additional Notes who wish to make such trades should consult their own advisors.

In connection with the issuance of the Additional Notes, Goldman Sachs International (the “Stabilizing Manager”) (or any person acting on behalf of the Stabilizing Manager) may over-allot the Additional Notes or effect transactions with a view to supporting the market price of the Additional Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager (or any person acting on behalf of the Stabilizing Manager) will undertake stabilizing action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Additional Notes is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of the Additional Notes and 60 days after the date of the allotment of the Additional Notes, and shall be done in accordance with applicable laws.

The Issuer has applied, through its listing agent, to have the Additional Notes admitted to trading on the Euro MTF Market operated by the Luxembourg Stock Exchange, and listed on the Official List of the Luxembourg Stock Exchange. The Issuer cannot assume that the Additional Notes will be approved from admission to trading and listing, and will remain admitted to trading and listed on the Euro MTF Market and listed on the official list of the Luxembourg Stock Exchange.

From time to time, the Initial Purchaser and its affiliates have provided, and may in the future provide, certain investment banking, other financial and/or commercial banking services to the Issuer and its affiliates or former affiliates, for which they have received or may receive customary fees, reimbursement of expenses and commissions. The Initial Purchaser and its affiliates have entered and may from time to time enter into hedging arrangements with the Issuer and its affiliates.

OFFERING AND TRANSFER RESTRICTIONS

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Additional Notes offered hereby.

The Additional Notes and the Guarantees have not been registered under the Securities Act or any state securities laws and may not be offered, sold or otherwise transferred within the United States (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, we are offering and selling the Additional Notes only:

- to U.S. investors that we reasonably believe to be “qualified institutional buyers,” commonly referred to as “QIBs,” (as defined in Rule 144A under the Securities Act) in compliance with Rule 144A; and
- in offshore transactions complying with Rule 903 or Rule 904 of Regulation S under the Securities Act.

We use the terms “offshore transaction” and “United States” with the meanings given to them in Regulation S.

If you purchase Additional Notes in this Offering, you will be deemed to have represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or Regulation S under the Securities Act are used herein as defined therein):

- You understand that the Additional Notes are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Additional Notes and the Guarantees have not been and will not be registered under the Securities Act and that (A) if in the future you decide to offer, resell, pledge or otherwise transfer any of the Additional Notes, such Additional Notes may be offered, resold, pledged or otherwise transferred only (i) in the United States to a person whom you reasonably believe is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A; (ii) outside the United States in a transaction complying with the provisions of Rule 904 of Regulation S under the Securities Act; or (iii) to the Issuer, in each case in accordance with any applicable securities laws, and that (B) you will, and each subsequent holder is required to, notify any subsequent purchaser of the Notes from it of the resale restrictions referred to in the legend below.
- You are not our “affiliate” (as defined in Rule 144 under the Securities Act), you are not acting on our behalf and you are either:
 - a QIB and are aware that any sale of these Additional Notes to you will be made in reliance on Rule 144A and such acquisition will be for your own account or for the account of another QIB; or
 - you are purchasing the Additional Notes in an offshore transaction in accordance with Regulation S.
- You acknowledge that none of the Issuer, the Guarantors, the Initial Purchaser or any person representing the Issuer, the Guarantors or the Initial Purchaser has made any representation to you with respect to the Issuer or the offer or sale of any of the Additional Notes, other than by the Issuer and the Guarantors with respect to the information contained in this Offering Memorandum, which Offering Memorandum has been delivered to you and upon which you are relying in making your investment decision with respect to the Additional Notes. You acknowledge that the Initial Purchaser makes no representation or warranty as to the accuracy or completeness of this Offering Memorandum. You have had access to such financial and other information concerning the Issuer, the Guarantors, the Indentures, the Additional Notes and the Guarantees as you have deemed necessary in connection with your decision to purchase the Additional Notes, including an opportunity to ask questions of and request information from the Issuer, the Guarantors and the Initial Purchaser.

Each purchaser acknowledges that each Additional Note will contain a legend substantially in the following form:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE “U.S. SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY STATE OR

OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) OR (B) IT IS ACQUIRING THIS NOTE IN AN "OFFSHORE TRANSACTION" PURSUANT TO RULE 144A OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") WHICH IS IN THE CASE OF RULE 144A NOTES: ONE YEAR AFTER THE LATER OF THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

If you purchase the Additional Notes, you will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in these Additional Notes, as well as to holders of the Additional Notes.

- You acknowledge that the Registrar will not be required to accept for registration of transfer any Additional Notes acquired by you, except upon presentation of evidence satisfactory to us and the Registrar that the restrictions set forth herein have been complied with.
- You acknowledge that:
 - the Issuer, the Guarantors, the Initial Purchaser and others will rely upon the truth and accuracy of your acknowledgements, representations and agreements set forth herein and you agree that, if any of your acknowledgements, representations or agreements herein cease to be accurate and complete, you will notify us and the Initial Purchaser promptly in writing; and
 - if you are acquiring any Additional Notes as fiduciary or agent for one or more investor accounts, you represent with respect to each such account that:
 - you have sole investment discretion; and
 - you have full power to make the foregoing acknowledgements, representations and agreements.
- You agree that you will give to each person to whom you transfer these Additional Notes notice of any restrictions on the transfer of the Additional Notes.

- You understand that no action has been taken in any jurisdiction (including the United States) by the Issuer or the Initial Purchaser that would permit a public offering of the Additional Notes or the possession, circulation or distribution of this Offering Memorandum or any other material relating to the Issuer or the Additional Notes in any jurisdiction where action for that purpose is required. Consequently, any transfer of the Additional Notes will be subject to the selling restrictions set forth under “*Plan of Distribution.*”

LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE GUARANTEES AND SECURITY INTERESTS

Set out below is a summary of certain limitations on the enforceability of the Guarantees and the security interests in each of the jurisdictions in which Guarantees or Collateral are being provided. It is a summary only, and proceedings of bankruptcy, insolvency or a similar event could be initiated in any of these jurisdictions and in the jurisdiction of organization of a future guarantor of the Notes. The application of these various laws in multiple jurisdictions could trigger disputes over which jurisdiction's law should apply and could adversely affect your ability to enforce your rights and to collect payment in full under the Notes, the Guarantees and the security interests on the Collateral. Also set forth below is a brief description of certain aspects of insolvency law in the Luxembourg, the Netherlands, and the British Virgin Islands.

European Union

The Issuer and several of the Guarantors are organized under the laws of Member States of the European Union.

Pursuant to Council Regulation (EC) No. 1346/2000 on insolvency proceedings (the "E.U. Insolvency Regulation"), which applies within the European Union, other than Denmark, the courts of the Member State in which a company's "centre of main interests" (as that term is used in Article 3(1) of the E.U. Insolvency Regulation) is situated have jurisdiction to open main insolvency proceedings. The determination of where a company has its "centre of main interests" is a question of fact on which the courts of the different Member States may have differing and even conflicting views. To date, no final decisions have been made in cases that have been brought before the European Court of Justice in relation to questions of interpretation of the effects of the E.U. Insolvency Regulation throughout the European Union.

Although there is a presumption under Article 3(1) of the E.U. Insolvency Regulation that a company has its "centre of main interests" in the Member State in which it has its registered office in the absence of proof to the contrary, Preamble 13 of the E.U. Insolvency Regulation states that the "centre of main interests" of a "debtor should correspond to the place where the debtor conducts the administration of its interests on a regular basis and is therefore ascertainable by third parties." The courts have taken into consideration a number of factors in determining the "centre of main interests" of a company, including in particular where board meetings are held, the location where the company conducts the majority of its business or has its head office and the location where the majority of the company's creditors are established. A company's "centre of main interests" may change from time to time but is determined for the purposes of deciding which courts have competent jurisdiction to open insolvency proceedings at the time of the filing of the insolvency petition.

The E.U. Insolvency Regulation applies to insolvency proceedings which are collective insolvency proceedings of the types referred to in Annex A to the E.U. Insolvency Regulation. If the "centre of main interests" of a company is in one Member State (other than Denmark) under Article 3(2) of the E.U. Insolvency Regulation, the courts of another Member State (other than Denmark) have jurisdiction to open insolvency proceedings against that company only if such company has an "establishment" in the territory of such other Member State. An "establishment" is defined to mean a place of operations where the company carries on non-transitory economic activity with human means and goods. The effects of those insolvency proceedings opened in that other Member State are restricted to the assets of the company situated in such other Member State.

Where main proceedings have been opened in the Member State in which the company has its center of main interests, any proceedings opened subsequently in another Member State in which the company has an establishment (secondary proceedings) are limited to "winding up proceedings" listed in Annex B of the E.U. Insolvency Regulation. Where main proceedings in the Member State in which the company has its center of main interests have not yet been opened, territorial insolvency proceedings can only be opened in another Member State where the company has an establishment where either (a) insolvency proceedings cannot be opened in the Member State in which the company's center of main interests is situated under that Member State's law; or (b) the territorial insolvency proceedings are opened at the request of a creditor which is domiciled, habitually resident or has its registered office in the other Member State or whose claim arises from the operation of the establishment.

The courts of all Member States (other than Denmark) must recognize the judgment of the court opening main proceedings which will be given the same effect in the other Member States so long as no secondary proceedings have been opened there. The liquidator appointed by a court in a Member State which has jurisdiction to open main proceedings (because the company's center of main interests is there) may exercise the powers conferred on him by the law of that Member State in another Member State (such as to remove assets of the company from that other Member State) subject to certain limitations so long as no insolvency proceedings have been opened in that other Member State or any preservation measure taken to the contrary further to a request to open insolvency proceedings in that other Member State where the company has assets.

The Netherlands

Insolvency Proceedings

The Issuer and certain Guarantors are incorporated in the Netherlands (the "Dutch Guarantors"). In the event of insolvency of the Issuer and any Dutch Guarantor, insolvency proceedings with respect to those entities would likely proceed under, and be governed by, Dutch insolvency law. Dutch insolvency laws are different from the insolvency laws of other jurisdictions, and this may limit your ability to recover payments due on the Notes to an extent exceeding the limitations arising under other insolvency laws.

Under Dutch law, there are two applicable corporate insolvency proceedings: moratorium of payments (*surseance van betaling*) and bankruptcy (*faillissement*). A moratorium or suspension of payments ("moratorium") is a court-ordered general suspension of a debtor's obligations to its creditors. Its purpose is to facilitate the reorganization of a debtor's debts and enable the debtor to continue as going concern. A moratorium is available at the request of the debtor on the ground that the debtor will be unable to continue payments when they fall due and could be used as a defense by the debtor against a bankruptcy application by a third-party. It may be ordered only by the district court located in the district in which the company has its statutory seat. Upon the filing of the request for a moratorium, the court will automatically grant the moratorium on a provisional basis and appoint at least one administrator (*bewindvoerder*) of the debtor's estate.

Subsequently, the unsecured creditors must vote in a meeting convened by the court as to whether a definitive moratorium should be granted. The court will then decide whether to grant a definitive moratorium or, alternatively, the court may declare the debtor bankrupt. The court will grant a definitive moratorium unless such moratorium is opposed by either (i) creditors having claims jointly exceeding one quarter of the total amount of claims represented at the meeting, or (ii) more than one-third of creditors whose claims are represented at the meeting. A moratorium takes effect retroactively from 0.00 hours on the day on which the court has granted the provisional suspension of payments.

Bankruptcy is a court-ordered general attachment of the assets of a debtor for the benefit of the debtor's collective creditors. The purpose of bankruptcy is to provide for an equitable liquidation and distribution of the proceeds of the debtor's assets among its creditors. Bankruptcy may be ordered only by the district court located in the district in which the company has its statutory seat. An application for bankruptcy can be made by either (i) one or more creditors of the debtor, (ii) the public prosecutor (if the public interest so requires), or (iii) the debtor itself, on the grounds that the debtor has ceased paying its debts. A debtor is considered to have ceased paying its debts if claims of at least two creditors for payments due remain unpaid. There is no legal duty for a debtor to file for its own bankruptcy. However, if the managing board of a company realizes that the company is or will be unable to pay its debts when they come due, it is required to take appropriate measures, which could include the cessation of trading, notification of creditors and the filing for either bankruptcy or a moratorium of payments (see above).

As a result of a bankruptcy, the debtor loses all rights to administer and dispose of its assets. Furthermore, all pending executions of judgments and any attachments on the debtor's assets will be terminated by operation of law, and any pending litigation on the date of the bankruptcy order is automatically suspended.

A bankruptcy order takes effect retroactively from 0.00 hours on the day the order is rendered. In the event of bankruptcy, a court will appoint a bankruptcy trustee (curator) at its own discretion, which, in most cases, will be a practicing lawyer in the Netherlands. The receiver in bankruptcy manages the bankrupt estate, which consists of all of the debtor's assets and liabilities that exist on the date on which the bankruptcy order became final, and of all assets acquired during the bankruptcy. The bankruptcy estate is not liable for obligations incurred by the debtor after the bankruptcy order, except to the extent

that such obligations arise from transactions that are beneficial to the estate. A receiver operates under the supervision of a bankruptcy judge designated by the court, and thus most of a receiver's major decisions require the prior approval of the bankruptcy judge.

Secured creditors can exercise their rights during the bankruptcy as normal. However, the bankruptcy judge may call a "freeze-order" (*afkoelingsperiode*) for a maximum period of four months (consisting of an initial two months, with a possible two-month extension), during which period the secured creditors cannot exercise their rights without the approval of the bankruptcy judge. The receiver in bankruptcy can force secured creditors to enforce their security rights within a reasonable period of time, failing which the receiver in bankruptcy will be entitled to sell the secured assets and distribute the proceeds. The receiver in bankruptcy is authorized to make such forced sales in order to prevent a secured creditor from delaying the enforcement of the security without good reason. If a receiver in bankruptcy does make a forced sale of secured assets, the secured creditors have to contribute to the general bankruptcy expenses (*algemene faillissementskosten*) and will receive payment from the proceeds of that sale prior to ordinary, non-preferred creditors having an insolvency claim, but after creditors of the estate (*boedelschuldeisers*), and subject to satisfaction of higher-ranking claims of creditors. Dutch tax authorities (*belastingdienst*) have a preferential claim in respect of the collection of certain taxes (e.g., social security premiums, wage tax, value added tax, etc.), pursuant to which they are entitled to attach certain movable property found on the debtor's premises (*bodembeslag*). They may take recourse against such property irrespective of whether any security interests over such property exist. Excess proceeds of enforcement of security rights must be returned to the debtor in bankruptcy and may not be set-off against any unsecured claims that the secured creditors may have. Such set-off is, in principle, only allowed prior to the bankruptcy proceedings.

All unsecured, pre-bankruptcy claims need to be submitted to the receiver for verification, and the receiver makes a determination as to the existence, ranking and value of the claim and whether and to what extent it should be admitted in the bankruptcy proceedings. Creditors that wish to dispute the verification of their claims by the receiver will be referred to the claim validation proceedings (*renvooiprocedure*) in order to establish the amount and rank of the disputed claim.

Interest accruing after the date of the bankruptcy order cannot be admitted unless secured by a pledge or mortgage. In that event, interest will be admitted pro memoria. To the extent that an interest is not covered by the proceeds of the security the creditor may not derive any rights from the admission. No interest is payable in respect of unsecured claims as of the date of a bankruptcy.

Voluntary payments (*onverplichte betalingen*) made by the debtor to a creditor before its bankruptcy may be successfully contested by the receiver in bankruptcy if the debtor and the creditor, at the time the payments were made, knew or ought to have known that any other creditors would be prejudiced by such payment. In the absence of evidence to the contrary, knowledge of prejudice is presumed from the debtor and the creditor by virtue of law in a number of situations if voluntary payments were made within one year before the bankruptcy. Even payments that were due and payable to a creditor may be successfully contested by the receiver in bankruptcy if (i) the recipient of payment knew that an application for bankruptcy had already been filed at the time the payment was made or (ii) the debtor and the recipient of payment engaged in conspiracy in order to benefit the recipient of payment to the detriment of the other creditors.

A Dutch pledge can serve as security for monetary claims (*geldvorderingen*) only and can only be enforced upon default (*verzuim*) of the obligations secured thereby. Foreclosure on pledged property is to be carried out in accordance with the applicable provisions and limitations of the Netherlands Civil Code (*Burgerlijk Wetboek*) and the Netherlands Code of Civil Procedure (*Wetboek van Burgerlijke Rechtsvordering*).

Limitations on Enforcement of Guarantees and Security Interests

You may not be able to enforce, or recover any amounts under, the Guarantees of, and security interests granted by or in, the Issuer or any Dutch Guarantor due to restrictions on the validity and enforceability of security interests and Guarantees under Dutch law. Under Dutch law, it is uncertain as to whether security interests can be granted to a party other than the creditor of the claim purported to be secured by such security interests. For that reason, the security documents pursuant to which a security interest will be granted in the assets of the Issuer and the Dutch subsidiaries use a parallel debt structure, whereby the Dutch subsidiaries, as separate and independent obligations, undertake to pay to the trustee on behalf of the holders of the Notes offered hereby amounts equal to the amounts due by it to

the other creditors. Such parallel debt structure therefore creates a separate and independent claim of the trustee on behalf of the holders of the Notes offered hereby which can be secured by a security interest. Consequently, the security interests are granted to the trustee on behalf of the holders of the Notes offered hereby in its own capacity as creditor acting in its own name pursuant to the parallel debt, and not as a representative (*vertegenwoordiger*) of the creditors. It is expressly agreed in such a parallel debt provision that the obligations of the debtor to the trustee on behalf of the holders of the Notes offered hereby shall be decreased to the extent that the corresponding principal obligations to the creditors are reduced (and vice versa). However, such a parallel debt structure has never been tested before a Dutch court and we cannot assure that it will mitigate or eliminate the risk of unenforceability posed by Dutch law.

Under Dutch law, receipt of any payment made by the Issuer and any Dutch Guarantor under a Guarantee or security interest may be adversely affected by specific or general defenses available to debtors under Dutch law in respect of the validity, binding effect and enforceability of such Guarantee or security interest. The validity and enforceability of a Guarantee of, or a security interest granted by or in, the Issuer and any Dutch Guarantors may also be successfully contested by the Issuer and any Dutch Guarantors (or their receiver in bankruptcy) on the basis of an *ultra vires* claim. The validity and enforceability of the obligations of the Issuer and our Dutch subsidiaries under a Guarantee or security interest may also be successfully contested by any creditor, or by the subsidiaries' respective receiver in bankruptcy when the subsidiary is in bankruptcy proceedings, if such obligation is prejudicial to the interests of any other creditor and the other requirements for voidable preference under the Netherlands Civil Code and Netherlands Bankruptcy Act are met. As a result, the value of the Guarantee and security interests provided by our Dutch Guarantors may be limited.

A corporate resolution approving the issuance of a guarantee by the Dutch Guarantors or a security to be provided by the Issuer or the Dutch Guarantors may be suspended or voided by the Enterprise Chamber of the Court of Appeals in Amsterdam (*Ondernemingskamer van het Gerechtshof Amsterdam*) on the motion of one or more holders of shares or depository receipts issued for shares in such company who, solely or jointly, represent at least one-tenth of the issued capital or who are entitled to an amount of in shares or depository receipts issued therefore with a nominal value of €225,000 or such lesser amount as is provided by the articles of association (*statuten*) of the relevant company, and persons who are authorized to do so by the articles of association or under an agreement with such company. The right to file such motion is further vested in an association of employees which has amongst its members person working for the enterprise and which has at least two years full legal capacity, and, for reasons of public interest, the advocate general at the Court of Appeal in Amsterdam. Likewise, the guarantee or security itself may be upheld by the Enterprise Chamber, yet actual payment under it may be suspended or voided.

Pursuant to Dutch law, payment under a guarantee or a security document may be withheld under doctrines of reasonableness and fairness (*redelijkheid en billijkheid*), force majeure (*niet toerekenbare tekortkoming*) and unforeseen circumstances (*onvoorziene omstandigheden*) and other defenses afforded by Netherlands law to obligors generally. Other general defenses include claims that a guarantee or security interest should be avoided because it was entered into through undue influence (*misbruik van omstandigheden*), fraud (*bedrog*), duress (*bedreiging*) or error (*dwalen*). Furthermore, under Netherlands law, a party to an agreement may under certain circumstances suspend performance of its obligations under such agreement pursuant to the *exceptio non-adimpleti contractus* or otherwise.

Dutch law contains specific provisions dealing with fraudulent conveyance both in and outside of bankruptcy, the so-called action pauliana provisions. The action pauliana offers creditors protection against a decrease in their means of recovery. A legal act performed by a person (including, without limitations, an agreement pursuant to which it guarantees the performance of the obligations of a third party and any other legal act having similar effect) can be challenged in or outside bankruptcy of the relevant person and may be nullified by the receiver in bankruptcy in a bankruptcy of the relevant person or by any of the creditors of the relevant person outside bankruptcy, if (i) the person performed such acts without an obligation to do so (*onverplicht*), (ii) the creditor concerned or, in the case of the person's bankruptcy, any creditor, was prejudiced in its means of recovery as a consequence of the act, and (iii) at the time the act was performed both the person and the counterparty to the transaction knew or should have known that one or more of its creditors (existing or future) would be prejudiced in their means of recovery, unless the act was entered into for no consideration (*om niet*) in which case such knowledge of the counterparty is not necessary for a successful challenge on the grounds of fraudulent conveyance.

Financial Assistance

Pursuant to Article 2:98c of the Netherlands Civil Code, a Dutch N.V. (*naamloze vennootschap*) may not grant loans (*leningen verstrekken*), provide security (*zekerheid stellen*), give a price guarantee (*koersgarantie geven*) or otherwise bind itself, whether jointly and severally or otherwise with or for third parties (*zich op andere wijze sterk maken of zich hoofdelijk of anderszins naast of voor anderen verbinden*) with a view to (*met het oog op*) the subscription or acquisition by third parties of shares in its share capital or depository receipts. This prohibition also applies to its subsidiaries (*dochtervennootschappen*). It is generally assumed that a transaction entered into in violation of Article 2:98c of the Netherlands Civil Code is null and void (*nietig*).

It is generally accepted in the Netherlands that, from a Dutch law perspective, the laws of the jurisdiction of incorporation of the relevant non-Dutch entities whose shares are directly acquired in an acquisition are relevant in order to answer the question whether there are financial assistance issues in respect of the acquisition of a foreign entity. However, there is a minority opposing view according to which Dutch financial assistance regulations are still applicable whenever any Dutch entity is indirectly acquired as a part of an acquisition even though its shares are not directly acquired. In such an event, the Guarantees and security provided by Dutch Guarantors may be held to be unenforceable and this may materially affect the ability to recover amounts due on the Notes. Furthermore it is the prevailing opinion in Dutch legal literature that in case of an acquisition of the shares in a Dutch entity, Dutch financial assistance Rules would also apply to its foreign (non-Dutch) subsidiaries.

In order to enable Dutch subsidiaries to grant Guarantees or other collateral to secure liabilities of a direct or indirect parent or sister company without violating Dutch rules on financial assistance, it is standard market practice for indentures, credit agreements, guarantees and security documents to contain so-called “limitation language” in relation to subsidiaries incorporated or established in the Netherlands. Pursuant to such limitation language, it is agreed between the relevant parties that such guarantee or collateral is deemed not to be given to the extent the same would constitute a violation of the Dutch rules on financial assistance.

Ultra vires

Pursuant to Article 2:7 of the Netherlands Civil Code (*Burgerlijk Wetboek*), any transaction entered into by a legal entity may be nullified by the legal entity itself or its receiver in bankruptcy (curator) if the objects of that entity were transgressed by the transaction and the other party to the transaction knew or should have known this without independent investigation (*wist of zonder eigen onderzoek moest weten*). The Netherlands Supreme Court (*Hoge Raad der Nederlanden*) has ruled that in determining whether the objects of a legal entity are transgressed, not only the description of the objects in that legal entity’s articles of association (*statuten*) is decisive, but all (relevant) circumstances must be taken into account, in particular whether the transaction is in the company’s corporate interests (*vennootschappelijk belang*) and to its benefit; and whether the subsistence of the company is jeopardized by the transaction.

Regulatory Consent

The enforcement of a security over shares and the exercise by the Security Trustee of voting rights regarding such shares may be subject to regulatory consent. Accordingly, such actions are conditional upon obtaining any consent required by law or regulation.

Luxembourg

Certain Insolvency Law Considerations

Luxembourg insolvency proceedings may have a material adverse effect on the Luxembourg Guarantor’s business and assets and the Luxembourg Guarantor’s respective obligations under the Notes. Under Luxembourg insolvency laws, your ability to receive payment on the Notes may be more limited than under U.S. bankruptcy laws. The following types of proceedings (altogether referred to as insolvency proceedings) may be opened against a Luxembourg Guarantor having its registered office or center of main interests in Luxembourg:

- bankruptcy (*faillite*) proceedings, the opening of which may be requested by the company or by any of its creditors; following such a request, a competent Luxembourg court may open bankruptcy proceedings if the company (i) is unable to pay its debts as they fall due (cessation des paiements),

and (ii) has lost its commercial creditworthiness (ébranlement de crédit); if a court finds that these conditions are met without any request, it may also open bankruptcy proceedings on its own motion;

- controlled management proceedings (gestion contrôlée), the opening of which may only be requested by the company and not by its creditors; a reorganization order requires the prior approval by more than 50% in number of the creditors representing more than 50% of the company's liabilities in order to take effect; and
- voluntary composition with creditors (concordat préventif de faillite), upon request only by the company (subject to obtaining the consent of the majority of its creditors representing at least 75% of all admitted unsecured claims) and not by its creditors. The court's decision to admit a company to a composition with participating creditors triggers a provisional stay on enforcement of claims by unsecured and by participating creditors while other creditors may pursue their claims individually.

In addition to these insolvency proceedings, your ability to receive payment on the Notes may be affected by a decision of a court to grant a suspension of payments (sursis de paiement) or to put a Luxembourg Guarantor into judicial liquidation (liquidation judiciaire). Judicial winding up proceedings may be opened at the request of the public prosecutor against companies pursuing an activity violating criminal laws or seriously breaching the provisions of the commercial code and the laws governing commercial companies. The management of such winding up proceedings will generally follow the rules of bankruptcy proceedings.

Generally, during the insolvency proceedings, all enforcement measures by general secured and unsecured creditors against the company are stayed, while certain secured creditors (pledgees or mortgagees) retain the ability to settle separately while the debtor is in bankruptcy. Collateral over which a security right has been granted will in principle not be available for distribution to unsecured creditors (except after enforcement and to the extent a surplus of enforcement proceeds is realized). During controlled management proceedings, enforcement measures are suspended until the final reorganization order from the adjudicating court, declarations of default and any subsequent acceleration upon the occurrence of an event of default may not be enforceable and participating secured creditors in composition proceedings are required to abandon their security. Under the Luxembourg Act dated 5 August 2005, as amended, concerning financial collateral arrangements, as amended (the "Collateral Act"), secured creditors holding qualifying collateral in the form of financial instruments or claims to secure obligations giving right to cash settlement and/or delivery of financial instruments and/or to assets underlying such financial instruments may enforce their security during the insolvency proceedings without court approval outside the general body of creditors and satisfy their claim in order of their priority in the enforcement proceeds.

Liabilities of Luxembourg Guarantors in respect of their Guarantees will, in the event of a liquidation of such Luxembourg Guarantor following bankruptcy or judicial winding-up proceedings, rank junior to the cost of such proceedings (including any debt incurred for the purpose of such bankruptcy or judicial winding-up) and those debts of the Issuer that are entitled to priority under Luxembourg law. Preferential rights arising by operation of law under Luxembourg law include

- certain amounts owed to the Luxembourg Revenue
- value added tax and other taxes and duties owed to the Luxembourg Customs and Excise;
- social security contributions; and
- remuneration owed to employees.

Luxembourg insolvency law may also affect transactions entered into or payments made by a Luxembourg Guarantor during the hardening period (période suspecte) (which is a maximum of 6 (six) months and 10 (ten) days) preceding the judgment adjudicating the insolvency proceedings, in particular, the granting of a security right for antecedent debt, the payment of debt not due (whether or not payment is made in cash or by way of assignment, sale, set-off or by any other means) or of debt due by any means other than cash or bill of exchange or the sale of assets without consideration or with substantially inadequate consideration. These transactions must be declared null and void, in all circumstances, at the request of the competent Luxembourg insolvency official (including any commissaire, juge-commissaire, liquidateur or curateur or similar official). Further, if the insolvency official demonstrates that an adequate payment in relation to a due debt was made during the hardening period to the detriment of the general body of creditors, and the party receiving such payment knew that

the company had ceased payments when such payment occurred, the insolvency official has the power, among other things, to invalidate such preferential transaction. Notwithstanding the above, a financial collateral arrangement under the Collateral Act entered into after the opening of liquidation proceedings or the entry into force of reorganization measures is valid and binding against third parties or insolvency officials notwithstanding the hardening period if the collateral taker proves that it was unaware of the opening of such proceedings or of the taking of such measures or that it could not reasonably have been aware of them. Generally, if the insolvency official demonstrates that a Luxembourg Guarantor has given a preference to any person by defrauding the rights of creditors generally, a competent insolvency official (acting on behalf of the creditors) has the power to challenge such preferential transaction (including the granting of security right with fraudulent intent) without limitation of time.

In principle, a bankruptcy order rendered by a Luxembourg court does not result in an automatic termination of contracts except for personal (*intuitu personae*) contracts, that is, contracts for which the identity of the company or its solvency were crucial. However, the insolvency official may choose to terminate certain onerous contracts. As of the date of adjudication of bankruptcy, no interest on any unsecured claim will accrue vis-à-vis the bankruptcy estate. Insolvency proceedings may hence have a material adverse effect on the Luxembourg Guarantor's business and assets and the Luxembourg Guarantor's respective obligations under the Notes (as Luxembourg Guarantor).

Finally, international aspects of Luxembourg bankruptcy, controlled management or composition proceedings may be subject to the E.U. Insolvency Regulation.

Financial Assistance

The Luxembourg Guarantor will guarantee and secure certain indebtedness of the Issuer. Any granting of a guarantee or a third party security by a Luxembourg guarantor that constitutes a breach of the financial assistance rules set out at Article 49-6 of the Luxembourg Act dated 10 August 1915 on commercial companies, as amended, or any other similar provisions (to the extent applicable, as at the date of this Offering Memorandum, to the Luxembourg Guarantor) may not be enforceable.

There is no Luxembourg legislation or published authoritative court precedent which specifically regulates the granting of a guarantee or a third party security by a Luxembourg company securing the indebtedness of a subsidiary, a parent company or an affiliated company. However, the granting of a guarantee or a third party security is subject to specific limitations and requirements relating to the corporate object (*objet social*) and the corporate benefit (*intérêt social*) of the Luxembourg Guarantor. Although no statutory definition of corporate benefit exists under Luxembourg law, corporate benefit is widely interpreted and includes any transactions from which a Luxembourg company derives a direct or indirect economic or commercial benefit. It is generally held that, within a group of affiliated companies, the corporate interest of each individual corporate entity may, to a certain extent, be subordinated to the interest of the group. As such, the granting of a guarantee or a third party security securing the indebtedness of direct or indirect subsidiaries is likely to raise no particular concerns, whereas the provision of an upstream or cross-stream guarantee or security right for the benefit of a parent or a sister company may be more problematic but not necessarily conflicts with the interest of the assisting company. Belgian and French court precedents have retained certain criteria on the basis of which they have held that a Belgian or French company may validly grant a guarantee or a third party security for the obligations of a group company and such findings may influence the findings of a Luxembourg court, which, placed in a similar context, may hold that a Luxembourg company may validly grant a guarantee or a third party security if certain conditions are met. The test regarding the company's corporate interest is whether it is a member of a structured group with a common economic strategy, receives some (direct or indirect) consideration in return (such as an economic or commercial benefit) and whether the (direct or indirect) benefit received from the secured indebtedness is proportionate to the burden of the assistance. A guarantee that substantially exceeds the guarantor company's ability to meet its commitments towards the beneficiary of the guarantee or third party security and to its other creditors would expose its directors or managers to civil and criminal personal liability and may, inter alia, be declared null and void based on the concept of illegal cause (*cause illicite*). The Guarantee granted by the Luxembourg Guarantors includes general limitation language limiting the financial exposure of the Luxembourg Guarantors to a certain percentage of, among others, the amount of the sum of the company's net assets (*capitaux propres*) and its subordinated debt (*dettes subordonnées*) as reflected in the financial information of the Luxembourg Guarantor, covering the aggregate obligations and exposure of the relevant Luxembourg Guarantor under all finance documents.

Luxembourg Security Rights

The appointment of a foreign security agent or trustee will be recognized under Luxembourg law (i) to the extent that such designation is valid under the law governing such appointment and (ii) subject to possible restrictions depending on the type of the security right. In general, a security right over financial collateral may be granted in favor of an agent, a fiduciary or a trustee acting as holder of the security right for the collateral taker in order to secure the claims of present or future third party secured creditors, provided that these secured creditors are identified or can be identified. Without prejudice to its obligations vis-à-vis such third party secured creditors, an agent, a fiduciary or a trustee acting for these secured creditors is entitled to the same rights as a secured creditor who is directly holding a security right granted to its benefit, all in accordance with Article 2(4) of the Collateral Act.

All security rights granted in the form of a pledge over shares qualify as financial collateral arrangements under the Collateral Act. According to the Collateral Act, all financial collateral arrangements (including pledges of financial instruments, receivables or cash held on account), as well as the enforcement events relating to these financial collateral arrangements, are valid and enforceable against third parties (including supervisors, receivers, liquidators or other similar bodies) irrespective of any bankruptcy, liquidation or other situations (e.g. hardening period (*période suspecte*)), of composition with creditors or of reorganization affecting any one of the parties, whether they are national or foreign, except in case of fraud. Where a financial collateral arrangement has been entered into after the opening of liquidation proceedings or the coming into force of reorganization measures or the entry into force of such measures, such arrangement is valid and binding against third parties, administrators, insolvency receivers, liquidators or similar bodies, notwithstanding the hardening period (*période suspecte*) as referred to at Articles 445 and 446 of the Luxembourg Code of Commerce, if the collateral taker proves that it was unaware of the fact that such proceedings had been opened or that such measures had been taken or that it could not reasonably be aware of them, all in accordance with Article 21(2) of the Collateral Act.

Enforcement proceedings affecting only a portion of the shares of a Luxembourg private limited liability company (*société à responsabilité limitée*), where only part of its shares have been encumbered, require the approval, by a general meeting of the shareholders of the Luxembourg company, of the transferee or purchaser (whether known or unknown) of the shares as new shareholder of the Luxembourg company.

The enforcement of security over shares and the exercise by the Security Agent voting rights in respect of such shares may be subject to regulatory consent. Accordingly, enforcement of any security over shares and the exercise by the Security Agent the voting rights in respect of such shares will be expressed to be conditional upon obtaining any consents required by law or regulation.

The United States of America

Fraudulent Transfer

Under the U.S. Bankruptcy Code or comparable provisions of state fraudulent transfer or fraudulent conveyance laws, the incurrence of the obligations under the Notes, the issuance of the guarantees and the grant of security, whether now or in the future, by the Issuer or the Guarantors (together, the “Obligors”) could be avoided, if, among other things, at the time the Obligors incurred the obligations, issued the related guarantee or gave the security, the Obligors intended to hinder, delay or defraud any present or future creditor; or received less than reasonably equivalent value or fair consideration for the incurrence of such indebtedness or the grant of such security and either:

- were insolvent or rendered insolvent by reason of such incurrence or grant of security;
- were engaged in a business or transaction for which the Obligors’ remaining assets constituted unreasonably small capital; or
- intended to incur, or believed that they would incur, debts beyond their ability to pay such debts as they mature.

In those cases where the Obligor’s solvency is a relevant factor, the measures of insolvency will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a party would be considered insolvent if:

- the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;

- the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing indebtedness, including contingent liabilities, as they become absolute and mature; or
- it could not pay its indebtedness as it becomes due.

We cannot be sure as to the standard that a court would use to determine whether or not a party was solvent at the relevant time, or, regardless of the standard that the court uses, that the incurrence of the obligations under the Notes, the issuance of the guarantees and the grant of security, whether now or in the future by the Obligors would not be voided or the guarantee would not be subordinated to the Guarantors' other debt. If such a case were to occur, the guarantee could also be subject to the claim that, since the Guarantees were incurred for our benefit and only indirectly for the benefit of the Guarantors, the obligations of the applicable Guarantor were incurred for less than fair consideration.

Preference

Any future grant of security interest with regard to the Collateral in favor of the Notes, including pursuant to security documents delivered after the date of the Indentures, might be avoidable in a U.S. bankruptcy case by the grantor (as debtor-in-possession) or by its bankruptcy trustee as a preference if certain events or circumstances exist or occur, including, among others, if the grantor is insolvent at the time of the grant, the security interest permits the Noteholders to receive a greater recovery than if the bankruptcy case were a case under Chapter 7 of the U.S. Bankruptcy Code and the security had not been given and a bankruptcy case in respect of the grantor is commenced within 90 days following the grant, or in certain circumstances, a longer period.

The Automatic Stay

The right of a Noteholder to enforce its security interests against the Guarantors upon the occurrence of an event of default under the Indentures is likely to be significantly impaired by applicable U.S. bankruptcy law if one or more of the Obligors became a debtor in a case under the U.S. Bankruptcy Code before such security interest was enforced. Upon the commencement of a case under the U.S. Bankruptcy Code, a secured creditor such as a Noteholder is prohibited by the automatic stay imposed by the U.S. Bankruptcy Code from taking any act to obtain possession of or exercise control over, property of the bankruptcy estate. The automatic stay in a bankruptcy case of one or more of the Obligors could therefore prevent the Noteholder from obtaining possession or exercising control over the Collateral or commencing any action in an attempt to obtain possession or exercise control over the Collateral the automatic stay could be lifted or modified with bankruptcy court approval in certain circumstances, but parties may object to any creditor request to lift or modify the automatic stay, and the bankruptcy court deny such a request.

Right of Debtor-In-Possession to Remain In Control of Collateral and the Bankruptcy Process

An entity that becomes a debtor under chapter 11 of the U.S. Bankruptcy Code remains in possession of its property and is authorized to operate and manage its business as a "debtor-in-possession," subject to certain limitations. This remains the case unless a chapter 11 trustee is appointed or the chapter 11 case is converted to a chapter 7 liquidation under the U.S. Bankruptcy Code.

Moreover, the U.S. Bankruptcy Code permits the debtor to continue to retain and use collateral even though the debtor is in default under the applicable debt instruments, provided that the secured creditor is given "adequate protection" of its interest in the debtor's property. The term "adequate protection" is not defined in the U.S. Bankruptcy Code, but it may include making periodic cash payments, providing an additional or replacement lien or granting other relief, in each case to the extent that the collateral decreases in value during the pendency of the bankruptcy case as a result of, among other things, the use, sale or lease of such collateral or the imposition of the automatic stay. The type of adequate protection provided to a secured creditor may vary according to circumstances. A U.S. bankruptcy court may determine that a secured creditor is not entitled to additional adequate protection for a diminution in the value of its collateral if the value of the collateral exceeds the amount of the debt that it secures.

Only the debtor in a chapter 11 bankruptcy case may propose a chapter 11 plan unless the debtor fails to file a plan within the first 120 days of the case or fails to solicit sufficient acceptances of its plan within the first 180 days of the case. The bankruptcy court may reduce or enlarge these periods. The 120-day period could be extended for up to 18 months after a chapter 11 filing, while the 180-day period could be

extended for up to 20 months after a chapter 11 filing. During these “exclusive periods,” other parties such as secured creditors would be precluded from proposing or soliciting acceptances of their own chapter 11 plans.

In view of the automatic stay, the lack of a precise definition of the term “adequate protection,” the exclusive periods, and the broad discretionary power of a U.S. bankruptcy court, it is impossible to predict:

- whether or when a Noteholder could enforce its security interests;
- the value of the collateral at the time of the bankruptcy petition or at the time a chapter 11 plan is proposed or confirmed; or
- whether or to what extent Noteholders would be compensated for any delay in payment or loss of value of the collateral through the requirement of “adequate protection.”

A Debtor-In-Possession May Obtain New Credit Secured By a Lien That is Senior or Equal to Existing Liens

The U.S. Bankruptcy Code permits a debtor-in-possession or trustee in a chapter 11 case to obtain an extension of new credit from an existing lender or from a new lender. The bankruptcy court may, depending on the facts and circumstances, authorize the debtor-in-possession or trustee to obtain new credit or incur new debt that is secured by a lien that is senior or equal to existing liens. In other words, it is possible that in connection with a chapter 11 case of one or more of the Obligors, such Obligor or Guarantors would be permitted to incur new debt that is secured by a lien that is senior or equal to the liens that exist at the time of the chapter 11 filing.

Ability to Confirm a Chapter 11 Plan Notwithstanding the Dissenting Votes of Creditors

Under the U.S. Bankruptcy Code, a chapter 11 plan can be imposed on a creditor or equityholder (or class of creditors or equityholders) that does not accept the plan. A chapter 11 plan provides for the comprehensive treatment of all claims asserted against the debtor and its property, and may provide for the readjustment or extinguishment of equity interests. Claims and interests may be classified by type. Only those classes of claims and interests impaired by the plan may vote to accept or reject such plan. Classes of claims and interests that are unimpaired are not entitled to vote on the plan, and are deemed to accept it. Classes of claims and interest that receive no distributions under the plan are not entitled to vote on the plan, and are deemed to reject it.

A class of claims is deemed to accept the plan if more than one-half in number of claims holders and two-thirds in claims amount in that class vote in favor of the plan. A plan can be confirmed by the bankruptcy court over the dissenting votes of members of a class that accepts the plan overall. Furthermore, even if one or more impaired classes reject the plan, it may still be confirmed, subject to specific statutory requirements, in accordance with the “cram-down” provisions of the U.S. Bankruptcy Code, so long as the plan does not discriminate unfairly, and is fair and equitable, with respect to each class of claims or interests that is impaired under, and has not accepted, the plan. This could allow the debtor or other plan proponent to confirm its plan over the objection of one or more dissenting classes.

England and Wales

A number of our subsidiaries are incorporated under the laws of England and Wales. Accordingly, insolvency proceedings with respect to certain of our subsidiaries incorporated under the laws of England and Wales would be likely to proceed under, and be governed by, English insolvency law unless it can be demonstrated that the company’s “centre of main interests” or “COMI” is situated in another jurisdiction. A company’s COMI should correspond to the place where the company conducts the administration of its interests on regular basis and is therefore ascertainable by third parties. The registered office of a company is presumed to be where the company’s COMI is, unless proven to the contrary. Therefore, the COMI of a company is determined on a factual basis taking into account where the company regularly conducts its affairs and where its creditors perceive a company’s COMI to be. As the English Subsidiary Guarantor is incorporated in England, there is a presumption that the “centre of main interests” for the English Subsidiary Guarantor is situated in England.

English insolvency law may not be as favorable to your interests as the laws of the United States or other jurisdictions with which you are familiar. In the event that we or any one or more of the Guarantors experiences financial difficulty, it is not possible to predict with certainty the outcome of insolvency or similar proceedings.

Our obligations under the Notes will be guaranteed by the Guarantors and secured by security interests over the Collateral. English insolvency laws and other limitations could limit the enforceability of a Guarantee against a Guarantor and the enforceability of security interests.

The following is a brief description of certain aspects of English insolvency law relating to certain limitations on the Guarantees or the security interests of the Notes.

The application of these laws could adversely affect your ability to enforce your rights under the Guarantees or the Collateral securing the Notes and limit any amounts that you may receive.

Fixed versus Floating Charges

There are a number of ways in which fixed charge security has an advantage over floating charge security: (a) an administrator appointed to a charging company can convert floating charge assets to cash and use such cash, or use cash subject to a floating charge, to meet administration expenses (which can include the costs of continuing to operate the business of the charging company) while in administration in priority to the claims of the floating charge holder; (b) a fixed charge, even if created after the date of a floating charge, may have priority as against the floating charge over the charged assets; (c) general costs and expenses (including the remuneration of the liquidator) properly incurred in a winding-up are payable out of the assets of the charging company (including the assets the subject of the floating charge) in priority to floating charge claims; (d) until the floating charge security crystallizes, a company is entitled to deal with assets that are subject to floating charge security in the ordinary course of business, meaning that such assets can be effectively disposed of by the charging company so as to give a third party good title to the assets free of the floating charge and so as to give rise to the risk of security being granted over such assets in priority to the floating charge security; (e) there are particular challenge risks in relation to floating charge security; and (f) floating charge security is subject to the claims of preferential creditors (such as certain minimum occupational pension scheme contributions and salaries owed to employees) and to ring-fencing (see below “—England and Wales—Administration and Floating Charges”).

Under English insolvency law, there is a possibility that a court could find that the fixed security interests expressed to be created by a security document could take effect as floating charges because the description given to them as fixed charges is not determinative. Whether fixed security interests will be upheld as fixed rather than floating security interests will depend, among other things, on whether the chargee has the requisite degree of control over the ability of the relevant chargor to deal in the relevant assets and the proceeds thereof and, if so, whether such control is, in fact, exercised by the chargee in practice. Where the chargor is free to deal with the secured assets without the consent of the chargee, the court is likely to hold that the security interest in question constitutes a floating charge, notwithstanding that it may be described as a fixed charge.

Administration and Floating Charges

The relevant English insolvency statutes empower English courts to make an administration order in respect of an English company, as applicable, in certain circumstances. An administration order can be made if the court is satisfied that the relevant company is or is likely to become “unable to pay its debts” and that the administration order is reasonably likely to achieve the purpose of administration. An administrator can also be appointed out of court by the company, its directors or the holder of a qualifying floating charge which has become enforceable, and different procedures apply according to the identity of the appointor. During the administration, in general no proceedings or other legal process may be commenced or continued against the debtor, or security enforced over the company’s property, except with leave of the court or the consent of the administrator (the statutory moratorium).

If an English company were to enter administration, it is possible that the security or the guarantee granted by it may not be enforced while it is in administration, without the leave of court or consent of the administrator. There can be no assurance that the Security Agent would obtain this leave of court or consent of the administrator. In addition, other than in limited circumstances (expanded upon below). No administrative receiver can be appointed by a secured creditor in preference to an administrator. Any administrative receiver already appointed must vacate office, and any receiver already appointed must

vacate office if requested to do so by the administrator. Where a company is already in administration, no administrative receiver may be appointed and a receiver may only be appointed with the leave of the court or consent of the administrator.

Certain creditors of a company in administration may be able to realize their security over that company's property notwithstanding the statutory moratorium. The statutory moratorium does not apply to security interests created or arising under a "financial collateral agreement" (generally, security/collateral in respect of cash or financial instruments, such as shares, bonds or tradable capital market debt instruments) under the Financial Collateral Arrangements (No. 2) Regulations 2003 as amended.

In order to empower the Security Agent to appoint an administrative receiver or an administrator to the company, the floating charge granted by the relevant English obligor must constitute a "qualifying floating charge" for purposes of English insolvency law and, in the case of the ability to appoint an administrative receiver, the qualifying floating charge must, unless the security document predates 15 September 2003 in England, fall within one of the exceptions in the Enterprise Act 2002 in England. In order to constitute a qualifying floating charge, the floating charge must be created by an instrument which (a) states that the relevant statutory provision applies to it; (b) purports to empower the holder to appoint an administrator of the company or (c) purports to empower the holder to appoint an administrative receiver. The Security Agent will be the holder of a qualifying floating charge if such floating charge security, together (if necessary) with the fixed charge security interests, relate to the whole or substantially the whole of the property of the relevant English company and at least one such security interest is a qualifying floating charge. Whether the assets that are subject to the floating charges and other security will constitute substantially the whole of the relevant English company's assets at the time that the floating charges are enforced will be a question of fact at that time.

The most relevant exception to the prohibition on the appointment of an administrative receiver is the exception relating to "capital market arrangements" (as defined in the UK Insolvency Act 1986, as amended (the "UK Insolvency Act")), which will apply if the issue of the Notes creates a debt of at least £50 million for the relevant company during the life of the arrangement and the arrangement involves the issue of a "capital markets investment" (which is defined in the UK Insolvency Act, but is generally a rated, listed or traded debt instrument). An administrator, receiver (including administrative receiver) or liquidator of the company will be required to ring-fence a certain percentage of the proceeds of enforcement of floating charge security for the benefit of unsecured creditors. Under current law, this applies to 50% of the first £10,000 of floating charge realizations and 20% of the remainder over £10,000, with a maximum aggregate cap of £600,000.

Liquidation

Liquidation is a termination procedure applicable to companies incorporated under the laws of England and Wales. There are three ways an English Subsidiary Guarantor may be placed into liquidation or "wound up," being (1) Members' Voluntary Liquidation (which is a procedure available to solvent companies only), (2) Creditors' Voluntary Liquidation, and (3) Compulsory Winding-Up.

On the liquidation of an English company, there is no automatic statutory moratorium in place preventing the holders of security interests from taking steps to enforce those security interests. Where an English Subsidiary Guarantor is placed into liquidation, a creditor holding a valid mortgage, charge or other security interest has four options: (1) to realize the security, apply the proceeds towards discharge of the secured debt, and prove in the liquidation for any balance; (2) to retain the security and not prove in the liquidation, (3) to value the security and prove for any shortfall between that value and the value of the debt, and (4) to surrender the security and prove for the full amount of the debt.

Challenges to Guarantees and Security

There are circumstances under English insolvency law in which the granting by an English company of security and guarantees can be challenged. Under insolvency law in England and Wales, the liquidator or administrator of a company may apply to the court to set aside the granting of security or the giving of a guarantee prior to the grantor entering into relevant insolvency proceedings, if the grantor was unable to pay its debts (as defined in Section 123 of the UK Insolvency Act) at the time of, or becomes unable to pay its debts as a consequence of, the grant of security or giving the guarantee. A transaction that has occurred within the two years prior to the guarantor entering into relevant insolvency proceedings might be subject to a challenge if a company received consideration of significantly less value than the benefit given by that company unless a court determines that the company entered into the transaction in good

faith for the purpose of carrying on its business and if at the time it did so there were reasonable grounds for believing the transaction would benefit the company. The two year time period limitation wouldn't apply where the transaction was made for the purpose of putting assets beyond the reach of creditors. In addition, a transaction might be subject to challenge where it puts a person into a position which is better than the position that person would be in if the company proceeded into insolvent liquidation and that transaction occurred within the two years (in the case of connected persons) or six months (in the case of unconnected persons) prior to the company entering into relevant insolvency proceedings. The Issuer cannot assure holders of the Notes that in the event of insolvency, the granting of the security or the giving of the guarantees by companies incorporated under the laws of England and Wales would not be challenged by a liquidator or administrator or that a court would support our analysis that (in any event) the security and guarantees were entered into in good faith for the purposes described above.

In general terms, in such circumstances the Courts of England and Wales have the power to make void such transactions, or restore the position to what it would have been if the company had not entered into the transaction. If a court voided any grant of security or giving of any guarantee as a result of a transaction at an undervalue or preference, or held it unenforceable for any other reason, you would cease to have any security over the grantor or a claim against the Guarantor giving such guarantee.

Spain

One of the Subsidiary Guarantors is incorporated under the laws of Spain (the "Spanish Guarantor"). As a general rule, in the event of an insolvency of the Spanish Guarantor, insolvency proceedings may be initiated in Spain and governed by Spanish law. The Spanish Act 22/2003 of July 9, 2003 on Insolvency Proceedings (the "Spanish Insolvency Act"), as further amended, regulates court insolvency proceedings.

Concept and Petition for Insolvency

In Spain, insolvency proceedings are only triggered in the event of a debtor's current insolvency (*insolencia actual*) or imminent insolvency (*insolencia imminente*). Under the Spanish Insolvency Act, a debtor is insolvent when it becomes unable to regularly meet its obligations as they become due or when it expects that it will shortly be unable to do so. A petition for insolvency may be initiated by the debtor, by any creditor (provided that it has not acquired the credit within the six months prior to the filing of the petition for insolvency, for *inter vivos* acts, on a singular basis and once the credit was mature) or by certain other interested third parties.

Voluntary Insolvency

Insolvency is considered voluntary (*concurso voluntario*) if filed by the debtor.

The debtor is obliged to file a petition for insolvency within two months after it becomes aware, or should have become aware, of its state of insolvency. It is presumed that the debtor becomes aware of its insolvency, unless otherwise proved, if any of the circumstances that qualify as the basis for a petition for mandatory insolvency occur.

Notwithstanding the foregoing, the general obligation to file for insolvency within the referred two months does not apply if the debtor notifies the applicable court that it has initiated negotiations with its creditors to obtain accessions to an anticipated agreement between the creditors and the debtor (the "Company Voluntary Agreement" or the "CVA") or to reach a refinancing agreement set out in article 71 bis.1 or in the Fourth Additional Disposition of the Spanish Insolvency Act (the so-called 5 bis communication). Effectively, by means of the 5 bis communication, on the top of those two months, the debtor gains an additional three month period to achieve an agreement with its creditors or to obtain accessions to an anticipated CVA and one further month to file for insolvency. During such period of time, creditors' applications for insolvency will not be accepted and court enforcement actions, other than those arising from public law claims, over those assets deemed necessary for the continuity of the debtor's business activities, are prohibited.

Mandatory Insolvency

Insolvency is considered mandatory (*concurso necesario*) if filed by a creditor or by certain other interested third-parties.

Under Section 2.4 of the Spanish Insolvency Act, a creditor can apply for a declaration of insolvency if it can prove that it has failed to attach any assets, or sufficient assets, to pay the amount owed. A creditor

may also apply for a debtor's insolvency if it can prove to the court, inter alia that: (i) there is a generalized default on payments by the debtor; (ii) there is a seizure of assets affecting or comprising the generality of the debtor's assets; (iii) there is a misplacement, "fire sale" or ruinous liquidation of the debtor's assets; or (iv) there is a generalized default on certain tax, social security and employment obligations during the applicable statutory period (three months).

Conclusion of Insolvency: Proposal of Agreement or Liquidation

The Spanish Insolvency Act provides that insolvency proceedings conclude following either the implementation of a CVA or the liquidation of the debtor.

Certain Effects of the Insolvency for the Debtor and on Contracts

As a general rule, the debtor in a voluntary insolvency retains its powers to manage and dispose of its business, but is subject to the intervention of the insolvency administrators ("*administración concursal*"). In the case of mandatory insolvency, as a general rule, the debtor no longer has power over its assets, and management's powers (including the power to dispose of assets) are conferred solely upon the insolvency administrators. However, the court has the power to modify this general regime subject to the specific circumstances of the case.

Under Section 61 of the Spanish Insolvency Act, all clauses in contracts with mutual obligations that entitle any party to terminate an agreement based solely on the other party's declaration of insolvency are deemed as not included in the agreement and, therefore, unenforceable, except if expressly permitted by specific laws (i.e. agency laws).

A declaration of insolvency does not affect agreements with reciprocal obligations pending on performance by either the insolvent party or the counterparty, which remain in full force and effect, and the obligations of the insolvent debtor will be fulfilled against the insolvent estate. The court can nonetheless terminate any such contracts at the request of the insolvency administrators, the company itself or the non-debtor when such termination is in the interest of the estate or if there has been a breach of such contract. The termination of such contracts may result in the insolvent debtor having to return or indemnify its counterpart.

The enforcement of any security over certain assets that are necessary for the continuation of the commercial or professional activity of the insolvent company (*in rem securities*) is prohibited until the earlier of: (i) an arrangement of CVA being reached provided that the CVA does not affect such right or (ii) one year having elapsed as of the declaration of the insolvency without the opening of a liquidation.

Ranking of Credits

Creditors are required to report their claims to the insolvency administrators within one month from the last official publication of the court order declaring the insolvency, providing original documentation to justify such claims. Based on the documentation provided by the creditors and documentation held by the debtor, the court administrators draw up a list of acknowledged creditors/claims and classify them according to the categories established in the Spanish Insolvency Act.

Under the Spanish Insolvency Act, claims are classified in the following groups:

- a) Claims against the insolvency estate (*créditos contra la masa*) are not considered part of the debtor's general debt and are payable when due according to their own terms (and, therefore, are paid before other debts under insolvency proceedings). Debt against the insolvency estate includes, among others, (i) certain amounts of the employee payroll, (ii) costs and expenses of the insolvency proceedings, (iii) certain amounts arising from services provided by the insolvent debtor under reciprocal contracts and outstanding obligations that remain in force after insolvency proceedings are declared and deriving from obligations to return and indemnity in cases of voluntary termination or breach by the insolvent debtor, (iv) those that derive from the exercise of a clawback action within the insolvency proceedings of acts performed by the insolvent debtor and correspond to a refund of consideration received by it (except in cases of bad faith), (v) certain amounts arising from obligations created by law or from the non-contractual liability of the insolvent debtor after the declaration of insolvency and until its conclusion, (vi) certain debts incurred by the debtor following the declaration of insolvency; (vii) in case of liquidation, the credit rights granted to the debtor under a CVA in accordance with article 100.5 of the Spanish Insolvency Law, (viii) 100% of the new funds lent under a refinancing arrangement entered into in compliance with the requirements set forth in Article 71.bis or the 4th Additional Provision of the Spanish Insolvency Law,

provided that such arrangement has been entered into after March 9, 2014 and (ix) 100% of the new funds lent by the debtor itself or by persons being in a special relationship with the debtor in the context of a refinancing arrangement entered into in compliance with the requirements set forth in Article 71.bis or the 4th Additional Provision of the Spanish Insolvency Law, provided that such arrangement has been entered into after March 9, 2014 and provided further that such new funds do not result from a share capital increase. From March 10, 2016, only 50% of the new funds referred to in subsection (a)(viii) will be considered as claims against the insolvency estate, and funds referred to in subsection (a)(ix) will no longer be considered as claims against the insolvency estate.

- b) Claims benefiting from special privileges, representing security on certain assets (essentially *in rem* security). These claims may entail separate proceedings, and are subject to certain restrictions related to a mandatory waiting period that may last up to one year and certain additional limitations set forth in the Spanish Insolvency Law. However, within such waiting period or while any enforcement proceedings remain suspended under the Spanish Insolvency Law, the court receiver has the option to pay the relevant claims against the insolvency estate under specific payment rules. Privileged creditors are not subject to arrangements (*convenios*), unless they give their express support by voting in favor of the arrangement. In the event of liquidation, they are the first to collect payment against the secured assets.
- c) Claims benefiting from general privileges, including, among others, certain labor debts and certain debts with public administrations. Other debts with public administrations corresponding to tax debts and social security obligations are recognized as privileged for half of their amount, and debts held by the creditor applying for the corresponding insolvency proceedings, to the extent such application has been approved, up to 50% of the amount of such debt. New funds under a refinancing arrangement entered into in compliance with the requirements set forth in Article 71.bis or the 4th Additional Provision of the Spanish Insolvency Law in the amount not admitted as a debt against the insolvency estate (*crédito contra la masa*) will also be credits with general privileges. The holders of general privileges are not to be affected by the restructuring (CVA) if they do not agree to the arrangement and, in the event of liquidation, they are the first to collect payment (in the order established by law).
- d) Ordinary claims (non-subordinated and non-privileged claims) will be paid on a prorata basis.
- e) Subordinated claims (which are thus classified contractually or pursuant to law). Debts subordinated by virtue of law include, among others, those credits held by parties in special relationships with the debtor, except for those credits that are regarded as debt against the insolvency estate (*crédito contra la masa*) in accordance with subsection (a)(ix) above and until March 9, 2016. In the case of individuals, this includes their relatives. In the case of a legal entity, this includes administrators, group companies and their common shareholders, and any shareholders holding over 5% (for companies that have issued securities listed on an official secondary market) or 10% (for companies which have not issued securities listed on an official secondary market) of the entity's share capital. Notwithstanding the above, creditors who have directly or indirectly capitalized their credit rights pursuant to a refinancing arrangement entered into in compliance with the requirements set forth in Article 71.bis or the 4th Additional Provision of the Spanish Insolvency Law shall not be considered as being in a special relationship with the debtor, in respect of credits against the debtor, as a result of the financing granted under such refinancing arrangement. Claims related to accrued and unpaid interest unless and to the extent they are secured by an *in rem* right are also subordinated. Subordinated creditors are second-level creditors; they may not vote on a CVA and have very limited chances of collection. Furthermore, in the absence of evidence to the contrary, assignees or awardees of claims belonging to any of the persons mentioned in this paragraph are presumed to be persons specially related to the insolvent debtor as long as the acquisition has taken place within two years prior to the insolvency proceedings being declared open.

Hardening Periods

There is no clawback date by operation of law. Therefore, there are no prior transactions that automatically become void as a result of the initiation of insolvency proceedings, but instead the insolvency administrators must expressly challenge those transactions. Under the Spanish Insolvency Act, upon the declaration of insolvency, only transactions that could be deemed as having damaged (*perjudiciales*) the insolvent debtor's estate (i.e., causing a so-called "patrimonial damage") during the two years prior to the date the insolvency is declared, may be challenged, even if there was no fraudulent

intention. Transactions taking place earlier than two years prior to the declaration of insolvency are subject to the general regime of fraudulent conveyance under the Spanish Civil Code, which requires the evidence of fraud by the claimant.

The Spanish Insolvency Act does not define the meaning of “patrimonial damage.” Damage does not refer to the intention of the parties, but to the consequences of the transaction on the debtor’s interest resulting on the damage to the insolvent debtor’s estate or the prejudice to the equality of the treatment among creditors which drives insolvency proceedings (*pars condition creditorum*). There are several “irrebuttable presumptions” expressly set forth by the Spanish Insolvency Act (i.e., free disposals and prepayment or cancellation of the company’s claims or obligations prior to them being due and where the due dates of the relevant claims or payment obligations fall after the date of declaration of insolvency), except if such obligations were secured by an *in rem* security, in which case such transactions are rescinded if they fall within the hardening period. In addition to the above, the Spanish Insolvency Act sets forth certain actions which are deemed to cause a “patrimonial damage” to the insolvent company, but which are “rebuttable presumptions” and therefore subject to being contested by the other party (i.e., disposals in favor of “specially related parties” (as described above), the provision of security in respect of previously existing obligations or in respect of new obligations replacing existing ones and the payment or other acts to terminate obligations being secured by an *in rem* security and which mature after the declaration of insolvency). Ordinary transactions carried out within the debtor’s ordinary course of the business cannot be rescinded, provided that they are carried out at arm’s length.

A recent amendment of the Spanish Insolvency Act has excluded certain types of refinancing agreements from the scope of claw-back actions, including the guarantees and security interest granted in execution of such agreements.

Parallel Debt

The holders of the Notes from time to time will not be the secured parties under the security interests governed by Spanish law. Under Spanish law, a security interest created as security for the benefit of third parties who are not direct parties to the relevant agreement creating the security interest are unenforceable by such parties. The Intercreditor Agreement provides (shall provide) for the creation of a parallel debt structure (as an abstract obligation independent from the obligation under the Notes) whereby, subject to the terms of the Intercreditor Agreement, all the Debtors (as defined therein) undertake to pay to the Spanish co-security agent any amount payable by them under the Notes. This allows the Spanish co-security agent to be the beneficiary of the security interest governed by Spanish law. The use of parallel debt in Spanish deals is a new concept, and there has not been any court precedent to ensure its validity and enforceability. Also, the registration of the security interests governed by Spanish law may be rejected if the relevant registrar considers that this structure is not valid or enforceable.

Spanish Guarantor

Under Spanish law, the guarantee to be granted pursuant to the Indenture may only be granted by those guarantors that are incorporated as stock companies under the laws of Spain (*sociedades anónimas* or “S.A.”). This is due to the fact that all other subsidiaries which are incorporated as limited liability companies under the laws of Spain (*sociedades de responsabilidad limitada* or “S.L.”) are subject to the prohibition contained in Article 402 of the Spanish Capital Companies Law (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el Texto Refundido de la Ley de Sociedades de Capital*) (the “Spanish Capital Companies Law”), which states that a limited liability company cannot execute or secure a bond issuance or other issuance of securities.

Spanish Financial Assistance Limitations on Guarantees and Security Interests

Spanish Capital Companies Law prohibits financial assistance for stock companies (“*sociedades anónimas*” or “S.A.”) in relation to the acquisition of their own shares or the shares of their direct or indirect controlling company.

A guarantee or indemnity granted or assumed pursuant to the Indenture by the Spanish Guarantor or any security interest created by the Spanish Guarantor may not extend to any obligation related to the acquisition of the shares representing the share capital of such Spanish Guarantor or, in the case of stock companies (“*sociedades anónimas*” or “S.A.”) shares representing the share capital of their

direct or indirect controlling companies, or in the case of limited liability companies (“sociedades de responsabilidad limitada” or “S.L.”), shares representing the share capital of companies belonging to the group of such Spanish Guarantor, or to the refinancing of a previous debt incurred for the acquisition of shares representing the share capital of such Spanish Guarantor or shares representing the share capital of their direct or indirect controlling companies. There is, therefore, a risk that the obligations assumed by the Spanish Guarantor pursuant to the security intended to be created or guarantees to be granted pursuant to the Indenture could be considered financial assistance under the Spanish Capital Companies Law to the extent that they refer to an institution of guarantees in connection with the prior acquisition of shares in the Spanish Guarantor or their direct or indirect controlling companies.

Trust under Spanish law

There is no concept of a trust under Spanish law. If Spanish law security documents are entered into only by a security agent (i.e., and not by the creditors on account of whom it would be acting), the security agent will be the only party entitled to enforce the Guarantees or the security interest in respect of those obligations. However, there is a risk that a security agent would only be able to enforce against the debt it individually holds, and not for the full amount owed to creditors for whom it is acting as security agent. This limitation may be overcome if such creditors grant formal powers of attorney in favour of the security agent in order for the latter to represent them in the enforcement proceedings.

British Virgin Islands

Insolvency Proceedings

Under BVI insolvency law, a liquidator of the BVI company could apply to the court to set aside the granting of a guarantee or security interest if the liquidator believed that the granting of such was an unfair preference. Such a transaction might be subject to being set aside if it is entered into at a time when the BVI company is insolvent or it causes the BVI company to become insolvent, the transaction was entered into within two years (six months where the person is not a connected person) prior to the onset of insolvency and the transaction has the effect of putting a creditor in a position which, in the event of the BVI company going into insolvent liquidation, will be better than the position he would have been in if the transaction had not been entered into. Upon such application, the court can make such order as it thinks fit to restore the BVI company to the position it would have been had it not entered into the transaction. A court will generally not intervene, however, if it is satisfied that the transaction took place in the ordinary course of business.

A liquidator may apply to the court for an order to set aside the granting of a guarantee or security interest if the liquidator believed that the granting of such was an undervalue transaction. Such a transaction might be subject to being set aside if it is entered into at a time when the BVI company is insolvent or it causes the BVI company to become insolvent, the transaction was entered into within two years (six months where the person is not a connected person) prior to the onset of insolvency and the BVI company makes a gift to a person or otherwise enters into a transaction with that person on terms that provide for the BVI company to receive no consideration, or the BVI company enters into the transaction for consideration the value of which, in money or money's worth, is significantly less than the value, in money or money's worth, of the consideration provided by the BVI company. A court will generally not intervene, however, if it is satisfied that the BVI company entered into the transaction in good faith and for the purposes of its business and, at the time it entered into the transaction, there were reasonable grounds for believing that the transaction would benefit the BVI company.

Where a floating charge is created by a BVI company within two years (six months where the person is not a connected person) prior to the onset of insolvency and it is entered into at a time when the BVI company is insolvent or it causes the BVI company to become insolvent, then it is liable to be set aside. A court may not set aside the floating charge if it is satisfied that the floating charges secures: money advanced or paid to the BVI company, or at its direction, at the same time as, or after, the creation of the charge; the amount of any liability of the BVI company discharged or reduced at the same time as, or after, the creation of the charge; the value of assets sold or supplied, or services supplied, to the BVI company at the same time as, or after, the creation of the charge; and the interest, if any, payable on the amount referred to above pursuant to any agreement under which the money was advanced or paid, the liability was discharged or reduced, the assets were sold or supplied or the services were supplied.

Limitations on Enforcement of Guarantees and Security Interests

The general impediments to enforcement of guarantees in the British Virgin Islands include the following:

- enforcement of obligations and the priority of obligations may be limited by bankruptcy, insolvency, liquidation, reorganization, readjustment of debts, disclaimer of onerous property in liquidation or moratorium and other laws of general application relating to or affecting the rights of creditors or by prescription or lapse of time;
- enforcement may be limited by general principles of equity and, in particular, the availability of certain equitable remedies such as injunction or specific performance of an obligation may be limited where the court considers damages to be an adequate remedy;
- claims may become barred under statutes of limitation or may be or become subject to defenses of set-off, counterclaim, estoppel and similar defenses;
- where obligations are to be performed in a jurisdiction outside the British Virgin Islands, they may not be enforceable in the British Virgin Islands to the extent that performance would be illegal under the laws of or contrary to the public policy of, that jurisdiction;
- in liquidation proceedings in respect of a BVI company before a court of the British Virgin Islands the Insolvency Act, 2003 of the British Virgin Islands requires that the amount of a claim based on a liability incurred or payable in a currency other than United States dollars shall be converted into United States dollars at the rate of exchange prevailing at the relevant time. For such purposes, the rate of exchange should be ascertained in such manner as may be prescribed by the Insolvency Rules, 2005 of the British Virgin Islands.
- to the extent that any provision of the guarantee is adjudicated to be penal in nature, it will not be enforceable in the courts of the British Virgin Islands; in particular, the enforceability of any provision of the guarantee which imposes additional obligations in the event of any breach or default, or of payment or prepayment being made other than on an agreed date may be limited to the extent that it is subsequently adjudicated to be penal in nature and not an attempt to make a reasonable pre-estimate of loss;
- to the extent that the performance of any obligation arising under the guarantee would be fraudulent or contrary to public policy, it will not be enforceable in the courts of the British Virgin Islands;
- a BVI court will not necessarily award costs in litigation in accordance with contractual provisions in this regard;
- enforcement may be limited unless the Directors of the BVI company consider the giving of the guarantee and the transactions contemplated thereby to be in the best interests of the BVI company; and
- the effectiveness of terms in the guarantee excusing any party from a liability or duty otherwise owed or indemnifying that party from the consequences of incurring such liability or breaching such duty shall be construed in accordance with, and shall be limited by, applicable law, including generally applicable rules and principles of common law and equity.

To the extent that security is taken over the shares of the BVI company by way of charge or equitable mortgage, it should be noted that for as long as the security provider ("Chargor") is the registered holder of the shares in the BVI company the subject of security ("Charged Shares") it will, from the perspective of the BVI company, remain entitled to receive such dividends and other distributions as may be payable in respect of the Charged Shares in the BVI company and to exercise any voting and other rights and powers attaching to the Charged Shares. Pursuant to the Articles of Association of the company, the Directors may resolve to refuse or delay the registration of any transfer of shares.

The registered holder of the shares in the BVI company and the directors of such company would have the power, as a matter of BVI law, to alter the Memorandum and Articles of Association of the BVI company to introduce provisions which may restrict the ability of the secured party to enforce their rights over the Charged Shares or realize their security by selling the Charged Shares to third parties.

With respect to security over the Charged Shares, the priority among competing equitable interests will, if BVI domestic law is applied, be determined according to the time of creation of the equitable interest and, accordingly, the security interest over the Charged shares would rank behind any pre-existing equitable interest in the Charged Shares. Such security interest may also rank behind any security

interests granted over the Charged Shares in the nature of a legal mortgage and/or a bona fide purchaser for value of the Charged Shares without notice of the security could obtain good title to the Charged Shares; although please note that it does not necessarily follow that, as a matter of BVI conflict of law rules, priorities of competing interests in the Charged Property will be determined according to BVI domestic rules.

For the purposes of determining matters relating to title and jurisdiction but not for the purposes of taxation, the situs of the ownership of shares, debt obligations or other securities of the BVI company is in the British Virgin Islands. Registered shares in the BVI company are transferred by a written instrument of transfer signed by the transferor and containing the name and address of the transferee and is effective when the name of the transferee is entered in the Register of Members of the BVI company. The instrument of transfer must also be signed by the transferee where registration as a holder of the share imposes a liability to the BVI company on the transferee.

The enforcement of a security over shares and the exercise by the Security Trustee of voting rights regarding such shares may be subject to regulatory consent. Accordingly, such actions are conditional upon obtaining any consent required by law or regulation.

SERVICE OF PROCESS AND ENFORCEMENT OF JUDGMENTS

We and some of the Guarantors are companies incorporated in the Netherlands. Other Guarantors are organized under the laws of the United Kingdom, Luxembourg, Spain, the United States and the British Virgin Islands, and future Guarantors may also be organized under the laws of non-U.S. jurisdictions. All of our directors and executive officers and all of the directors and officers of the Guarantors are non-residents of the United States. Although we and each of the Guarantors have submitted to the jurisdiction of certain New York courts in connection with any action under U.S. securities laws, you may be unable to effect service of process within the United States on our directors and executive officers and the directors and executive officers of the Guarantors or security providers. In addition, as many of our and the Guarantors' assets and the assets of our and their directors and executive officers are located outside of the United States, you may be unable to enforce against them or us judgments obtained in the U.S. courts predicated on civil liability provisions of the federal securities laws of the United States.

If a judgment is obtained in a U.S. court against us or a Guarantor or a security provider, investors will need to enforce such judgment in jurisdictions where the relevant company has assets. Even though the enforceability of U.S. court judgments outside the United States is described below for the countries in which our Guarantors are located, you should consult with your own advisors in any pertinent jurisdictions as needed to enforce a judgment in those countries or elsewhere outside the United States.

The Netherlands

The following discussion with respect to enforceability of certain U.S. court judgments in the Netherlands is based upon advice provided to us by our Dutch counsel.

Most of the assets of the Issuer and the Dutch Guarantors are located outside the United States and its directors are non-residents of the United States. There is doubt as to the enforceability in the Netherlands against any of the persons listed above in an original action or in an action for the enforcement of judgments of U.S. courts of civil liabilities predicated solely upon U.S. federal securities laws.

As there is no treaty between the United States and the Netherlands providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards in civil and commercial matters), a judgment rendered by a court in the United States will not be recognized and enforced by the Dutch courts. However, if a person has obtained a final and conclusive judgment for the payment of money rendered by a U.S. court which is enforceable in the United States (the "foreign judgment") and files his claim with the competent Dutch court, the Dutch court will generally give binding effect to the foreign judgment insofar as it finds that the jurisdiction of the U.S. court has been based on grounds which are internationally acceptable and that proper legal procedures have been observed and unless the foreign judgment contravenes Dutch public policy.

To obtain an enforceable judgment against the Issuer and the Dutch subsidiaries in the Netherlands, the matter will need to be re-litigated before the competent court in the Netherlands. In the course of such proceedings, the U.S. judgment will have to be submitted to the relevant court in the Netherlands, and the Dutch court may give the effect to the U.S. Judgment as it deems appropriate.

According to current practice, however, based upon case law, Dutch courts will be expected to render a judgment in line with the U.S. Judgment, if and to the extent that:

- the court rendering the U.S. Judgment had jurisdiction over the subject matter of the litigation on internationally acceptable grounds and has conducted the proceedings in accordance with general principles of fair trial;
- the U.S. Judgment is final and definite; and
- such recognition is not in conflict with an existing Dutch judgment or with Dutch public policy (i.e., a fundamental principle of Dutch law).

England

The following summary with respect to the enforceability of certain U.S. court judgments in England is based upon advice provided to us by U.S. and English legal advisors. The United States and England currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments (as opposed to arbitration awards) in civil and commercial matters. Consequently, a final judgment for

payment rendered by any federal or state court in the U.S. based on civil liability, whether or not predicated solely upon U.S. federal securities laws, would not automatically be recognized or enforceable in England. In order to enforce any such U.S. judgment in England, proceedings must first be initiated before a court of competent jurisdiction in England. In such an action, an English court would not generally reinvestigate the merits of the original matter decided by the U.S. court (subject to what is said below) and it would usually be possible to obtain summary judgment on such a claim (assuming that there is no good defense to it). Recognition and enforcement of a U.S. judgment by an English court in such an action is conditional upon (among other things) the following:

- the U.S. court having had jurisdiction over the original proceedings according to English conflicts of laws principles;
- the U.S. judgment being final and conclusive on the merits in the sense of being final and unalterable in the court which pronounced it and being for a definite sum of money;
- the U.S. judgment not contravening English public policy;
- the U.S. judgment not being for a sum payable in respect of taxes, or other charges of a like nature, or in respect of a penalty or fine;
- the U.S. judgment not having been arrived at by doubling, trebling or otherwise multiplying a sum assessed as compensation for the loss or damages sustained and not being otherwise in breach of Section 5 of the Protection of Trading Interests Act 1980;
- the U.S. judgment not having been obtained by fraud or in breach of English principles of natural justice;
- there not having been a prior inconsistent decision of an English court in respect of the same matter; and
- the English enforcement proceedings being commenced within six years from the date of the U.S. judgment.

Subject to the foregoing, investors may be able to enforce in England judgments in civil and commercial matters that have been obtained from U.S. federal or state courts. However, we cannot assure you that those judgments will be recognized or enforceable in England. In addition, it is questionable whether an English court would accept jurisdiction and impose civil liability if the original action was commenced in England, instead of the United States, and predicated solely upon U.S. federal securities laws.

Luxembourg

The Issuer and certain of the Guarantors are entities organized under the laws of Luxembourg (each a “Luxembourg Entity”). The directors, officers and other executives of the Luxembourg Entities are neither residents nor citizens of the United States. Furthermore, most of the assets of the Luxembourg Entities are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon such persons and entities, or to enforce against them judgments of U.S. courts predicated upon the civil liability provisions of U.S. federal or state securities laws. It may be possible for investors to effect service of process within Luxembourg upon those persons or entities, provided that The Hague Convention on the Service Abroad of Judicial and Extrajudicial Documents in Civil or Commercial Matters of November 15, 1965 is complied with.

We have been advised by our Luxembourg counsel that a contractual provision allowing the service of process against any Luxembourg Entity to any other party appointed to such effect could be overridden by Luxembourg statutory provisions allowing the valid service of process against any Luxembourg Entity in accordance with applicable laws at its registered office. A valid judgment against a company incorporated in Luxembourg with respect to the Additional Notes obtained from a court of competent jurisdiction in the United States, which judgment remains in full force and effect after all appeals as may be taken in the relevant state or federal jurisdiction with respect thereto have been taken, may be entered and enforced through a court of competent jurisdiction of Luxembourg subject to compliance with the enforcement procedures (*exequatur*) set forth in Article 678 et seq. of the Luxembourg Nouveau Code de Procedure Civile, those being:

- the U.S. court awarding the judgment has jurisdiction to adjudicate the respective matter under its applicable laws, and such jurisdiction is recognized by Luxembourg private international and local law;

- the U.S. court order or judgment must not result from an evasion of Luxembourg law (*fraude a la loi*);
- the judgment is final and duly enforceable in the jurisdiction where the decision is rendered (*executoire*);
- the U.S. court has applied the substantive law as designated by the Luxembourg conflict of laws rules;
- the U.S. court has acted in accordance with its own procedural laws;
- the judgment was granted following proceedings where the defendant had the opportunity to appear, and if appeared, to present a defense; and
- the consideration of the foreign order as well as the judgment does not contravene public policy as understood under the laws of Luxembourg, nor has it been given in proceedings of a criminal or tax nature.

We have also been advised by our Luxembourg counsel that if an original action is brought in Luxembourg, Luxembourg courts may refuse to apply the designated law if: (i) the choice of such law was not made bona fide and (ii) its application contravenes Luxembourg public policy. In an action brought in Luxembourg on the basis of U.S. federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought.

Spain

The following discussion with respect to the enforceability of certain U.S. court judgments in Spain is based upon advice provided to us by our Spanish legal advisers.

A final and conclusive judgment duly rendered by certain U.S. courts or any other appellate court in the United States would be enforceable in the competent courts of Spain, provided that prior to the time such U.S. court judgment is introduced into a Spanish court for enforcement, there is no material contradiction or incompatibility with a judgment rendered or judicial proceedings outstanding in Spain, in accordance with Article 523.2 and the Derogation Provision of the current Civil Procedural Law and subject to the former Civil Procedural Law of 1881, the substantive provisions of which are found in Articles 951 to 958, both inclusive. Such provisions and the case law set forth that any final judgment rendered outside Spain may be enforced in Spain in three different situations: (i) in the cases and in accordance with the provisions of any applicable treaty; (ii) in the absence of any such treaty, in case it is alleged and evidenced that the jurisdiction where the foreign judgment was given recognizes Spanish judgments on a reciprocal basis when the requirements established in such foreign jurisdiction for the recognition of Spanish judgments are complied with and provided that some minimal conditions are met (inter alia, that the matter is not subject to Spanish exclusive jurisdiction for certain matters, does not infringe public policy and is not in contradiction with a previous Spanish judgment); and (iii) in the absence of an applicable treaty and when the positive reciprocity has not been evidenced, in those cases in which the judgment given in the foreign jurisdiction complies with the requirements set forth in article 954 of the Civil Procedural Law of 1881 which are that (a) the judgment has been rendered as a result of an action “*in personam*” (as opposed to an action “*in rem*”); (b) the defendant has been properly served with the originating process; (c) the obligation to be enforced is legal under Spanish law; (d) the documentation prepared for the purpose of requesting the enforcement meets all requirements under the law of the United States in order to be considered an authentic judgment and it also meets all requirements under the laws of Spain; and (e) it is not evidenced that a Spanish judgment would not be recognized by and would not be enforceable in the relevant jurisdiction of the United States on a reciprocal basis. Since there is no applicable treaty between Spain and the United States, unless the conditions under (ii) above are met and, in accordance with certain court precedents, even if these conditions are met, the conditions referred to in (iii) above will have to be satisfied in order to enforce a judgment of a U.S. court in Spain.

British Virgin Islands

A judgment obtained in a U.S. court for either a liquidated sum or, in certain circumstances, for in personam non-money relief, will be recognized and enforced in the courts of the British Virgin Islands at common law without any re-examination of the merits, by an action commenced on the foreign judgment debt in the courts of the British Virgin Islands, where the judgment is final and not subject to a stay of execution.

The BVI courts would enforce the relevant judgment, in the manner set out above, provided that:

- the judgment had not been wholly satisfied;
- such court had jurisdiction in the matter and the BVI company was duly served with process;
- the judgment given by such court was not in respect of penalties, taxes, fines or similar or revenue obligations of the BVI company;
- in obtaining judgment there was no fraud on the part of the person in whose favor judgment was given or on the part of the court;
- recognition or enforcement of the judgment in the British Virgin Islands would not be contrary to the rules of public policy of the BVI courts; and
- the proceedings pursuant to which judgment was obtained were not contrary to natural justice.

LEGAL MATTERS

Skadden, Arps, Slate, Meagher & Flom (UK) LLP, London, England, will pass upon certain U.S. and English law matters in connection with the offering for TMF Group Holding B.V., including the validity of the Additional Notes. Latham & Watkins (London) LLP will pass upon certain U.S., Spanish and English law matters in connection with the offering for the Initial Purchaser.

INDEPENDENT AUDITORS

The Consolidated Financial Statements of TMF Group Holding B.V. as of and for the years ended December 31, 2011, 2012 and 2013 included in this offering memorandum, have been audited by PricewaterhouseCoopers Accountants N.V., independent auditors, as stated in their report appearing herein.

AVAILABLE INFORMATION

For so long as any of the Additional Notes are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, and during any period in which we are neither subject to Section 13 or 15(d) of the U.S. Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the U.S. Exchange Act, we will provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by any such holder or beneficial holder, the information required by Rule 144A(d)(4) under the Securities Act.

We are not currently subject to the periodic reporting and other informational requirements of the U.S. Exchange Act. Pursuant to the terms of the Indentures, we will furnish to the Trustee annual reports including audited financial statements, quarterly reports for the first three quarters of the year including unaudited financial statements and event-based reports.

Any financial information described above that is required by the Luxembourg Stock Exchange will be available at the offices of the paying and transfer agent.

LUXEMBOURG LISTING AND GENERAL INFORMATION

Application has been made to list the Additional Notes on the Luxembourg Stock Exchange. In connection with the application to list the Additional Notes on the Luxembourg Stock Exchange, copies of the articles of association of TMF Group Holding B.V. are available at the office of the listing agent.

So long as any of the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange shall so require, copies of the memorandum and articles of association of TMF Group Holding B.V. and the constitutional documents of each Guarantor and copies of the Indentures will be available for inspection at the office of the paying agent. Except for financial statements with respect to TMF Group Holding B.V., our annual and interim financial statements are limited to consolidated data and are not available in the form of non-consolidated financial statements or on a basis more frequent than annual or quarterly. So long as the Notes are listed on the Luxembourg Stock Exchange and the rules of the Luxembourg Stock Exchange shall so require, copies of our audited annual consolidated and unaudited quarterly consolidated financial statements will be available, and may be obtained free of charge, during normal business hours on any business day (except Saturdays, Sundays and legal holidays) at the office of the paying agent. We prepare our consolidated financial statements in accordance with IFRS, as adopted for use in the European Union.

The issuance of the Additional Notes was authorized by a resolution of the Issuer Board of Directors adopted on July 21, 2014.

The following is a brief description of the Guarantors (that are all directly or indirectly 100% owned by the Issuer) that guaranteed each of the Existing Notes and Additional Notes on the date on which they were issued, respectively. Each of the operational Guarantors listed below is engaged in supporting the Group's overall business by providing financial, legal and/or human resource administrative services either directly to our clients or through and on behalf of other Group companies.

#	Company	Jurisdiction	Function	Registered Office
1.	TMF Corporate Secretarial Services Ltd	England & Wales	Operational	400 Capability Green, Luton, Beds LU1 3AE United Kingdom
2.	TMF Management (UK) Ltd	England & Wales	Operational	6 St. Andrew Street London EC4A 3AE
3.	TMF Management Holding UK Ltd	England & Wales	Holding	6 St. Andrew Street London EC4A 3AE
4.	TMF Trustee Ltd	England & Wales	Operational	6 St. Andrew Street London EC4A 3AE
5.	TMF VAT Services Ltd	England & Wales	Operational	6 St. Andrew Street London EC4A 3AE
6.	TMF Holding UK Limited	England & Wales	Holding	6 St. Andrew Street London EC4A 3AE
7.	EQ Audit S.à r.l.	Luxembourg	Operational	2, Rue J. Hackin, L-1746 Luxembourg
8.	Equity Trust Holdings S.à r.l.	Luxembourg	Holding	46A, Avenue J.F. Kennedy L-1855 Luxembourg
9.	Immobilière Vauban S.A.	Luxembourg	Operational	6, rue Jean Monnet, L-2180 Luxembourg
10.	International Pyramide Holdings (Luxembourg) S.A.	Luxembourg	Operational	46A, Avenue J.F. Kennedy L-1855 Luxembourg
11.	Manacor (Luxembourg) S.A.	Luxembourg	Operational	46A, Avenue J.F. Kennedy L-1855 Luxembourg
12.	TMF Corporate Services S.A.	Luxembourg	Operational	46A, Avenue J.F. Kennedy L-1855 Luxembourg

#	Company	Jurisdiction	Function	Registered Office
13.	TMF Luxembourg Holding S.A.	Luxembourg	Holding	46A, Avenue J.F. Kennedy L-1855 Luxembourg
14.	TMF Spain S.A.	Spain	Operational	Aribau 171 2-1 08036 Barcelona
15.	Clear Management Company B.V.	The Netherlands	Operational	Herikerbergweg 238, 1101CM Amsterdam
16.	TMF Netherlands B.V.	The Netherlands	Operational	Herikerbergweg 238, 1101CM Amsterdam
17.	Nationale Trust Maatschappij N.V.	The Netherlands	Operational	Herikerbergweg 238, 1101CM Amsterdam
18.	TMF Holding International B.V.	The Netherlands	Holding	Herikerbergweg 238, 1101CM Amsterdam
19.	Tradman FS Holding B.V.	The Netherlands	Operational and Holding	Herikerbergweg 238, 1101CM Amsterdam
20.	TMF FundServices B.V.	The Netherlands	Operational	Westblaak 89, 3012 KG Rotterdam
21.	TMF Group B.V.	The Netherlands	Operational and Holding	Herikerbergweg 238, 1101CM Amsterdam
22.	TMF Group Invest Two B.V.	The Netherlands	Holding	Herikerbergweg 238, 1101CM Amsterdam
23.	TMF Holding B.V.	The Netherlands	Holding	Herikerbergweg 238, 1101CM Amsterdam
24.	Tradman Netherlands B.V.	The Netherlands	Operational	Herikerbergweg 238, 1101CM Amsterdam
25.	TMF North America B.V.	The Netherlands	Holding	Herikerbergweg 238, 1101CM Amsterdam
26.	TMF Structured Finance Services B.V.	The Netherlands	Operational	Herikerbergweg 238, 1101CM Amsterdam
27.	Venture Support B.V.	The Netherlands	Operational	Herikerbergweg 238, 1101CM Amsterdam
28.	Lord Securities Corporation	USA	Operational	48 Wall Street, 27th Floor New York, NY 10005
29.	TMF US Holding Inc	USA	Holding	1221 Brickell Avenue, Suite 1200 Miami, FL 33131
30.	TMF (B.V.I.) Ltd	British Virgin Islands	Operational	Palm Grove House, P.O. Box 438, Road Town, Tortola, British Virgin Islands, VG1110

The fiscal year of TMF Group Holdings B.V. runs from January 1, of each year to the last day of December of the same year.

Each of the Guarantors—except for all Dutch entities (except for the consolidated TMF Group Holding B.V. accounts), Lord Securities Corporation and TMF US Holding Inc., which do not prepare financial statements—has provided copies of their respective financial statements for the fiscal year 2013, which may be obtained free of charge, during normal business hours on any business day (except Saturdays, Sundays and legal holidays) at the office of the paying agent.

Except as disclosed in this Offering Memorandum, there has been no material adverse change in the financial position of TMF Group Holding B.V. and its direct and indirect subsidiaries, including the Issuer and the Guarantors, since December 31, 2013.

Except as disclosed in this Offering Memorandum, we are not involved in, and have no knowledge of a threat of, any litigation, administrative proceeding or arbitration which is or may be material in the context of the issue of the Notes.

TMF Group Holding B.V. has appointed Elavon Financial Services Limited, UK Branch as the principal paying agent for the Notes. We reserve the right to vary such appointment.

The Additional Notes sold pursuant to Regulation S and the Additional Notes sold pursuant to Rule 144A have been accepted for clearance through the facilities of Euroclear and Clearstream Banking.

The Additional Senior Secured Notes issued pursuant to Rule 144A under the Securities Act will have the same international securities identification number, or ISIN, and common code as the Existing Senior Secured Notes, which are XS0860994978 and 086099497, respectively. The Additional Senior Secured Notes issued pursuant to Regulation S under the Securities Act will have the same ISIN and common code as the Existing Senior Secured Notes, which are XS0860995355 and 086099535, respectively.

The Additional Senior Notes issued pursuant to Rule 144A under the Securities Act will have the same ISIN and common code as the Existing Senior Notes, which are XS0860985398 and 086098539, respectively. The Additional Senior Notes issued pursuant to Regulation S under the Securities Act will have the same ISIN and common code as the Existing Senior Notes, which are XS0860984235 and 086098423, respectively.

According to the rules and regulations of the Luxembourg Stock Exchange, the securities shall be freely transferable.

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TMF Group Holding B.V.

**Condensed Consolidated Interim Financial Statements
March 2014**

TMF Group Holding B.V.

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TMF Group Holding B.V.
Condensed consolidated interim income statement

In thousands of Euro	Note	Three months ended 31 March	
		2014 unaudited	2013 unaudited
Total revenue	7	101,304	97,183
Employee benefit expense	9	(56,131)	(52,852)
Rental and office expenses		(11,721)	(11,773)
Professional fees		(2,800)	(2,336)
Sales, General and Administrative expenses		(5,152)	(4,764)
Results from operating activities before depreciation, amortisation, impairment charges, acquisition, litigation, redundancy and restructuring costs	7	25,500	25,458
Acquisition, litigation, redundancy and restructuring costs	10	(1,643)	(647)
Depreciation, amortisation and impairment charges	12	(5,158)	(7,750)
Operating profit		18,699	17,061
Finance income		4,436	3,680
Finance expenses		(27,621)	(29,173)
Net finance costs		(23,185)	(25,493)
Result before income tax		(4,486)	(8,432)
Income tax expense	11	(2,112)	(1,648)
Result for the period		(6,598)	(10,080)
Attributable to:			
Owners of the parent		(6,826)	(9,966)
Non-controlling interests		228	(114)
Result for the period		(6,598)	(10,080)
Earnings per share attributable to the owners of the parent:			
Basic and Diluted earnings per share		(0.3)	(0.6)

The notes on pages F-9 to F-21 are an integral part of these condensed consolidated interim financial statements.

TMF Group Holding B.V.
Condensed consolidated interim statement of comprehensive income

<u>In thousands of Euro</u>	<u>Note</u>	Three months ended 31 March	
		2014	2013
		unaudited	unaudited
Result for the period		(6,598)	(10,080)
Foreign currency translation differences for foreign operations		(2,209)	3,406
Movements in cash flow hedges		1,406	2,968
Total items that may be reclassified subsequently to income statement		(803)	6,374
Other comprehensive income for the period, net of tax*		(803)	6,374
Total comprehensive income for the period		(7,401)	(3,706)
Attributable to:			
Owners of the parent		(7,657)	(3,643)
Non-controlling interests		256	(63)
Total comprehensive income for the period		(7,401)	(3,706)

* For both periods the tax effect on Other comprehensive income amounts to nil because the majority of these transactions are included in the Dutch fiscal unity where tax losses are not valued.

The notes on pages F-9 to F-21 are an integral part of these condensed consolidated interim financial statements.

TMF Group Holding B.V.
Condensed consolidated interim balance sheet

<u>In thousands of Euro</u>	<u>Note</u>	<u>31 March 2014</u> <u>unaudited</u>	<u>31 December 2013</u> <u>audited</u>
Assets			
Intangible assets	12	597,272	597,253
Property, plant and equipment	12	17,531	18,177
Financial assets		101,566	100,031
Deferred tax assets		3,233	3,290
Total non-current assets		719,602	718,751
Trade receivables		128,194	102,203
Other receivables		31,316	27,269
Financial assets		851	462
Current tax receivables		9,592	9,008
Clients' funds held under trust		55,045	52,512
Cash and cash equivalents		99,266	90,422
Total current assets		324,264	281,876
TOTAL ASSETS		1,043,866	1,000,627
Equity			
Share capital	13	18	18
Share premium		180,126	180,126
Other reserves		(4,257)	(3,426)
Retained earnings		(388,684)	(377,559)
Total equity attributable to owners of the parent		(212,797)	(200,841)
Non-controlling interest		2,145	(2,125)
Total equity		(210,652)	(202,966)
Liabilities			
Loans and borrowings	14	981,834	968,282
Derivative financial instruments	15	6,560	7,156
Provisions	16	9,994	10,302
Retirement benefit obligations		4,094	4,280
Other payables		7,436	7,357
Deferred tax liabilities		27,092	27,823
Total non-current liabilities		1,037,010	1,025,200
Loans and borrowings	14	14,879	22,089
Provisions	16	4,906	4,841
Trade and other payables		127,486	85,218
Current tax liabilities		15,192	13,733
Clients' funds ledger balances		55,045	52,512
Total current liabilities		217,508	178,393
Total liabilities		1,254,518	1,203,593
TOTAL EQUITY AND LIABILITIES		1,043,866	1,000,627

The notes on pages F-9 to F-21 are an integral part of these condensed consolidated interim financial statements.

TMF Group Holding B.V.
Condensed consolidated interim statement of changes in equity

In thousands of Euro	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2014							
(audited)	18	180,126	(3,426)	(377,559)	(200,841)	(2,125)	(202,966)
Result for the period	—	—	—	(6,826)	(6,826)	228	(6,598)
Other comprehensive income							
Cash flow hedges	—	—	1,406	—	1,406	—	1,406
Translation movements	—	—	(2,237)	—	(2,237)	28	(2,209)
Total other comprehensive income	—	—	(831)	—	(831)	28	(803)
Total comprehensive income	—	—	(831)	(6,826)	(7,657)	256	(7,401)
Transactions with owners							
Non-controlling interests arising from business combinations (note 8)	—	—	—	(4,299)	(4,299)	4,014	(285)
Total transactions with owners	—	—	—	(4,299)	(4,299)	4,014	(285)
Balance at 31 March 2014							
(unaudited)	18	180,126	(4,257)	(388,684)	(212,797)	2,145	(210,652)

In thousands of Euro	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2013							
(audited)	18	180,126	1,979	(345,700)	(163,577)	(457)	(164,034)
Result for the period	—	—	—	(9,966)	(9,966)	(114)	(10,080)
Other comprehensive income							
Cash flow hedges	—	—	2,968	—	2,968	—	2,968
Translation movements	—	—	3,355	—	3,355	51	3,406
Total other comprehensive income	—	—	6,323	—	6,323	51	5,874
Total comprehensive income	—	—	6,323	(9,966)	(3,643)	(63)	(3,706)
Balance at 31 March 2013							
(unaudited)	18	180,126	8,302	(355,666)	(167,220)	(520)	(167,740)

The notes on pages F-9 to F-21 are an integral part of these condensed consolidated interim financial statements.

TMF Group Holding B.V.
Condensed consolidated interim cash flow statement

<u>In thousands of Euro</u>	<u>Note</u>	Three months ended 31 March	
		2014	2013
		<u>unaudited</u>	<u>unaudited</u>
Cash flows from operating activities			
Cash generated from operations	17	32,937	24,062
Income tax paid		(2,467)	(730)
Net cash generated from operating activities (excluding cash flow regarding acquisition, litigation, redundancy and restructuring costs and related provisions)		30,470	23,332
Acquisition and due diligence costs paid		(174)	—
Redundancy and restructuring costs paid		(916)	(667)
Provisions		(507)	(1,683)
Net cash generated from operating activities and cash flow regarding acquisition, litigation, redundancy and restructuring costs and related provisions		28,873	20,982
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	8/14	(3,413)	(215)
Investment in intangible assets	12	(1,584)	(236)
Investment in property, plant and equipment	12	(1,149)	(883)
Disposal of intangible assets and property, plant and equipment		41	11
Borrowings issued		(66)	(446)
Net cash used in investing activities		(6,171)	(1,769)
Cash flows from financing activities			
Proceeds from borrowings	14	408	553
Repayments of borrowings	14	(6,521)	(380)
Interest received		2,702	2,083
Interest paid		(9,688)	(9,513)
Net cash generated from financing activities		(13,099)	(7,257)
Net increase in cash and cash equivalents		9,603	11,956
Cash and cash equivalents at beginning of the period		90,422	83,380
Exchange gains / (losses) on cash and cash equivalents		(759)	(766)
Cash and cash equivalents at end of the period		99,266	94,570

The notes on pages F-9 to F-21 are an integral part of these condensed consolidated interim financial statements.

TMF Group Holding B.V.
Notes to the condensed consolidated interim financial statements

1. General information

TMF Group Holding B.V. (the 'Company') and its subsidiaries (together 'TMF Group') is a leading global provider of high value business services to clients operating and investing globally. TMF Group focuses on providing highly specialized and business-critical financial, legal and human resource administrative services that enable clients to operate their corporate structures, finance vehicles and investment funds in different geographical locations. TMF Group has 116 offices located in 74 countries or 82 jurisdictions across the Americas, Asia Pacific, Europe and the Middle East.

The Company was incorporated in the Netherlands on 3 August 2004. The address of the registered office is Herikerbergweg 238, 1101 CM Amsterdam Zuidooost, the Netherlands. The Company principally acts as a holding and finance company for group investments.

The shares in the Company are 100% held by TMF Group HoldCo B.V., which is 100% owned by TMF Orange Holding B.V. 65% of the ordinary shares and all preference shares in TMF Orange Holding B.V. are indirectly held by Doughty Hanson & Co V (which comprises a series of English limited partnerships with each limited partnership having a common general partner in Doughty Hanson & Co V Limited) and indirectly by the employees of affiliates of Doughty Hanson & Co V Limited. The remaining 35% of the ordinary shares in TMF Orange Holding B.V. are indirectly held by the current and previous management and employees of TMF Group.

These condensed consolidated interim financial statements were authorized for issue on 22 July 2014. These financial statements have not been audited.

2. Basis of preparation

These condensed consolidated interim financial statements for the three months ended 31 March 2014 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with IFRS as adopted by the European Union.

These condensed consolidated interim financial statements have been prepared under the going concern convention. As at 31 March 2014, TMF Group has negative equity. The result over the period ended on 31 March 2014 is also negative. However cash generated from operations was positive. In addition a major part of the financing is of a long-term nature. Therefore, and after making enquiries and on the basis of the current cash flow projections and in combination with the available facilities, the Board of Directors is confident that it has a reasonable expectation that TMF Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

3. Accounting policies

As from Q1 2014 lease car costs are reported as part of employee benefit expense instead of as part of Sales, General and Administrative expenses. The Q1 2013 figures have been restated with €0.5 million. All other accounting policies adopted are consistent with those in the previous financial year.

Taxes on income in the interim period are accrued using the tax rate that would be applicable to expected total annual profit or loss.

There are no IFRS or IFRIC interpretations that are effective for the financial period beginning 1 January 2014 that have a material impact on TMF Group.

4. Estimates

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

4. Estimates (Continued)

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying TMF Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2013, except for the impairment review of intangible assets. A triggering event analysis has been performed, which is based on the estimations for 2014 and beyond. No impairment loss is expected.

5. Financial risk management

Financial risk factors

TMF Group's operating activities expose it to a variety of financial risks, such as market risks (including foreign currency exchange risk and interest rate risk), credit risk and liquidity risk.

The condensed consolidated interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with TMF Group's annual financial statements as at 31 December 2013. There have been no changes in the risk management processes since year end or in any risk management policies.

Liquidity risk

Compared to year end, there is no material change in the contractual undiscounted cash outflows for financial liabilities. Based on the rolling cash flow forecasts, TMF Group's cash and liquidity requirements can be met, whilst maintaining sufficient headroom on its undrawn committed borrowing facilities (note 14).

Capital risk management

TMF Group's objectives when managing capital is to safeguard TMF Group's ability to continue as a going concern in order to provide returns to shareholders, benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. TMF Group's loan and borrowings is considered as the most important item from a capital management perspective.

TMF Group is highly leveraged and management focus is on cash generation and an important KPI used in this respect is the cash conversion ratio, which is the percentage of EBITDA converted into cash. Cash conversion is calculated as cash generated from operations divided by EBITDA. There is sufficient headroom.

During 2013 and the three months ended 31 March 2014 TMF Group complied with its banking covenants. Financial covenants based on financial ratios are only applicable for the revolving credit facility and are expected to be achieved. The only financial covenant under the revolving credit facility relates to the ratio of net debt to EBITDA. There is sufficient headroom in place.

Credit risk

Credit risk arising from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions is managed centrally. For banks and financial institutions, TMF Group's policy is that only independently rated parties with a minimum rating of 'BBB' are accepted. However, in certain circumstances (e.g. due to local regulation) banks and financial institutions are used that are not rated and / or that do not have a minimum 'BBB' rating. The use of these banks and financial institutions is kept to the minimum level possible, closely monitored by TMF Group Treasury department and periodically reported to the Board of Directors.

Credit exposures to clients, including outstanding receivables and committed transactions, are managed on a local basis. Each local entity is responsible for managing and analysing the credit risk for each of their clients. Approval from management is mandatory before standard payment terms and delivery terms and conditions are contractually agreed with new clients.

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

5. Financial risk management (Continued)

TMF Group has significant concentrations of credit risk, being the loans receivable from related parties. The maximum credit risk exposure of TMF Group's financial assets at the end of the period is represented by the amounts reported under the corresponding balance sheet headings.

Fair value estimation

There are three valuation methods to determine the fair value of financial instruments. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

As at 31 March 2014, 31 December 2013 and 31 March 2013, the only financial instruments that are accounted for to fair value are derivative financial instruments. The fair value of all derivative financial instruments is based on the Level 2 method mentioned above.

No transfers between the different levels occurred and there were no changes in valuation techniques during the period. No contingent consideration in business combination is applicable.

Valuation techniques used to derive Level 2 fair values

The fair value of all derivative financial instruments is based on the Level 2 method mentioned above.

The fair value of the derivative financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

Group's valuation processes

The group's finance department includes a team that performs the valuation of derivative financial instruments. Changes in Level 2 fair values are analysed at each reporting date during the quarterly closing.

6. Seasonality of operations

TMF Group has limited seasonality in its business. In the financial year 2013, 24.5% of revenue accumulated in the first quarter of the year, with 75.5% accumulating in the last three quarters of the year.

The increase in the trade receivables compared to December 2013 stems from annual invoices that are raised in advance, the liability as a result of the deferred part is reported within Trade and other payables.

7. Segment information

The Board of Directors is TMF Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purpose of allocating resources and assessing performance. The Board of Directors considers the business mainly from a geographic perspective. However, a part of the business does not fall under one of the geographic regions and is therefore disclosed separately.

TMF Group has operations in the following operating segments and locations:

— Belgium, the Netherlands and Luxembourg ('Benelux');

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

7. Segment information (Continued)

- Europe, the Middle East and Africa, excluding Benelux ('EMEA');
- The countries of North and South America ('Americas');
- The countries of the Asia Pacific region ('APAC');
- Fund Services; and
- All other.

Although the segment Fund Services does not meet the quantitative thresholds required by IFRS 8 for reportable segments, management has concluded that this segment should be reported as it is closely monitored by the Board of Directors similar to the other operating segments. The category 'All other' includes the operations of International Licensing and Collection (Freeway) and International Pensions and the corporate revenue and expenses of TMF Group.

The Board assesses the performance of the operating segments based on both external revenue and results from operations. This measurement basis excludes the effects of 'Acquisition, litigation, redundancy and restructuring costs' and 'depreciation, amortisation and impairment charges'. The measure also excludes the effects of finance income and expenses since this type of activity is mainly driven by the central treasury function, which manages the cash position of TMF Group. Inter-segment revenue comprises management fees and services provided to clients by other entities in TMF Group. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

The following tables present revenue and profit information regarding TMF Group's operating segments for the three months ended 31 March 2014 and 31 March 2013 respectively:

Segments—income statement

Three months ended 31 March 2014

In thousands of Euro	Benelux	EMEA	Americas	APAC	Fund Services	All other	Eliminations	Consolidated
Total external revenue	32,100	33,713	16,932	12,342	4,885	1,332	—	101,304
Inter-segment revenue	23	126	—	124	—	1,873	(2,146)	—
Total segment revenue	32,123	33,839	16,932	12,466	4,885	3,205	(2,146)	101,304
<i>Segment result</i>								
Results from operations*)	17,593	11,842	5,104	2,350	621	(12,010)	—	25,500
Acquisition, litigation, redundancy and restructuring costs and DAI								(6,801)
Net finance costs								(23,185)
Income tax expense								(2,112)
Result for the period								(6,598)

*) Result from operating activities before depreciation, amortisation, impairment charges, acquisition, litigation, redundancy and restructuring costs.

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

7. Segment information (Continued)

Three months ended 31 March 2013

In thousands of Euro	Benelux	EMEA	Americas	APAC	Fund Services	All other	Eliminations	Consolidated
Total external revenue	30,426	29,316	17,295	11,634	6,939	1,573	—	97,183
Inter-segment revenue	30	35	51	92	—	1,559	(1,767)	—
Total segment revenue	30,456	29,351	17,346	11,726	6,939	3,132	(1,767)	97,183
<i>Segment result</i>								
Results from operations*)	16,320	9,663	4,936	2,199	1,610	(9,270)	—	25,458
Acquisition, litigation, redundancy and restructuring costs and DAI								(8,397)
Net finance costs								(25,493)
Income tax expense								(1,648)
Result for the period								(10,080)

*) Result from operating activities before depreciation, amortisation, impairment charges, acquisition, litigation, redundancy and restructuring costs.

Entity wide disclosures

The breakdown of external revenue in business lines is as follows:

In thousands of Euro	Three months ended 31 March	
	2014	2013
Corporate services	80,672	73,891
Structured finance services	8,929	8,458
Private client services	6,818	7,895
Fund services	4,885	6,939
Total operations	101,304	97,183

The operating segments Benelux, EMEA, Americas and APAC are mainly active in the Corporate, Structured finance and Private client services. The operating segment Fund Services is only active in Fund services.

No individual external client represents more than 10 percent of TMF Group's external revenue.

8. Business combinations

General

Alongside TMF Group's strategies for organic growth, it is TMF Group's intention where appropriate to continue to invest in acquisitions that provide additional scale to the business, a specific service line, assist in consolidating fragmented markets or address relevant geographical gaps. TMF Group uses a structured and disciplined approach for all acquisition evaluations.

With an effective date of 8 January 2014, TMF Group acquired the non-controlling interest in the Custom House Group for an amount of €1 for the shares and a deferred consideration of maximum €20.7 million (including interest) for which the amount depends on future performance of the Custom House Group. The cash outflow in the first quarter of 2014 for this acquisition was €72 thousand and the existing loan from the former non-controlling interest shareholders was replaced by a deferred consideration of €16.0 million. No additional goodwill was created as a result of this acquisition. The acquisition of this non-controlling interest had a negative effect on equity of €0.3 million.

With an effective date of 9 January 2014, TMF Group acquired the assets and liabilities of Tass Axia, Indonesia, for a total consideration of €1.9 million, and merged this business into TMF Group. The cash outflow in the first quarter of 2014 from this acquisition, net of cash acquired, was €1.3 million. The

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

8. Business combinations (Continued)

deferred consideration for the business amounts to €0.6 million. No contingent liabilities were acquired in this business combination.

In the first quarter of 2013 TMF did not invest in any acquisitions.

Acquisition Tass Axia

The assets and liabilities arising from the acquisition are as follows:

In thousands of Euro	Pre acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Intangible assets (note 12)	—	1,822	1,822
Property, Plant and Equipment (note 12)	30	—	30
Net identifiable assets and liabilities	<u>30</u>	<u>1,822</u>	<u>1,852</u>

Goodwill is calculated as follows:

In thousands of Euro	
Purchase consideration	
Cash paid	1,271
Consideration deferred to future periods	581
Total purchase consideration	<u>1,852</u>
Less: fair value of net assets acquired (excluding goodwill)	1,852
Goodwill (note 12)	<u>—</u>

The intangible fixed assets are tax deductible.

The consideration deferred to future periods consists of an element that will be paid once the final purchase price is agreed between the parties. This is expected to be paid in the next quarter. There is no contingent consideration.

The impact on cash flows as a result of the acquisition is as follows:

In thousands of Euro	
Cash paid	1,271
Net cash outflow on acquisitions	<u>1,271</u>

The acquisition of Tass Axia positively impacted the revenue and result from operating activities before depreciation, amortisation, impairment charges and acquisition, litigation, redundancy and restructuring costs of the first quarter 2014 with an amount of respectively €130,000 and €59,000. Had the transaction taken place at the beginning of the reporting period, these numbers would be approximately the same.

The acquisition costs amounted to €33,000 (note 10).

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

8. Business combinations (Continued)

Summary impact of cash flow

The impact on cash flows as a result of the acquisition(s) is as follows:

In thousands of Euro	Three months ended 31 March	
	2014	2013
Cash paid	1,271	—
Net cash outflow on current year acquisitions	1,271	—
Deferred consideration cash payments from prior period acquisitions	2,142	215
Net cash outflow on acquisitions	3,413	215

9. Employee benefit expense

In thousands of Euro	Three months ended 31 March	
	2014	2013
Wages and salaries	43,720	42,720
Social security costs	4,455	3,857
Pension costs—defined contribution plans	1,219	1,160
Pension costs—defined benefit plans	825	919
Other post-employment and long-term employee benefits	40	19
Other employee benefit expense	5,872	4,177
Total employee benefit expense	56,131	52,852

10. Acquisition, litigation, redundancy and restructuring costs

In thousands of Euro	Three months ended 31 March	
	2014	2013
Acquisition, due diligence and start up costs (note 8)	(33)	—
Litigation costs	(119)	(6)
Redundancy and restructuring costs	(1,497)	(661)
Gain / (loss) on disposal of non-current assets	6	20
Total acquisition, litigation, redundancy and restructuring costs	(1,643)	(647)

The acquisition, due diligence and start up costs in 2014 mainly relate to the acquisition of Tass Axia (refer to note 8).

Litigation costs mainly include legal costs relating to legal claims. Legal claims are further disclosed in note 18.

Redundancy and restructuring costs are mainly integration costs within the Fund Services operating segment and termination fees for senior staff as a result of restructuring. In 2013, these costs mainly relate to termination fees for senior staff.

11. Income tax expense

Income tax expense is recognised based on management's estimation of the weighted average annual income tax expected for the full financial year. The estimated average effective annual income tax rates used for the year ending 31 December 2014 is (47)% (the estimated average effective annual income tax rate for the three months ended 31 March 2013 was (24)%).

Most of the local operating companies reached a positive result before taxes. As these profits cannot be off-set against the losses in the Dutch holding companies TMF Group pays taxes locally.

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

12. Intangible assets and Property, Plant and Equipment

<u>In thousands of Euro</u>	<u>Intangible assets</u>	<u>Property, Plant and Equipment</u>
Balance at 1 January 2014	597,253	18,177
Acquired through business combination (note 8)	1,822	30
Additions	1,584	1,119
Disposals	—	(205)
Depreciation, amortisation and impairment charges	(3,517)	(1,641)
Exchange differences	130	51
Balance at 31 March 2014	<u>597,272</u>	<u>17,531</u>
Balance at 1 January 2013	610,826	21,898
Additions	236	883
Disposals	—	(33)
Depreciation, amortisation and impairment charges	(5,937)	(1,813)
Exchange differences	1,591	217
Balance at 31 March 2013	<u>606,716</u>	<u>21,152</u>

A triggering event analysis has been made and no impairment of intangible assets is expected.

13. Equity

Share capital and share premium

At 31 March 2014 and 31 December 2013, the authorized share capital comprised 90,000 shares divided into 90,000 ordinary shares. The issued share capital amounts to €18,000 and consists of 18,000 ordinary shares with a nominal value of €1. All shares are fully paid and have similar rights in meetings of the shareholders.

14. Loans and borrowings

<u>In thousands of Euro</u>	<u>31 March 2014</u>	<u>31 December 2013</u>
Non-current	981,834	968,282
Current	14,879	22,089
Total loans and borrowings	<u>996,713</u>	<u>990,371</u>

Movements in borrowings are analysed as follows:

Opening as at 1 January 2014	990,371
New financing	408
New deferred consideration (note 8)	581
Repayment	(6,525)
Accumulation by interest	13,720
Payment of deferred consideration (note 8)	(2,142)
Exchange differences	300
Balance at 31 March 2014	<u>996,713</u>

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

14. Loans and borrowings (Continued)

Opening as at 1 January 2013	941,387
New financing	553
Repayment	(380)
Accumulation by interest	12,527
Payment of deferred consideration (note 8)	(215)
Exchange differences	20
Balance at 31 March 2013	953,892

The increase in loans and borrowings relates to short term local bank loans.

The repayment of loans relates to the loans of the Luxembourg “cash box” companies.

TMF Group has a Revolving Credit facility totalling €70.0 million as at 31 March 2014, €14.7 million is used for bank guarantees and ancillary facilities.

15. Fair value hierarchy

The following table presents TMF Group’s financial assets and liabilities that are measured at fair value at 31 March 2014 and December 2013:

<u>Liabilities</u>	<u>Level 1</u>	<u>Level 2</u>	<u>31 March 2014 Level 3</u>
Derivatives financial instruments	—	6,560	—
Total liabilities	—	6,560	—

<u>Liabilities</u>	<u>Level 1</u>	<u>Level 2</u>	<u>31 December 2013 Level 3</u>
Derivatives financial instruments	—	7,156	—
Total liabilities	—	7,156	—

Level 2 hedging derivatives comprise interest rate swaps. Interest rate swaps are fair valued using forward interest rates extracted from observable yield curves.

The fair value of the borrowings is as follows:

<u>In thousands of Euro</u>	<u>31 March 2014</u>	<u>31 December 2013</u>
Non-current	1,059,300	1,043,437
Current	14,879	22,089
Total loans and borrowings	1,074,179	1,043,437

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Financial assets;
- Trade receivables;
- Clients’ funds held under Trust;
- Cash and cash equivalents;
- Trade and other payables;
- Clients’ funds ledger balances.

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

16. Provisions

<u>In thousands of Euro</u>	<u>Legal</u>	<u>Restructuring</u>	<u>Loss making contracts</u>	<u>Employee benefits</u>	<u>Other</u>	<u>Total</u>
Balance at 1 January 2014	6,253	6,879	—	949	1,062	15,143
Charged to the income statement:						
— Additions	450	1,168	—	23	2	1,643
— Unwind of discount	—	65	—	—	—	65
— Exchange differences	(55)	(2)	—	4	6	(47)
Used during the period	(776)	(415)	—	(85)	(628)	(1,904)
Balance at 31 March 2014	5,872	7,695	—	891	442	14,900
Balance at 1 January 2013	7,731	10,886	2,065	—	188	20,870
Charged to the income statement:						
— Additions	—	—	—	—	657	657
— Unwind of discount	51	—	—	—	—	51
— Exchange differences	(121)	28	—	—	(55)	(148)
Used during the period	(215)	(1,449)	(516)	—	(160)	(2,340)
Balance at 31 March 2013	7,446	9,465	1,549	—	630	19,090

Legal

The legal provisions relate to costs with regard to legal cases in subsidiaries of TMF Group. The amount provided for relates to costs that will be incurred in these legal cases. It is unknown when the legal provisions will be used.

Restructuring

The restructuring provisions have been created to cover the Equity Trust integration costs, mainly in the Netherlands. Integration costs include staff redundancies and onerous office lease agreements. A substantial part of the restructuring provisions will be used in 2014. The remainder will be used in the period up to 2018.

Loss making contracts

The provision for loss making client contracts in Jersey and Hong Kong covered unavoidable future losses as a result of these contracts. The provision is fully used as at 31 December 2013.

Employee benefits

The provision for employee benefits mainly relates to jubilee and anniversary benefit schemes of which the initial recognition took place in 2013 in the applicable countries.

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

17. Cash generated from operations

In thousands of Euro	Note	Three months ended 31 March	
		2014	2013
Result before income tax		(4,486)	(8,432)
Adjustments for:			
Amortisation / impairment	12	3,517	5,937
Depreciation / impairment	12	1,641	1,813
Retirement benefit obligations		(450)	(150)
Acquisition, litigation, redundancy and restructuring costs	10	1,643	647
Net finance costs		23,185	25,493
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):			
Financial assets		(303)	(321)
Trade receivables		(26,298)	(28,193)
Other receivables		(4,648)	(544)
Trade and other payables		39,474	26,506
Clients' funds held under trust		(2,533)	1,335
Clients' funds ledger balances		2,533	(1,335)
Changes in foreign currency (excluding movement in currency translation reserve)		(338)	1,306
Cash generated from operations		32,937	24,062

18. Contingencies

Legal claims

Below an update is shown in respect of the legal cases set out in the last annual financial statements:

Case 1:

Certain investors in property investment and development trusts and companies in respect of which certain of our subsidiaries provided trustee, director and administration services in Jersey have threatened legal proceedings and/or have filed complaints with the Jersey regulator against the relevant TMF Group companies. Additionally, a claim was filed commencing proceedings in Jersey in December 2010 against two of TMF Group companies by the current trustee and manager of three collective investment funds which invested in property development structures in respect of which our relevant subsidiaries previously acted as trustee or manager. Subsequently in 2013, a substantial number of investors independently commenced proceedings in England against three TMF Group companies—a large amount of the damages claimed in the UK proceedings is in relation to the same claims made in the Jersey proceedings. The legal proceedings and the claims filed in Jersey and England involve investors claiming losses of substantial sums of money in connection with the underlying property investments in Eastern Europe. The claims allege breach of trust, breach of contract, and breach of fiduciary duty on the part of our relevant subsidiaries. Certain of our subsidiaries' activities in Jersey are regulated. The Jersey regulator is at an advanced stage of an investigation in respect of aspects of TMF's Jersey business relating to this matter and is currently in the process of forming its decision on any appropriate action that arises from the investigation conclusions. The regulator could choose to take enforcement action which could result in an adverse public statement, commencement of legal proceedings for a compensation order against TMF or other regulatory, and worst case outcomes might include a material restriction or inability to conduct business in Jersey, or the need for TMF to commit additional funding (or other form of support) to TMF's Jersey companies. The Jersey regulator has also commenced a related investigation into TMF's Jersey companies.

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

18. Contingencies (Continued)

Case 2:

A TMF Group company acted as one of the directors of a Dutch holding company whose subsidiary owned a Mexican property. Additional shares were issued by the subsidiary that resulted in the dilution of the Dutch holding company's (and its shareholders') indirect interest in the Mexican property. Legal proceedings were initiated in the Dutch Enterprise Chamber by one of the shareholders in the Dutch holding company alleging mismanagement by all three of its directors (only one of whom, as noted above, was a subsidiary of ours). The Dutch Enterprise Chamber found that there was mismanagement on the part of all the directors. However, the Dutch Enterprise Chamber is not a forum to claim such damages, and the relevant shareholder started civil proceedings in the Netherlands against our subsidiary and the other directors to claim damages (which damages still need to be substantiated). The plaintiff claimed funding for the civil claim by bringing a related preliminary proceeding in the Netherlands, but this claim was denied by the Dutch courts (in first instance and on appeal).

Case 3:

A TMF Group company provided certain services in connection with a structured finance transaction, whereby receivables from a bank were transferred to a special purpose vehicle ("SPV") managed and administered by TMF Group company. The SPV issued notes to investors. The note Trustee on behalf of the note holders filed a claim in Luxembourg against TMF Group company in November 2012 asserting that certain formalities were not complied with in relation to the transferring of underlying assets and claiming that the SPV is at risk of material loss to the extent that it may be unable to repay the note holders. These proceedings are in the process of being moved to LCIA arbitration in London with the consent of the parties to the proceedings.

Case 4:

No significant development took place.

Two new cases have arisen:

Case 5:

A TMF Group company provided administrative services to a trust that is the issuer for a student loan securitization program. The issuer issued notes to investors in order to acquire its receivables. Part of the administrative services by the TMF Group company is the calculation of interest to be paid to the note holders based on the transaction documentation. An incorrect rate has been used, which resulted in an overpayment of interest to the note holders. The issuer has filed a demand letter to the TMF Group company. No provision in relation to this claim has been recognised in these condensed interim financial statements, as legal advice indicates that it is not probable that a significant liability will arise.

Case 6:

A TMF Group company acted as one of the directors (but not sole director) of an investment fund that invested in life settlement policies and which it has been alleged has suffered certain losses. One of the investors of this investment fund commenced court proceedings claiming that (among other things) the TMF Group company, as director of the funds, should be held liable for these losses. It is unclear whether any other investors will join in these court proceedings. No provision in relation to this claim has been recognised in these condensed interim financial statements, as legal advice indicates that it is not probable that a significant liability will arise.

19. Related party transactions

Parent and ultimate controlling party

TMF Group has given loans to and received loans from TMF Group HoldCo B.V.

TMF Group Holding B.V.

Notes to the condensed consolidated interim financial statements (Continued)

19. Related party transactions (Continued)

Transactions with key management, personnel and advisors

Key management personnel include the Board of Directors and members of the Executive Committee.

Key management personnel compensation comprised:

In thousands of Euro	Three months ended 31 March	
	2014	2013
Wages, salaries and management fees	1,145	1,238
Post-employment benefits	56	53
Total remuneration of key management	1,201	1,291

Other transactions with key management and personnel

TMF Group provided services to some personal structures of some key management personnel. The related amounts charged to key management personnel are limited. TMF Group has not had any other material transactions with key management and personnel.

Other related party transactions

The majority of the Dutch entities within the Group are part of a fiscal unity with TMF Group HoldCo B.V. and TMF Group Holding B.V. As a consequence, those entities, TMF Group HoldCo B.V. and TMF Group Holding B.V. are jointly and severally liable for corporate income tax of such a fiscal unity. In some other countries, (some of the) entities form part of a fiscal unity and as a consequence those entities are jointly and severally liable for corporate income tax of such a fiscal unity.

20. Subsequent events

On 30 April 2014, TMF Group sold its shares in Servicios Paralegais e Contabeis Ltda ("Serpac") for an amount of €0.2 million.

On 12 July 2014, TMF Group acquired the assets and liabilities of KCS, an independent pan-Asian corporate services provider specializing in corporate accounting, corporate secretarial and payroll services. Purchase price allocation calculations did not yet take place.

TMF Group decided to issue on 22 July 2014 additional senior secured loan notes for an amount of €45 million and senior loan notes for an amount of €20 million. A part of these additional loan notes is used for the financing of the KCS acquisition.

In July 2014, TMF Group invited certain senior managers to participate in a Long Term Incentive Programme ('LTIP'). The LTIP is an equity based scheme that is based around existing shares held by one of the management shareholding vehicles in TMF Orange Holding B.V., the shares being contributed from Doughty Hanson and St Andrews Unit Trust. The details of the LTIP have not yet been fully finalised.

TMF Group Holding B.V.

Consolidated Annual Report 2013

Independent auditor's report

To: the general meeting of TMF Group Holding B.V.

Report on the financial statements

We have audited the accompanying financial statements 2013 as set out on pages 32 to 111 of TMF Group Holding B.V., Amsterdam, which comprise the consolidated and company balance sheet as at 31 December 2013, the consolidated and company income statement, the consolidated and company statement of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the Directors' review and Financial review in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the directors are responsible for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion⁽¹⁾

In our opinion, the financial statements give a true and fair view of the financial position of TMF Group Holding B.V. as at 31 December 2013, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the Directors' review and Financial review, to the extent we can assess, have been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the Directors' review and Financial review, to the extent we can assess, are consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Rotterdam, 27 March 2014

PricewaterhouseCoopers Accountants N.V.

J.G. Bod RA

(1) The above auditor's report is the original auditor's report that was issued on March 27, 2014 with respect to the consolidated annual report for the period ending December 31, 2013. This annual report also contained the management report and company financial statements. For purposes of the Offering Memorandum the management report and company financial statements have been omitted. Furthermore, the page references in the original auditor's report refer to the consolidated annual report, which page reference compares to pages F-24 to F-87 in this Offering Memorandum.

TMF Group Holding B.V.
Consolidated income statement

In thousands of Euro	Note	For the year ended 31 December		
		2013	2012	2011
Total revenue	5	396,833	391,835	374,760
Employee benefit expense	8	(208,762)	(205,024)	(188,656)
Rental and office expenses		(48,266)	(49,974)	(49,095)
Professional fees		(10,613)	(9,421)	(10,166)
Other operating expenses	9	(20,290)	(20,089)	(19,589)
Results from operating activities before depreciation, amortisation, impairment charges and other income/(expenses)	5	108,902	107,327	107,254
Other income/(expenses) — net	10	(11,644)	(21,351)	(45,853)
Depreciation, amortisation and impairment charges	14/15	(30,916)	(29,308)	(33,191)
Operating profit		66,342	56,668	28,210
Finance income	11	16,924	15,953	12,817
Finance expenses	11	(110,314)	(108,007)	(108,509)
Net finance costs	11	(93,390)	(92,054)	(95,692)
Result before income tax		(27,048)	(35,386)	(67,482)
Income tax expense	12	(4,695)	(6,905)	(6,740)
Result for the year		(31,743)	(42,291)	(74,222)
Attributable to:				
Owners of the parent		(30,525)	(40,902)	(72,748)
Non-controlling interests		(1,218)	(1,389)	(1,474)
Result for the year		(31,743)	(42,291)	(74,222)
Earnings per share attributable to the owners of the parent:				
Basic and Diluted earnings per share	13	(1.8)	(2.3)	(4.0)

The notes on pages F-30 to F-81 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated statement of comprehensive income

In thousands of Euro	Note	For the year ended 31 December		
		2013	2012	2011
Result for the year		(31,743)	(42,291)	(74,222)
Actuarial result on post-employment benefit obligations	27	(1,334)	(4,586)	(442)
Total items that will not be reclassified to income statement		(1,334)	(4,586)	(442)
Foreign currency translation differences for foreign operations .		(13,634)	(2,122)	11,152
Movements in cash flow hedges	25	7,779	(4,280)	(6,374)
Total items that may be reclassified subsequently to income statement		(5,855)	(6,402)	4,778
Other comprehensive income for the year, net of tax*		(7,189)	(10,988)	4,336
Total comprehensive income for the year		(38,932)	(53,279)	(69,886)
Attributable to:				
Owners of the parent		(37,264)	(51,716)	(68,373)
Non-controlling interests		(1,668)	(1,563)	(1,513)
Total comprehensive income for the year		(38,932)	(53,279)	(69,886)

* For all three years the tax effect on Other comprehensive income amounts to nil because the majority of these transactions are included in the Dutch fiscal unity where tax losses are not valued.

The notes on pages F-30 to F-81 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated balance sheet

In thousands of Euro	Note	As at 31 December		
		2013	2012	2011
Assets				
Intangible assets	14	597,253	610,826	628,220
Property, plant and equipment	15	18,177	21,898	22,955
Financial assets	16	100,031	90,479	80,336
Deferred tax assets	17	3,290	1,688	3,340
Total non-current assets		718,751	724,891	734,851
Trade receivables	16/18	102,203	101,450	97,765
Other receivables	19	27,269	30,941	27,956
Financial assets	16	462	515	9,158
Current tax receivables		9,008	7,474	5,776
Clients' funds held under Trust	16/20	52,512	51,130	49,772
Cash and cash equivalents	16/21	90,422	83,380	68,257
Total current assets		281,876	274,890	258,684
TOTAL ASSETS		1,000,627	999,781	993,535
Equity				
Share capital	22	18	18	18
Share premium	22	180,126	180,126	172,323
Other reserves	23	(3,426)	1,979	8,207
Retained earnings	22	(377,559)	(345,700)	(299,680)
Total equity attributable to owners of the parent		(200,841)	(163,577)	(119,132)
Non-controlling interest		(2,125)	(457)	1,161
Total equity		(202,966)	(164,034)	(117,971)
Liabilities				
Loans and borrowings	24	968,282	927,159	837,738
Derivative financial instruments	25	7,156	11,655	6,374
Provisions	26	10,302	13,339	16,394
Retirement benefit obligations	27	4,280	5,071	3,837
Other payables	28	7,357	5,915	1,257
Deferred tax liabilities	17	27,823	32,366	37,638
Total non-current liabilities		1,025,200	995,505	903,238
Loans and borrowings	24	22,089	9,913	55,028
Provisions	26	4,841	7,531	9,394
Trade and other payables	28	85,218	91,463	85,528
Current tax liabilities		13,733	8,273	8,546
Clients' funds ledger balances	20	52,512	51,130	49,772
Total current liabilities		178,393	168,310	208,268
Total liabilities		1,203,593	1,163,815	1,111,506
TOTAL EQUITY AND LIABILITIES		1,000,627	999,781	993,535

The notes on pages F-30 to F-81 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated statement of changes in equity

In thousands of Euro	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2013	18	180,126	1,979	(345,700)	(163,577)	(457)	(164,034)
Loss for the year	—	—	—	(30,525)	(30,525)	(1,218)	(31,743)
Other comprehensive income							
Cash flow hedges (note 25)	—	—	7,779	—	7,779	—	7,779
Remeasurement IAS19R (note 27)	—	—	—	(1,334)	(1,334)	—	(1,334)
Translation movements (note 23) .	—	—	(13,184)	—	(13,184)	(450)	(13,634)
Total other comprehensive income	—	—	(5,405)	(1,334)	(6,739)	(450)	(7,189)
Total comprehensive income . . .	—	—	(5,405)	(31,860)	(37,264)	(1,668)	(38,932)
Balance at 31 December 2013 . .	18	180,126	(3,426)	(377,559)	(200,841)	(2,125)	(202,966)

In thousands of Euro	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2012	18	172,323	8,207	(299,680)	(119,132)	1,161	(117,971)
Loss for the year	—	—	—	(40,902)	(40,902)	(1,389)	(42,291)
Other comprehensive income							
Cash flow hedges (note 25)	—	—	(4,280)	—	(4,280)	—	(4,280)
Remeasurement IAS19R (note 27)	—	—	—	(4,586)	(4,586)	—	(4,586)
Translation movements (note 23) .	—	—	(1,948)	—	(1,948)	(174)	(2,122)
Total other comprehensive income	—	—	(6,228)	(4,586)	(10,814)	(174)	(10,988)
Total comprehensive income . . .	—	—	(6,228)	(45,488)	(51,716)	(1,563)	(53,279)
Transactions with owners							
Non-controlling interests arising on business combinations (note 6)	—	—	—	(532)	(532)	(55)	(587)
Capital contributions (note 22) . . .	—	7,803	—	—	7,803	—	7,803
Total transactions with owners . .	—	7,803	—	(532)	7,271	(55)	7,216
Balance at 31 December 2012 . .	18	180,126	1,979	(345,700)	(163,577)	(457)	(164,034)

The notes on pages F-30 to F-81 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated statement of changes in equity (Continued)

In thousands of Euro	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2011	18	90,591	3,390	(221,490)	(127,491)	694	(126,797)
Loss for the year	—	—	—	(72,748)	(72,748)	(1,474)	(74,222)
Other comprehensive income							
Cash flow hedges (note 25)	—	—	(6,374)	—	(6,374)	—	(6,374)
Remeasurement IAS19R (note 27)	—	—	—	(442)	(442)	—	(442)
Translation movements (note 23)	—	—	11,191	—	11,191	(39)	11,152
Total other comprehensive income	—	—	4,817	(442)	4,375	(39)	4,336
Total comprehensive income	—	—	4,817	(73,190)	(68,373)	(1,513)	(69,886)
Transactions with owners							
Non-controlling interests arising on business combinations (note 6)	—	—	—	—	—	1,980	1,980
Dividend paid (note 22)	—	—	—	(5,000)	(5,000)	—	(5,000)
Capital contributions (note 22)	—	81,732	—	—	81,732	—	81,732
Total transactions with owners	—	81,732	—	(5,000)	76,732	1,980	78,712
Balance at 31 December 2011	18	172,323	8,207	(299,680)	(119,132)	1,161	(117,971)

The dividend paid per share amounted to €278.

The notes on pages F-30 to F-81 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated cash flow statement

In thousands of Euro	Note	For the year ended 31 December		
		2013	2012	2011
Cash flows from operating activities				
Cash generated from operations	29	100,209	108,490	106,325
Income tax paid		(8,002)	(14,161)	(12,028)
Net cash generated from operating activities (excluding cash flow regarding other income / (expenses) and relating provisions)		92,207	94,329	94,297
Acquisition and due diligence costs paid		(184)	(403)	(11,199)
Redundancy and restructuring costs paid		(10,365)	(20,702)	(34,524)
Provisions		(6,142)	(4,982)	6,983
Net cash generated from operating activities and cash flow regarding other income / (expenses) and relating provisions		75,516	68,242	55,557
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	6	(5,187)	(558)	(173,491)
De-consolidation of subsidiaries, net of cash	7	(418)	—	—
Investment in intangible assets	14	(6,224)	(4,982)	(750)
Investment in property, plant and equipment	15	(4,413)	(7,340)	(11,185)
Disposal of intangible assets and property, plant and equipment	14/15	25	175	266
Investment in non-current bank deposits		—	—	(1,199)
Borrowings issued		(75)	(650)	(2,800)
Net cash used in investing activities		(16,292)	(13,355)	(189,159)
Cash flows from financing activities				
Proceeds from borrowings		733	580,827	776,214
Repayments of borrowings		(1,487)	(580,165)	(532,326)
Interest received		9,326	9,198	7,119
Interest paid		(56,565)	(48,556)	(93,699)
Acquisition of non-controlling interest, net of cash acquired	6	—	(587)	—
Dividend paid	22	—	—	(5,000)
Net cash generated from financing activities		(47,993)	(39,283)	152,308
Net increase in cash and cash equivalents		11,231	15,604	18,706
Cash and cash equivalents at beginning of the year	21	83,380	68,257	49,453
Exchange gains / (losses) on cash and cash equivalents . .		(4,189)	(481)	98
Cash and cash equivalents at end of the year	21	90,422	83,380	68,257

The notes on pages F-30 to F-81 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Notes to the consolidated financial statements

1. General information

TMF Group Holding B.V. (the 'Company') and its subsidiaries (together 'TMF Group') is a leading global provider of high value business services to clients operating and investing globally. TMF Group focuses on providing highly specialized and business-critical financial, legal and human resource administrative services that enable clients to operate their corporate structures, finance vehicles and investment funds in different geographical locations. TMF Group has over 115 offices located in 73 countries or 81 jurisdictions across the Americas, Asia Pacific, Europe and the Middle East.

- Corporate Services — Integrated legal, administrative and accounting services for companies' operations from inception through day-to-day functions to liquidation;
- Structured Finance Services — Creating and administering financial vehicles for securitization transactions, structured asset leasing and project finance transactions;
- Fund Services — Back office functions for a wide range of investment funds, including the preparation of accounts and daily net asset value ("NAV") calculations; and
- Private Client Services — Administering corporate structures for high net worth individuals for wealth planning purposes.

Across the range of services, TMF Group offers a core set of competencies that form the heart of its product offering to clients:

- Financial Administrative Services — TMF Group provides a range of financial, accounting and reporting services to assist its clients with their financial reporting in a transparent, up-to-date and accurate manner. Among these financial administrative services, TMF Group provides international management and consolidated reporting in any major standard (IFRS, U.S., U.K. or other major GAAP) and TMF Group prepares statutory accounts to comply with local law requirements. TMF Group also provides assistance with the registration, recovery and compliance with value-added taxes ("VAT"), goods and services taxes ("GST"), insurance premium tax ("IPT") and other indirect taxes, including the payment and collection of refunds. In addition, TMF Group provides investment fund clients with fund accounting and valuation services.
- Legal Administrative Services — TMF Group provides a variety of legal services to its clients in connection with establishing and maintaining financing and holding companies and other structures in compliance with applicable local laws. These services include establishing corporate entities to serve as finance companies or as operating companies, as well as managing corporate compliance procedures, such as organizing and recording board and shareholders' meetings. TMF Group also provides domiciliary and management services, as well as local representatives and directors with the necessary expertise required for clients to conduct business in a particular jurisdiction.
- Human Resource Administrative Services — TMF Group provides a wide range of human resource and payroll services, including payroll processing, management reporting and costs analysis and outsourced human resource services. TMF Group's specialists can act as a client's local human resources function, preparing employment contracts and guidelines, providing employee training assistance and securely maintaining personal confidential information.

TMF Group's service offering enables its clients to focus on their core competencies while TMF Group ensures that critical local administrative functions, that clients may have less experience in providing, are performed to a high standard. In doing so, TMF Group helps its clients to (i) gain access to specialist local knowledge, including regulatory, tax and financial reporting expertise that would be challenging or inefficient to develop internally, (ii) reduce the risks and distractions of managing complex accounting, legal and human resource regulations in multiple countries, (iii) control costs by taking over the back office administration and reporting functions of their international offices that are not large enough to justify the administrative overhead, (iv) simplify operations by providing a single point-of-contact from anywhere in the world, often resulting in increased transparency for clients, and (v) execute globalization

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

1. General information (Continued)

plans swiftly and flexibly by using its worldwide network of local offices and experts to assist on administrative matters.

The Company was incorporated in the Netherlands on 3 August 2004. The address of the registered office is at Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, the Netherlands. The Company principally acts as a holding and finance company for TMF Group investments.

The shares in the Company are 100% held by TMF Group HoldCo B.V., which is 100% owned by TMF Orange Holding B.V. 65% of the ordinary shares and all preference shares in TMF Orange Holding B.V. are indirectly held by Doughty Hanson & Co V (which comprises a series of English limited partnerships with each limited partnership having a common general partner in Doughty Hanson & Co V Limited) and indirectly by the employees of affiliates of Doughty Hanson & Co V Limited. The remaining 35% of the ordinary shares in TMF Orange Holding B.V. are indirectly held by the current and previous management and employees of TMF Group.

TMF Orange Holding B.V. prepares also consolidated financial statements that are available to the public.

These consolidated financial statements 2013 of TMF Group Holding B.V. were authorised for issue by the Board of Directors on 27 March 2014. Until approval at the annual general shareholders meeting, the Board of Directors can amend the financial statements.

These consolidated financial statements voluntary present three periods instead of two to comply with the agreements made in this respect with the holders of the senior (secured) loan notes.

2. Summary of significant accounting policies

The principle accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless stated otherwise.

2.1 Basis of preparation

These consolidated financial statements of TMF Group have been prepared in accordance with IFRS as adopted by the European Union.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and financial liabilities (including derivative instruments) at fair value through income statement.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3 (critical accounting estimates and judgements).

Going concern

These consolidated financial statements have been prepared under the going concern convention. As at 31 December 2013, TMF Group has negative equity. The results for the years ended on 31 December 2011, 2012 and 2013 were also negative. However, the cash generated from operations was positive in these three years. In addition, a major part of the financing has a long-term nature. Therefore and after making enquiries and on the basis of current cash flow projections in combination with the available facilities, the Board of Directors is confident that it has a reasonable expectation that TMF Group has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Changes in accounting policies

New standards, amendments and interpretations effective in 2013

Amendment to IAS 1, 'Financial statement presentation', regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in other comprehensive income (hereafter 'OCI') on the basis of whether they are potentially reclassifiable to income statement subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. TMF Group adopted these amendments starting from January 2013.

IAS 19, 'Employee benefits' was revised in June 2011. The changes on TMF Group's accounting policies has been as follows: to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). TMF Group early adopted this amended IAS19 for the financial year beginning 1 January 2012.

The amendments to IAS 28 ('Investments in associates and joint ventures') had no significant impact on the Company financial statements.

Amendments to IAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs ('Cash Generating Unit') which had been included in IAS 36 by the issue of IFRS 13. The amendment is not mandatory for the group until 1 January 2014, however TMF Group has decided to early adopt the amendment as of 1 January 2013 and does not include the disclosure of the fair value less cost of disposal for CGU's with significant carrying amount of goodwill.

IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the Company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. TMF Group adopted IFRS 10 starting from January 2013. The first adoption of this new standard has no material effects on the financial statements.

IFRS 11, 'Joint arrangements'. Under IFRS 11 Investments in joint arrangements are classified either as joint operations or joint ventures, depending on the contractual rights and obligations each investor has rather than the legal structure of the joint arrangement. TMF Group adopted IFRS 11 starting from January 2013. The first adoption of this new standard has no material effects on the financial statements.

IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, structured entities and other off balance sheet vehicles.

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRS. The impact of IFRS 13 will result in more extensive disclosures. TMF Group adopted IFRS 13 starting from January 2013.

There are no other IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2013 that have a material impact to TMF Group.

New standards and interpretations not yet adopted

The following new standards, amendments and interpretations to existing standards have been issued but are not effective for the financial year beginning 1 January 2013:

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. TMF Group is yet to assess IFRS 9's full impact. TMF Group will also consider the impact of the remaining phases of IFRS 9 when completed by the International Accounting Standards Board.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on TMF Group.

Voluntary changes in accounting policies

As from 2013, interest paid and interest received, as disclosed in the Cash Flow Statement, is reported as part of the 'Net cash generated from financing activities' instead of as part of the 'Net cash generated from operating activities'. The reasoning for this change is that the interest paid and interest received is for the greater part originating from financing activities and such it is more appropriate to classify these cash flows as 'Net cash generated from financing activities', following the stipulations of IAS 7.31. This change in accounting policy had respectively a positive and negative impact on the 'Net cash generated from operating activities' and 'Net cash generated from financing activities' for an amount of €39.4 million (2012) and €86.6 million (2011).

2.2 Consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date when control is transferred to TMF Group. They are de-consolidated from the date that control ceases.

TMF Group uses the acquisition method of accounting to account for business combinations. The considerations transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by TMF Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values at the acquisition date. On an acquisition by acquisition basis, TMF Group recognises any controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any contingent consideration to be transferred by TMF Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in income statement or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquire and the acquisition-date fair value of any previous equity interest in the acquire over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of the consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Inter-company transactions, balances, income and expenses on transactions between TMF Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Amounts reported by subsidiaries are based on the policies adopted by TMF Group.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions—that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

2.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of TMF Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Euros ('€'), which is the Company's functional and TMF Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Foreign exchange gains and losses from transactions between TMF Group entities are recognized as OCI.

TMF Group companies

The results and financial position of all TMF Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Euro are translated into Euro as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognized as OCI.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations and currency effects on loans receivable which are part of the net investment are taken to

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

OCI. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Foreign exchange results on goodwill are recognised in OCI.

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services rendered. Revenue is stated net of discounts, returns, value added tax and after eliminating sales within TMF Group. TMF Group recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to TMF Group. TMF Group bases its estimates on historical results, taking into consideration the type of client, transaction and the specifics of each arrangement.

Service contracts

TMF Group's sole source of revenue is from the rendering of services. Revenue associated with transactions shall be recognized by reference to the stage of completion of the transaction at the end of the reporting period.

TMF Group provides services to clients on a time and cost basis or based on a fixed price contract or a combination of both. The exception to this is the fund services TMF Group provides where our fees are based on the net asset value of funds under administration (subject to a minimum fee level) and services where we receive fees per transaction, such as fees for incorporating special purpose vehicles. TMF Group fixes the rates for its services locally based on local market conditions and local management determinations of acceptable rates.

Revenue from time and cost contracts is recognized at the contractual rates as time has been spent and/or direct expenses are incurred.

Revenue from fixed price contracts is generally recognized in the period in which the services are provided, using a straight line basis over the term of the contract.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known.

To the extent that any fees paid on account exceed the value of work performed, they are included in trade and other payables as deferred income.

2.6 Other income and expenses

Other income and expenses include those significant items which are separately disclosed by virtue of size or incidence to enable a full understanding of TMF Group's financial performance. Transactions which may give rise to Other income and expenses are principally gains and losses on disposal of investments and subsidiaries, acquisition due diligence, start-up and integration related costs as well as redundancy and restructuring costs.

2.7 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

TMF Group leases certain equipment and software, where TMF Group has substantially all the risks and rewards of ownership. These leases are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance costs is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The assets acquired under the financial lease is depreciated/ amortised over the shorter of the useful life of the asset and the lease term.

All leases that do not qualify as operational lease are classified as finance lease.

2.8 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, TMF Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

2.9 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except if it relates to items recognized directly in equity, in which case it is recognized in equity, or if it relates to items recognized directly in OCI, in which case it is recognized in OCI.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Refer to note 2.23 on deferred income tax.

2.10 Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of TMF Group's share of the net identifiable assets of the acquired entity or business at the date of acquisition. Goodwill on acquisitions of entities or businesses is included in intangible assets.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The operating segments of TMF Group are determined to be the level at which goodwill is allocated and tested for impairment, as monitoring for internal management purposes does not take place on a lower level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Gains and losses on the disposal of an entity or business include the carrying amount of goodwill relating to the entity or business sold.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Client lists

Client lists, including client relationships, acquired by TMF Group have finite useful lives. Client lists are measured at cost less accumulated amortisation and any accumulated impairment losses. Separate values are not attributed to internally generated client lists or relationships. Amortisation is calculated using the straight line method to allocate the cost of the client lists over their estimated useful lives (2-16 years). The residual values, the useful lives and the depreciation methods are reviewed periodically and adjusted if appropriate.

Non-compete agreements

Non-compete agreements entered into by TMF Group have finite useful lives. Non-compete agreements are measured at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the cost of the non-compete agreements over the period of their enforceability (1-5 years). The residual values, the useful lives and the depreciation methods are reviewed periodically and adjusted if appropriate.

Brands

Brands acquired by TMF Group have finite useful lives. Brands are initially measured at fair value and subsequently measured at the costs less accumulated amortization. Brands are valued using the relief from royalty method. Amortisation is calculated using the straight line method to allocate the cost of the brand over the period of its estimated useful life (4-6 years). The residual values, the useful lives and the depreciation methods are reviewed periodically and adjusted if appropriate.

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 years. The residual values, the useful lives and the depreciation methods are reviewed periodically and adjusted if appropriate.

2.11 Property, plant and equipment

Recognition and measurement

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation

Depreciation of property, plant and equipment is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

— Buildings:	25-50 years
— Leasehold improvements:	term of the lease
— Furniture and fittings:	10 years
— Office and computer equipment:	3-5 years
— Motor vehicles:	3 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (also refer to note 2.12).

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Disposal

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other income/(expenses)—net, in the income statement.

2.12 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested at least annually for impairment or when there is an indication that the amount is not recoverable (e.g. goodwill). Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use.

For goodwill impairment testing, refer to note 2.10. Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

2.13 Financial assets

Classification

TMF Group classifies its financial assets in the following categories: at fair value through income statement, loans and receivables, and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(a) Financial assets at fair value through income statement

Financial assets at fair value through income statement are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. TMF Group's loans and receivables comprise 'non-current bank deposits', 'loans receivable from related parties', 'other loans receivable', trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

(c) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of it within 12 months of the end of the reporting period.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade-date—the date on which TMF Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through income statement. Financial assets carried at fair value through income statement are initially recognised at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and TMF Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

financial assets at fair value through income statement are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through income statement' category are presented in the income statement within 'Other income/(expenses)—net' in the period in which they arise. Dividend income from financial assets at fair value through income statement is recognised in the income statement as part of other income when TMF Group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income. When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'Gains and losses from investment securities'. Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when TMF Group's right to receive payments is established.

2.14 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.15 Impairment of financial assets

Assets carried at amortised costs

TMF Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, TMF Group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Assets classified as available for sale

TMF Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired. For debt securities, TMF Group uses the criteria referred to in the above paragraph. In the case of equity investments classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is also evidence that the assets are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss—measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in income statement—is removed from equity and recognised in income statement. Impairment losses recognised in the consolidated income statement on equity instruments are not reversed through the consolidated income statement. If, in a subsequent period, the fair value of a debt instrument classified as available for sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in income statement, the impairment loss is reversed through the consolidated income statement.

2.16 Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. TMF Group designates certain derivatives as cash flow hedges of particular risks associated with a recognized asset or liability or a highly probable forecast transaction.

TMF Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. TMF Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in note 25. Movements on the hedging reserve in other comprehensive income are shown in note 23.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedge item is more than 12 months; it is classified as a current asset or liability when the remaining maturity is less than 12 months. TMF Group has no trading derivatives.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the income statement within 'net finance costs'.

Amounts accumulated in equity are reclassified to the income statement in the periods when the hedged item affects income statement (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in the income statement within net finance costs.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement within 'net finance costs'.

2.17 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for impairment. An allowance for impairment of

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

trade receivables is established when there is objective evidence that TMF Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognized in the income statement within 'other operating expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'other operating expenses' in the income statement. Trade receivables include unbilled services which relate to services performed but not yet billed.

2.18 Funds held under Trust

Client money is held in TMF Group bank accounts on behalf of clients and is recorded separately as an asset on the balance sheet of TMF Group. A corresponding liability is recognised within current liabilities to reflect the linked character for TMF Group.

2.19 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, bankoverdrafts, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

2.20 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

2.21 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.22 Loans and borrowings

Loans and borrowings are recognized initially at fair value, net of transaction costs incurred. Loans and borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Costs incurred during the (re)financing of loans and borrowings are capitalized and amortised over the estimated useful lives of the loans and borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawn-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee for the facility is capitalised and amortised over the period of the facility to which it relates. Loans and borrowings are presented net of capitalized costs.

Loans and borrowings are classified as current liabilities unless TMF Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.23 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where TMF Group operate and generate taxable

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by TMF Group and it is probable that the temporary difference will not be reversed in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is legally enforceable right to offset current tax receivables against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.24 Employee benefits

Pension obligations

TMF Group operates a number of pension schemes around the world. The schemes are generally funded through payments to insurance companies. TMF Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which TMF Group pays fixed contributions into a separate entity. TMF Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in Euro and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in income.

For defined contribution plans, TMF Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. TMF Group has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefit expense when they fall due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Other long-term employee benefits

Some TMF Group companies provide jubilee or anniversary payments to their employees. The expected costs of these benefits are accrued over the period until the benefit is earned using the same accounting methodology as used for defined benefit pension plans, except that remeasurements are recorded in the income statement. These obligations are valued annually.

Paid holidays are regarded as an employee benefit and as such are charged to the income statement as the benefits are earned. An accrual is made at balance sheet date to reflect the fair value of holidays earned but not yet taken.

2.25 Provisions

Provisions are recognized when TMF Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as an interest expense.

3. Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

TMF Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

3.1 Cash flow projections

TMF Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.12. These calculations use post-tax cash flow projections based on financial budgets and five year forecasts approved by management. The annual EBITDA growth for the first 5 years majorly impacts the cash flow projections and is based on past performance and management's expectations of market development. Cash flows beyond the five year period are extrapolated using an estimated perpetual growth rate. Refer to note 14 for all key assumptions used for the recoverable amount calculations.

These cash flow projections also support the going concern assumption.

3.2 Impairment of trade receivables

TMF Group periodically tests whether trade receivables, including unbilled services, have suffered any impairment, in accordance with the accounting policy stated in note 2.17. The calculation of the allowance account for trade receivables requires the use of estimates and assumptions consistent with the latest available information regarding the clients.

3.3 Provisions

The provisions of TMF Group mainly relate to legal cases and restructuring costs. Refer to note 2.25 for the general accounting policies used and to note 26 and 31 for more details.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

3. Critical accounting estimates and judgements (Continued)

3.4 Fair value estimation with respect to financial instruments

There are three valuation methods to determine the fair value of financial instruments. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

As at 31 December 2013, 2012 and 2011, the only financial instruments that are accounted for to fair value are derivative financial instruments. The fair value of all derivative financial instruments is based on the Level 2 method mentioned above.

The fair value of the derivative financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

TMF Group's finance department includes a team that performs the valuation of derivative financial instruments. Changes in Level 2 fair values are analysed at each reporting date during the quarterly closing.

Refer to note 25 for further information on derivative financial instruments.

4. Financial risk management

4.1 Financial risk factors

TMF Group's operating activities expose it to a variety of financial risks, such as market risks (including foreign currency exchange risk and interest rate risk), credit risk and liquidity risk. TMF Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on TMF Group's financial performance.

Financial risk management is carried out by TMF Group's central treasury department (TMF Group Treasury) under policies approved by management. TMF Group Treasury identifies, evaluates and hedges financial risks in close cooperation with TMF Group's operating units. Management provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of derivatives and non-derivative financial instruments and investments of excess liquidity.

TMF Group's treasury risk management policy is to reduce, where it is deemed appropriate to do so, fluctuations in earnings and cash flows associated with changes in interest rates, foreign currency rates and the currency exposure of certain investments in foreign subsidiaries.

4.2 Interest rate risk

Interest rate risk is the risk that unexpected interest rate changes negatively affect TMF Group's results, cash flows and equity.

It is TMF Group's policy to mitigate the effects of interest rate volatility on its results, cash flows and balance sheet within certain boundaries. Although TMF Group has some interest-bearing assets (cash and cash equivalents and loans and borrowings provided to related parties), TMF Group's income and operating cash inflows are substantially independent of changes in market interest rates.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

TMF Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose TMF Group to cash flow interest rate risk. Borrowings issued at fixed rates expose TMF Group to fair value interest rate risk.

TMF Group analyses its interest rate exposure on a periodic basis. Based on this analysis and in close cooperation with the banks, TMF Group determines whether derivative financial instruments should be in place to limit the interest rate risk in such a way that it has a minimum potential adverse effect on the financial performance of TMF Group. For the derivative financial instruments in place, reference is made to note 25.

At 31 December 2013, if market interest rates had been 100 basis points higher/lower with all other variables held constant, then this would have the following impact:

In million of Euro	2013	2012	2011
Result for the year	6.5/(5.6)	(4.1)/4.1	(5.4)/5.4
Other comprehensive income	1.7/(1.5)	12.1/(12.2)	10.8/(11.1)
Fair value of derivative financial instruments	7.8/(6.7)	12.1/(12.2)	10.8/(11.1)

4.3 Foreign currency exchange risk

TMF Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and related currencies. In several markets client contracts are denominated in Euro or US Dollars although this is not the functional currency in these markets.

Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and investments in foreign operations. Currently, no hedging of foreign exchange risk takes places.

TMF Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of TMF Group's foreign operations is managed primarily through both borrowings to subsidiaries and external borrowings to TMF Group denominated in the relevant foreign currencies. As a result, for most major currencies the foreign currency exposure is minimal. As such, TMF Group does not apply for net investment hedge accounting in its financial statements.

As at 31 December 2013, if Euro had strengthened/weakened by 5% against the US Dollar with all variables held constant, the result for the year would have been €2.1 million lower/higher, mainly due to operating results in USD. As at 31 December 2012, the loss for the year would have been €3.2 million lower/higher and as at 31 December 2011 €3.0 million higher/lower.

4.4 Credit risk

Credit risk is the risk that counterparties fail to meet their contractual payment obligations through insolvency or default as well as credit exposure to clients.

Credit risk arising from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions is managed centrally. For banks and financial institutions, TMF Group's policy is that only independently rated parties with a minimum rating of 'BBB' are accepted. However, in certain circumstances (e.g. due to local legislation) banks and financial institutions are used that are not rated and / or that do not have a minimum 'BBB' rating. The use of these banks and financial institutions is kept to the minimum level possible, closely monitored by TMF Group Treasury department and periodically reported to the Board of Directors.

Credit exposures to clients, including outstanding receivables and committed transactions, are managed on a local basis. Each local entity is responsible for managing and analysing the credit risk for each of their clients. Approval from management is mandatory before standard payment terms and delivery terms and conditions are contractually agreed with new clients.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

TMF Group has significant concentrations of credit risk, being the loans receivable from related parties. The maximum credit risk exposure of TMF Group's financial assets at the end of the period is represented by the amounts reported under the corresponding balance sheet headings.

4.5 Liquidity risk

Liquidity risk is the risk that TMF Group does not have sufficient headroom (cash and cash equivalents plus committed credit lines) available to meet both TMF Group's day-to-day operating requirements and debt servicing obligations (interest and debt repayment).

TMF Group Treasury mitigates liquidity risk by ensuring TMF Group maintains sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

Cash flow forecasting is performed by management of the operating entities of TMF Group which is consolidated by TMF Group Finance department. These rolling forecasts are monitored to ensure TMF Group's cash and liquidity requirements are sufficient to meet operational needs whilst maintaining sufficient headroom on its undrawn committed borrowing facilities (note 24). This enables management to monitor compliance with borrowing limits and debt covenants on its borrowing facilities.

The table below analyses TMF Group's financial liabilities into relevant maturity groupings based on the period remaining to contractual maturity date. The cash flows with respect to operating lease commitments are shown in note 30. The amounts disclosed in the table are the contractual undiscounted cash flows and thus excluding capitalized finance costs. Balances due within 12 months are equal to their carrying balances as the impact of discounting is not significant.

<u>In thousands of Euro</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
At 31 December 2013				
Loans and borrowings (note 24)	22,089	17,657	422,463	549,246
Derivative financial instruments (note 25)	—	7,156	—	—
Trade and other payables, excluding deferred income (note 28)	72,460	602	1,806	2,047
At 31 December 2012				
Loans and borrowings (note 24)	9,913	1,356	17,406	933,545
Derivative financial instruments (note 25)	—	—	11,655	—
Trade and other payables, excluding deferred income (note 28)	83,537	—	—	—
At 31 December 2011				
Loans and borrowings (note 24)	55,028	18,310	99,767	730,246
Derivative financial instruments (note 25)	—	—	6,374	—
Trade and other payables, excluding deferred income (note 28)	75,770	—	—	—

TMF Group has a revolving credit facility totalling €70.0 million as at 31 December 2013. This facility consists of a €51.0 million facility for cash needs (fully undrawn) and a €19.0 million facility for bank guarantees (of which €4.8 million is undrawn). As at 31 December 2012 and 31 December 2011, the undrawn borrowing facilities amounted to €53.7 million respectively €103.7 million.

4.6 Capital risk management

TMF Group's objectives when managing capital is to safeguard TMF Group's ability to continue as a going concern in order to provide returns to shareholders, benefits to other stakeholders and to maintain

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

an optimal capital structure to reduce the cost of capital. TMF Group's loan and borrowings is considered as the most important item from capital management perspective.

TMF Group is highly leveraged and management focus is on cash generation and an important KPI used in this respect is the cash conversion ratio, which is the percentage of EBITDA converted into cash. Cash conversion is calculated as Cash generated from operations divided by EBITDA.

The following table sets out a breakdown of the cash flow for the years 2011, 2012 and 2013.

in millions of Euro	2011	2012	2013
Result from operations before depreciation, amortisation, impairment	107.3	107.3	108.9
charges and other income/ (expenses)			
Retirement benefit obligations	(0.9)	(3.7)	(2.1)
Changes in working capital	(7.0)	4.0	(5.5)
Changes in foreign currency	7.0	0.9	(1.1)
Cash generated from operations	106.3	108.5	100.2
<i>Cash conversion</i>	99%	101%	92%

TMF Group treasury monitors cash balances on a daily basis. Appropriate action is taken to optimize interest costs while at the same time safeguarding sufficient liquidity. In order to further increase the efficient management of TMF Group's interest costs and Revolving Credit facility drawings, TMF Group has implemented a global cash management system and will continue to enhance cash management operations during 2014. This focus should make it possible for TMF Group to pay interest and repay the loans as they fall due.

During 2011, 2012 and 2013 TMF Group complied with its banking covenants. Following the refinancing of the senior bank debt with Senior Secured Notes and Senior Notes in December 2012, financial covenants based on financial ratios are only applicable for the revolving credit facility and are expected to be achieved. The only financial covenant under the revolving credit facility relates to the ratio of Net Debt to EBITDA. There is sufficient headroom.

4.7 Offsetting financial assets and financial liabilities

Financial assets

The following financial assets are subject to offsetting, enforceable master netting arrangements and similar agreements:

In thousands of Euro	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts not set off in the balance sheet	Financial instruments	Cash collateral received	Net amounts
As at 31 December 2013							
Other receivables	36,130	(8,861)	27,269	—	—	—	27,269
Cash and cash equivalents	323,916	(233,494)	90,422	—	—	—	90,422
Total	360,046	(242,355)	117,691	—	—	—	117,691

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

In thousands of Euro	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts not set off in the balance sheet		Net amounts
				Financial instruments	Cash collateral received	
As at 31 December 2012						
Other receivables	40,121	(9,180)	30,941	—	—	30,941
Cash and cash equivalents	269,197	(185,817)	83,380	—	—	83,380
Total	309,318	(194,997)	114,321	—	—	114,321

In thousands of Euro	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the balance sheet	Net amounts of financial assets presented in the balance sheet	Related amounts not set off in the balance sheet		Net amounts
				Financial instruments	Cash collateral received	
As at 31 December 2011						
Other receivables	38,742	(10,786)	27,956	—	—	27,956
Cash and cash equivalents	211,617	(143,360)	68,257	—	—	68,257
Total	250,359	(154,146)	96,213	—	—	96,213

Financial liabilities

The following financial liabilities are subject to offsetting, enforceable master netting arrangements and similar agreements:

In thousands of Euro	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts not set off in the balance sheet		Net amounts
				Financial instruments	Cash collateral received	
As at 31 December 2013						
Loans and borrowings—current	255,583	(233,494)	22,089	—	—	22,089
Trade and other payables	94,079	(8,861)	85,218	—	—	85,218
Total	<u>349,662</u>	<u>(242,355)</u>	<u>107,307</u>	<u>—</u>	<u>—</u>	<u>107,307</u>

In thousands of Euro	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts not set off in the balance sheet		Net amounts
				Financial instruments	Cash collateral received	
As at 31 December 2012						
Loans and borrowings—current	195,730	(185,817)	9,913	—	—	9,913
Trade and other payables	100,643	(9,180)	91,463	—	—	91,463
Total	296,373	(194,997)	101,376	—	—	101,376

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

In thousands of Euro	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set off in the balance sheet	Net amounts of financial liabilities presented in the balance sheet	Related amounts not set off in the balance sheet	Cash collateral received	Net amounts
				Financial instruments		
As at 31 December 2011						
Loans and borrowings—current	198,388	(143,360)	55,028	—	—	55,028
Trade and other payables	79,043	(10,786)	68,257	—	—	68,257
Total	<u>277,431</u>	<u>(154,146)</u>	<u>123,285</u>	<u>—</u>	<u>—</u>	<u>123,285</u>

5. Segment information

The Board of Directors is TMF Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purpose of allocating resources and assessing performance. The Board of Directors considers the business mainly from a geographic perspective. However, a part of the business does not fall under one of the geographic regions and is therefore disclosed separately.

TMF Group has operations in the following operating segments and locations:

- Belgium, the Netherlands and Luxembourg ('Benelux');
- Europe, the Middle East and Africa, excluding Benelux ('EMEA');
- The countries of North and South America ('Americas');
- The countries of the Asia Pacific region ('APAC');
- Fund Services; and
- All other.

Although the segment Fund Services does not meet the quantitative thresholds required by IFRS 8 for reportable segments, management has concluded that this segment should be reported as it is closely monitored by the Board of Directors similar to the other operating segments. The category 'All other' includes the operations of International Licensing and Collection (Freeway) and International Pensions (Panthera) and the corporate expenses of TMF Group.

The Board assesses the performance of the operating segments based on both external revenue and results from operations. This measurement basis excludes the effects of 'other income / expenses' and 'depreciation, amortisation and impairment charges'. The measure also excludes the effects of finance income and expenses since this type of activity is mainly driven by the central treasury function, which manages the cash position of TMF Group. Inter-segment revenue comprises management fees and services provided to clients by other entities in TMF Group. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

5. Segment information (Continued)

The following tables present revenue and profit information regarding TMF Group's operating segments for the years ended 31 December 2013, 2012 and 2011:

Segments—income statement

In thousands of Euro	Benelux 2013	EMEA 2013	Americas 2013	APAC 2013	Fund Services 2013	All other 2013	Eliminations 2013	Consolidated 2013
Total external revenue	125,784	122,762	70,270	48,158	24,215	5,644	—	396,833
Inter-segment revenue	144	208	—	433	8	6,683	(7,476)	—
Total segment revenue	125,928	122,970	70,270	48,591	24,223	12,327	(7,476)	396,833
<i>Segment result</i>								
Results from operations*)	69,451	42,335	21,465	10,135	4,700	(39,184)	—	108,902
Other income/(expenses)—net and DAI								(42,560)
Net finance costs								(93,390)
Income tax expense								(4,695)
Loss for the year								(31,743)

*) Result from operating activities before depreciation, amortisation, impairment charges and other income / (expenses).

In thousands of Euro	Benelux 2012	EMEA 2012	Americas 2012	APAC 2012	Fund Services 2012	All other 2012	Eliminations 2012	Consolidated 2012
Total external revenue	122,365	118,391	69,352	44,331	32,854	4,542	—	391,835
Inter-segment revenue	143	622	—	1,775	—	1,600	(4,140)	—
Total segment revenue	122,508	119,013	69,352	46,106	32,854	6,142	(4,140)	391,835
<i>Segment result</i>								
Results from operations *)	66,455	32,810	15,106	4,180	9,387	(20,611)	—	107,327
Other income / (expenses)—net and DAI								(50,659)
Net finance costs								(92,054)
Income tax expense								(6,905)
Loss for the year								(42,291)

*) Result from operating activities before depreciation, amortisation, impairment charges and other income/(expenses).

In thousands of Euro	Benelux 2011	EMEA*) 2011	Americas 2011	APAC 2011	Fund Services 2011	All other 2011	Eliminations 2011	Consolidated 2011
Total external revenue	125,929	112,256	61,892	37,862	33,025	3,796	—	374,760
Inter-segment revenue	4	486	11	2,011	—	1,249	(3,761)	—
Total segment revenue	125,933	112,742	61,903	39,873	33,025	5,045	(3,761)	374,760
<i>Segment result</i>								
Results from operations*)	67,021	32,484	13,168	6,745	7,796	(19,960)	—	107,254
Other income/(expenses)—net and DAI								(79,044)
Net finance costs								(95,692)
Income tax expense								(6,740)
Loss for the year								(74,222)

*) Result from operating activities before depreciation, amortisation, impairment charges and other income/(expenses).

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

5. Segment information (Continued)

Entity wide disclosures

The breakdown of external revenue in business lines is as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Corporate services	306,267	293,284	276,022
Structured finance services	37,749	33,269	34,401
Private client services	28,602	32,428	31,312
Fund services	24,215	32,854	33,025
Total operations	396,833	391,835	374,760

The operating segments Benelux, EMEA (excluding Benelux), Americas and APAC are mainly active in the Corporate, Structured finance and Private client services. The operating segment Fund Services is only active in Fund services.

No individual external client represents more than 10 percent of TMF Group's external revenue.

The Company is domiciled in the Netherlands. As at 31 December 2013, 31 December 2012 and 31 December 2011, the total of non-current assets (other than financial instruments and deferred tax assets) located in the Netherlands amounts to respectively €578 million, €591 million and €609 million. The total of such non-current assets located in other countries amounts to respectively €37 million, €42 million and €42 million.

The revenue from external clients originates from the following countries. For completeness sake, it is mentioned that part of the revenue originating from the Netherlands and Luxembourg is not included in the Benelux operating segment.

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
The Netherlands	87,035	88,044	92,140
Luxembourg	43,537	42,022	42,069
Other countries	266,261	261,769	240,551
Total operations	396,833	391,835	374,760

6. Business combinations

General

Alongside TMF Group's strategies for organic growth, it is the group's intention where appropriate to continue to invest in acquisitions that provide additional scale to the business, a specific service line, assist in consolidating fragmented markets or address relevant geographical gaps. TMF Group uses a disciplined approach for all acquisition evaluations.

With an effective date of 29 November 2013, TMF Group acquired 100% of the share capital of Accepta AS, Norway, for a total consideration of €9.7 million, and merged this business into TMF Group. The cash outflow in 2013 from this acquisition, net of cash acquired, was €4.2 million. The deferred consideration for this business combination amounts to €5.0 million of which €1.1 million is a contingent consideration. No contingent liabilities were acquired in this business combination.

Except for the acquisition of four non-significant non-controlling interests in current TMF Group companies, TMF Group did not invest in any acquisition during 2012. The acquisition of these non-controlling interests had a negative effect on equity of €0.6 million.

With an effective date of 1 January 2011, TMF Group acquired 100% of the share capital of the Equity Trust (Equity Trust Holding S.à.r.l, Luxembourg), for a total consideration of €215.1 million, and merged this business into TMF Group. The cash outflow from this acquisition, net of cash acquired, was €172.2 million. The deferred consideration for this business combinations amounted to nil. No contingent liabilities were acquired in this business combination.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

6. Business combinations (Continued)

Acquisition Accepta AS (2013)

The assets and liabilities arising from the acquisition are as follows:

<u>In thousands of Euro</u>	<u>Pre acquisition carrying amounts</u>	<u>Fair value adjustments</u>	<u>Recognized values on acquisition</u>
Cash and cash equivalents	485	—	485
Intangible assets (note 14)	—	3,414	3,414
Deferred tax assets (note 17)	8	—	8
Trade and other receivables	987	—	987
Trade and other payables	(1,405)	—	(1,405)
Deferred tax liabilities (note 17)	—	(956)	(956)
Net identifiable assets and liabilities	<u>75</u>	<u>2,458</u>	<u>2,533</u>

Goodwill is calculated as follows:

<u>In thousands of Euro</u>	
Purchase consideration	
Cash paid	4,683
Consideration deferred to future periods	4,970
Total purchase consideration	9,653
Less: fair value of net assets acquired (excluding goodwill)	2,533
Goodwill (note 14)	<u>7,120</u>

None of the additional goodwill is tax deductible.

The consideration deferred to future periods consists of:

- a part that will be paid once the final purchase price is agreed between parties;
- a part that will be paid once the statutory annual accounts of Accepta of 2014, 2015 and 2016 are finalised; and
- a part that will be paid if certain growth targets are met in the period 2014 to 2016.

The impact on cash flows as a result of the acquisition is as follows:

<u>In thousands of Euro</u>	
Cash paid	4,683
Cash and cash equivalents acquired	(485)
Net cash outflow on acquisitions	<u>4,198</u>

The acquisition of Accepta positively impacted the revenue and result from operating activities before depreciation, amortisation, impairment charges and other income/expenses of 2013 with an amount of respectively €568,000 and €22,000.

If the acquisition had occurred on 1 January 2013, this acquisition would have contributed €6.4 million to revenue and €1.4 million to the result from operating activities before depreciation, amortisation, impairment charges and other income/expenses in addition to the amounts disclosed in the previous paragraph. Consequently, TMF Group revenue would have been €403.2 million and the result from operating activities before depreciation, amortisation, impairment charges and other income/expenses would have been €110.3 million.

The acquisition costs amounted to €0.1 million.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

6. Business combinations (Continued)

Acquisition Equity Trust (2011)

The assets and liabilities arising from the acquisition are as follows:

<u>In thousands of Euro</u>	<u>Pre acquisition carrying amounts</u>	<u>Fair value adjustments</u>	<u>Recognized values on acquisition</u>
Cash and cash equivalents	42,974	—	42,974
Intangible assets (note 14)	11,647	122,214	133,861
Property, plant and equipment (note 15)	7,114	—	7,114
Financial assets	789	—	789
Deferred tax assets (note 17)	1,164	—	1,164
Trade and other receivables	44,342	—	44,342
Bank and loans	(225,465)	(21,000)	(246,465)
Acquired loan notes	98,260	—	98,260
Retirement benefit obligations (note 27)	(2,416)	—	(2,416)
Provisions (note 26)	(4,757)	(11,502)	(16,259)
Trade and other payables	(42,352)	—	(42,352)
Deferred tax liabilities (note 17)	(3,620)	(30,093)	(33,713)
Net identifiable assets and liabilities	(72,320)	59,619	(12,701)
Non-controlling interest	2,970	(4,950)	(1,980)
Total	<u>(69,350)</u>	<u>54,669</u>	<u>(14,681)</u>

Goodwill is calculated as follows:

In thousands of Euro

Purchase consideration

Cash paid	215,145
Consideration deferred to future periods	—
Total purchase consideration	215,145
Less: fair value of net assets acquired (excluding goodwill)	14,681
Goodwill (note 14)	<u>229,826</u>

The impact on cash flows as a result of the acquisition is as follows:

In thousands of Euro

Cash paid	215,145
Cash and cash equivalents acquired	(42,974)
Net cash outflow on acquisitions	<u>172,171</u>

The acquisition of Equity Trust had a significant contribution to the revenue and result from operating activities before depreciation, amortisation, impairment charges and other income/expenses of 2011. Due to the successful integration of the legacy TMF offices with the legacy Equity Trust offices, it is unknown with which amount the acquisition of Equity Trust contributed to the revenue and result from operating activities before depreciation, amortisation, impairment charges and other income/expenses of 2011.

The acquisition costs amounted to €11.2 million.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

6. Business combinations (Continued)

Summary goodwill calculation

Goodwill is calculated as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Purchase consideration			
Cash paid	4,683	—	215,145
Consideration deferred to future periods	4,970	—	—
Total purchase consideration	9,653	—	215,145
Less: fair value of net assets acquired (excluding goodwill)	2,533	—	14,681
Goodwill (note 14)	7,120	—	229,826

The goodwill recognized on acquisitions is attributable to the skills and technical talent of the acquired business's workforce, and the synergies and other benefits expected to be achieved from integrating the respective businesses into TMF Group. Besides this, goodwill includes the effect of the deferred tax liabilities.

None of the additional goodwill is tax deductible.

Summary impact of cash flow

The impact on cash flows as a result of the acquisition(s) is as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Cash paid	4,683	587	215,145
Cash and cash equivalents acquired	(485)	—	(42,974)
Net cash outflow on current year acquisitions	4,198	587	172,171
Deferred consideration cash payments from prior period acquisitions . . .	989	558	1,320
Net cash outflow on acquisitions	5,187	1,145	173,491

7. Principal subsidiaries

Subsidiaries

For the list of the subsidiaries of TMF Group at 31 December 2013, reference is made to the section 'TMF Group entities' which is included as an appendix to the financial statements. All subsidiary undertakings are included in the consolidation. Only the shares in TMF Group B.V. are directly held by the parent company.

All of the subsidiaries have either operating activities in line with TMF Group's core business or are intermediate holding and/or finance structures.

At 1 January 2013, TMF Group is no longer in control of Parnassus Accounting France S.à.r.l. after re-assessment of the facts and circumstances by management, performed after a change in the legal form of the company. The impact on TMF Group's financial statements can be specified as follows:

<u>In thousands of Euro</u>	
Assets (excluding cash and cash equivalents)	(1,188)
Cash and cash equivalents	(418)
Liabilities	699
Total	(907)

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

7. Principal subsidiaries (Continued)

In 2012, Parnassus Accounting France S.à.r.l. contributed €2.5 million to revenue and €0.2 million to the result from operating activities before depreciation, amortisation, impairment charges and other income/expenses.

Non-controlling interest

The total non-controlling interest for the period is €1.2 million, almost fully relating to the Custom House Group. Since the non-controlling interest in the Custom House Group is considered immaterial for TMF Group no further summarised financial information is disclosed.

Significant restrictions

Cash and cash equivalents of €8.2 million, held in Ireland, China, British Virgin Islands, Argentina and Venezuela, are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting cash and/or capital from the country.

Cash and cash equivalents of €27.6 million, held in Luxembourg, the Netherlands, Austria, Norway, Argentina and Malaysia, are restricted due to local agreements such as financing or rent agreements.

8. Employee benefit expense

The average number of full time equivalent employees in 2013, 2012 and 2011 was respectively 4,419, 4,217 and 4,199. Personnel expenses are summarised as follows:

In thousands of Euro	2013	2012	2011
Wages and salaries	162,763	161,459	149,984
Social security costs	19,627	19,357	17,126
Pension costs—defined contribution plans	5,534	4,516	4,434
Pension costs—defined benefit plans (note 27)	2,673	2,647	2,435
Other post-employment and long-term employee benefits*	581	—	—
Other personnel costs	17,584	17,045	14,677
Total employee benefit expense	208,762	205,024	188,656

* 2012 and 2011 comparative figures are not available; such benefits were mainly reported as part of wages and salaries.

Other personnel costs relate to education expenses, lease car expenses, commuter allowances, recruitment costs, placement agencies, temporary employees and management fees.

A management equity participation plan was introduced in 2004. Under this plan, certain key and senior managers are invited to indirectly invest in TMF Group. The investment is entered into at fair value, is equity settled and at the risk of the manager. In 2011 the former Equity Trust management equity participation plan was technically combined with the existing TMF management equity participation plan.

The total expense in respect to the Dutch Crisis Levy tax, reported as part of social security costs, amounts to €98 thousand (2012: € 74 thousand).

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

9. Other operating expenses

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Travel expenses	5,974	5,639	4,985
Marketing and sales expenses	3,698	2,847	3,664
Bad debt expenses (note 18)	3,907	4,724	2,722
Insurance	1,401	1,357	1,718
Bank charges	1,421	1,286	1,280
Other	3,889	4,236	5,220
Total other operating expenses	20,290	20,089	19,589

10. Other income/(expenses)—net

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Gain/(loss) on disposal of non-current assets	(47)	(236)	(130)
Acquisition, due diligence and start up costs	(1,937)	(413)	(11,199)
Litigation costs	(1,359)	(867)	(977)
Redundancy and restructuring costs	(7,394)	(19,835)	(33,547)
Impairment loss on financial assets available-for-sale	(907)	—	—
Total other income/(expenses)—net	(11,644)	(21,351)	(45,853)

The acquisition, due diligence and start up costs in 2013 mainly relate to additional acquisition costs with respect to the merger with Equity Trust (accrual for possible non-deductible VAT on acquisition costs) and to the acquisition of Accepta AS (refer to note 6). In 2012, these costs relate to an increase in deferred consideration. In 2011, these costs mainly relate to costs incurred as result from the merger with Equity Trust.

Litigation costs mainly include legal costs relating to legal claims. Legal claims are further disclosed in note 31.

Redundancy and restructuring costs in 2013 mainly concerns integration costs within the Fund Services operating segment and termination fees for some senior staff. In 2012 and 2011, these costs mainly relate to integration costs as result of the merger with Equity Trust. These costs include items such as staff redundancies, premises (e.g. onerous lease contracts), IT and professional fees.

The impairment loss on financial assets available-for-sale originates from investments in other entities, available for sale. The loss reported is the variance between the carrying value of these investments and the anticipated sales price.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

11. Finance income and expenses

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Interest income on short-term bank deposits	9,617	9,753	6,948
Interest income on loans to related parties	7,307	6,200	5,700
Other	—	—	169
Finance income	16,924	15,953	12,817
(Secured) Senior bank loan/bonds	(44,551)	(49,816)	(46,144)
Interest rate swaps, transfer from equity and provision	(7,280)	(5,002)	(183)
Secured mezzanine bank loan	—	—	(10,077)
Unsecured related party loan and subordinated loan	(46,723)	(39,433)	(35,623)
Secured bank overdrafts	(11,415)	(13,643)	(12,256)
Other	(961)	(226)	(59)
Total interest expense	(110,930)	(108,120)	(104,342)
Net foreign exchange result on financing activities	615	113	(4,167)
Finance expenses	(110,315)	(108,007)	(108,509)
Net finance costs	(93,391)	(92,054)	(95,692)

The net foreign exchange result in 2013 mainly arose on US Dollar bank overdrafts. In 2011 and 2012, the net foreign exchange result mainly arose on the US Dollar and GBP senior bank loans and on the US Dollar bank overdrafts.

12. Income tax expense

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Current tax expense	11,788	10,525	10,163
Deferred income tax (note 17)	(7,093)	(3,620)	(3,423)
Total income tax expense	4,695	6,905	6,740

The tax on TMF Group's profit before tax differs from the theoretical amount that would arise using the tax rates applicable in the Netherlands (25%) on the profits of the consolidated entities as shown below:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Profit/(loss) for the year	(31,743)	(42,291)	(74,222)
Total income tax expense	4,695	6,905	6,740
Profit/(loss) before income tax	(27,048)	(35,386)	(67,482)
Tax calculated at the Company's domestic applicable tax rate (25%)	(6,762)	(8,847)	(16,870)
Effect of tax rates in foreign jurisdictions	(1,421)	(1,771)	(1,242)
Income not subject to tax/non deductible expenses	517	1,846	2,890
Utilisation of previously unrecognized tax losses	(1,514)	(1,152)	(225)
Correction of previous years	(852)	44	224
Other non profit related taxes (e.g. withholding taxes)	2,726	2,867	642
Tax losses where no deferred income tax asset was recognized	12,001	13,912	21,321
Tax charge	4,695	6,905	6,740
Weighted average effective tax rate	(17)%	(20)%	(10)%

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

13. Earnings per share

Basic earnings per share is calculated by dividing the result attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company and held as treasury shares.

Basic earnings per share is calculated as follows:

	2013	2012	2011
Result for the year attributable to owners of the parent (in thousand of Euro)	(30,525)	(40,902)	(72,748)
Weighted average number of ordinary shares in issue (in thousands)	18	18	18
Basic earnings per share (in Euro)	<u>(1,696)</u>	<u>(2,272)</u>	<u>(4,042)</u>

Since the Company has no convertible debt or share options, the diluted earnings per share equals the basic earnings per share.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

14. Intangible assets

In thousands of Euro	Goodwill	Client lists	Non- complete agreements	Brands	Software	Total
Cost						
Balance at 1 January 2011	260,196	44,932	11,484	2,656	14,725	333,993
Acquisitions through business combinations (note 6)	229,826	122,118	—	9,903	1,840	363,687
Changes in deferred consideration	—	—	—	—	750	750
Additions	—	—	—	—	(8)	(8)
Exchange differences	444	160	(87)	73	(767)	(177)
Balance at 31 December 2011	490,466	167,210	11,397	12,632	16,540	698,245
Balance at 1 January 2012	490,466	167,210	11,397	12,632	16,540	698,245
Additions	—	—	—	—	4,982	4,982
Disposals	—	—	—	—	(90)	(90)
Exchange differences	(1,160)	(385)	(555)	(27)	(11)	(2,138)
Balance at 31 December 2012	489,306	166,825	10,842	12,605	21,421	700,999
Balance at 1 January 2013	489,306	166,825	10,842	12,605	21,421	700,999
Acquisitions through business combinations (note 6)	7,120	3,414	—	—	—	10,534
Additions	—	—	—	—	6,224	6,224
Disposals	—	(51)	—	—	(36)	(87)
Exchange differences	(6,361)	(3,056)	(1,369)	(197)	(12)	(10,995)
Balance at 31 December 2013	490,065	167,132	9,473	12,408	27,597	706,675
Amortisation and impairment						
Balance at 1 January 2011	6,955	23,631	6,109	691	8,696	46,082
Amortisation for the year	—	15,385	3,519	1,520	4,050	24,474
Exchange differences	—	276	89	36	(932)	(531)
Balance at 31 December 2011	6,955	39,292	9,717	2,247	11,814	70,025
Balance at 1 January 2012	6,955	39,292	9,717	2,247	11,814	70,025
Amortisation for the year	—	14,486	1,432	1,243	4,027	21,188
Disposals	—	—	—	—	(65)	(65)
Exchange differences	(122)	(282)	(554)	(10)	(7)	(975)
Balance at 31 December 2012	6,833	53,496	10,595	3,480	15,769	90,173
Balance at 1 January 2013	6,833	53,496	10,595	3,480	15,769	90,173
Amortisation for the year	—	12,237	213	7,992	3,373	23,815
Disposals	—	(51)	—	—	(25)	(76)
Exchange differences	(263)	(2,770)	(1,342)	(150)	35	(4,490)
Balance at 31 December 2013	6,570	62,912	9,466	11,322	19,152	109,422

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

14. Intangible assets (Continued)

<u>In thousands of Euro</u>	<u>Goodwill</u>	<u>Client lists</u>	<u>Non- complete agreements</u>	<u>Brand</u>	<u>Software</u>	<u>Total</u>
Carrying amounts						
At 1 January 2011	253,241	21,301	5,375	1,965	6,029	287,911
At 31 December 2011	483,511	127,918	1,680	10,385	4,726	628,220
At 1 January 2012	483,511	127,918	1,680	10,385	4,726	628,220
At 31 December 2012	482,473	113,329	247	9,125	5,652	610,826
At 1 January 2013	482,473	113,329	247	9,125	5,652	610,826
At 31 December 2013	483,495	104,220	7	1,086	8,445	597,253

The carrying value of client lists as at 31 December 2013 primarily relates to the acquisition of Equity Trust. The Equity Trust brand is no longer in use and as such fully amortised in 2013. The remaining brand value relates to the Lord Securities brand in the United States.

For the years ended 31 December 2013, 2012 and 2011, the impact of the disposals on the income statement was limited. Refer to note 10.

Software includes the following amounts where TMF Group is a lessee under a finance lease:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Cost-capitalized finance lease	4,011	4,011	3,616
Accumulated amortisation	(2,005)	(668)	(3,515)
Carrying amount	2,006	3,343	101

A segment level summary of the goodwill allocation is presented below.

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Benelux	234,974	234,974	233,639
EMEA	136,147	129,403	130,233
Americas	50,671	53,372	53,945
APAC	38,949	41,156	41,875
Fund Services	22,754	23,568	23,819
Total goodwill	483,495	482,473	483,511

Impairment tests for goodwill

The operating segments of TMF Group are determined to be the level at which goodwill is allocated and tested for impairment, as monitoring for internal management purposes does not take place on a lower level. The allocation of goodwill is made to those CGU's or groups of CGU's that are expected to benefit from the business combination in which the goodwill arose.

The recoverable amount of a CGU is determined based on the fair value less cost of disposal. These calculations use post-tax cash flow projections based on 2014 financial budgets and the five year forecasts approved by management. The annual EBITDA growth for the first 5 years is considered to be a key assumption and is based on past performance and management's expectations of market

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

14. Intangible assets (Continued)

development. Cash flows beyond the five year period are extrapolated using an estimated perpetual growth rate.

<u>2013</u>	<u>Benelux</u>	<u>EMEA</u>	<u>Americas</u>	<u>APAC</u>	<u>Fund Services</u>
Discount rate (a)	8.3%	9.6%	10.3%	9.1%	8.9%
EBITDA growth (b)	4%	12%	13%	16%	23%
Perpetual growth (c)	1.5%	1.5%	1.5%	1.5%	1.5%

<u>2012</u>	<u>Benelux</u>	<u>EMEA</u>	<u>Americas</u>	<u>APAC</u>	<u>Fund Services</u>
Discount rate (a)	8.8%	10.0%	11.1%	9.5%	9.1%
EBITDA growth (b)	5%	16%	22%	46%	12%
Perpetual growth (c)	1.5%	1.5%	1.5%	1.5%	1.5%

<u>2011</u>	<u>Benelux</u>	<u>EMEA</u>	<u>Americas</u>	<u>APAC</u>	<u>Fund Services</u>
Discount rate (a)	8.4%	9.2%	10.0%	8.8%	8.6%
EBITDA growth (b)	8%	15%	15%	39%	40%
Perpetual growth (c)	0%	0%	0%	0%	0%

- a) Post-tax discount rate applied to the cash flow projection.
b) Year-on-year budgeted annual EBITDA growth for the first 5 years.
c) Year-on-year budgeted EBITDA growth after 5 years.

These assumptions have been used for the analysis of each region.

Sensitivity analysis

In the following table is disclosed how much the discount rate could increase or the 'EBITDA growth percentage' could decrease, compared to the percentages disclosed above, before impairment would occur:

<u>2013</u>	<u>Benelux</u>	<u>EMEA</u>	<u>Americas</u>	<u>APAC</u>	<u>Fund Services</u>
Higher discount rate	9%	8%	12%	7%	9%
Lower EBITDA growth percentage	<u>10%</u>	<u>14%</u>	<u>15%</u>	<u>11%</u>	<u>15%</u>

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

15. Property, plant and equipment

In thousands of Euro	Buildings	Leasehold improvements	Furniture and fittings	Office & computer equipment	Motor vehicles	Total
Cost						
Balance at 1 January 2011	—	10,607	6,915	17,664	401	35,587
Additions	—	5,813	1,190	4,007	175	11,185
Acquired through business combinations (note 6)	1,960	716	1,065	3,229	144	7,114
Disposals	—	(730)	(1,282)	(2,974)	(259)	(5,245)
Exchange differences	(19)	153	54	186	1	375
Balance at 31 December 2011 . .	1,941	16,559	7,942	22,112	462	49,016
Balance at 1 January 2012	1,941	16,559	7,942	22,112	462	49,016
Additions	—	3,596	713	2,975	56	7,340
Disposals	—	(879)	(654)	(1,155)	(151)	(2,839)
Exchange differences	(59)	355	(19)	(312)	32	(3)
Balance at 31 December 2012 . .	1,882	19,631	7,982	23,620	399	53,514
Balance at 1 January 2013	1,882	19,631	7,982	23,620	399	53,514
Additions	—	536	703	3,102	72	4,413
Disposals	—	(2,204)	(1,886)	(1,306)	(37)	(5,433)
Exchange differences	(136)	(1,261)	(188)	(1,954)	(68)	(3,607)
Balance at 31 December 2013 . .	1,746	16,702	6,611	23,462	366	48,887
Depreciation						
Balance at 1 January 2011	—	5,013	3,545	13,168	272	21,998
Depreciation for the year	74	2,508	1,466	4,515	154	8,717
Disposals	—	(944)	(1,379)	(2,381)	(283)	(4,987)
Exchange differences	(19)	47	79	221	5	333
Balance at 31 December 2011 . .	55	6,624	3,711	15,523	148	26,061
Balance at 1 January 2012	55	6,624	3,711	15,523	148	26,061
Depreciation for the year	80	3,292	1,403	3,245	100	8,120
Disposals	—	(626)	(613)	(1,111)	(112)	(2,462)
Exchange differences	(29)	(91)	140	(165)	42	(103)
Balance at 31 December 2012 . .	106	9,199	4,641	17,492	178	31,616
Balance at 1 January 2013	106	9,199	4,641	17,492	178	31,616
Depreciation for the year	77	2,744	1,282	2,906	92	7,101
Disposals	—	(2,170)	(1,861)	(1,319)	(27)	(5,377)
Exchange differences	(67)	(790)	(273)	(1,455)	(45)	(2,630)
Balance at 31 December 2013 . .	116	8,983	3,789	17,624	198	30,710
Carrying amounts						
At 1 January 2011	—	5,594	3,370	4,496	129	13,589
At 31 December 2011	1,886	9,935	4,231	6,589	314	22,955
At 1 January 2012	1,886	9,935	4,231	6,589	314	22,955
At 31 December 2012	1,775	10,432	3,341	6,128	221	21,898
At 1 January 2013	1,775	10,432	3,341	6,128	221	21,898
At 31 December 2013	1,630	7,719	2,822	5,838	168	18,177

For the years ended 31 December 2013, 2012 and 2011, the impact of the disposals on the income statement was limited. Refer to note 10.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

15. Property, plant and equipment (Continued)

Property, plant and equipment do not include contracts where TMF Group is a lessee under a finance lease.

For operating lease costs regarding property, plant and equipment, refer to note 30.

16. Financial assets

In thousands of Euro

	2013	2012	2011
Non-current financial assets			
Loans receivable from related parties	98,559	89,529	78,562
Non-current bank deposits	—	—	1,199
Loans and receivables	1,472	950	575
Total non-current financial assets	100,031	90,479	80,336
Current financial assets			
Loans receivable from related parties	—	—	8,538
Loans and receivables	462	515	620
Total current financial assets	462	515	9,158

The loans receivable from related parties are mainly loans provided to TMF Group HoldCo B.V. (2011, 2012 and 2013) and St. Andrew Street Unit Trust (2011 and 2012). The loans provided to TMF Group HoldCo B.V. have interest percentages of 13.25% (new loan in 2013), Euribor + 5.60% and Wibor + 5.68% per annum. The year of maturity of these loans is respectively 2022, 2064 and 2064. The loan provided to St. Andrew Street Unit Trust is settled in 2013.

The maximum exposure to credit risk at the reporting date is the carrying amount of the financial assets. None of the financial assets are either past due or impaired, except for the trade receivables as disclosed in note 18. The credit risk is considered to be very limited based on the credit ratings of the related parties, which form the majority of the receivables.

Current financial assets include financial assets available-for-sale which can be further specified:

<u>In thousands of Euro</u>	2013	2012	2011
Carrying value financial assets available-for-sale	907	—	—
Impairment loss (refer to note 10)	(907)	—	—
Total financial assets available-for-sale	—	—	—

Financial assets available-for-sale only includes investments in entities that are available-for-sale.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

16. Financial assets (Continued)

TMF Group classifies all other financial assets as loans and receivables, as specified below:

<u>In thousands of Euro</u>	<u>Loans and receivables</u>
31 December 2013	
Non-current financial assets	100,031
Trade receivables	102,203
Current financial assets	462
Clients' funds held under Trust	52,512
Cash and cash equivalents	90,422
Total	345,630
31 December 2012	
Non-current financial assets	90,479
Trade receivables	101,450
Current financial assets	515
Clients' funds held under Trust	51,130
Cash and cash equivalents	83,380
Total	326,954
31 December 2011	
Non-current financial assets	80,336
Trade receivables	97,765
Current financial assets	9,158
Clients' funds held under Trust	49,772
Cash and cash equivalents	68,257
Total	305,288

17. Deferred tax assets and liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset deferred tax receivables against deferred tax liabilities and when the deferred income taxes relate to the same fiscal authority.

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Deferred tax assets			
To be recovered after more than 12 months	2,525	1,230	2,170
To be recovered within 12 months	765	458	1,170
Total deferred tax assets	3,290	1,688	3,340
Deferred tax liabilities			
To be recovered after more than 12 months	(24,705)	(28,122)	(32,948)
To be recovered within 12 months	(3,118)	(4,244)	(4,690)
Total deferred tax liabilities	(27,823)	(32,366)	(37,638)
Deferred tax liability (net)	(24,533)	(30,678)	(34,298)

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

17. Deferred tax assets and liabilities (Continued)

The gross movement in the deferred tax account is as follows:

In thousands of Euro	2013	2012	2011
Beginning of the year	(30,678)	(34,298)	(5,172)
Acquired through business combinations (note 6)	(948)	—	(32,549)
Income statement credit (note 12)	7,093	3,620	3,423
End of the year	(24,533)	(30,678)	(34,298)

The movement in deferred tax assets and liabilities during the year is as follows:

Deferred tax assets

In thousands of Euro	Provisions	Tax losses	Property, plant and equipment	Other	Total
At 1 January 2011	95	630	75	297	1,097
(Charge)/credited to the income statement	47	(65)	346	751	1,079
Acquired through business combinations (note 6)	—	412	—	752	1,164
At 31 December 2011	142	977	421	1,800	3,340
At 1 January 2012	142	977	421	1,800	3,340
(Charge)/credited to the income statement	766	(534)	(129)	(1,755)	(1,652)
At 31 December 2012	908	443	292	45	1,688
At 1 January 2013	908	443	292	45	1,688
(Charge)/credited to the income statement	(690)	876	351	1,057	1,594
Acquired through business combinations (note 6)	—	—	—	8	8
At 31 December 2013	218	1,319	643	1,110	3,290

Deferred tax liabilities

In thousands of Euro	Fair value gains	Other	Total
At 1 January 2011	5,856	413	6,269
Charge/(credited) to the income statement	(4,083)	1,739	(2,344)
Acquired through business combinations (note 6)	33,397	316	33,713
At 31 December 2011	35,170	2,468	37,638
At 1 January 2012	35,170	2,468	37,638
Charge/(credited) to the income statement	(3,630)	(1,642)	(5,272)
At 31 December 2012	31,540	826	32,366
At 1 January 2013	31,540	826	32,366
Charge/(credited) to the income statement	(6,094)	595	(5,499)
Acquired through business combinations (note 6)	956	—	956
At 31 December 2013	26,402	1,421	27,823

Deferred tax assets are recognized for tax loss carry forwards to the extent that the realization of the related tax benefit through the future taxable profits is probable. As at 31 December 2011, 31 December 2012 and 31 December 2013, TMF Group did not recognize deferred tax assets of respectively €48.6 million, €56.4 million and €65.1 million in respect of estimated taxable losses of respectively €184.7 million, €215.7 million and €251.6 million. The main part of the non-capitalised losses relates to the Netherlands and Luxembourg.

The taxable losses in the Netherlands will expire between 2015 and 2023, the majority of which will expire relatively evenly between 2018 and 2023. The taxable losses of Luxembourg will not expire.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

18. Trade receivables

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Trade receivables	77,838	81,104	81,364
Less: Allowance for impairment of trade receivables	(10,619)	(11,162)	(12,128)
Trade receivables—net	67,219	69,942	69,236
Unbilled services	34,984	31,508	28,529
Total trade receivables (current)	102,203	101,450	97,765

Trade receivables are recognised at amortised costs, which approximate the fair value of the trade receivables.

The ageing of trade receivables is as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Less than one month	31,896	35,890	37,473
2 - 3 months	15,542	15,430	14,341
4 - 6 months	10,591	8,836	8,339
7 - 12 months	10,057	10,050	10,629
1 - 2 years	4,881	6,590	6,398
More than 2 years	4,871	4,308	4,184
Trade receivables	77,838	81,104	81,364

The fair values of total trade receivables are as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Trade receivables—net	67,219	69,942	69,236
Unbilled services	34,984	31,508	28,529
Fair value of total trade receivables	102,203	101,450	97,765

Movements in the provision for impairment of trade receivables are as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
At 1 January	11,162	12,128	9,021
Acquired through business combinations	885	—	8,213
Increase in the allowance for receivables impairment	4,784	6,642	3,159
Reversed allowance for trade receivables	(876)	(1,918)	(437)
Receivables written off during the year as uncollectible	(5,336)	(5,690)	(7,828)
At 31 December	10,619	11,162	12,128

It was assessed that a portion of the impaired trade receivables are expected to be recovered. The impairment profile of trade receivables is as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Trade receivables not yet due	37,533	36,165	38,492
Trade receivables due but not yet impaired	27,368	32,050	28,611
Trade receivables impaired	12,937	12,889	14,261
At 31 December	77,838	81,104	81,364

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

18. Trade receivables (Continued)

Trade receivables which are neither past due nor impaired are expected to be received in full. The ageing of trade receivables due but not yet impaired is mainly between 2 and 12 months. The ageing of trade receivables impaired is mainly between 7 months and >2 years.

The carrying amounts of TMF Group's total trade receivables and unbilled services are denominated in the following currencies:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Euro	61,823	61,591	60,312
US Dollar	20,744	25,049	22,899
UK Pound	9,914	8,741	9,234
Other	20,341	17,231	17,448
Total trade receivables and unbilled services	112,822	112,612	109,893

The maximum exposure of credit risk at the reporting date is the fair value of the receivables. TMF Group does not hold any collateral as security. TMF Group has no significant concentrations of credit risk.

19. Other receivables

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Prepayments	7,946	6,996	6,465
Rental and other deposits	8,122	8,181	9,924
Interest receivable	2,441	2,511	1,947
Unbilled disbursements	1,933	1,974	981
Other receivables	6,827	11,279	8,639
Total other receivables	27,269	30,941	27,956

Other receivables are not overdue or impaired.

20. Clients' funds held under Trust

Clients' funds held under Trust consists of client money that is held in TMF Group bank accounts on behalf of clients. Clients' funds held under Trust is recorded separately as an asset on the balance sheet of TMF Group. A corresponding liability is recognised within current liabilities to reflect the linked character for TMF Group.

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Clients' funds held under Trust	52,512	51,130	49,772
Clients' funds ledger balances	(52,512)	(51,130)	(49,772)
Net held under Trust	—	—	—

21. Cash and cash equivalents

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Cash at bank and on hand	293,115	240,140	196,228
Short-term bank deposits	30,801	29,057	15,389
Bank overdrafts used for cash management purposes	(233,494)	(185,817)	(143,360)
Total cash and cash equivalents	90,422	83,380	68,257

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

21. Cash and cash equivalents (Continued)

TMF Group manages US Dollar and Euro notional cash pools. In these cash pools, the account balances are notionally offset for interest purposes without the central movement of funds. Interest is earned on the net balance of the pool. The total net balances in the cash pool as at 31 December 2011, 31 December 2012 and 31 December 2013 was respectively €10.0 million, €8.8 million and €12.9 million.

For restrictions on cash and cash equivalents refer to note 7.

22. Equity

Share capital and share premium

At 31 December 2011, 31 December 2012 and 31 December 2013, the authorized share capital comprised 90,000 shares divided into 90,000 ordinary shares. The issued share capital amounts to €18,000 and consists of 18,000 ordinary shares with a nominal value of €1 each. All shares are fully paid. All shares have similar rights in meetings of the shareholders.

In 2012 without issuing of shares, capital contributions from the parent company for an amount of €7.8 million (2011: €81.7 million) were added to the share premium reserve. No cash is received in this respect.

TMF Group HoldCo B.V. provided the Group with capital contributions amounting to €65.9 million during 2010. The legal form of these contributions was an interest-free related party loan, which was converted during 2012.

Retained earnings

At 31 December 2011, 31 December 2012 and 31 December 2013 legal reserves of respectively €3.5 million, €3.8 million and €8.0 million are included in retained earnings. Legal reserves are mandatory statutory reserves held by TMF Group subsidiaries. These reserves and the currency translation reserves are not available for distribution to shareholders.

In 2011, dividends amounting to €5 million were paid to TMF Group HoldCo B.V.

23. Other reserves

Reconciliation of the movement in other reserves

In thousands of Euro	Currency translation reserve	Hedging reserve	Total other reserves
Balance at 1 January 2011	3,390	—	3,390
Translation movements	11,191	—	11,191
Cash flow hedges	—	(6,374)	(6,374)
Balance at 31 December 2011	14,581	(6,374)	8,207
Balance at 1 January 2012	14,581	(6,374)	8,207
Translation movements	(1,948)	—	(1,948)
Cash flow hedges	—	(4,280)	(4,280)
Balance at 31 December 2012	12,633	(10,654)	1,979
Balance at 1 January 2013	12,633	(10,654)	1,979
Translation movements	(13,184)	—	(13,184)
Cash flow hedges	—	7,779	7,779
Balance at 31 December 2013	(551)	(2,875)	(3,426)

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

23. Other reserves (Continued)

Currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Hedging reserve

The hedging reserve includes the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges. Amounts accumulated in equity are reclassified to income statement in the periods when the hedged item affects the income statement. Refer also to note 11.

24. Loans and borrowings

In thousands of Euro

Non-current

	2013	2012	2011
Senior secured loan notes*	390,277	387,287	—
Senior loan notes*	168,638	167,566	—
Secured bank borrowings*	16,090	26,155	555,745
Related party loan (note 32)*	374,246	327,390	264,553
Unsecured, subordinated loans*	15,589	15,589	15,589
Deferred consideration payable**	2,811	1,139	831
Other non-current loans and borrowings*	631	2,033	1,020

Total non-current loans and borrowings	968,282	927,159	837,738
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Current

Current portion of secured bank borrowings*	17,300	7,634	19,383
Due to related parties (note 32)*	—	—	34,480
Deferred consideration payable**	3,284	858	1,031
Other current loans and borrowings*	1,505	1,421	134

Total current loans and borrowings	22,089	9,913	55,028
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Total borrowings	990,371	941,387	894,023
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* Interest bearing liabilities

** Deferred consideration payables are discounted amounts

TMF Group's primary source of finance is intercompany lending from TMF Group HoldCo B.V. and senior (secured) loan notes. These senior loan notes were issued on 7 December 2012, after which on the same date the senior loan facilities provided by a syndicate of banks were fully repaid.

The deferred consideration payable relates to deferred payments and earn-out agreements with the former shareholders of acquired companies and sellers of client portfolios.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

24. Loans and borrowings (Continued)

Terms and repayment schedules

The terms and conditions of outstanding loans, excluding deferred consideration payables, are as follows:

In thousands of Euro	Currency	Nominal interest rate	Year of maturity	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
				2013		2012		2011	
Senior secured loan notes	Euro	Euribor + 5.375%	2018	414,457	405,000	406,900	405,000	—	—
Senior loan notes	Euro	9.875%	2019	190,195	175,000	178,648	175,000	—	—
Capitalized costs on loan notes	—	—	—	(21,085)	(21,085)	(25,147)	(25,147)	—	—
Secured Senior A bank loan	Euro	Euribor + 4.00%	*	—	—	—	—	48,455	48,455
Secured Senior A bank loan	US Dollar	US Libor + 4.00%	*	—	—	—	—	47,906	47,906
Secured Senior A bank loan	GBP	GBP Libor + 4.00%	*	—	—	—	—	17,752	17,752
Secured Senior B bank loan	Euro	Euribor + 4.25%	*	—	—	—	—	443,692	443,692
Unsecured related party loans	Euro	6.26%—16%	2022	408,771	374,246	364,970	327,390	379,316	296,279
Unsecured related party loans	Euro	Euribor + 5.80%	*	—	—	—	—	2,753	2,753
Unsecured, subordinated loan	Euro	12%	2016	15,573	15,589	16,039	15,589	15,843	15,589
Financial lease	—	—	—	1,910	1,910	3,341	3,341	477	477
Other loans and borrowings	—	—	—	33,616	33,616	33,902	33,902	18,001	18,001
Total				1,043,437	984,276	978,653	935,075	974,195	890,904

* these borrowings were repaid on 7 December 2012

The fair values disclosed above are based on Level 2 fair value calculations.

The fair value of the senior secured and senior loan notes is based on the average of the trading price stated by Bloomberg contributors. The average trading price per 31 December 2013 was at 102.335% of the book value for the senior secured loan notes and 108.683% for the senior loan notes.

The fair value of the intercompany loans equals the carrying amount in case loans had been recently priced. Where this is not the case an appropriate Bloomberg interest curve was used to determine the fair value. Refer to note 32 for further information on related party loans.

The senior loan notes and revolving credit facility are secured over certain shares, bank accounts, trade receivables and intercompany receivables of several entities within TMF Group.

It is contractually agreed that the interest on the unsecured related party loans is rolled-up.

For the calculation of the amortised cost price of the senior secured loan notes, it is assumed in the prediction of future cash flows that future interest rates on these loan notes are comparable with the variable interest rate in 2012. The effective interest rate of the senior loan notes and bank loans is 0.98% for 2013, 1.27% for 2012 and 1.80% for 2011 higher than the nominal interest rate due to capitalised finance costs.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

24. Loans and borrowings (Continued)

The exposure of TMF Group's borrowings to interest rate changes and the contractual re-pricing dates are as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
12 months or less	38,179	35,210	150,050
1-5 years	409,308	404,909	446,166
Over 5 years	542,884	494,956	294,688
Total	990,371	934,075	890,904

For the maturity of TMF Group's borrowings refer to note 4.5. For further details on the revolving credit facility refer to note 4.5 and note 4.6.

Finance lease liabilities

The present value of the finance lease liabilities is as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Gross finance lease liabilities—minimum lease payments:			
Less than one year	1,499	1,239	144
1-5 years	599	2,479	363
Over 5 years	—	—	—
Future finance charges on finance lease liabilities	(188)	(377)	(30)
Present value of finance lease liabilities	1,910	3,341	477
Less than one year	1,393	1,114	134
1-5 years	517	2,227	343
Over 5 years	—	—	—
Present value of finance lease liabilities	1,910	3,341	477

25. Derivative financial instruments

<u>In thousands of Euro</u>	<u>2013</u>		<u>2012</u>		<u>2011</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Interest rate swaps—cash flow hedge	—	7,156	—	11,655	—	6,374
Balance at 31 December	—	7,156	—	11,655	—	6,374
Non-current	—	7,156	—	11,655	—	6,374
Current	—	—	—	—	—	—
Total	—	7,156	—	11,655	—	6,374

The full fair value of a hedging derivative is classified as non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and as a current asset or liability if the maturity of the hedged item is less than 12 months. The fair value is based on a Level 2 fair value calculation.

The ineffective portion recognized in the income statement that arises from cash flow hedges amounts to €3.3 million in 2013, €0.4 million in 2012 and nil in 2011.

TMF Group had no trading derivatives during 2011, 2012 and 2013.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

25. Derivative financial instruments (Continued)

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts at 31 December 2013 were €405 million (2011 and 2012: respectively €420 million and €405 million) at an average fixed interest rate of 1.27% (2012: 1.27%; 2011: 1.6475%-1.67%). On 7 December 2012 the contractual end date of the interest rate swaps was extended from 1 September 2014 to 1 December 2015.

Gains and losses recognized in the hedging reserve in equity on interest rate swap contracts as of 31 December 2013 will be continuously released to the income statement within finance costs until the contractual end date of the interest rate swaps.

26. Provisions

In thousands of Euro	Legal	Restructuring	Loss making contracts	Employee benefits	Other	Total
Balance at 1 January 2011	—	2,546	—	—	—	2,546
Acquired through business combinations (note 6)	9,461	—	6,193	—	605	16,259
Charged to the income statement:						
— Additions	—	13,188	—	—	583	13,771
— Unwind of discount	—	61	—	—	—	61
— Exchange differences	(21)	24	—	—	14	17
Used during the year	(2,904)	(1,634)	(2,064)	—	(264)	(6,866)
Balance at 31 December 2011 . .	6,536	14,185	4,129	—	938	25,788
Balance at 1 January 2012	6,536	14,185	4,129	—	938	25,788
Charged to the income statement:						
— Additions	2,218	1,679	—	—	26	3,923
— Unwind of discount	74	152	—	—	—	226
— Exchange differences	(47)	13	—	—	(10)	(44)
Used during the year	(1,050)	(5,143)	(2,064)	—	(766)	(9,023)
Balance at 31 December 2012 . .	7,731	10,886	2,065	—	188	20,870
Balance at 1 January 2013	7,731	10,886	2,065	—	188	20,870
Charged to the income statement:						
— Additions	1,204	573	—	809	939	3,525
— Unwind of discount	232	567	—	153	—	952
— Exchange differences	(390)	(62)	—	(7)	(57)	(516)
Used during the year	(2,524)	(5,085)	(2,065)	(6)	(8)	(9,688)
Balance at 31 December 2013 . .	6,253	6,879	—	949	1,062	15,143

	2013	2012	2011
Current	4,841	7,531	9,394
Non-current	10,302	13,339	16,394
Balance at 31 December	15,143	20,870	25,788

Legal

The legal provisions relate to costs with regard to legal cases in subsidiaries of TMF Group. The amount provided for relates to costs that will be incurred in these legal cases. It is unknown when the legal provisions will be used. For further details reference is made to note 31.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

26. Provisions (Continued)

Restructuring

The restructuring provisions have been created to cover the Equity Trust integration costs, mainly in the Netherlands. Integration costs include staff redundancies and onerous office lease agreements. A substantial part of the restructuring provisions will be used in 2014. The remainder will be used in the period up to 2018.

Loss making contracts

The provision for loss making client contracts in Jersey and Hong Kong covers unavoidable future losses as a result of these contracts. The provision is fully used as at 31 December 2013.

Employee benefits

The provision for employee benefits mainly relates to jubilee and anniversary benefit schemes of which the initial recognition took place in 2013 in the applicable countries. The short term part of the provision amounts to €0.1 million.

27. Retirement benefit obligations

TMF Group operates four average salary pension schemes in the Netherlands, for its employees with a retirement age of 65 years and an entry age between 18 years and 25 years. The pension schemes are career average plans with for a part of the employees conditional indexation of accrued benefits and for a part of the employees unconditional indexation of accrued benefits. The scheme is an insurance scheme whereby the insurer will pay future annuities for which it receives annual premiums from the employing company and (a part of) the employees. The insurance company falls under the supervision of the Dutch National Bank. The insurance company guarantees the accrued nominal benefits and as such essentially removes the downside risks to TMF Group. The pension schemes qualify as defined benefit schemes.

The funding agreement with the insurer describes that the insurer can charge TMF Group for costs that cover the following purposes:

- Coming service benefits;
- Risk premiums for death benefits and disability benefits;
- Past service benefit increases due to (full) indexation of past service benefits to actives (for 1 of the pension schemes);
- Guarantee premiums, cost for the administration of the benefits, and the management cost of the assets; and
- Risk buffers.

TMF is not obliged to pay for:

- Past service benefit increases due to wage increases;
- Past service benefit increases due to (full) indexation of past service benefits to actives (for 1 of the pension schemes);
- Past service benefit increases due to (full) indexation of past service benefits to inactives;
- Catch up contributions (e.g. for a transitory plan); and
- Asset management fees, past service related administration cost.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

27. Retirement benefit obligations (Continued)

Means that are available or will become available in the contract will, up to a maximum, be allocated to the current and former employees through benefit increases. Only after the maximum has been reached means will be allocated to TMF Group. Any surpluses in the plan are not fully recoverable by TMF Group.

The assets in the scheme partly represent the market value of the funded benefits at the insurer, the (expected) interest profit sharing and the current account with the insurer, and partly represent the market value of investments in bonds. The liabilities in the scheme represent the present value of the current and future defined benefit pension obligations. Only in certain specific circumstances there is a legal obligation on TMF Group subsidiaries to fund any reported deficit in these schemes.

For one of the pension schemes a plan amendment took place, effective as from 1 January 2014. The past service costs are separately disclosed on the next pages. The changes for this scheme are:

- Accrual rate increases from 1.79% to 1.84%.
- The retirement age for benefits accrued increases from 62 to 65.

All retirement benefit obligations are of a long term nature. The amounts in the balance sheet were determined as follows and are based on external actuarial reports.

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Present value of funded obligations	47,434	43,937	30,838
Fair value of plan assets	(43,154)	(38,866)	(27,000)
Liability in the balance sheet	<u>4,280</u>	<u>5,071</u>	<u>3,838</u>

Movement in the liability for defined benefit obligations

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Beginning of year	<u>43,937</u>	<u>30,838</u>	<u>15,927</u>
Acquired through business combinations	—	—	13,626
Current service cost	2,973	2,379	2,007
Employee contribution	1,215	1,205	1,164
Interest cost	1,550	1,418	1,323
Actuarial (gains)/losses	(655)	9,931	(3,202)
Net benefits paid	(152)	(1,834)	(7)
Past service costs	(1,434)	—	—
End of year	<u>47,434</u>	<u>43,937</u>	<u>30,838</u>

The actuarial gain in 2013 can be split in a gain from a change in financial assumptions (€1.1 million), offset by a loss from experience (€0.4 million).

The weighted-average duration of the defined benefit obligation is 25.1 year.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

27. Retirement benefit obligations (Continued)

Movement in plan assets

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Beginning of year	38,866	27,000	14,046
Acquired through business combinations	—	—	11,210
Return on plan assets, excluding amounts included in 'interest cost' . . .	1,384	1,375	1,154
Actuarial gains/(losses)	(1,989)	5,345	(3,644)
Employer contributions	4,776	6,050	3,336
Employee contributions	1,215	1,205	1,164
Net benefits paid	(152)	(1,834)	(7)
Other costs	(295)	(275)	(259)
Past service costs	(651)	—	—
End of year	43,154	38,866	27,000

The actuarial loss in 2013 is due to differences between the interest income and actual return on assets.

The actual return on plan assets for the years ended 31 December 2011, 2012 and 2013 is respectively €0.1 million, €9.0 million and €0.4 million. The assets in the plans comprise qualifying insurance policies with a profit sharing arrangement. The value of the profit sharing arrangement is based on the profit sharing provisions in the contracts with the insurance company. All assets can be considered as 'not quoted in an active market'.

Expense recognized in the income statement

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Current service cost	2,973	2,379	2,007
Interest cost	1,550	1,418	1,323
Other costs	295	225	259
Return on plan assets, excluding amounts included in 'interest cost' . . .	(1,384)	(1,375)	(1,153)
Past service costs	(761)	—	—
Total included in personnel expenses (note 8)	2,673	2,647	2,435

Principal actuarial assumptions

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Discount rate	3.60%	3.50%	4.75%
Future salary increases/ inflation	2.00%	2.00%	2.00%
Indexation	0.00%-2.00%	0.00%-2.00%	0.00%-2.00%
Turnover rate	10.00%-20.00%	10.00%-20.00%	10.00%-20.00%
Disability rate	0.14%-0.42%	0.14%-0.42%	0.14%-0.42%
Mortality	AG table 2012-2062	AG table 2012-2062	AG table 2010-2060

For setting the discount rate the actuary used a basket of euro denominated bonds that are rated "AA" by Merrill Lynch. For durations up to approximately 12 years, this basket of bonds provides usable yield information. For durations over approximately 12 years the yield curve is extended, using ECB statistics on AAA-rated euro area central government bonds. Corporate bonds with a significant bid-ask spread are excluded. Based on this yield curve, and based on the estimated cash flows in the TMF plan, an effective discount rate for all liabilities in the plan is determined.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

27. Retirement benefit obligations (Continued)

Experience adjustments

The experience adjustments on the plan liabilities and assets can be disclosed as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Present value of funded obligations	47,434	43,937	30,838	15,927	12,850
Fair value of plan assets	(43,154)	(38,866)	(27,000)	(14,046)	(11,703)
Deficit/(surplus) in the plan	4,280	5,071	3,838	1,881	1,147
Experience adjustments on plan liabilities	503	(88)	63	(10)	649
Experience adjustments on plan assets	930	(114)	(35)	76	(636)

Sensitivity analysis

The table below shows the approximate impact on the 2013, 2012 and 2011 pension costs if the mentioned key assumptions would change:

Impact on pension costs 2013

<u>In thousands of Euro</u>	<u>Increase assumption</u>	<u>Decrease assumption</u>
Mortality rate (+1 year)	71	—
Discount rate (+0.5% resp – 0.5%)	(478)	572
Inflation (+0.5% resp – 0.5%)	55	(53)

Impact on pension costs 2012

<u>In thousands of Euro</u>	<u>Increase assumption by 0.5%</u>	<u>Decrease assumption by 0.5%</u>
Discount rate	(479)	573
Inflation	57	(54)

Impact on pension costs 2011

<u>In thousands of Euro</u>	<u>Increase assumption by 1%</u>	<u>Decrease assumption by 1%</u>
Discount rate	115	(34)
Future salary increases	59	(55)

If more than one assumption were changed, the impact would not necessarily be the same as if only one assumption changed in isolation.

Expected service costs of post-employment benefit plans for the year ended 31 December 2014 will approximately be €2.8 million. The expected employer contribution will approximately be €4.4 million.

28. Trade and other payables

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Non-current			
Deferred income	2,902	858	1,257
Cash advances on rent contracts and rent-free periods	4,455	5,057	—
Total trade and other payables	7,357	5,915	1,257

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

28. Trade and other payables (Continued)

In thousands of Euro	2013	2012	2011
Current			
Trade payables	12,167	12,947	18,649
Deferred income	12,758	9,401	9,758
Social security and other taxes	16,755	14,350	11,191
Personnel expenses payable	15,975	13,830	13,225
Accrued expenses	12,762	16,224	13,817
Interest payable	6,676	5,735	5,253
Other payables	8,125	18,976	13,635
Total trade and other payables	85,218	91,463	85,528

The fair value of trade and other payables is close to the carrying value.

29. Cash generated from operations

In thousands of Euro	Note	2013	2012	2011
Result before income tax		(27,048)	(35,386)	(67,482)
Adjustments for:				
Amortisation/impairment	14	23,815	21,188	24,474
Depreciation/impairment	15	7,101	8,120	8,717
Retirement benefit obligations		(2,103)	(3,732)	(902)
Other (income)/expenses—net	10	11,644	21,351	45,853
Net finance costs	11	93,390	92,054	95,692
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):				
Financial assets		(198)	1,017	36
Trade receivables		(4,236)	(4,062)	(7,320)
Other receivables		2,735	(2,473)	9
Trade and other payables		(3,782)	9,559	235
Clients' funds held under Trust		(1,382)	(1,358)	(9,423)
Clients' funds ledger balances		1,382	1,358	9,423
Changes in foreign currency (excluding movement in currency translation reserve)		(1,109)	854	7,013
Cash generated from operations		100,209	108,490	106,325

30. Commitments

Capital commitments

As at 31 December 2013, 2012 and 2011, capital expenditure for the acquisition of property, plant and equipment contracted for at balance sheet date but not yet incurred amounted to respectively nil, nil and €2.0 million.

Operating lease commitments

TMF Group leases various offices under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

TMF Group also leases various motor vehicles, office and computer equipment under cancellable operating lease agreements. The lease expenditure charge to the income statement during the years 2011, 2012 and 2013 was respectively €26.1 million, €25.3 million and €23.5 million.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

30. Commitments (Continued)

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Less than 1 year	18,248	22,262	25,261
1-5 years	44,611	51,565	54,587
Over 5 years	19,779	21,333	26,216
Total operating lease commitments	82,638	95,160	106,064

Guarantees

As at 31 December 2011, 2012 and 2013, TMF Group has issued guarantees in connection with deferred consideration payments and office lease agreements amounting respectively to €16.3 million, €16.3 million and €14.7 million.

Fiscal unity

The majority of the Dutch entities within TMF Group are part of a fiscal unity with TMF Group HoldCo B.V. As a consequence, those entities and TMF Group HoldCo B.V. are jointly and severally liable for corporate income tax liabilities of the fiscal unity.

31. Contingencies

Legal claims

TMF Group has contingent liabilities in respect to legal claims. The most material claims are described below:

Case 1

Certain TMF Group companies provided trustee, director and administration services in property investment and development trusts and associated companies. Certain investors in respect of these investments have threatened legal proceedings and/or have filed complaints with the Jersey regulator against these TMF Group companies. Additionally, a claim was filed commencing proceedings in Jersey in December 2010 against two TMF Group companies by the current trustee and manager of three collective investment funds which invested in property development structures in respect of which the relevant TMF Group companies previously acted as trustee or manager. Subsequently in 2013, some of the investors commenced independent and conflicting proceedings in England against three TMF Group companies. A majority of the claims pursued in the English proceedings pursue the same claims made in the Jersey proceedings. Both the Jersey and English legal proceedings involve investors claiming losses of substantial sums of money in connection with the underlying property investments in Eastern Europe. Certain of TMF Group companies' activities in Jersey are regulated and the Jersey regulator is currently investigating some of TMF Group companies' actions relating to investments, including the handling of the investor complaints referred to above.

Case 2

A TMF Group company acted as one of three directors of a Dutch holding company whose subsidiary owned a foreign property. Additional shares were issued by the subsidiary that resulted in the dilution of the Dutch holding company's (and its shareholders) indirect interest in the overseas property. Legal proceedings were initiated with the Dutch Enterprise Chamber by one of the shareholders in the Dutch holding company alleging mismanagement by all three of its directors (only one of whom, as noted above, was a TMF Group company). The Dutch Enterprise Chamber determined in favour of the shareholder. The appeal of TMF Group company and the other directors was not accepted by the court and TMF Group company is appealing this decision. The respective shareholder started civil

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

31. Contingencies (Continued)

proceedings against TMF Group company and the other directors to claim damages. TMF Group company intends to vigorously defend the civil proceedings.

Case 3

A TMF Group company provided certain services in connection with a structured finance transaction, whereby receivables from a bank were transferred to a special purpose vehicle ("SPV") managed and administered by TMF Group company. The SPV issued notes to investors. The note Trustee on behalf of the note holders filed a claim in Luxembourg against TMF Group company in November 2012 asserting that certain formalities were not complied with in relation to the transferring of underlying assets and claiming that the SPV is at risk of material loss to the extent that it may be unable to repay the note holders.

Case 4

The liquidators of an English company, of which during a prior period a certain TMF Group company had provided directors and administration services in Jersey, in February 2013 served legal proceedings against its former directors and TMF Group company. The primary assets of the English company consisted of substantial London property. The legal proceedings involve allegations of sale of the London property to a related entity at an undervalue, recovery of an associated loan and income generated by the London property.

While TMF Group cannot predict the outcome of the foregoing matters, based upon information currently available to TMF Group and in light of TMF Group's insurance coverage management does not believe that the final outcome of these proceedings and any threatened proceedings will have a material adverse effect on TMF Group's business, results of operations or financial condition.

TMF Group has contingent liabilities in respect to other legal claims arising from the normal course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for.

Contingent assets

During 2008 TMF Group sold and assigned €9.3 million of certain financial assets and deferred tax assets to Middenberm Group Holding Luxembourg S.A. which is entitled to return of 10% of the purchase price or the unrecovered portion thereof each year ('Yield'). This Yield will be calculated up to the date that Middenberm Group Holding Luxembourg S.A. has been able to unconditionally transfer all assets to a third party or otherwise realized in cash. If the aggregated proceeds received by Middenberm Group Holding Luxembourg S.A. for all assets are in excess of the purchase price, increased by the Yield, then the amount of excess shall be considered as an adjustment to the purchase price and repaid to TMF Group.

32. Related party transactions

Ultimate controlling party

The shares in the Company are 100% held by TMF Group HoldCo B.V., which is 100% owned by TMF Orange Holding B.V. 65% of the ordinary shares and all preference shares in TMF Orange Holding B.V. are indirectly held by Doughty Hanson & Co V (which comprises a series of English limited partnerships with each limited partnership having a common general partner in Doughty Hanson & Co V Limited) and indirectly by the employees of affiliates of Doughty Hanson & Co V Limited. The remaining 35% of the ordinary shares in TMF Orange Holding B.V. are indirectly held by the current and previous management and employees of TMF Group.

In 2013, 2012 and 2011, TMF Group provided services to Doughty Hanson & Co and its associated companies for respectively €145 thousand, €192 thousand and €15 thousand.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

32. Related party transactions (Continued)

The loan given to St. Andrew Street Unit Trust of €3.2 million is settled in 2013 (2011: €2.7 million). The interest income for 2013, 2012 and 2011 amounted to nil.

TMF Group has given loans to and received loans from TMF Group HoldCo B.V. Reference is made to note 11, 16 and 24.

Transactions with key management, personnel and advisors

Key management personnel include the Board of Directors and members of the Executive Committee.

Key management personnel compensation comprised:

<u>In thousands of Euro</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Wages, salaries and management fees	8,117	3,991	3,811
Post-employment benefits	392	237	171
Total remuneration of key management	8,509	4,228	3,982

Other transactions with key management and personnel

TMF Group provided services to some personal structures of some key management personnel. The related amounts charged to key management personnel are limited. TMF Group has not had any other material transactions with key management and personnel.

Other related party transactions

The majority of the Dutch entities within TMF Group are part of a fiscal unity with TMF Group HoldCo B.V. As a consequence, those entities and TMF Group HoldCo B.V. are jointly and severally liable for corporate income tax liabilities of the fiscal unity. In some other countries, (some of the) entities form part of a fiscal unity and as a consequence those entities are jointly and severally liable for corporate income tax of such a fiscal unity.

33. Auditor fee

The remuneration of PricewaterhouseCoopers can be specified as follows:

<u>In thousands of Euro</u>	<u>2013 PwC NL</u>	<u>2013 Other PwC network</u>	<u>2013 Total PwC network</u>
Audit of these financial statements	336	220	556
Other audit services	—	769	769
Total audit services	336	989	1,325
Other audit activities	—	22	22
Total PwC Accountants N.V.	336	1,011	1,347
Fiscal advice	460	146	606
Other services	—	—	—
Total	796	1,157	1,953

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

33. Auditor fee (Continued)

The remuneration of other audit firms with respect to the audit of these financial statements amounts to €17 thousand.

<u>In thousands of Euro</u>	<u>2012 PwC NL</u>	<u>2012 Other PwC network</u>	<u>2012 Total PwC network</u>
Audit of these financial statements	350	173	523
Other audit services	650	1,296	1,946
Total audit services	1,000	1,469	2,469
Other audit activities	—	—	—
Total PwC Accountants N.V.	1,000	1,469	2,469
Fiscal advice	300	182	482
Other services	—	—	—
Total	<u>1,300</u>	<u>1,651</u>	<u>2,951</u>

The remuneration of other audit firms with respect to the audit of these financial statements amounts to €17 thousand.

TMF Group entities

The entities of TMF Group by country of incorporation as at 31 December 2013 are included below. All entities have a balance date of 31 December.

Argentina

Almagesto S.R.L.
TMF Argentina S.R.L.
TMF Fiduciario Argentina S.A.
TMF Outsourcing S.R.L.
TMF Trust Company (Argentina) S.A.

Aruba

TMF (Aruba) N.V.
Vokad Aruba N.V.

Australia

TMF Australia RET Services Pty Limited
TMF Corporate Services (AUST) PTY Limited
TMF Nominees (AUST) PTY Limited
TMF FundAdministrators (Australia) Pty. Ltd
TMF FundServices (Australia) Pty. Limited

Austria

APS Buchführungs- & Steuerberatungs Gmbh
dr. mayer gmbh wirtschaftstreuhand- und
steuerberatungsgesellschaft
S.A.L.E.M. Assets Holding GmbH
TMF Accounting & Payroll
Steuerberatungsgesellschaft GmbH
TMF Austria GmbH

Barbados

TMF Barbados Inc

Belgium

Equity Trust (Belgium) N.V.
Poku Holding B.V.B.A.
TMF Accounting Services B.V.B.A
TMF Belgium N.V.
TMF Management N.V.
TMF Services N.V.Equity Trust (Belgium) N.V.
Van Dungen Automaten Exploitatie en Beheer B.V.B.A.

Bermuda

TMF (Bermuda) Limited

Bolivia

TMF Bolivia S.R.L.

Bonaire

Taba B.V.

Brazil

TMF Brasil—Servicios Paralegalais e Contabeis Ltda.
TMF Brasil Assessoria Contabil e Empresarial Ltda.
TMF Brasil Empreendimentos Ltda.
TMF Brasil Participacoes Ltda
TMF Global Assessoria Contabil e Empresarial Ltda.
TMF Sao Paulo Administracao e Participacoes Ltda.

TMF Servicos em Administracao de Recursos
Humanos Ltda.

British Virgin Islands

Aguila Nominees Limited
Alstonia Investments Ltd.
Anglo Nominees Limited
Anshun Services Limited
Barretta Limited
Bicourt Ltd.
Birchtown Limited
Bishopsgate Nominees Limited
Bison Financial Services Limited
Bison Group Limited
Business Administration Services Limited
Carissa Limited
Chapway Limited
CMS Limited
Commonwealth Fund Services Limited
Commonwealth Services Limited
Commonwealth Trust Limited
Derard Limited
Elara Group Limited
EQ Capital Plan Limited
EQ Directors Limited
EQ Executorship Services (BVI) Limited
EQ Fund Services (BVI) Limited
EQ Protectors Limited
Equity International Holdings Limited
Equity Trust Capital (BVI) Limited
F.M.C. Limited
Fanlau Limited
Fides Management Services Ltd.
Financial Trustees Limited
Fort Trust Company Limited
GCI Management Limited
Guarantee Management Ltd.
Guardian Trust and Securities Co. Ltd.
Havelet Trust Company (BVI) Limited
Homestead Management Limited
Imperial Trust Limited
Insinger Corporate Formations (BVI) Limited
Insinger Trust (BVI) Limited
Insinger Trustee Services (BVI) Limited
International Management Company (BVI) Limited
JAI Services Limited
JH Ltd.
JN Ltd.
LDC Financial Services Ltd
Leadenhall Services Limited
Manacor (BVI) Limited
Manfell Limited
Marek Limited
Mediator Holdings Inc.
MN Limited
Moultrie Investments Limited
OCM Management Limited
Oldwick Holdings Limited
Opti Resources Limited
Optimal Corporate Services (BVI) Limited
Panbridge Nominee (Asia) Limited
PAS Limited
Prestocorp Limited
Prosec Limited

Pyramide Holding Limited
 Quorum Corporate Services Limited
 Ribalta Holdings Inc.
 Rossan Corporate Management Ltd.
 S.C.S. Limited
 Sage Trust Company Limited
 Sealight Trust Limited
 Securities Management Ltd.
 Shellbourne Trust Company (BVI) Limited
 Shellbourne Trust Corporation
 Shellbourne Trustees (BVI) Limited
 Southfield Management Limited
 Spade Investments Limited
 SPC Directors Limited
 Taunton Trading Limited
 Threadneedle Services Limited
 Tiepin Services Limited
 TMF (BVI) Ltd.
 TMF Administration Services Limited (BVI)
 TMF Authorised Representative (BVI) Ltd.
 TMF Company Limited
 TMF Corporate Services (BVI) Limited
 TMF Corporation (BVI) Limited
 TMF Fundservices (BVI) Limited
 TMF Group (BVI) Limited
 TMF Group International Limited
 TMF Incorp Directors (BVI) Limited
 TMF Management (BVI) Limited
 TMF Management Services Limited
 TMF Transactions Limited
 TMF Trust Company (Asia) Limited
 Tower Secretaries Limited
 Treasure Bay X3-2 Development Co. Limited
 Universal Corporate Services (BVI) Ltd.
 Vencourt Limited
 Vision Tower Limited
 Vision Tower Purpose Trust
 Wickhams Cay Trust Company Limited

Bulgaria

TMF Bulgaria E.o.o.d
 TMF Services EOOD

Canada

TMF Canada Management Inc.

Cayman Islands

Fides Limited
 TMF (Cayman) Ltd.
 TMF Nominees Ltd.

Chile

TMF Administradora S.A.
 TMF Chile Asesorias Empresariales Ltda.
 TMF Empresa de Servicios Transitorios Ltda.
 TMF Servicios Integrales Ltda.

China

TMF Services Limited

Colombia

Global Process Outsourcing S.A.S.
 TMF Colombia Ltda.

Costa Rica

TMF Costa Rica (TMFCR) Ltda.

Croatia

TMF Croatia d.o.o.

Curacao

Bermaju N.V.
 BFT (Curacao) N.V.
 Curab N.V.
 Curacao Accounting N.V.
 EQ Trust Caribbean Holding N.V.
 Etrusco N.V.
 N.V. Fides
 Pietermaai Building Association N.V.
 Stichting Beheer TMF Curacao
 Tiana Services N.V.
 TMF Curacao Holding B.V.
 TMF Curacao N.V.

Cyprus

Equity Trust E.Q. (Cyprus) Ltd.
 Stozelia Holdings Limited
 TMF Administrative Services Cyprus Limited
 TMF Company Secretary (CY) Limited
 TMF Management Limited

Czech Republic

TMF Assets a.s.
 TMF Czech a.s.

Denmark

TMF Denmark A-S

Dominican Republic

TMF Republica Dominicana C. por A.

Ecuador

TMF Ecuador Compania Limitada

Egypt

TMF Egypt L.L.C.

El Salvador

TMF El Salvador Ltda de C.V.

Estonia

TMF Services Estonia OU

Finland

TMF Finland OY

France

TMF France Management Sarl
 TMF France S.A.S.
 TMF VAT Services France S.A.S.
 Cinephil France S.A.S.

Germany

TMF Deutschland AG
TMF Management Holding Deutschland GmbH
Una Incorporation GmbH
Una Management GmbH

Guatamala

TMF Guatemala Ltda.

Guernsey

Custom House Fund Services (Guernsey) Ltd.
Equity (Guernsey) Holdings Limited

Honduras

TMF Services Honduras S. de R.L.

Hong Kong

Dale Nominees Ltd.
EQ Corporate Management (China) Limited
EQ Enterprises Limited
EQ Group Services (HK) Limited
EQ Holdings (HK) Limited
EQ Management Services (Hong Kong) Limited
Glen Nominees Ltd.
Gold Bright International Limited
Intergest Far East Hong Kong Limited
Pacific Taxation Services Limited
TMF Fiduciaries Limited
TMF Hong Kong Limited
TMF Secretarial Services Limited
TMF Secretaries (HK) Limited
TMF Signatories Limited
TMF Trust (HK) Ltd.
Vixen Limited

Hungary

Freeway Entertainment Kft
Independent CAM Kft
Synonance Patents and Trademarks Kft
TMF Hungary Accounting and Services Limited Liability Company

India

TMF India Private Ltd.
TMF Services India Private Ltd.

Indonesia

PT TMF Indonesia

Ireland

Custom House Fund Services (Ireland) Limited
TMF Administration Services Limited
TMF Management (Ireland) Limited
TMF Management Holding (Ireland) Limited

Israel

TMF Management and Accounting Services (Israel) Ltd.

Italy

Gentili & Partners—Studio Professionale Associato
TMF & Partners S.p.A.
TMF Compliance (Italy) S.r.l.
TMF Ferri Minnetti Piredda S.r.l.
TMF Invest Italy S.r.l.
TMF Management Italy Srl
TMF Payroll Services Italy S.r.l.

Jamaica

TMF Jamaica Limited

Japan

TMF Group Limited (Japan)

Jersey

Amarado Limited
CH Limited
CN Limited
EQ Council Member Ltd.
EQ Directors One Ltd.
EQ Directors Two Ltd.
EQ Executors and Trustees Limited
EQ Holdings (Jersey) Limited
EQ Life Limited
EQ Nominees (Jersey) Limited
EQ Secretaries (Jersey) Limited
EQ Trust Holdings (Jersey) Limited
Equity Trust (Jersey) Limited
Equity Trust Guernsey Limited
Equity Trust Services Limited
Leadenhall Nominees Limited
Leadenhall Trust Company Limited
Manacor (Jersey) Limited
Manacor Nominees (Jersey) Ltd.
TMF Channel Islands Limited
TMF Charitable Trustee Limited
TMF Group Services (Jersey) Limited
TMF1 LIMITED
TMF2 Limited
Worldwide Financial Services Limited

Kazakhstan

TMF Kazakhstan LLP.

Kenya

TMF Kenya Ltd.

Korea

TMF Korea Co., Ltd.

Labuan

Britannia Limited
Equity Trust (Labuan) Sdn. Bhd.
Guarantee Management Purpose Trust
Marriott Investments Ltd.
The Mutual Assurance Co. Plc
Tiara Ltd.
TMF Holdings Asia Limited
TMF International Pensions Limited
TMF Management Limited
TMF Secretaries Limited

TMF Treasury Limited
TMF Trust Labuan Limited

Latvia

TMF Latvia SIA

Liechtenstein

TMF Management Services Anstalt

Lithuania

TMF Services UAB

Luxembourg

Custom House Fund Services (Luxembourg) S.A.
EQ Audit S.à r.l.
Equity Trust Holdings S.à.r.l.
Fides (Luxembourg) S.A.
Immobiliere Vauban S.A.
International Pyramide Holdings (Luxembourg) S.A.
Invex S.à.r.l.
Manacor (Luxembourg) S.A.
Mutua (Luxembourg) S.A.
Stichting Administrative Foundation Manacor Luxembourg
Sweetlake Corporation N.V.
TMF Administrative Services S.A.
TMF Compliance (Luxembourg) S.A.
TMF Corporate Services S.A.
TMF Luxembourg Holding S.A.
TMF Luxembourg S.A.
TMF Participations S.à r.l.
TMF Secretarial Services S.A.

Malaysia

EQ Secretaries Sdn. Bhd.
TMF Administrative Services Malaysia Sdn. Bhd.
TMF Global Services (Malaysia) Sdn. Bhd.
TMF Trustees Malaysia Bhd.

Malta

Equity Fund Services (Holdings) Limited
Equity Trust Malta Limited
Lily Trust
The Nascent Fund SICAV P.L.C.
TMF FundAdministrators (Malta) Limited
TMF FundServices (Malta) Limited
TMF Holding Malta Limited
TMF Management and Administrative Services (Malta) Limited

Mauritius

Chardon Limited
Palisade Limited
Sentry Limited
TMF Mauritius Limited

Mexico

Servicios De Personal Y Control Plus S. De R.L. De C.V.
TMF BPO Services S. de R.L. de C.V.
TMF Business Process Outsourcing S. de R.L. de C.V.

New Zealand

TMF Corporate Services New Zealand Limited
TMF Fiduciaries New Zealand Limited
TMF General Partner Limited
TMF Trustees New Zealand Ltd.

Nicaragua

TMF Nicaragua y Compania Ltda.

Norway

Accepta AS
Accepta Drammen AS
Accepta VAT Services AS
TMF Norway A.S.

Panama

Equity Directors (Panama) Ltd.
Equity International Incorporation (Panama) S.A.
Equity Presidents (Panama) Ltd.
Equity Treasurers (Panama) Ltd.
TMF Administration Services Panama Ltd.
TMF Mid-America Corp.
TMF Panama S. de R.L.

Paraguay

TMF Paraguay Ltda.

Peru

TMF Peru S.R.L.

Philippines

TMF Asia B.V. Philippines Inc.
TMF Philippines Inc.

Poland

TMF Poland Sp. z.o.o.
TMF VAT Services Poland Sp. z.o.o.

Portugal

TMF PT Servicos de Gestao e Administracao de Sociedades, Lda.

Romania

TMF Accounting and Payroll S.R.L.
TMF Management S.R.L.
TMF Romania S.R.L.

Russia

Corporate Management Rus L.L.C.
RMA Services, Ltd.
TMF RUS, Ltd.

Samoa

TMF (Samoa) Limited

Serbia

TMF Services d.o.o. Beograd

Singapore

Custom House Fund Services (Singapore) Pte. Ltd.
TMF Fund Services Asia Limited
Equity Trust Services (Singapore) Pte Limited
TMF Singapore H Pte. Ltd.
TMF Singapore Pte. Ltd.
TMF Trustees Singapore Limited

Slovakia

FMTA s.r.o.
TMF AUX, s.r.o.
TMF Services Slovakia s.r.o.

Slovenia

TMF Racunovodstvo in administrativne storitve D.O.O.

South Africa

TMF Administrative and Management Services (Pty) Ltd.

Spain

TMF Latin America Holding Spain One S.L.U.
TMF Latin America Holding Spain Two S.L.U.
TMF Management Holding Spain S.L.U.
TMF Management Spain, S.L.
TMF Participations Holdings (Spain) S.L.
TMF Sociedad de Dirección, S.L.
TMF Sociedad de Participación, S.L.
TMF Spain S.A.
TMF VAT & Fiscal Representation Services Spain, S.L.
Freeway Spain S.L.

Sweden

TMF Sweden AB

Switzerland

Gentili & Partners SA
TMF Brunnen A.G.
TMF Investments S.A.
TMF Services S.A.

Taiwan

TMF Taiwan Ltd.

Thailand

Parnassus Holding Thailand Co. Limited
TMF Thailand Ltd.

The Netherlands

Administratiekantoor van De Twentsche Trust-
Maatschappij B.V.
BFT Nederland B.V.
Clear Management Company B.V.
Custom House Fund Services (Netherlands) B.V.
EQ Escrow Services B.V.
Freeway CAM B.V.
Freeway Entertainment Group B.V.
Freeway Patents and Trademarks B.V.
Jeewa B.V.
Kloppenbergh Beheer B.V.
Landsbreed B.V.
Manacor (Nederland) B.V.

Masanco Netherlands B.V.
Musibell B.V.
Nationale Trust Maatschappij N.V.
Nomet Management Services B.V.
Parnassus Trust Amsterdam B.V.
Persijn Beheer B.V.
RevCheck B.V.
Stichting Administratiekantoor Dolfenco
Stichting Cerulean
Stichting Derdengelden TMF
Stichting Ecotree
Stichting Eljan
Stichting Equity
Stichting Freeway Custody
Stichting l'Orange
Stichting M.P.V.
Stichting Therog
Stichting TMF Participations
Stichting TMF Structured Products
TMF Asia B.V.
TMF Bewaar B.V.
TMF Financial Services B.V.
TMF FundAdministrators B.V.
TMF FundServices B.V.
TMF GlobalCustody B.V.
TMF Group B.V.
TMF Group Holding B.V.
TMF Group Invest Two B.V.
TMF Group Services B.V.
TMF Group Services II B.V.
TMF Holding B.V.
TMF Holding Eastern Europe B.V.
TMF Holding International B.V.
TMF Interlease Aviation B.V.
TMF Interlease Aviation II B.V.
TMF Interlease Aviation III B.V.
TMF Latin America B.V.
TMF Leasing B.V.
TMF Management B.V.
TMF Middle East B.V.
TMF Netherlands B.V.
TMF North America B.V.
TMF Participations B.V.
TMF Poland B.V.
TMF Services B.V.
TMF SFS Management B.V.
TMF Slovakia B.V.
TMF Structured Finance Services B.V.
TMF Structured Products B.V.
TMF Trustee B.V.
Tradman FS Holding B.V.
Tradman Fund Services B.V.
Tradman IP Holding B.V.
Tradman Netherlands B.V.
Tudac B.V.
Venture Support B.V.

Turkey

CPA Serbest Muhasebeci Mali Musavirlik A.S.
TMF Yonetim Hizmetleri Limited Sirketi

Ukraine

TMF Ukraine L.L.C.

United Arab Emirates

TMF Services B.V.—Dubai branch

United Kingdom

Custom House Global Fund Services Limited
470 Limited
Caravel Management Limited
Chigwell Investments Limited
EQ Trust UK Limited
Equity Trust (UK) Limited
Equity Trust Consultants (UK) Limited
Equity Trustees (UK) Limited
Joint Corporate Services Limited
Joint Secretarial Services Limited
Praxis MGT Limited
Sonic Corporate Services Limited
TMF Corporate Administration Services Limited
TMF Corporate Secretarial Services Limited
TMF Corporate Services Limited
TMF Holding UK Limited
TMF Management (UK) Limited
TMF Management Holding UK Limited
TMF Nominees Limited
TMF Services (UK) Limited
TMF Trustee Limited
TMF VAT Services Limited
Warwick Investments Limited
WH Secretaries Limited
Freeway CAM (UK) Limited
Krisolta Film & TV (UK) Limited

TMF Group wholly controls the above subsidiaries, except for the following:

United States of America

Custom House Fund Services (Chicago) L.L.C.
Lord Securities (Delaware) L.L.C.
Lord Securities Corporation
TMF US Holding Inc.
TMF USA Inc.

Uruguay

Parnassus S.R.L.
TMF International Services Uruguay S.A.
TMF Trust Company (Uruguay) S.A.
TMF Uruguay Administradora de Fondos de Inversión y Fideicomisos S.A.
TMF Uruguay S.R.L.

Venezuela

TMF Services Venezuela C.A.
TMF Venezuela C.A.

Vietnam

TMF Vietnam Company Limited

Entity name	Country of incorporation	Ownership interest (%)
Cinephil France S.A.S.	France	60
Custom House Fund Services (Guernsey) Ltd	Guernsey	50.18
Interget Far East Hong Kong Limited	Hong Kong	95
Freeway Entertainment Kft	Hungary	60
Independent CAM Services Kft	Hungary	60
Custom House Fund Services (Ireland) Ltd	Ireland	50.18
Panthera Ltd	Labuan	48
Custom House Fund Services (Luxembourg) SA	Luxembourg	50.18
TMF Trustees Malaysia Bhd.	Malaysia	40
Equity Fund Services (Holdings) Limited	Malta	50.18
Lily Trust	Malta	50.18
The Nascent Fund SICAV P.L.C.	Malta	50.18
Administratiekantoor van De Twentsche Trust-Maatschappij B.V.	The Netherlands	50.18
Custom House Fund Services (Netherlands) B.V.	The Netherlands	50.18
Freeway CAM B.V.	The Netherlands	60
Freeway Entertainment Group B.V.	The Netherlands	60
Freeway Patents and Trademarks B.V.	The Netherlands	60
Jeewa B.V.	The Netherlands	60
RevCheck B.V.	The Netherlands	60
TMF Structured Products B.V.	The Netherlands	70
Custom House Fund Services (Singapore) Pte Ltd	Singapore	50.18
Freeway Spain S.L.	Spain	60
Custom House Global Fund Services Ltd	United Kingdom	50.18
Freeway CAM UK Limited	United Kingdom	60
Krisolta Film & TV UK Ltd.	United Kingdom	60
Custom House Fund Services (Chicago) LLC	United States of America	50.18

TMF Group Holding B.V.

Consolidated Annual Report 2012

TMF Group Holding B.V.

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Independent auditor's report

To: the general meeting of TMF Group Holding B.V.

Report on the financial statements

We have audited the accompanying financial statements 2012 as set out on pages 23 to 91 of TMF Group Holding B.V., Amsterdam, which comprise the consolidated and company balance sheet as at 31 December 2012, the consolidated and company income statement, the consolidated and company statements of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the Directors' review and Financial review in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the directors are responsible for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion⁽¹⁾

In our opinion, the financial statements give a true and fair view of the financial position of TMF Group Holding B.V. as at 31 December 2012, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the Directors' review and Financial review, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the Directors' review and Financial review, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Rotterdam, 25 March 2013

PricewaterhouseCoopers Accountants N.V.

J.G. Bod RA

(1) The above auditor's report is the original auditor's report that was issued on March 25, 2013 with respect to the consolidated annual report for the period ending December 31, 2012. This annual report also contained the management report and company financial statements. For purposes of the Offering Memorandum, the management report and company financial statements have been omitted. Furthermore, the page references in the original auditor's report refer to the consolidated annual report, which page reference compares to pages F-91 to F-148 in this Offering Memorandum.

TMF Group Holding B.V.
Consolidated income statement

In thousands of Euro	Note	For the year ended 31 December		
		2012	2011	2010
Total revenue	5	391,835	374,760	231,647
Personnel expenses	7	(203,086)	(187,163)	(107,515)
Rental and office expenses		(49,974)	(49,095)	(33,551)
Professional fees		(9,421)	(10,166)	(4,922)
Other operating expenses	8	(22,027)	(21,082)	(12,102)
Results from operating activities before depreciation, amortisation, impairment charges and other income/ (expenses)	5	107,327	107,254	73,557
Other income/(expenses)—net	9	(21,351)	(45,853)	(6,003)
Depreciation, amortisation and impairment charges	13/14	(29,308)	(33,191)	(20,846)
Operating profit		56,668	28,210	46,708
Finance income	10	15,953	12,817	7,664
Finance expenses	10	(108,007)	(108,509)	(58,865)
Net finance costs	10	(92,054)	(95,692)	(51,201)
Result before income tax		(35,386)	(67,482)	(4,493)
Income tax expense	11	(6,905)	(6,740)	(7,211)
Result for the year		(42,291)	(74,222)	(11,704)
Attributable to:				
Owners of the parent		(40,902)	(72,748)	(11,937)
Non-controlling interests		(1,389)	(1,474)	233
Result for the year		(42,291)	(74,222)	(11,704)
Earnings per share attributable to the owners of the parent:				
Basic and Diluted earnings per share	12	(2.3)	(4.0)	(0.7)

The notes on pages F-97 to F-141 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated statement of comprehensive income

In thousands of Euro	Note	For the year ended 31 December		
		2012	2011	2010
Result for the year		(42,291)	(74,222)	(11,704)
Movements in cash flow hedges	24	(4,280)	(6,374)	—
Actuarial result on post employment benefit obligations	26	(4,586)	(442)	(907)
Foreign currency translation differences for foreign operations .		(2,122)	11,152	9,891
Other comprehensive income for the year, net of tax*		(10,988)	4,336	8,984
Total comprehensive income for the year		(53,279)	(69,886)	(2,720)
Attributable to:				
Owners of the parent		(51,716)	(68,373)	(2,988)
Non-controlling interests		(1,563)	(1,513)	268
Total comprehensive income for the year		(53,279)	(69,886)	(2,720)

* For all three years the tax effect on Other comprehensive income amounts to nil.

The notes on pages F-97 to F-141 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated balance sheet

		As at 31 December		
In thousands of Euro	Note	2012	2011	2010
Assets				
Intangible assets	13	610,826	628,220	287,911
Property, plant and equipment	14	21,898	22,955	13,589
Financial assets	15	90,479	80,336	71,742
Deferred tax assets	16	1,688	3,340	1,097
Total non-current assets		724,891	734,851	374,339
Trade receivables	15/17	101,450	97,765	60,460
Other receivables	18	30,941	27,956	12,835
Financial assets	15	515	9,158	16,519
Current tax receivables		7,474	5,776	2,694
Clients' funds held under Trust	15/19	51,130	49,772	40,386
Cash and cash equivalents	15/20	83,380	68,257	49,453
Total current assets		274,890	258,684	182,347
TOTAL ASSETS		999,781	993,535	556,686
Equity				
Share capital	21	18	18	18
Share premium	21	180,126	172,323	90,591
Other reserves	22	1,979	8,207	3,390
Retained earnings	21	(345,700)	(299,680)	(221,490)
Total equity attributable to owners of the parent		(163,577)	(119,132)	(127,491)
Non-controlling interest		(457)	1,161	694
Total equity		(164,034)	(117,971)	(126,797)
Liabilities				
Loans and borrowings	23	931,474	838,995	529,366
Derivative financial instruments	24	11,655	6,374	—
Provisions	25	13,339	16,394	1,634
Retirement benefit obligations	26	5,071	3,837	1,881
Deferred tax liabilities	16	32,366	37,638	6,269
Total non-current liabilities		993,909	903,238	539,150
Loans and borrowings	23	9,913	55,028	50,345
Provisions	25	7,531	9,394	912
Trade and other payables	27	93,063	85,528	48,664
Current tax liabilities		8,269	8,546	4,026
Clients' funds ledger balances	19	51,130	49,772	40,386
Total current liabilities		169,906	208,268	144,333
Total liabilities		1,163,815	1,111,506	683,483
TOTAL EQUITY AND LIABILITIES		999,781	993,535	556,686

The notes on pages F-97 to F-141 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated statement of changes in equity

In thousands of Euro	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2010	18	24,661	(6,466)	(207,898)	(189,685)	426	(189,259)
Change in accounting policy (IAS19R)	—	—	—	(748)	(748)	—	(748)
Balance at 1 January 2010 revised	18	24,661	(6,466)	(208,646)	(190,433)	426	(190,007)
Loss for the year	—	—	—	(11,937)	(11,937)	233	(11,704)
Other comprehensive income							
Remeasurement IAS19R (note 26)	—	—	—	(907)	(907)	—	(907)
Translation movements (note 22)	—	—	9,856	—	9,856	35	9,891
Total other comprehensive income	—	—	9,856	(907)	8,949	35	8,984
Total comprehensive income	—	—	9,856	(12,844)	(2,988)	268	(2,720)
Transactions with owners							
Capital contribution (note 21)	—	65,930	—	—	65,930	—	65,930
Total transactions with owners	—	65,930	—	—	65,930	—	65,930
Balance at 31 December 2010	18	90,591	3,390	(221,490)	(127,491)	694	(126,797)

In thousands of Euro	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2011	18	90,591	3,390	(221,490)	(127,491)	694	(126,797)
Loss for the year	—	—	—	(72,748)	(72,748)	(1,474)	(74,222)
Other comprehensive income							
Cash flow hedges (note 24)	—	—	(6,374)	—	(6,374)	—	(6,374)
Remeasurement IAS19R (note 26)	—	—	—	(442)	(442)	—	(442)
Translation movements (note 22)	—	—	11,191	—	11,191	(39)	11,152
Total other comprehensive income	—	—	4,817	(442)	4,375	(39)	4,336
Total comprehensive income	—	—	4,817	(73,190)	(68,373)	(1,513)	(69,886)
Transactions with owners							
Non-controlling interests arising on business combinations (note 6)	—	—	—	—	—	1,980	1,980
Dividend paid (note 21)	—	—	—	(5,000)	(5,000)	—	(5,000)
Capital contributions (note 21)	—	81,732	—	—	81,732	—	81,732
Total transactions with owners	—	81,732	—	(5,000)	76,732	1,980	78,712
Balance at 31 December 2011	18	172,323	8,207	(299,680)	(119,132)	1,161	(117,971)

The dividend paid per share amounted to €278.

The notes on pages F-97 to F-141 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated statement of changes in equity (Continued)

In thousands of Euro	Attributable to owners of the parent					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
Balance at 1 January 2012	18	172,323	8,207	(299,680)	(119,132)	1,161	(117,971)
Loss for the year	—	—	—	(40,902)	(40,902)	(1,389)	(42,291)
Other comprehensive income							
Cash flow hedges (note 24)	—	—	(4,280)	—	(4,280)	—	(4,280)
Remeasurement IAS19R (note 26)	—	—	—	(4,586)	(4,586)	—	(4,586)
Translation movements (note 22)	—	—	(1,948)	—	(1,948)	(174)	(2,122)
Total other comprehensive income	—	—	(6,228)	(4,586)	(10,814)	(174)	(10,988)
Total comprehensive income	—	—	(6,228)	(45,488)	(51,716)	(1,563)	(53,279)
Transactions with owners							
Non-controlling interests arising on business combinations (note 6)	—	—	—	(532)	(532)	(55)	(587)
Capital contributions (note 21)	—	7,803	—	—	7,803	—	7,803
Total transactions with owners	—	7,803	—	(532)	7,271	(55)	7,216
Balance at 31 December 2012	18	180,126	1,979	(345,700)	(163,577)	(457)	(164,034)

The notes on pages F-97 to F-141 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated cash flow statement

In thousands of Euro	Note	For the year ended 31 December		
		2012	2011	2010
Cash flows from operating activities				
Cash generated from operations	28	108,490	106,325	73,719
Interest received		9,198	7,119	2,414
Interest paid		(48,556)	(93,699)	(39,424)
Income tax paid		(14,161)	(12,028)	(1,663)
Net cash generated from operating activities (excluding cash flow regarding other income/ (expenses) and relating provisions)		54,971	7,717	35,046
Acquisition and due diligence costs paid		(403)	(11,199)	(1,491)
Redundancy and restructuring costs paid		(20,702)	(34,524)	(5,380)
Provisions		(4,982)	6,983	(707)
Net cash generated from operating activities and cash flow regarding other income/(expenses) and relating provisions		28,884	(31,023)	27,468
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	6	(558)	(173,491)	(7,690)
Acquisition of non-controlling interest, net of cash acquired	6	(587)	—	—
Investment in intangible assets	13	(4,982)	(750)	(2,327)
Investment in property, plant and equipment	14	(7,340)	(11,185)	(3,578)
Disposal of intangible assets and property, plant and equipment	13/14	175	266	358
Investment in non-current bank deposits		—	(1,199)	—
Borrowings issued		(650)	(2,800)	—
Net cash used in investing activities		(13,942)	(189,159)	(13,237)
Cash flows from financing activities				
Proceeds from borrowings		580,827	776,214	15,130
Repayments of borrowings		(580,165)	(532,326)	(17,729)
Dividend paid	21	—	(5,000)	—
Net cash generated from financing activities		662	238,888	(2,599)
Net increase in cash and cash equivalents		15,604	18,706	11,632
Cash and cash equivalents at beginning of the year	20	68,257	49,453	38,325
Exchange gains/(losses) on cash and cash equivalents . .		(481)	98	(504)
Cash and cash equivalents at end of the year	20	83,380	68,257	49,453

The clients' funds held under Trust and ledger balances are not included in the cash flow statement since due to the linked character of both items no cash flows are generated that are available to the Group.

The notes on pages F-97 to F-141 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Notes to the consolidated financial statements

1. General information

TMF Group Holding B.V. (the ‘Company’) and its subsidiaries (together the ‘Group’) is a leading global provider of high value business services to clients operating and investing globally. The Group focuses on providing highly specialized and business-critical financial, legal and human resource administrative services that enable clients to operate their corporate structures, finance vehicles and investment funds in different geographical locations. The Group has over 100 offices located in more than 80 jurisdictions across the Americas, Asia Pacific, Europe and the Middle East. The range of services provided covers:

- Corporate Services—Integrated legal, administrative and accounting services for companies’ operations from inception through day-to-day functions to liquidation;
- Structured Finance Services—creating and administering financial vehicles for securitization transactions, structured asset leasing and project finance transactions;
- Fund Services—Back office functions for a wide range of investment funds, including the preparation of accounts and daily net asset value (“NAV”) calculations; and
- Private Client Services—Administering corporate structures for high net worth individuals for wealth planning purposes.

Across the range of services, the Group offers a core set of competencies that form the heart of its product offering to clients:

- Financial Administrative Services—The Group provides a range of financial, accounting and reporting services to assist its clients with their financial reporting in a transparent, up-to-date and accurate manner. Among these financial administrative services, the Group provides international management and consolidated reporting in any major standard (IFRS, U.S., U.K. or other major GAAP) and the Group prepares statutory accounts to comply with local law requirements. The Group also provides assistance with the registration, recovery and compliance with value-added taxes (“VAT”), goods and services taxes (“GST”), insurance premium tax (“IPT”) and other indirect taxes, including the payment and collection of refunds. In addition, the Group provides investment fund clients with fund accounting and valuation services.
- Legal Administrative Services—The Group provides a variety of legal services to its clients in connection with establishing and maintaining financing and holding companies and other structures in compliance with applicable local laws. These services include establishing corporate entities to serve as finance companies or as operating companies, as well as managing corporate compliance procedures, such as organizing and recording board and shareholders’ meetings. The Group also provides domiciliary and management services, as well as local representatives and directors with the necessary expertise required for clients to conduct business in a particular jurisdiction.
- Human Resource Administrative Services—The Group provides a wide range of human resource and payroll services, including payroll processing, management reporting and costs analysis and outsourced human resource services. The Group’s specialists can act as a client’s local human resources function, preparing employment contracts and guidelines, providing employee training assistance and securely maintaining personal confidential information.

The Group’s service offering enables its clients to focus on their core competencies while the Group ensures that critical local administrative functions, that clients may have less experience in providing, are performed to a high standard. In doing so, the Group helps its clients to (i) gain access to specialist local knowledge, including regulatory, tax and financial reporting expertise that would be challenging or inefficient to develop internally, (ii) reduce the risks and distractions of managing complex accounting, legal and human resource regulations in multiple countries, (iii) control costs by taking over the back office administration and reporting functions of their international offices that are not large enough to justify the administrative overhead, (iv) simplify operations by providing a single point-of-contact from anywhere in the world, often resulting in increased transparency for clients, and (v) execute globalization

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

1. General information (Continued)

plans swiftly and flexibly by using its worldwide network of local offices and experts to assist on administrative matters.

The Company was incorporated in the Netherlands on 3 August 2004. The address of the registered office is at Herikerbergweg 238, 1101 CM Amsterdam Zuidoost, the Netherlands. The Company principally acts as a holding and finance company for group investments.

The shares in the Company are 100% held by TMF Group HoldCo B.V. 65% of the ordinary shares and all preference shares in TMF Group HoldCo B.V. are indirectly held by Doughty Hanson & Co V (which comprises a series of English limited partnerships with each limited partnership having a common general partner in Doughty Hanson & Co V Limited) and indirectly by the employees of affiliates of Doughty Hanson & Co V Limited. The remaining 35% of the ordinary shares in TMF Group HoldCo B.V. are indirectly held by the existing and previous management and employees of the Group.

TMF Group HoldCo B.V. prepares also consolidated financial statements that are available to the public.

These consolidated financial statements 2012 of TMF Group Holding B.V. were authorised for issue by the Board of Directors on 21 March 2013. Until approval at the annual general shareholders meeting, the Board of Directors can amend the financial statements.

2. Summary of significant accounting policies

The principle accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless stated otherwise.

2.1 Basis of preparation

These consolidated financial statements of the Group have been prepared in accordance with IFRS as adopted by the European Union.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and financial liabilities (including derivative instruments) at fair value through income statement.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3 (critical accounting estimates and judgements).

Going concern

These consolidated financial statements have been prepared under the going concern convention. As at 31 December 2012, the Group has a negative equity. The results for the years ended on 31 December 2010, 2011 and 2012 were also negative. However, the cash generated from operations was positive in these three years. In addition, a major part of the financing has a long-term nature. Therefore and after making enquiries and on the basis of current cash flow projections in combination with the available facilities, the Board of Directors is confident that it has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Changes in accounting policies

New standards, amendments and interpretations effective in 2012

IAS 19, 'Employee benefits' was amended in June 2011. The Group decided to early adopt this amended IAS19 for the financial year beginning 1 January 2012. The impact of the adoption on the Group's financial statements is as follows:

- Due to elimination of the corridor approach, the recognition of all actuarial gains and losses in other comprehensive income and a change of estimate regarding the plan assets, the retirement benefit obligation as at 1 January 2012 increased (and retained earnings decreased) with €0.2 million.
- Figures of 2011 and 2010 are restated for comparison purposes. As a consequence, the losses for the years 2011 and 2010 are respectively €1.4 million and €0.5 million lower compared to the original 2011 and 2010 financial statements. Other comprehensive income for the years 2011 and 2010 is respectively €0.4 million and €0.9 million lower.

There are no other IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2012 that have a material impact to the Group.

New standards and interpretations not yet adopted

The following new standards, amendments and interpretations to existing standards have been issued but are not effective for the financial year beginning 1 January 2012.

Amendment to IAS 1, 'Financial statement presentation', regarding other comprehensive income. The main change resulting from these amendments is a requirement for entities to group items presented in other comprehensive income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the Company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The impact of IFRS 10 is considered limited for the Group. The Group intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2014.

IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The impact of IFRS 12 is considered limited for the Group. The Group intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 January 2014.

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The impact of IFRS 13 will result in more extensive disclosures. The Group will adopt IFRS 13 no later than the accounting period beginning on or after 1 January 2013.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

Restatements

During the year it was established that the remuneration on the loans between two subsidiaries of TMF Group Holding B.V. and TMF Group HoldCo B.V., which are presented under the Financial Assets was

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

not accrued since 1 January 2010. This adjustment has an impact on the Finance Income in the Income Statement for an amount of respectively €5.3 million and €5.7 million for 2010 and 2011.

2.2 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls a specific entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting power rights relative to the size and dispersion of holdings or other shareholders give the Group the power to govern the financial and operating policies, etc.

Subsidiaries are fully consolidated from the date when control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The considerations transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values at the acquisition date. On an acquisition by acquisition basis, the Group recognises any controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in income statement or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. The full goodwill method is applied for non-controlling interests.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Amounts reported by subsidiaries are based on the policies adopted by the Group.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions—that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

2.3 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

resources and assessing performance of the operating segments, has been identified as the Board of Directors makes the Group's strategic decisions.

2.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Euros ('€'), which is the Company's functional and the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Group companies

The results and financial position of all Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Euro are translated into Euro as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (c) all resulting exchange differences are recognized as OCI.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations and of borrowings are taken to OCI. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Foreign exchange results on goodwill are recognised in OCI.

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for services rendered. Revenue is stated net of discounts, returns, value added tax and after eliminating sales within the Group. The Group recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group. The Group bases its estimates on historical results, taking into consideration the type of client, transaction and the specifics of each arrangement.

Service contracts

The Group's sole source of revenue is from the rendering of services. The Group provides services to clients on a time and cost basis or based on a fixed price contract or a combination of both. The revenue is generally derived from client engagements based on an annual fee for agreed services plus an hourly rate for additional work undertaken. The exception to this is the fund services the Group provides where

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

our fees are based on the net asset value of funds under administration (subject to a minimum fee level) and services where we receive fees per transaction, such as fees for incorporating special purpose vehicles. The Group fixes the rates for its services locally based on local market conditions and local management determinations of acceptable rates. The annual fee element is a fixed fee which is often paid upfront resulting in a limited history of fee arrears.

Revenue from time and cost contracts is recognized at the contractual rates as time has been spent and/or direct expenses are incurred.

Revenue from fixed price contracts is generally recognized in the period in which the services are provided, using a straight line basis over the term of the contract.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known.

To the extent that any fees paid on account exceed the value of work performed, they are included in trade and other payables as deferred income.

2.6 Other income and expenses

Other income and expenses include those significant items which are separately disclosed by virtue of size or incidence to enable a full understanding of the Group's financial performance. Transactions which may give rise to Other income and expenses are principally gains and losses on disposal of investments and subsidiaries, acquisition due diligence, start-up and integration related costs as well as redundancy and restructuring costs.

2.7 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

The Group leases certain equipment and software, where the Group has substantially all the risks and rewards of ownership. These leases are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance costs is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The assets acquired under the financial lease is depreciated/ amortised over the shorter of the useful life of the asset and the lease term.

All leases that do not qualify as operational lease are classified as finance lease.

2.8 Interest income

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

2.9 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except if it relates to items recognized directly in equity, in which case it is recognized in equity, or if it relates to items recognized directly in OCI, in which case it is recognized in OCI.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Refer to note 2.21 on deferred income tax.

2.10 Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired entity or business at the date of acquisition. Goodwill on acquisitions of entities or businesses is included in intangible assets.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The operating segments of the Group are determined to be the level at which goodwill is allocated and tested for impairment, as monitoring for internal management purposes does not take place on a lower level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying amount of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Gains and losses on the disposal of an entity or business include the carrying amount of goodwill relating to the entity or business sold.

Client lists

Client lists, including client relationships, acquired by the Group have finite useful lives. Client lists are measured at cost less accumulated amortisation and any accumulated impairment losses. Separate values are not attributed to internally generated client lists or relationships. Amortisation is calculated using the straight line method to allocate the cost of the client lists over their estimated useful lives (2-16 years). The useful lives are reviewed periodically and adjusted if appropriate.

Non-compete agreements

Non-compete agreements entered into by the Group have finite useful lives. Non-compete agreements are measured at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost of the non-compete agreements over the period of their enforceability (1-5 years). The useful lives are reviewed periodically and adjusted if appropriate.

Brands

Brands acquired by the Group have finite useful lives. Brands are initially measured at fair value and subsequently measured at the costs less accumulated amortization. Brands are valued using the relief from royalty method. Amortisation is calculated using the straight line

method to allocate the cost of the brand over the period of its estimated useful life (4-20 years). The useful lives are reviewed periodically and adjusted if appropriate.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 years. The useful lives are reviewed periodically and adjusted if appropriate.

2.11 Property, plant and equipment

Recognition and measurement

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Depreciation

Depreciation of property, plant and equipment is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

- Buildings 25-50 years
- Leasehold improvements term of the lease
- Furniture and fittings 10 years
- Office and computer equipment 3-5 years
- Motor vehicles 3 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (also refer to note 2.12).

Disposal

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other income/(expenses)—net, in the income statement.

2.12 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested at least annually for impairment or when there is an indication that the amount is not recoverable (e.g. goodwill). Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units, 'CGU's'). For goodwill impairment testing, refer to note 2.10. Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

2.13 Financial assets

The Group classifies all its financial assets as 'loans and receivables'. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

comprise 'non-current bank deposits', 'loans receivable from related parties' and other 'loans and receivables'.

2.14 Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as cash flow hedges of particular risks associated with a recognized asset or liability or a highly probable forecast transaction.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in note 24. Movements on the hedging reserve in other comprehensive income are shown in note 22.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedge item is more than 12 months; it is classified as a current asset or liability when the remaining maturity is less than 12 months. The Group has no trading derivatives.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the income statement within 'net finance costs'.

Amounts accumulated in equity are reclassified to income statement in the periods when the hedged item affects income statement (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in the income statement within net finance costs.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement within 'net finance costs'.

2.15 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognized in the income statement within 'other operating expenses'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'other operating expenses' in the income statement. Trade receivables include unbilled services which relate to services performed but not yet billed.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

2.16 Funds held under Trust

Client money is held in Group bank accounts on behalf of clients and is recorded separately as an asset on the balance sheet of the Group. A corresponding liability is recognised within current liabilities to reflect the linked character for the Group.

2.17 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less.

2.18 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

2.19 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.20 Loans and borrowings

Loans and borrowings are recognized initially at fair value, net of transaction costs incurred. Loans and borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Costs incurred during the (re)financing of loans and borrowings are capitalized and amortised over the estimated useful lives of the loans and borrowings. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the drawn-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee for the facility is capitalised and amortised over the period of the facility to which it relates. Loans and borrowings are presented net of capitalized costs.

Loans and borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.21 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not be reversed in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is legally enforceable right to offset current tax receivables against current tax liabilities and when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2.22 Employee benefits

Pension obligations

The Group operates a number of pension schemes around the world. The schemes are generally funded through payments to insurance companies. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in Euro and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in income.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefit expense when they fall due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Annual leave

Paid holidays are regarded as an employee benefit and as such are charged to the income statement as the benefits are earned. An accrual is made at balance sheet date to reflect the fair value of holidays earned but not yet taken.

2.23 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as an interest expense.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

3. Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

3.1 Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.12. The operating segments of the Group are determined to be the level at which goodwill is allocated and tested for impairment, as monitoring for internal management purposes does not take place on a lower level. The allocation of goodwill is made to those CGU's or groups of CGU's that are expected to benefit from the business combination in which the goodwill arose. The recoverable amounts of CGU's have been determined based on the higher of the value in use and the fair value less costs to sell. These calculations require the use of estimates and assumptions consistent with the most up-to-date budgets and plans that have been formally approved by management. Refer to note 13 for the key assumptions used for the recoverable amount calculations.

3.2 Impairment of trade receivables

The Group periodically tests whether trade receivables have suffered any impairment, in accordance with the accounting policy stated in note 2.15. The calculation of the allowance account for trade receivables requires the use of estimates and assumptions consistent with the latest available information regarding the clients.

3.3 Provisions

The provisions of the Group mainly relate to legal cases, restructurings and loss making contracts. Refer to note 2.23 for the general accounting policies used and to note 25 for more details regarding the three categories mentioned above.

3.4 Fair value estimation with respect to financial instruments

There are three valuation methods to determine the fair value of financial instruments. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

As at 31 December 2012 and 31 December 2011, the only financial instruments that are accounted for to fair value are derivative financial instruments (2010: none). The fair value of all derivative financial instruments is based on the Level 2 method mentioned above.

The fair value of the derivative financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

3. Critical accounting estimates and judgements (Continued)

Refer to note 24 for further information on derivative financial instruments.

4. Financial risk management

4.1 Financial risk factors

The Group's operating activities expose it to a variety of financial risks, such as market risks (including foreign currency exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the Group's central treasury department (Group Treasury) under policies approved by management. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. Management provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of financial instruments and non-derivative financial instruments and investments of excess liquidity.

The Group's treasury risk management policy is to reduce, where it is deemed appropriate to do so, fluctuations in earnings and cash flows associated with changes in interest rates, foreign currency rates and the currency exposure of certain investments in foreign subsidiaries.

4.2 Interest rate risk

Interest rate risk is the risk that unexpected interest rate changes negatively affect the Group's results, cash flows and equity.

It is the Group's policy to mitigate the effects of interest rate volatility on its results, cash flows and balance sheet within certain boundaries. As the Group has no significant interest-bearing assets, the Group's income and operating cash inflows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a periodic basis. Based on this analysis and in close consideration with the banks, the Group determines whether derivative financial instruments should be in place to limit the interest rate risk to an acceptable level. For the derivative financial instruments in place, reference is made to note 24.

At 31 December 2012, if Euro, US Dollar and GBP market interest rates had been 100 basis points higher/lower with all other variables held constant, the loss for the year would have been approximately €4.1 million lower/higher. At 31 December 2011 the loss for the year would have been approximately €5.4 million lower/higher and at 31 December 2010 €4.6 million lower/higher.

4.3 Foreign currency exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar and related currencies. In several markets client contracts are denominated in Euro or US Dollars although this is not the local currency.

Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and investments in foreign operations. Currently, no hedging of foreign exchange risk takes places.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. As such, the Group does not apply for net investment hedge accounting in its financial statements.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

As at 31 December 2012, if Euro had strengthened/weakened by 5% against the US Dollar with all variables held constant, the loss for the year would have been €3.2 million higher/lower, mainly due to operating results in USD. As at 31 December 2011, the loss for the year would have been €3.0 million lower/higher and as at 31 December 2010 €1.0 million lower/higher.

4.4 Credit risk

Credit risk is the risk that counterparties fail to meet their contractual payment obligations through insolvency or default as well as credit exposure to clients.

Credit risk arising from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions is managed centrally. For banks and financial institutions, the Group's policy is that only independently rated parties with a minimum rating of 'BBB' are accepted. However, in certain circumstances (e.g. due to local legislation) banks and financial institutions are used that are not rated and/or that do not have a minimum 'BBB' rating. The use of these banks and financial institutions is kept to the minimum level possible, closely monitored by the Group Treasury department and periodically reported to the Board of Directors.

Credit exposures to clients, including outstanding receivables and committed transactions, are managed on a local basis. Each local entity is responsible for managing and analysing the credit risk for each of their clients. Approval from management is mandatory before standard payment terms and delivery terms and conditions are contractually agreed with new clients. The gross amount of trade receivables and the corresponding allowance are only written-off in case of bankruptcy of clients.

The Group has no significant concentrations of credit risk. The maximum credit risk exposure of the Group's financial assets at the end of the period is represented by the amounts reported under the corresponding balance sheet headings.

4.5 Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient headroom (cash and cash equivalents plus committed credit lines) available to meet both the Group's day-to-day operating requirements and debt servicing obligations (interest and debt repayment).

Group Treasury mitigates liquidity risk by ensuring the Group maintains sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

Cash flow forecasting is performed by management of the operating entities of the Group which is consolidated by Group Finance. These rolling forecasts are monitored to ensure the Group's cash and liquidity requirements are sufficient to meet operational needs whilst maintaining sufficient headroom on its undrawn committed borrowing facilities (note 23). This enables management to monitor compliance with borrowing limits and debt covenants on its borrowing facilities.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the period remaining to contractual maturity date. The cash flows with respect to operating lease commitments are shown in note 29. The amounts disclosed in the table are the contractual

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

undiscounted cash flows. Balances due within 12 months are equal to their carrying balances as the impact of discounting is not significant.

<u>In thousands of Euro</u>	<u>Less than 1 year</u>	<u>Between 1 and 2 years</u>	<u>Between 2 and 5 years</u>	<u>Over 5 years</u>
At 31 December 2012				
Loans and borrowings, excluding deferred income (note 23)	9,913	1,356	17,406	908,398
Derivative financial instruments (note 24)	—	—	11,655	—
Trade and other payables, excluding deferred income (note 27)	83,537	—	—	—
At 31 December 2011				
Loans and borrowings (note 23)	55,028	18,310	99,767	719,661
Derivative financial instruments (note 24)	—	—	6,374	—
Trade and other payables, excluding deferred income (note 27)	75,770	—	—	—
At 31 December 2010				
Loans and borrowings (note 23)	50,345	22,183	44,695	462,488
Trade and other payables, excluding deferred income (note 27)	40,277	—	—	—

4.6 Capital risk management

The Group's objectives when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders, benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Group's loan and borrowings is considered as the most important item from capital management perspective.

The Group is highly leveraged and management focus is on cash generation and an important KPI used in this respect is the cash conversion ratio. This focus should make it possible for the Group to pay interest and repay the loans in time.

During 2010, 2011 and 2012 the Group complied with its banking covenants. Following the refinancing of the senior bank debt with Senior Secured Notes and Senior Notes in December 2012, financial covenants based on financial ratios are only applicable for the revolver credit facility and are budgeted to be achieved. The only financial covenant under the revolver credit facility relates to the ratio of Net Debt to EBITDA.

5. Segment information

The Board of Directors is the Group's chief operating decision-maker. Management has determined the operating segments based on the information reviewed by the Board of Directors for the purpose of allocating resources and assessing performance. The Board of Directors considers the business mainly from a geographic perspective. However, a part of the business does not fall under one of the geographic regions and is therefore disclosed separately.

The Group has operations in the following operating segments and locations of offices:

- Belgium, the Netherlands and Luxembourg ('Benelux');
- Europe, the Middle East and Africa, excluding Benelux ('EMEA');
- The countries of North and South America ('Americas');
- The countries of the Asia Pacific region ('APAC');
- Fund Services; and
- All other.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

5. Segment information (Continued)

Although the segment Fund Services does not meet the quantitative thresholds required by IFRS 8 for reportable segments, management has concluded that this segment should be reported as it is closely monitored by the Board of Directors similar to the other operating segments.

The category 'All other' includes the operations of International Licensing and Collection (Freeway) and International Pensions (Panthera) and the corporate expenses of the Group.

The Board of Directors assesses the performance of the operating segments based on both external revenue and results from operations. This measurement basis excludes the effects of 'other income/expenses' and 'depreciation, amortisation and impairment charges'. The measure also excludes the effects of finance income and expenses since this type of activity is mainly driven by Group treasury, which manages the cash position of the Group. Inter-segment revenue comprises management fees and services provided to clients by other entities in the Group. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

Segments—profit and loss

In thousands of Euro	Benelux 2012	EMEA*) 2012	Americas 2012	APAC 2012	Fund Services 2012	All other 2012	Eliminations 2012	Consolidated 2012
Total external revenue	122,365	118,391	69,352	44,331	32,854	4,542	—	391,835
Inter-segment revenue	143	622	—	1,775	—	1,600	(4,140)	—
Total segment revenue	<u>122,508</u>	<u>119,013</u>	<u>69,352</u>	<u>46,106</u>	<u>32,854</u>	<u>6,142</u>	<u>(4,140)</u>	<u>391,835</u>
<i>Segment result</i>								
Results from operations **)	66,455	32,810	15,106	4,180	9,387	(20,611)	—	107,327
Other income/(expenses)—net and DAI								(50,659)
Net finance costs								(92,054)
Income tax expense								(6,905)
Loss for the year								<u>(42,291)</u>

*) Excluding Benelux

**) Result from operating activities before depreciation, amortisation, impairment charges and other income/(expenses).

In thousands of Euro	Benelux 2011	EMEA*) 2011	Americas 2011	APAC 2011	Fund Services 2011	All other 2011	Eliminations 2011	Consolidated 2011
Total external revenue	125,929	112,256	61,892	37,862	33,025	3,796	—	374,760
Inter-segment revenue	4	486	11	2,011	—	1,249	(3,761)	—
Total segment revenue	<u>125,933</u>	<u>112,742</u>	<u>61,903</u>	<u>39,873</u>	<u>33,025</u>	<u>5,045</u>	<u>(3,761)</u>	<u>374,760</u>
<i>Segment result</i>								
Results from operations **)	67,021	32,484	13,168	6,745	7,796	(19,960)	—	107,254
Other income/(expenses)—net and DAI								(79,044)
Net finance costs								(95,692)
Income tax expense								(6,740)
Loss for the year								<u>(74,222)</u>

*) Excluding Benelux

**) Result from operating activities before depreciation, amortisation, impairment charges and other income/(expenses).

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

5. Segment information (Continued)

<u>In thousands of Euro</u>	<u>Benelux 2010</u>	<u>EMEA*) 2010</u>	<u>Americas 2010</u>	<u>APAC 2010</u>	<u>Fund Services 2010</u>	<u>All other 2010</u>	<u>Eliminations 2010</u>	<u>Consolidated 2010</u>
Total external revenue	66,848	93,994	38,631	17,449	11,731	2,994	—	231,647
Inter-segment revenue	—	430	226	992	—	1,735	(3,383)	—
Total segment revenue	66,848	94,424	38,857	18,441	11,731	4,729	(3,383)	231,647
<i>Segment result</i>								
Results from operations **)	36,511	34,160	6,750	1,685	5,560	(11,109)	—	73,557
Other income/(expenses)—net and DAI								(26,849)
Net finance costs								(51,201)
Income tax expense								(7,211)
Loss for the year								(11,704)

*) Excluding Benelux

**) Result from operating activities before depreciation, amortisation, impairment charges and other income/(expenses).

Entity wide disclosures

The breakdown of external revenue in business lines is as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Corporate services	292,363	275,347	191,245
Structured finance services	33,269	34,401	28,671
Private client services	32,428	31,312	—
Fund services	33,775	33,700	11,731
Total operations	391,835	374,760	231,647

The operating segments Benelux, EMEA (excluding Benelux), Americas and APAC are mainly active in the corporate, structured finance and private client services. The operating segment Fund Services is mainly active in fund services.

No individual external client represents more than 10 percent of the Group's external revenue.

The Company is domiciled in the Netherlands. As at 31 December 2012, 31 December 2011 and 31 December 2010, the total of non-current assets (other than financial instruments and deferred tax assets) located in the Netherlands amounts to respectively €590.5 million, €568 million and €191.7 million. The total of such non-current assets located in other countries amounts to respectively €41.6 million, €83.2 million and €109.8 million.

The revenue from external clients originates from the following countries. For completeness sake, it is mentioned that part of the revenue originating from the Netherlands and Luxembourg is not included in the Benelux operating segment.

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
The Netherlands	88,044	92,140	58,480
Luxembourg	42,022	42,069	12,577
Other countries	261,769	240,551	160,590
Total operations	391,835	374,760	231,647

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

6. Business combinations

General

The Group invests in acquisitions that provide additional scale to its business or assists in consolidating fragmented markets, by:

- filling relevant geographic gaps;
- increasing the Group's presence in existing markets; and
- increasing the Group's presence in specific service lines.

Except for the acquisition of four non-significant non-controlling interests in current group companies, the Group did not invest in any acquisition during 2012. The acquisition of these non-controlling interests had a negative effect on equity of €0.6 million.

With an effective date of 1 January 2011, the Group acquired 100% of the share capital of the Equity Trust (Equity Trust Holding S.à.r.l, Luxembourg), for a total consideration of €215.1 million, and merged this business into the Group. The cash outflow from this acquisition, net of cash acquired, was €172.2 million.

During 2010, the Group acquired 100% of the share capital or the assets of three companies or businesses, for a total consideration of €5.4 million. The cash outflow from the current period acquisitions, net of cash acquired was €3.8 million. The principal acquisitions are shown below.

<u>Name of business acquired</u>	<u>Country</u>	<u>Date</u>
National Film Trustee Company Limited	UK	05.05.2010
BPO department of KPMG (Dr. Mayer GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft)	Austria	29.06.2010
Company secretarial department of Mayer Brown International LLP	UK	30.09.2010

All purchase price allocations of the business combinations mentioned above are finalized.

The contingent consideration for all business combinations in 2010 and 2011 amounted to nil. No contingent liabilities were acquired in any of the business combinations.

On the next pages, additional details with respect to the individual material business combinations are disclosed.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

6. Business combinations (Continued)

Acquisition Equity Trust (2011)

The assets and liabilities arising from the acquisition are as follows:

<u>In thousands of Euro</u>	<u>Pre acquisition carrying amounts</u>	<u>Fair value adjustments</u>	<u>Recognized values on acquisition</u>
Cash and cash equivalents	42,974	—	42,974
Intangible assets (note 13)	11,647	122,214	133,861
Property, plant and equipment (note 14)	7,114	—	7,114
Financial assets	789	—	789
Deferred tax assets (note 16)	1,164	—	1,164
Trade and other receivables	44,342	—	44,342
Bank and loans	(225,465)	(21,000)	(246,465)
Acquired loan notes	98,260	—	98,260
Retirement benefit obligations (note 26)	(2,416)	—	(2,416)
Provisions (note 25)	(4,757)	(11,502)	(16,259)
Trade and other payables	(42,352)	—	(42,352)
Deferred tax liabilities (note 16)	(3,620)	(30,093)	(33,713)
Net identifiable assets and liabilities	(72,320)	59,619	(12,701)
Non-controlling interest	2,970	(4,950)	(1,980)
Total	(69,350)	54,669	(14,681)

Goodwill is calculated as follows:

In thousands of Euro

Purchase consideration

Cash paid	215,145
Consideration deferred to future periods	—
Total purchase consideration	215,145
Less: fair value of net assets acquired (excluding goodwill)	14,681
Goodwill (note 13)	229,826

The impact on cash flows as a result of the acquisition is as follows:

In thousands of Euro

Cash paid	215,145
Cash and cash equivalents acquired	(42,974)
Net cash outflow on acquisitions	172,171

The acquisition of Equity Trust had a significant contribution to the revenue and result from operating activities before depreciation, amortisation, impairment charges and other income/expenses of 2011. Due to the successful integration of the legacy TMF offices with the legacy Equity Trust offices, it is unknown with which amount the acquisition of Equity Trust contributed to the revenue and result from operating activities before depreciation, amortisation, impairment charges and other income/expenses of 2011.

The acquisition costs amounted to €11.2 million.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

6. Business combinations (Continued)

Acquisition BPO department of KPMG in Austria (2010)

The assets and liabilities arising from the acquisition are as follows:

In thousands of Euro	Pre acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
Cash and cash equivalents	990	—	990
Intangible assets	—	2,279	2,279
Property, plant and equipment	17	—	17
Unbilled Services	205	—	205
Trade and other receivables	719	—	719
Trade and other payables	(1,858)	—	(1,858)
Deferred tax liabilities	—	(570)	(570)
Net identifiable assets and liabilities	73	1,709	1,782

Goodwill is calculated as follows:

In thousands of Euro

Purchase consideration

Cash paid	3,170
Consideration deferred to future periods	—
Total purchase consideration	3,170
Less: fair value of net assets acquired (excluding goodwill)	(1,782)
Goodwill	1,388

The impact on cash flows as a result of the acquisition is as follows:

In thousands of Euro

Cash paid	3,170
Cash and cash equivalents acquired	(990)
Net cash outflow on acquisitions	2,180

The acquisition contributed €2.7 million and €0.5 million to respectively the revenue and the result from operating activities before depreciation, amortisation, impairment charges and other income/expenses of 2010. If the acquisition had occurred on 1 January 2010, this acquisition would have contributed €3.6 million to revenue and €0.7 million to the result from operating activities before depreciation, amortisation, impairment charges and other income/expenses of 2010.

The acquisition costs amounted to €0.2 million.

Summary goodwill calculation

Goodwill is calculated as follows:

In thousands of Euro

Purchase consideration

	2012	2011	2010
Cash paid	—	215,145	4,819
Consideration deferred to future periods	—	—	537
Total purchase consideration	—	215,145	5,356
Less: fair value of net assets acquired (excluding goodwill)	—	14,681	(3,719)
Goodwill (note 13)	—	229,826	1,637

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

6. Business combinations (Continued)

The goodwill recognized on acquisitions is attributable to the skills and technical talent of the acquired business's workforce, and the synergies and other benefits expected to be achieved from integrating the respective businesses into the Group. Besides this, goodwill includes the effect of the deferred tax liabilities.

None of the additional goodwill is tax deductible.

Summary impact of cash flow

The impact on cash flows as a result of the acquisition(s) is as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Cash paid	587	215,145	4,819
Cash and cash equivalents acquired	—	(42,974)	(1,026)
Net cash outflow on current year acquisitions	587	172,171	3,793
Deferred consideration cash payments from prior period acquisitions . .	558	1,320	3,897
Net cash outflow on acquisitions	1,145	173,491	7,690

7. Personnel expenses

The average number of full time equivalent employees in 2012, 2011 and 2010 was respectively 4,236, 4,199 and 2,985. Personnel expenses are summarised as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Wages and salaries	161,459	149,984	80,840
Other personnel costs	15,107	13,184	13,199
Social security costs	19,357	17,126	10,242
Pension costs—defined contribution plans	4,516	4,434	1,873
Pension costs—defined benefit plans (note 26)	2,647	2,435	1,361
Total personnel expenses	203,086	187,163	107,515

Other personnel costs relate to education expenses, recruitment costs, placement agencies, temporary employees and management fees.

The Group introduced an employee participation plan in 2004. Under this plan, certain managers and senior employees are invited to indirectly invest in TMF Group HoldCo B.V. The investment is entered into at fair value, is equity settled and at the risk of the employee. In 2011 the former Equity Trust employee share plan was combined with the existing TMF share plan.

8. Other operating expenses

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Travel expenses	7,577	6,478	3,855
Marketing and sales expenses	2,847	3,664	1,860
Bad debt expenses	4,724	2,722	3,068
Insurance	1,357	1,718	746
Bank charges	1,286	1,280	673
Other	4,236	5,220	1,900
Total other operating expenses	22,027	21,082	12,102

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

9. Other income/(expenses)—net

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Gain/(loss) on disposal of non-current assets	(236)	(130)	108
Acquisition, due diligence and start up costs	(413)	(11,199)	(731)
Redundancy and restructuring costs	(20,702)	(34,524)	(5,380)
Total other income/(expenses)—net	(21,351)	(45,853)	(6,003)

The acquisition, due diligence and start up costs in 2012 mainly relate to an increase in deferred consideration. In 2011, these costs mainly relate to costs incurred as result from the merger with Equity Trust. In 2010, these costs related to the acquisitions as mentioned in note 6.

Redundancy and restructuring costs in 2011 and 2012 mainly relate to integration costs as result of the merger with Equity Trust. These costs include items such as staff redundancies, premises (e.g. onerous lease contracts), IT and professional fees. Redundancy and restructuring costs in 2010 relate to the preparation of the upcoming merger with Equity Trust and restructuring of a few local offices.

10. Finance income and expenses

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Interest income on short-term bank deposits	9,753	6,948	2,414
Interest income on loans to related parties	6,200	5,700	5,250
Other	—	169	—
Finance income	15,953	12,817	7,664
Secured senior bank loan	(49,816)	(46,144)	(17,526)
Interest rate swaps, transfer from equity	(5,002)	(183)	—
Secured mezzanine bank loan	—	(10,077)	(12,747)
Unsecured related party loan	(39,433)	(35,623)	(22,150)
Secured bank overdrafts	(13,643)	(12,256)	(3,390)
Other	(226)	(59)	(161)
Total interest expense	(108,120)	(104,342)	(55,974)
Net foreign exchange result on financing activities	113	(4,167)	(2,891)
Finance expenses	(108,007)	(108,509)	(58,865)
Net finance costs	(92,054)	(95,692)	(51,201)

The net foreign exchange result in 2010, 2011 and 2012 mainly arose on the US Dollar and GBP senior bank loans.

11. Income tax expense

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Current tax expense	10,525	10,163	8,682
Deferred income tax (note 16)	(3,620)	(3,423)	(1,471)
Total income tax expense	6,905	6,740	7,211

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

11. Income tax expense (Continued)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rates applicable in the Netherlands on the profits of the consolidated entities as shown below:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Profit/(loss) for the year	(42,291)	(74,222)	(11,704)
Total income tax expense	6,905	6,740	7,211
Profit/(loss) before income tax	(35,386)	(67,482)	(4,493)
Tax calculated at the Company's domestic applicable tax rate (25%/25%/25.5%)	(8,847)	(16,870)	(1,146)
Effect of tax rates in foreign jurisdictions	(1,771)	(1,242)	(1)
Income not subject to tax/non deductible expenses	1,846	2,890	1,878
Utilisation of previously unrecognized tax losses	(1,152)	(225)	(192)
Correction of previous years	44	224	(2,427)
Other non profit related taxes (e.g. withholding taxes)	2,867	642	3,476
Tax losses where no deferred income tax asset was recognized	13,912	21,321	5,623
Tax charge	6,905	6,740	7,211
Weighted average effective tax rate	(20)%	(10)%	(160)%

The applicable tax rate decreased in 2011 compared to 2010 as the corporate income tax rate in the Netherlands decreased with 0.5% in 2011.

12. Earnings per share

Basic earnings per share is calculated by dividing the result attributable to owners of the parent by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company and held as treasury shares.

Basic earnings per share is calculated as follows:

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Result for the year attributable to owners of the parent (in thousand of Euro)	(40,902)	(72,748)	(11,937)
Weighted average number of ordinary shares in issue (in thousands)	18	18	18
Basic earnings per share (in Euro)	(2,272)	(4,042)	(663)

Since the Company has no convertible debt or share options, the diluted earnings per share equals the basic earnings per share.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

13. Intangible assets

In thousands of Euro	Goodwill	Client lists	Non-compete agreements	Brands	Software	Total
Cost						
Balance at 1 January 2010	253,518	39,842	9,385	1,993	12,344	317,082
Acquisitions through business combinations	1,637	2,485	1,505	419	—	6,046
Changes in deferred consideration	(902)	—	—	—	—	(902)
Additions	—	—	—	—	2,327	2,327
Exchange differences	5,943	2,605	594	244	54	9,440
Balance at 31 December 2010 . .	260,196	44,932	11,484	2,656	14,725	333,993
Balance at 1 January 2011	260,196	44,932	11,484	2,656	14,725	333,993
Acquisitions through business combinations	229,826	122,118	—	9,903	1,840	363,687
Additions	—	—	—	—	750	750
Disposals	—	—	—	—	(8)	(8)
Exchange differences	444	160	(87)	73	(767)	(177)
Balance at 31 December 2011 . .	490,466	167,210	11,397	12,632	16,540	698,245
Balance at 1 January 2012	490,466	167,210	11,397	12,632	16,540	698,245
Acquisitions through business combinations (note 6)	—	—	—	—	—	—
Additions	—	—	—	—	4,982	4,982
Disposals	—	—	—	—	(90)	(90)
Exchange differences	(1,160)	(385)	(555)	(27)	(11)	(2,138)
Balance at 31 December 2012 . .	489,306	166,825	10,842	12,605	21,421	700,999
Amortisation and impairment						
Balance at 1 January 2010	6,955	15,355	2,645	137	4,488	29,580
Amortisation for the year	—	7,611	3,320	511	4,161	15,603
Exchange differences	—	665	144	43	47	899
Balance at 31 December 2010 . .	6,955	23,631	6,109	691	8,696	46,082
Balance at 1 January 2011	6,955	23,631	6,109	691	8,696	46,082
Amortisation for the year	—	15,385	3,519	1,520	4,050	24,474
Exchange differences	—	276	89	36	(932)	(531)
Balance at 31 December 2011 . .	6,955	39,292	9,717	2,247	11,814	70,025
Balance at 1 January 2012	6,955	39,292	9,717	2,247	11,814	70,025
Amortisation for the year	—	14,486	1,432	1,243	4,027	21,188
Disposals	—	—	—	—	(65)	(65)
Exchange differences	(122)	(282)	(554)	(10)	(7)	(975)
Balance at 31 December 2012 . .	6,833	53,496	10,595	3,480	15,769	90,173

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

13. Intangible assets (Continued)

<u>In thousands of Euro</u>	<u>Goodwill</u>	<u>Client lists</u>	<u>Non-compete agreements</u>	<u>Brand</u>	<u>Software</u>	<u>Total</u>
Carrying amounts						
At 1 January 2010	246,563	24,487	6,740	1,856	7,856	287,502
At 31 December 2010	253,241	21,301	5,375	1,965	6,029	287,911
At 1 January 2011	253,241	21,301	5,375	1,965	6,029	287,911
At 31 December 2011	483,511	127,918	1,680	10,385	4,726	628,220
At 1 January 2012	483,511	127,918	1,680	10,385	4,726	628,220
At 31 December 2012	482,473	113,329	247	9,125	5,652	610,826

The carrying value of client lists and brand as at 31 December 2012 primarily relates to the acquisition of Equity Trust.

For the years ended 31 December 2012, 2011 and 2010, the impact of the disposals on the income statement was limited. Refer to note 9.

Software includes the following amounts where the Group is a lessee under a finance lease:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Cost-capitalized finance lease	4,011	3,616	3,616
Accumulated amortisation	(668)	(3,515)	(2,109)
Carrying amount	3,343	1,507	2,913

A segment level summary of the goodwill allocation is presented below.

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Benelux	234,974	233,639	110,030
EMEA	129,403	130,233	78,410
Americas	53,372	53,945	25,328
APAC	41,156	41,875	15,862
Fund Services	23,568	23,819	23,611
Total goodwill	482,473	483,511	253,241

Impairment tests for goodwill

The operating segments of the Group are determined to be the level at which goodwill is allocated and tested for impairment, as monitoring for internal management purposes does not take place on a lower level. The allocation of goodwill is made to those CGU's or groups of CGU's that are expected to benefit from the business combination in which the goodwill arose.

The recoverable amount of a CGU is determined based on the higher of the value in use and fair value less costs to sell. These calculations use pre-tax cash flow projections based on 2013 financial budgets and the five year forecast approved by management. Cash flows beyond the five year period are extrapolated using an estimated perpetual growth rate.

<u>2012</u>	<u>Benelux</u>	<u>EMEA</u>	<u>Americas</u>	<u>APAC</u>	<u>Fund Services</u>
Discount rate (a)	8.8%	10%	11.1%	9.5%	9.1%
EBITDA growth (b)	5%	16%	22%	46%	12%
Perpetual growth (c)	1.5%	1.5%	1.5%	1.5%	1.5%

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

13. Intangible assets (Continued)

2011	Benelux	EMEA	Americas	APAC	Fund Services
Discount rate (a)	8.4%	9.2%	10.0%	8.8%	8.6%
EBITDA growth (b)	8%	15%	15%	39%	40%
Perpetual growth (c)	0%	0%	0%	0%	0%

2010	Benelux	EMEA	Americas	APAC	Fund Services
Discount rate (a)	9.55%	9.55%-10.17%	10.82%	8.96%	8.96%-9.55%
EBITDA growth (b)	3%	9%	3%	25%	8%
Perpetual growth (c)	2.50%	2.50%-3.50%	2.50%	2.50%	2.50%

(a) Post-tax discount rate applied to the cash flow projection.

(b) Budgeted EBITDA growth.

(c) Budgeted growth after 5 years.

These assumptions have been used for the analysis of each region.

Sensitivity analysis

In the following table is disclosed how much the discount rate could increase or cash flows could decrease before impairment would occur:

2012	Benelux	EMEA	Americas	APAC	Fund Services
Higher discount rate	8%	9%	15%	7%	16%
Less cash flows	38%	42%	49%	41%	54%

14. Property, plant and equipment

In thousands of Euro	Buildings	Leasehold improvements	Furniture and fittings	Office & computer equipment	Motor vehicles	Total
Cost						
Balance at 1 January 2010	—	9,363	6,769	15,116	436	31,684
Additions	—	865	353	2,220	140	3,578
Acquired through business combinations	—	—	—	19	—	19
Disposals	—	(169)	(386)	(67)	(165)	(787)
Exchange differences	—	548	179	376	(10)	1,093
Balance at 31 December 2010	—	10,607	6,915	17,664	401	35,587
Balance at 1 January 2011	—	10,607	6,915	17,664	401	35,587
Additions	—	5,813	1,190	4,007	175	11,185
Acquired through business combinations	1,960	716	1,065	3,229	144	7,114
Disposals	—	(730)	(1,282)	(2,974)	(259)	(5,245)
Exchange differences	(19)	153	54	186	1	375
Balance at 31 December 2011	1,941	16,559	7,942	22,112	462	49,016
Balance at 1 January 2012	1,941	16,559	7,942	22,112	462	49,016
Additions	—	3,596	713	2,975	56	7,340
Acquired through business combinations (note 6)	—	—	—	—	—	—
Disposals	—	(879)	(654)	(1,155)	(151)	(2,839)
Exchange differences	(59)	355	(19)	(312)	32	(3)
Balance at 31 December 2012	1,882	19,631	7,982	23,620	399	53,514

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

14. Property, plant and equipment (Continued)

In thousands of Euro	Buildings	Leasehold improvements	Furniture and fittings	Office & computer equipment	Motor vehicles	Total
Depreciation						
Balance at 1 January 2010	—	3,288	2,667	10,530	318	16,803
Depreciation for the year	—	1,511	1,081	2,566	85	5,243
Disposals	—	(20)	(208)	(83)	(118)	(429)
Exchange differences	—	234	5	155	(13)	381
Balance at 31 December 2010	—	5,013	3,545	13,168	272	21,998
Balance at 1 January 2011	—	5,013	3,545	13,168	272	21,998
Depreciation for the year	74	2,508	1,466	4,515	154	8,717
Disposals	—	(944)	(1,379)	(2,381)	(283)	(4,987)
Exchange differences	(19)	47	79	221	5	333
Balance at 31 December 2011	55	6,624	3,711	15,523	148	26,061
Balance at 1 January 2012	55	6,624	3,711	15,523	148	26,061
Depreciation for the year	80	3,292	1,403	3,245	100	8,120
Disposals	—	(626)	(613)	(1,111)	(112)	(2,462)
Exchange differences	(29)	(91)	140	(165)	42	(103)
Balance at 31 December 2012	106	9,199	4,641	17,492	178	31,616
Carrying amounts						
At 1 January 2010	—	6,075	4,102	4,586	118	14,881
At 31 December 2010	—	5,594	3,370	4,496	129	13,589
At 1 January 2011	—	5,594	3,370	4,496	129	13,589
At 31 December 2011	1,886	9,935	4,231	6,589	314	22,955
At 1 January 2012	1,886	9,935	4,231	6,589	314	22,955
At 31 December 2012	1,775	10,432	3,341	6,128	221	21,898

For the years ended 31 December 2012, 2011 and 2010, the impact of the disposals on the income statement was limited. Refer to note 9.

Property, plant and equipment do not include any contracts where the Group is a lessee under a finance lease.

For operating lease costs regarding property, plant and equipment, refer to note 29.

15. Financial assets

In thousands of Euro	2012	2011	2010
Non-current financial assets			
Loans receivable from related parties	89,529	78,562	71,573
Non-current bank deposits	—	1,199	—
Loans and receivables	950	575	169
Total non-current financial assets	90,479	80,336	71,742
Current financial assets			
Loans receivable from related parties	—	8,538	16,116
Loans and receivables	515	620	403
Total current financial assets	515	9,158	16,519

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

15. Financial assets (Continued)

The loans receivable from related parties are mainly loans provided to TMF Group HoldCo B.V. (2010, 2011 and 2012) and St. Andrew Street Unit Trust (2011 and 2012). The loans provided to TMF Group HoldCo B.V. have interest percentages of Euribor + 5.60% and Wibor + 5.68%. The year of maturity of these loans is 2064. The loan provided to St. Andrew Street Unit Trust is not interest bearing. The loan will be repayable when there is a change in ownership in TMF Group HoldCo B.V.

The maximum exposure to credit risk at the reporting date is the fair value of the financial assets. None of the financial assets are either past due or impaired, except for the trade receivables as disclosed in note 17. The credit risk is considered to be very limited.

The Group classifies all financial assets as loans and receivables, as specified below:

<u>In thousands of Euro</u>	<u>Loans and receivables</u>
31 December 2012	
Non-current financial assets	90,479
Trade receivables	101,450
Current financial assets	515
Clients' funds held under Trust	51,130
Cash and cash equivalents	83,380
Total	<u>326,954</u>
31 December 2011	
Non-current financial assets	80,336
Trade receivables	97,765
Current financial assets	9,158
Clients' funds held under Trust	49,772
Cash and cash equivalents	68,257
Total	<u>305,288</u>
31 December 2010	
Non-current financial assets	71,742
Trade receivables	60,460
Current financial assets	16,519
Clients' funds held under Trust	40,386
Cash and cash equivalents	49,453
Total	<u>238,560</u>

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

16. Deferred tax assets and liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax receivables against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Deferred tax assets			
To be recovered after more than 12 months	1,230	2,170	554
To be recovered within 12 months	458	1,170	543
Total deferred tax assets	1,688	3,340	1,097
Deferred tax liabilities			
To be recovered after more than 12 months	(28,122)	(32,948)	(4,818)
To be recovered within 12 months	(4,244)	(4,690)	(1,451)
Total deferred tax liabilities	(32,366)	(37,638)	(6,269)
Deferred tax liability (net)	(30,678)	(34,298)	(5,172)

The gross movement in the deferred tax account is as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Beginning of the year	(34,298)	(5,172)	(6,073)
Acquired through business combinations (note 6)	—	(32,549)	(570)
Income statement credit (note 11)	3,620	3,423	1,471
End of the year	(30,678)	(34,298)	(5,172)

The movement in deferred tax assets and liabilities during the year is as follows:

Deferred tax assets

<u>In thousands of Euro</u>	<u>Provisions</u>	<u>Tax losses</u>	<u>Property, plant and equipment</u>	<u>Other</u>	<u>Total</u>
At 1 January 2010	50	132	—	403	585
(Charge)/credited to the income statement	45	498	75	(106)	512
At 31 December 2010	95	630	75	297	1,097
At 1 January 2011	95	630	75	297	1,097
(Charge)/credited to the income statement	47	(65)	346	751	1,079
Acquired through business combinations (note 6)	—	412	—	752	1,164
At 31 December 2011	142	977	421	1,800	3,340
At 1 January 2012	142	977	421	1,800	3,340
(Charge)/credited to the income statement	766	(534)	(129)	(1,755)	(1,652)
At 31 December 2012	908	443	292	45	1,688

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

16. Deferred tax assets and liabilities (Continued)

Deferred tax liabilities

In thousands of Euro	Fair value gains	Other	Total
At 1 January 2010	6,871	(213)	6,658
Charge/(credited) to the income statement	(1,585)	626	(959)
Acquired through business combinations (note 6)	570	—	570
At 31 December 2010	5,856	413	6,269
At 1 January 2011	5,856	413	6,269
Charge/(credited) to the income statement	(4,083)	1,739	(2,344)
Acquired through business combinations (note 6)	33,397	316	33,713
At 31 December 2011	35,170	2,468	37,638
At 1 January 2012	35,170	2,468	37,638
Charge/(credited) to the income statement	(3,630)	(1,642)	(5,272)
At 31 December 2012	31,540	826	32,366

Deferred tax assets are recognized for tax loss carry forwards to the extent that the realization of the related tax benefit through the future taxable profits is probable. As at 31 December 2010, 31 December 2011 and 31 December 2012, the Group did not recognize deferred tax assets of respectively €37.3 million, €48.6 million and €56.4 million in respect of estimated taxable losses of respectively €144.1 million, €184.7 million and €215.7 million. The main part of the non-capitalised losses relates to the Netherlands and Luxembourg.

The taxable losses in the Netherlands will expire between 2015 and 2022. The taxable losses of Luxembourg will not expire.

17. Trade receivables

In thousands of Euro	2012	2011	2010
Trade receivables	81,104	81,364	48,199
Less: Allowance for impairment of trade receivables	(11,162)	(12,128)	(9,021)
Trade receivables—net	69,942	69,236	39,178
Unbilled services	31,508	28,529	21,282
Total trade receivables (current)	101,450	97,765	60,460

Trade receivables are recognised at amortised costs, which equals the fair value of the trade receivables. The gross amount of trade receivables and the corresponding allowance are only written-off in case of bankruptcy of clients.

The ageing of trade receivables is as follows:

In thousands of Euro	2012	2011	2010
Less than one month	35,890	37,473	20,923
2 - 3 months	15,430	14,341	8,389
4 - 6 months	8,836	8,339	5,419
7 - 12 months	10,050	10,629	5,828
1 - 2 years	6,590	6,398	4,335
More than 2 years	4,308	4,184	3,305
Trade receivables	81,104	81,364	48,199

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

17. Trade receivables (Continued)

The fair values of total trade receivables are as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Trade receivables—net	69,942	69,236	39,178
Unbilled services	31,508	28,529	21,282
Fair value of total trade receivables	101,450	97,765	60,460

Movements in the provision for impairment of trade receivables are as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
At 1 January	12,128	9,021	8,671
Acquired through business combinations	—	8,213	—
Increase in the allowance for receivables impairment	6,642	3,159	2,052
Reversed allowance for trade receivables	(1,918)	(437)	(430)
Receivables written off during the year as uncollectible	(5,690)	(7,828)	(1,272)
At 31 December	11,162	12,128	9,021

It was assessed that a portion of the impaired trade receivables are expected to be recovered. The impairment profile of trade receivables is as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Trade receivables not yet due	36,165	38,492	18,265
Trade receivables due but not yet impaired	32,050	28,611	16,586
Trade receivables impaired	12,889	14,261	13,348
At 31 December	81,104	81,364	48,199

Trade receivables which are neither past due nor impaired are expected to be received in full. The ageing of trade receivables due but not yet impaired is mainly between 2 and 12 months. The ageing of trade receivables impaired is mainly between 7 months and > 2 years.

The carrying amounts of the Group's total trade receivables and unbilled services are denominated in the following currencies:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Euro	61,591	60,312	40,970
US Dollar	25,049	22,899	10,381
UK Pound	8,741	9,234	4,974
Other	17,231	17,448	13,156
Total trade receivables and unbilled services	112,612	109,893	69,481

The maximum exposure of credit risk at the reporting date is the fair value of the receivables. The Group does not hold any collateral as security. The Group has no significant concentrations of credit risk.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

18. Other receivables

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Prepayments	6,996	6,465	3,389
Rental and other deposits	8,181	9,924	2,583
Interest receivable	2,511	1,947	1,174
Unbilled disbursements	1,974	981	565
Other receivables	11,279	8,639	5,124
Total other receivables	30,941	27,956	12,835

Other receivables are not overdue or impaired.

19. Clients' funds held under Trust

Clients' funds held under Trust consists of client money that is held in Group bank accounts on behalf of clients. Clients' funds held under Trust is recorded separately as an asset on the balance sheet of the Group. A corresponding liability is recognised within current liabilities to reflect the linked character for the Group.

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Clients' funds held under Trust	51,130	49,772	40,386
Clients' funds ledger balances	(51,130)	(49,772)	(40,386)
Net held under Trust	—	—	—

20. Cash and cash equivalents

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Cash at bank and on hand	240,140	196,228	146,029
Short-term bank deposits	29,057	15,389	623
Bank overdrafts used for cash management purposes	(185,817)	(143,360)	(97,199)
Total cash and cash equivalents	83,380	68,257	49,453

The Group manages US Dollar and Euro notional cash pools. In these cash pools, the account balances are notionally offset for interest purposes without the central movement of funds. Interest is earned on the net balance of the pool. The total net balances in the cash pool as at 31 December 2010, 31 December 2011 and 31 December 2012 was respectively €32.1 million, €10.0 million and €8.8 million.

21. Equity

Share capital and share premium

At 31 December 2010, 31 December 2011 and 31 December 2012, the authorized share capital comprised 90,000 shares divided into 90,000 ordinary shares. The issued share capital amounts to €18,000 and consists of 18,000 ordinary shares with a nominal value of €1 each. All shares are fully paid. All shares have similar rights in meetings of the shareholders.

In 2012 without issuing of shares, capital contributions from the parent company for an amount of €7.8 million (2011: €81.7 million) were added to the share premium reserve. No cash is received in this respect.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

21. Equity (Continued)

TMF Group HoldCo B.V. provided the Group with capital contributions amounting to €65.9 million during 2010. The legal form of these contributions is an interest-free related party loan, which is converted during 2012.

Retained earnings

At 31 December 2010, 31 December 2011 and 31 December 2012 legal reserves of respectively €0.8 million, €3.5 million and €3.8 million are included in retained earnings. Legal reserves are mandatory statutory reserves held by Group subsidiaries. These reserves and the currency translation reserves are not available for distribution to shareholders.

In 2011, dividends amounting to € 5 million were paid to TMF Group HoldCo B.V.

22. Other reserves

Reconciliation of the movement in other reserves

<u>In thousands of Euro</u>	<u>Currency translation reserve</u>	<u>Hedging reserve</u>	<u>Total other reserves</u>
Balance at 1 January 2010	(6,466)	—	(6,466)
Translation movements	9,856	—	9,856
Balance at 31 December 2010	3,390	—	3,390
Balance at 1 January 2011	3,390	—	3,390
Translation movements	11,191	—	11,191
Cash flow hedges	—	(6,374)	(6,374)
Balance at 31 December 2011	14,581	(6,374)	8,207
Balance at 1 January 2012	14,581	(6,374)	8,207
Translation movements	(1,948)	—	(1,948)
Cash flow hedges	—	(4,280)	(4,280)
Balance at 31 December 2012	12,633	(10,654)	1,979

Currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Hedging reserve

The hedging reserve includes the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges. Amounts accumulated in equity are reclassified to income statement in the periods when the hedged item affects the income statement.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

23. Loans and borrowings

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Non-current			
Senior secured loan notes*	387,287	—	—
Senior loan notes*	167,566	—	—
Secured bank borrowings*	26,155	555,745	365,940
Related party loan (note 31)*	327,390	264,553	162,163
Unsecured, subordinated loans*	15,589	15,589	—
Deferred consideration payable	1,139	831	767
Non-current deferred income	4,315	1,257	—
Other non-current loans and borrowings*	2,033	1,020	496
Total non-current loans and borrowings	931,474	838,995	529,366
Current			
Current portion of secured bank borrowings*	7,634	19,383	26,524
Due to related parties (note 31)*	—	34,480	21,579
Deferred consideration payable	858	1,031	943
Other current loans and borrowings*	1,421	134	1,299
Total current loans and borrowings	9,913	55,028	50,345
Total borrowings	941,387	894,023	579,711

* Interest bearing liabilities

The Group's primary source of finance is intercompany lending from TMF Group HoldCo B.V. and senior (secured) loan notes. These senior loan notes were issued on 7 December 2012, after which on the same date the senior loan facilities provided by a syndicate of banks were fully repaid.

The deferred consideration payable relates to deferred payments and earn-out agreements with the former shareholders of acquired companies and sellers of client portfolios.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

23. Loans and borrowings (Continued)

Terms and repayment schedules

The terms and conditions of outstanding loans, excluding deferred consideration payables and deferred income, are as follows:

In thousands of Euro	Currency	Nominal interest rate	Year of maturity	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount
				2012		2011		2010	
Senior secured loan notes	Euro	Euribor + 5.375%	2018	406,900	405,000	—	—	—	—
Senior loan notes	Euro	9.875%	2019	178,648	175,000	—	—	—	—
Capitalized costs on loan notes	—	—	—	(25,147)	(25,147)	—	—	—	—
Secured Senior A bank loan	Euro	Euribor + 4.00%	*	—	—	48,455	48,455	—	—
Secured Senior A bank loan	US Dollar	US Libor + 4.00%	*	—	—	47,906	47,906	—	—
Secured Senior A bank loan	GBP	GBP Libor + 4.00%	*	—	—	17,752	17,752	—	—
Secured Senior B bank loan	Euro	Euribor + 4.25%	*	—	—	443,692	443,692	—	—
Secured Senior A bank loan	Euro	Euribor + 3.25%	**	—	—	—	—	42,707	42,707
Secured Senior A bank loan	US Dollar	US Libor + 3.25%	**	—	—	—	—	19,854	19,854
Secured Senior B bank loan	Euro	Euribor + 3.75%	**	—	—	—	—	89,497	89,497
Secured Senior B bank loan	US Dollar	US Libor + 3.75%	**	—	—	—	—	2,430	2,430
Secured Senior C bank loan	Euro	Euribor + 4.25%	**	—	—	—	—	87,540	87,540
Secured Senior C bank loan	US Dollar	US Libor + 4.25%	**	—	—	—	—	2,430	2,430
Secured mezzanine bank loan	Euro	Euribor + 10.75%	**	—	—	—	—	115,117	115,117
Acquisition facility	Euro/GBP	Euribor + 3.25%	**	—	—	—	—	24,462	24,462
Unsecured related party loans	Euro	Euribor + 5.80%	*	—	—	2,753	2,753	2,563	2,563
Unsecured related party loans	Euro	6.26%–16%	2022	364,970	327,390	379,316	296,279	217,018	181,179
Unsecured, subordinated loan	Euro	12%	2016	16,039	15,589	15,843	15,589	—	—
Financial lease	—	—	—	3,341	3,341	477	477	1,718	1,718
Other loans and borrowings	—	—	—	33,902	33,902	18,001	18,001	8,504	8,504
Total				978,653	935,075	974,195	890,904	613,840	578,001

* these borrowings were repaid on 7 December 2012

** these borrowings were repaid on 23 June 2011

The fair value of the senior loan notes is based on its listing price. The fair value of the unsecured related party loans and the unsecured subordinated loan is calculated based upon 10-year government bonds of 1.5% at 31 December 2012, 2.2% at 31 December 2011 and 3.09% at 31 December 2010. The fair value of the other loans equals the carrying amount as these loans have variable interest rates. Refer to note 31 for further information on related party loans.

The senior loan notes and revolver credit facility are secured over the shares, bank accounts, trade receivables and intercompany receivables of several entities within the Group.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

23. Loans and borrowings (Continued)

It is contractually agreed that the interest on the unsecured related party loans is rolled-up.

The effective interest rate of the secured senior bank loans is 1.27% for 2012, 1.80% for 2011 and 1.33% for 2010 higher than the nominal interest rate due to capitalised finance costs.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates are as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
6 months or less	35,210	143,501	396,404
6-12 months	—	6,549	—
1-5 years	404,909	446,166	1,718
Over 5 years	494,956	294,688	179,879
Total	934,075	890,904	578,001

The Group has a revolver facility totalling €70.0 million as at 31 December 2012. This facility consists of a €51 million facility for cash needs (fully undrawn) and a €19 million facility for bank guarantees (of which €2.7 million is undrawn). As at 31 December 2011 and 31 December 2010, the undrawn borrowing facilities amounted to €103.7 million respectively €18.2 million.

For the maturity of the Group's borrowings refer to note 4.5.

Finance lease liabilities

The present value of the finance lease liabilities is as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Gross finance lease liabilities—minimum lease payments:			
Less than one year	1,239	144	1,364
1-5 years	2,479	363	523
Over 5 years	—	—	—
Future finance charges on finance lease liabilities	(377)	(30)	(169)
Present value of finance lease liabilities	3,341	477	1,718
Less than one year	1,114	134	1,299
1-5 years	2,227	343	419
Over 5 years	—	—	—
Present value of finance lease liabilities	3,341	477	1,718

24. Derivative financial instruments

<u>In thousands of Euro</u>	<u>2012</u>		<u>2011</u>		<u>2010</u>	
	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>	<u>Assets</u>	<u>Liabilities</u>
Interest rate swaps—cash flow hedge	—	11,655	—	6,374	—	—
Balance at 31 December	—	11,655	—	6,374	—	—
Non-current	—	11,655	—	6,374	—	—
Current	—	—	—	—	—	—
Total	—	11,655	—	6,374	—	—

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

24. Derivative financial instruments (Continued)

The full fair value of a hedging derivative is classified as non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and as a current asset or liability if the maturity of the hedged item is less than 12 months.

The ineffective portion recognized in the income statement that arises from cash value hedges amounts to €0.4 million (2010 and 2011: nil).

The Group had no trading derivatives during 2010, 2011 and 2012.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts at 31 December 2012 were €405 million (2010 and 2011: respectively nil and €420 million) at an average fixed interest rate of 1.27%. On 7 December 2012 the contractual end date of the interest rate swaps was extended from 1 September 2014 to 1 December 2015.

Gains and losses recognized in the hedging reserve in equity on interest rate swap contracts as of 31 December 2012 will be continuously released to the income statement within finance costs until the repayment of the bank loans.

25. Provisions

In thousands of Euro	Legal	Restructuring	Loss making contracts	Other	Total
Balance at 1 January 2010	—	3,253	—	—	3,253
Charged to the income statement:					
—Additions	—	790	—	—	790
—Unwind of discount	—	161	—	—	161
Used during the year	—	(1,658)	—	—	(1,658)
Balance at 31 December 2010	—	2,546	—	—	2,546
Balance at 1 January 2011	—	2,546	—	—	2,546
Acquired through business combinations (note 6)	9,461	—	6,193	605	16,259
Charged to the income statement:					
—Additions	—	13,188	—	583	13,771
—Unwind of discount	—	61	—	—	61
—Exchange differences	(21)	24	—	14	17
Used during the year	(2,904)	(1,634)	(2,064)	(264)	(6,866)
Balance at 31 December 2011	6,536	14,185	4,129	938	25,788
Balance at 1 January 2012	6,536	14,185	4,129	938	25,788
Charged to the income statement:					
—Additions	2,218	1,679	—	26	3,923
—Unwind of discount	74	152	—	—	226
—Exchange differences	(47)	13	—	(10)	(44)
Used during the year	(1,050)	(5,143)	(2,064)	(766)	(9,023)
Balance at 31 December 2012	7,731	10,886	2,065	188	20,870

	2012	2011	2010
Current	7,531	9,394	912
Non-current	13,339	16,394	1,634
Balance at 31 December	20,870	25,788	2,546

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

25. Provisions (Continued)

Legal

The legal provisions relate to costs with regard to legal cases in subsidiaries of the Group. Management considers there are no material uncertainties as to the amount provided for. The amount provided for relates to costs that will be incurred in these legal cases. It is unknown when the legal provisions will be used. For further details reference is made to note 30.

Restructuring

The restructuring provisions have been created to cover the Equity Trust integration costs, mainly in the Netherlands. Integration costs include staff redundancies and onerous office lease agreements. Management considers there are no material uncertainties as to the amount provided for. A substantial part of the restructuring provisions will be used in 2013. The remainder will be used in the period 2014–2018.

Loss making contracts

The provision for loss making client contracts in Jersey and Hong Kong covers unavoidable future losses as a result of these contracts. Management considers there are no material uncertainties as to the amount provided for. The provision is expected to be fully used in 2013.

26. Retirement benefit obligations

As at 31 December 2011 and 31 December 2012, the Group operates four average salary pension schemes in the Netherlands, for its employees with a retirement age between 62 and 65 years and an entry age between 18 years and 25 years. Approximately 70% of the employees' average salary is accrued. The scheme is an insurance scheme whereby the insurer will pay future annuities for which it receives annual premiums from the employing company and (a part of) the employees. The assets in the scheme partly represent the market value of the funded benefits at the insurer, the (expected) interest profit sharing and the current account with the insurer, and partly represent the market value of investments in bonds. The liabilities in the scheme represent the present value of the current and future defined benefit pension obligations. There is only in certain specific circumstances a legal obligation on the Group subsidiaries to fund any reported deficit in these schemes.

As at 31 December 2010, the Group operated three average salary pension schemes in the Netherlands, for its employees with a retirement age of 62 years and an entry age of 21 years. Approximately 70% of the employees' average salary is accrued. The scheme is an insurance scheme whereby the insurer will pay future annuities for which it receives annual premiums from the employing company and (a part of) the employees. The assets in the scheme partly represent the market value of the funded benefits at the insurer, the (expected) interest profit sharing and the current account with the insurer, and partly represent the market value of investments in bonds. The liabilities in the scheme represent the present value of the current and future defined benefit pension obligations. There is only in certain specific circumstances a legal obligation on the Group subsidiaries to fund any reported deficit in these schemes.

All retirement benefit obligations are of a long term nature.

The Group decided to early adopt IAS19 'Employee benefits' as amended on June 2011. Consequently, comparative figures in this note have been adjusted unless mentioned otherwise. For the full impact of the adoption of the revised IAS19, reference is made to note 2.1.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

26. Retirement benefit obligations (Continued)

The amounts in the balance sheet were determined as follows and are based on external actuarial reports.

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Present value of funded obligations	43,937	30,838	15,927
Fair value of plan assets	(38,866)	(27,000)	(14,046)
Liability in the balance sheet	5,071	3,838	1,881

Movement in the liability for defined benefit obligations

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Beginning of year	30,838	15,927	12,850
Acquired through business combinations	—	13,626	—
Current service cost	2,379	2,007	1,210
Employee contribution	1,205	1,164	728
Interest cost	1,418	1,323	700
Actuarial (gains)/losses	9,931	(3,202)	528
Net benefits paid	(1,834)	(7)	(89)
End of year	43,937	30,838	15,927

The weighted-average duration of the defined benefit obligation is 24.9 year.

Movement in plan assets

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Beginning of year	27,000	14,046	11,703
Acquired through business combinations	—	11,210	—
Expected return on plan assets	1,375	1,154	637
Actuarial gains/(losses)	5,345	(3,644)	(379)
Employer contributions	6,050	3,336	1,534
Employee contributions	1,205	1,164	728
Net benefits paid	(1,834)	(7)	(89)
Other costs	(275)	(259)	(88)
End of year	38,866	27,000	14,046

The actual return on plan assets for the years ended 31 December 2010, 31 December 2011 and 31 December 2012 is respectively €0.9 million, €0.1 million and €9.0 million.

The assets in the plans comprise qualifying insurance policies with a profit sharing arrangement. The value of the profit sharing arrangement is based on the profit sharing provisions in the contracts with the insurance company. All assets can be considered as 'not quoted in an active market'.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

26. Retirement benefit obligations (Continued)

Expense recognized in the income statement

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Current service cost	2,379	2,007	1,210
Interest cost	1,418	1,323	700
Other costs	225	259	88
Expected return on plan assets	(1,375)	(1,153)	(637)
Total included in personnel expenses (note 7)	2,647	2,435	1,361

Principal actuarial assumptions

	<u>2012</u>	<u>2011</u>	<u>2010</u>
Discount rate	3.50%	4.75%	4.75%
Expected return on plan assets	3.50%	4.75%	3.75%
Future salary increases	2.00%	2.00%	1.75%
Mortality	AG table 2012-2062	AG table 2010-2060	AG table 2010-2060

Experience adjustments

The experience adjustments on the plan liabilities and assets can be disclosed as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008*</u>
Present value of funded obligations	43,937	30,838	15,927	12,850	15,357
Fair value of plan assets	(38,866)	(27,000)	(14,046)	(11,703)	(14,718)
Deficit/(surplus) in the plan	5,071	3,838	1,881	1,147	639
Experience adjustments on plan liabilities	(88)	63	(10)	649	(336)
Experience adjustments on plan assets	(114)	(35)	76	(636)	(585)

* Effects of IAS19R adoption not included

Sensitivity analysis

The table below shows the approximate impact on the 2012, 2011 and 2010 pension costs if the mentioned key assumptions would change by one percentage point:

<u>Impact on pension costs 2012 In thousands of Euro</u>	<u>Increase assumption by 0.5%</u>	<u>Decrease assumption by 0.5%</u>
Discount rate	(479)	573
Inflation	57	(54)
 <u>Impact on pension costs 2011 In thousands of Euro</u>	 <u>Increase assumption by 1%</u>	 <u>Decrease assumption by 1%</u>
Discount rate	115	(34)
Expected return of plan assets	—	—
Future salary increases	59	(55)
 <u>Impact on pension costs 2010 In thousands of Euro</u>	 <u>Increase assumption by 1%</u>	 <u>Decrease assumption by 1%</u>
Discount rate	(6)	(327)
Future salary increases	(1)	1

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

26. Retirement benefit obligations (Continued)

If more than one assumption were changed, the impact would not necessarily be the same as if only one assumption changed in isolation.

Expected service costs of post-employment benefit plans for the year ended 31 December 2013 will approximately be €2.6 million. The expected employer contribution will approximately be €4.1 million.

27. Trade and other payables

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Trade payables	12,947	18,649	6,671
Deferred income	9,401	9,758	8,387
Social security and other taxes	14,350	11,191	5,799
Personnel expenses payable	13,830	13,225	8,840
Accrued expenses	17,824	13,817	8,387
Interest payable	5,735	5,253	1,259
Other payables	18,976	13,635	9,321
Total trade and other payables	93,063	85,528	48,664

28. Cash generated from operations

<u>In thousands of Euro</u>	<u>Note</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Result before income tax		(35,386)	(67,482)	(4,493)
Adjustments for:				
Amortisation/impairment	13	21,188	24,474	15,603
Depreciation/impairment	14	8,120	8,717	5,243
Retirement benefit obligations		(3,732)	(902)	(328)
Other (income)/expenses—net	9	21,351	45,853	6,003
Net finance costs	10	92,054	95,692	51,201
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):				
Financial assets		1,017	36	(194)
Trade receivables		(4,062)	(7,320)	(3,479)
Other receivables		(2,473)	9	12,834
Trade and other payables		9,559	235	(8,997)
Changes in foreign currency (excluding movement in currency translation reserve)		854	7,013	326
Cash generated from operations		108,490	106,325	73,719

29. Commitments

Capital commitments

As at 31 December 2010, 31 December 2011 and 31 December 2012, capital expenditure for the acquisition of property, plant and equipment contracted for at balance sheet date but not yet incurred amounted to respectively nil, €2.0 million and nil.

Operating lease commitments

The Group leases various offices under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

29. Commitments (Continued)

The Group also leases various motor vehicles, office and computer equipment under cancellable operating lease agreements. The lease expenditure charge to the income statement during the years 2010, 2011 and 2012 was respectively €17.3 million, €26.1 million and €25.3 million.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Less than 1 year	22,262	25,261	17,125
1- 5 years	51,565	54,587	34,521
Over 5 years	21,333	26,216	7,001
Total operating lease commitments	95,160	106,064	58,647

Guarantees

As at 31 December 2010, 31 December 2011 and 31 December 2012, the Group has issued guarantees in connection with deferred consideration payments and office lease agreements amounting respectively €2.6 million, €16.3 million to €16.3 million.

Fiscal unity

The majority of the Dutch entities within the Group are part of a fiscal unity with TMF Group HoldCo B.V. As a consequence, those entities and TMF Group HoldCo B.V. are jointly and severally liable for corporate income tax liabilities of the fiscal unity.

30. Contingencies

Legal claims

The Group has contingent liabilities in respect to legal claims. The most material claims are described below.

Case 1

Certain investors in property investment and development trusts and companies in respect of which certain Group companies provided trustee, director and administration services in Jersey have threatened legal proceedings and/or have filed complaints with the Jersey regulator against these Group companies. Additionally, a claim was filed commencing proceedings in Jersey in December 2010 against two Group companies by the current trustee and manager of three collective investment funds which invested in property development structures in respect of which the relevant Group companies previously acted as trustee or manager. Both the threatened legal proceedings and the filed claim involve investors claiming losses of substantial sums of money in connection with the underlying property investments in Eastern Europe. The claims allege breach of trust, breach of contract, and breach of fiduciary duty on the part of the relevant Group companies. Certain of the Group companies' activities in Jersey are regulated and the Jersey regulator is currently investigating the Group companies' actions relating to this dispute, including the handling of the investor complaints referred to above.

Case 2

During 2011, Custom House (a company of whose shares are owned by the Group for 50.18%) received a letter from the liquidators in respect of various linked funds which made certain allegations against that company (who acted as administrator of such funds) and one of its individual directors (who also acted as a director of one of the funds) and its/his alleged role in the collapse of the funds, which are now in liquidation in the Cayman Islands. The liquidators claimed damages in this respect. In October 2011, a writ of summons was filed in the Cayman Islands and a Notice of Arbitration was served, claiming

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

30. Contingencies (Continued)

substantial damages but both the litigation and the arbitration have been stayed while the parties try to resolve the claims via mediation.

Case 3

Some Group company acted as one of the directors of a Dutch holding company whose subsidiary owned a foreign property. Additional shares were issued by the subsidiary that resulted in the dilution of the Dutch holding company's (and its shareholders) indirect interest in the overseas property. Legal proceedings were initiated with the Dutch Enterprise Chamber by one of the shareholders in the Dutch holding company alleging mismanagement by all three of its directors (only one of whom, as noted above, was a Group company). The Dutch Enterprise Chamber initially found that there was mismanagement on the part of all the directors, but the Group company is appealing the decision. Recently the respective shareholder started civil proceedings against the Group company. The Group company will severely challenge the claims.

Case 4

Some Group company provided certain services in connection with a structured finance transaction, whereby receivables from a bank were transferred to a special purpose vehicle ("SPV") managed and administrated by the Group company. The SPV issued notes to investors. The note Trustee on behalf of the noteholders filed a claim in Luxembourg against the Group company in November 2012 claiming that certain formalities were not complied with in respect to the transferring of underlying assets as a result of which the SPV might suffer a loss and cannot fully repay the noteholders.

Case 5

A Group company is one of the trustees of an Asian based pension scheme of which certain investors are in a dispute with HM Revenue & Customs regarding the revocation of the pension schemes "Qualifying Recognised Overseas Pension Scheme" status in 2008. The English High Court delivered a judgment in 2011, which was upheld by the Court of Appeal in 2012, concluding that the pension scheme was not entitled to this status. As a result, certain investors have commenced a class action against HM Revenue & Customs. If the investors ultimately lose the dispute, they would be subject to tax at a relatively high rate. No claims have been commenced against the Group company, but some investors have indicated that they reserve their rights to do so in the future.

Case 6

The liquidators of an English company, of which during a prior period a certain Group company had provided directors and administration services in Jersey, in February 2013 served legal proceedings against its former directors and the Group company. The primary assets of the English company consisted of substantial London property. The legal proceedings involve allegations of sale of the London property to a related entity at an undervalue, recovery of an associated loan and income generated by the London property.

While the Group cannot predict the outcome of the foregoing matters, based upon information currently available to the Group and in light of the Group's insurance coverage management does not believe that the final outcome of these proceedings and any threatened proceedings will have a material adverse effect on the Group's business, results of operations or financial condition.

The Group has contingent liabilities in respect to other legal claims arising from the normal course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

30. Contingencies (Continued)

Contingent assets

During 2008 the Group sold and assigned €9.3 million of certain financial assets and deferred tax assets to Middenberm Group Holding Luxembourg S.A. Middenberm Group Holding Luxembourg S.A. is entitled to return of 10% of the purchase price or the unrecovered portion thereof each year ('Yield'). This Yield will be calculated up to the date that Middenberm Group Holding Luxembourg S.A. has been able to unconditionally transfer all assets to a third party or otherwise realized in cash. If the aggregated proceeds received by Middenberm Group Holding Luxembourg S.A. for all assets are in excess of the purchase price, increased by the Yield, then the amount of excess shall be considered as an adjustment to the purchase price and repaid to the Group.

31. Related party transactions

Ultimate controlling party

The shares in the Company are 100% held by TMF Group HoldCo B.V. 65% of the ordinary shares and all preference shares in TMF Group HoldCo B.V. are indirectly held by Doughty Hanson & Co V (which comprises a series of English limited partnerships with each limited partnership having a common general partner in Doughty Hanson & Co V Limited) and indirectly by the employees of affiliates of Doughty Hanson & Co V Limited. The remaining 35% of the ordinary shares in TMF Group HoldCo B.V. are indirectly held by the management and employees of the Group. On 28 June 2011 additional shares were issued to Doughty Hanson & Co V and indirectly to employees of affiliates of Doughty Hanson & Co V Limited by TMF Group HoldCo B.V. which resulted in an increase in the share in TMF Group HoldCo B.V. by them from 60% to 65%.

The Group provided services to Doughty Hanson & Co and its associated companies for €119 thousand (2011: €15 thousand).

The Group has given a loan to St. Andrew Street Unit Trust of €3.2 million (2010 nil and 2011: €2.7 million). The interest income for 2012 and 2011 amounted to nil.

The Group has given loans to and received loans from TMF Group HoldCo B.V. Reference is made to note 10, 15 and 23.

Transactions with key management, personnel and advisors

Key management personnel include the Board of Directors and members of the Executive Committee.

Key management personnel compensation comprised:

<u>In thousands of Euro</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Wages, salaries and management fees	3,991	3,811	2,433
Post-employment benefits	237	171	112
Total remuneration of key management	4,228	3,982	2,545

Other transactions with key management and personnel

The Group has not had any other material transactions with key management and personnel.

Other related party transactions

In 2010, the Group had rental agreements with minority shareholders for offices in various countries with a total annual rent of €138 thousand.

The majority of the Dutch entities within the Group are part of a fiscal unity with TMF Group HoldCo B.V. As a consequence, those entities and TMF Group HoldCo B.V. are jointly and severally liable for corporate income tax liabilities of the fiscal unity.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

32. Auditor fee

The remuneration of PricewaterhouseCoopers can be specified as follows:

<u>In thousands of Euro</u>	<u>2012 PwC NL</u>	<u>2012 Other PwC network</u>	<u>2012 Total PwC network</u>
Audit of these financial statements	350	173	523
Other audit services	650	1,296	1,946
Total audit services	1,000	1,469	2,469
Other audit activities	—	—	—
Total PwC Accountants N.V.	1,000	1,469	2,469
Fiscal advice	300	182	482
Other services	—	—	—
Total	<u>1,300</u>	<u>1,651</u>	<u>2,951</u>

The remuneration of other audit firms with respect to the audit of these financial statements amounts to €17,000.

Group entities

The entities of the Group by country of incorporation are included below. All entities have a balance date of 31 December. When an entity became a group entity during 2010, 2011 or 2012 or is liquidated in these years, than this is included in brackets.

Argentina

Almagesto Srl (2012)
Equity Trust Company Argentina SA (2011)
TMF Argentina Srl.
TMF Outsourcing Srl.
TMF Fiduciario (Argentina) S.A. (2010)

Aruba

Manacor (Aruba) N.V. (liquidated in 2012)
TMF Aruba N.V. (2011)
Vokad Aruba N.V. (i.l. as from 2011)

Australia

Freeway Australia Pty Ltd. (liquidated in 2011)
Kingsway Taitz Fund Administration Pty Ltd.
TMF Australia RET Ltd. (2012)
TMF Corporate Services (AUST) Pty Ltd.
TMF FundAdministrators (Australia) Pty Ltd.
TMF FundServices (Australia) Pty Ltd.
TMF Nominees (AUST) Pty Ltd.

Austria

APS Buchführungs- & Steuerberatungs GmbH.
Cinephil Filmvertrieb GmbH.
Dr. Mayer GmbH Wirtschaftstreuhand- und
Steuerberatungsgesellschaft
TMF Management GmbH.
TMF Accounting & Payroll
Steuerberatungsgesellschaft GmbH.
TMF Austria GmbH.
S.A.L.E.M. Assets Holding GmbH. (liquidated in 2012)

Barbados

TMF (Barbados) Inc (2011)

Belgium

Equity Trust (Belgium) N.V. (2011)
Poku Holding B.V.B.A. (2012)
TMF Accounting Services B.V.B.A.
TMF Belgium N.V.
TMF Management N.V.
TMF Services N.V.
Van Dungen Automaten Exploitatie en Beheer B.V.B.A.
(2011)

Bermuda

TMF Bermuda Limited (2011)

Bolivia

TMF Bolivia Srl.

Bonaire

TMF Bonaire B.V. (2011)

Brazil

Equity Trust Do Brazil Participacoes Ltda (2011)
Serpac—Empreendimentos Ltda (2011)
Serpac—Participacoes Ltda (2011)
SERPAC- Servicos Paralegais e Contabeis Ltda.
TMF Brazil Assessoria Contábil e Empresarial Ltda.
TMF Sao Paulo Adm. E Participações Ltda.
TMF Servicos Em Administracao de Recursos
Humanos LTDA

British Virgin Islands

Aguila Nominees Ltd (2011)
Alstonia Investments Ltd.
Anglo Nominees Ltd.
Anshun Services Ltd (2011)
Baretta Ltd (2011)
Bicourt Ltd
Birchtown Ltd (2011)
Bishopsgate Nominees Ltd (2011)
Bison Financial Services Ltd.
Bison Group Ltd.
Business Administration Services Ltd
Carissa Ltd (2011)
Chapway Ltd
CMS Ltd (2011)
Commonwealth Fund Services Ltd (2011)
Commonwealth Services Ltd (2011)
Commonwealth Trust Limited (2011)
Custom House Global fund services Ltd* (2011)
Derard Ltd (2011)
Elara Group Ltd.
EQ Capital Plan Ltd (2011)
EQ Directors Ltd (2011)
EQ Executorship Services (BVI) Ltd (2011)
EQ Fund Services (BVI) Ltd (2011)
TMF Group (BVI) Ltd (2011)
TMF Group International Ltd (2011)
Equity International Holdings Ltd (2011)
Equity Trust Capital (BVI) Ltd (2011)
Equity Trust Company (Asia) Ltd (2011)
TMF Corporation (BVI) Ltd (2011)
F.M.C. Ltd (2011)
Fanlau Ltd.
Fides Management Services Ltd (2011)
Financial Trustees Ltd.
Fort Trust Company Ltd (2011)
Gilberry Holding Corp. (liquidated in 2010)
Goldthread Ltd (liquidated in 2012)
Guardian Trust and Securities Co Ltd (2011)
Havelet Trust Company (BVI) Ltd (2011)
Homestead Management Ltd (2011)
Imperial Trust Ltd (2011)
Insinger Corporate Formations (BVI) Ltd (2011)
Insinger Trust (BVI) Ltd (2011)
Insinger Trustee Services (BVI) Ltd (2011)
International Management Company (BVI) Ltd (2011)
JAI Services Ltd (2011)
Leadenhall Services Ltd (2011)
Leadenhall Trust Company Ltd (2011)
M.N. Ltd (2011)
Manacor (BVI) Ltd (2011)
Manfell Ltd.

Marek Ltd (2011)
 Mediator Holding Inc.
 Miranda Overseas Holdings Ltd (liquidated in 2012)
 Moultrie Investments Ltd (2011)
 OCM Management Ltd.
 Oldwick Holdings Ltd (2011)
 Opti Resources Ltd.
 Optimal Corporate Services (BVI) Ltd (2011)
 Panbridge Nominee (Asia) Ltd (2011)
 PAS Ltd (2011)
 Prestocorp Ltd.
 Prosec Ltd.
 Pyramide Holding Ltd (2011)
 Qurum Corporate Services Ltd (2011)
 Ribalta Holdings Inc (2011)
 Rossan Corp. Management Ltd.
 S.C.S. Ltd (2011)
 Sage Trust Company Ltd (2011)
 Sealight Trust Ltd (2011)
 Securities Management Ltd.
 Shellbourne Trust Company (BVI) Ltd (2011)
 Shellbourne Trust Corporation (2011)
 Shellbourne Trustees (BVI) Ltd (2011)
 Southfield Management Ltd (2011)
 Spade Investments Ltd (2011)
 SPC Directors Ltd (2011)
 Tarma Management Overseas Inc (2011)
 Taunton Trading Ltd (2011)
 Threadneedle Services Ltd (2011)
 Tiepin Services Ltd (2011)
 TMF Administration Services Ltd (2011)
 TMF Authorised Representative (BVI) Ltd (2011)
 TMF (BVI) Ltd
 TMF Company Ltd
 TMF Corporate Services (BVI) Ltd (2011)
 TMF FundServices (BVI) Ltd
 TMF Incorp Directors (BVI) Ltd (2011)
 TMF Management Services Ltd
 TMF Management (BVI) Ltd
 Treasure Bay X3-2 Development Co. Ltd
 Universal Corporate Services (BVI) Ltd.
 Vision Tower Ltd (2011)
 Wickhams Cay Trust Co Ltd (2011)
 Worldwide Financial Services Ltd (2011)

Bulgaria

TMF Bulgaria EOOD
 TMF Fund Services Bulgaria EOOD (2011)
 TMF Services d.o.o. Beograd (2011)
 TMF Services EOOD

Canada

TMF Canada Management Inc.

Cayman Islands

EQ Nominees Ltd (2011)
 Fides Ltd (2011)
 TMF (Cayman) Ltd (2011)

Chile

TMF Administradora SA (2011)
 TMF Chile Asesorias Empresariales Ltda.
 TMF Empresa de Servicios Transitorios Ltda.
 TMF Servicios Integrales Ltda (2011)

China

Equity Trust Corporate Management Consulting (Shanghai)
 Co Ltd (2011)
 TMF Services Ltd.

Colombia

Global Process Outsourcing SAS (2011)
 TMF Colombia Ltda.

Costa Rica

TMF Costa Rica (TMFCR) Ltda.

Croatia

TMF Croatia d.o.o.

Curacao

Bermaju N.V.
 BFT (Curacao) N.V.
 BFT (Netherlands Antilles) Holding N.V. (liquidated in 2012)
 Curab N.V. (2011)
 Curacao Accounting N.V.
 Curan Incorporation Services N.V. (liquidated in 2011)
 Custom House Fund Services (Curacao) N.V.* (2011, liquidated in 2012)
 EQ Trust Caribbean Holding N.V. (2011)
 Etrusco N.V. (2011)
 International Pyramide Holdings N.V. (2011)
 N.V. Fides (2011)
 N.V. Interpark (liquidated in 2011)
 N.V. Trust en Participatiemaatschappij Montodoro (liquidated in 2011)
 Parnassus Trust (Curacao) N.V.
 Pietermaai Building Association N.V. (2011)
 Stichting Beheer TMF Curacao (2011)
 Tarma Holdings N.V. (liquidated in 2012)
 Tarma Trust Management N.V. (liquidated in 2012)
 Tiana Services N.V. (2011)
 Tradman Curacao N.V. (liquidated in 2012)
 Tradman Accounting Services N.V.
 TMF Administrative Services N.V. (2011)
 TMF Curacao N.V. (2011)
 TMF Curacao Holding B.V. (2012)
 TMF Investments N.V. (liquidated in 2012)
 TMF (Netherlands Antilles) Invest N.V. (liquidated in 2012)
 TMF (Netherlands Antilles) Holding N.V. (liquidated in 2012)
 TMF (Netherlands Antilles) N.V.
 Vokad N.V. (NA)
 Zarf Trust Corporation (Antilles) N.V. (liquidated in 2011)

Cyprus

Equity Trust E.Q. (Cyprus) LLTD (2011)
 TMF Administrative Services Cyprus Ltd (2010)
 TMF Company Secretary (CY) Ltd. (2012)
 TMF Management Ltd

Czech Republic

ARU Czech s.r.o. (liquidated in 2011)
 TMF Czech a.s.
 TMF Assets a.s. (2011)

Denmark

TMF Denmark A/S

Dominican Republic

TMF Republica Dominicana, C. por A.

Ecuador

TMF Ecuador Compañía Ltda.

Egypt

TMF Egypt LLC

El Salvador

TMF El Salvador Ltda de C.V.

Estonia

TMF Services Estonia OU

Finland

TMF Finland OY

France

Anadex SA (liquidated in 2010)
Cinephil France S.A.S.
Parnassus Accounting France S.à.r.l
TMF France Management S.à.r.l
TMF France S.A.S.
TMF VAT Services France S.A.S. (2010)

Germany

BFT Deutschland GmbH. (liquidated in 2011)
TMF Deutschland A.G.
TMF Holding Deutschland GmbH. (liquidated in 2010)
TMF Management Holding Deutschland A.G.
Una Incorporation GmbH.
Una Management GmbH.

Guatemala

TMF Guatemala Ltda.

Guernsey

Amarado Ltd (2011)
Caravel Management Ltd (2011)
Custom House Fund Services (Guernsey) Ltd* (2011)
Equity (Guernsey) Holdings Ltd (2011)
Equity Trust Guernsey Ltd (2011)
GCI Management Ltd (2011)
Leadenhall Nominees Ltd (2011)
Tower Secretaries Ltd (2011)

Honduras

TMF Services Honduras S. de R.L.

Hong Kong

Asian Financial Holding Ltd (liquidated in 2011)
Asian Financial Services Ltd (liquidated in 2011)
Dale Nominees Ltd (2011)
EQ Corporate Management (China) Ltd (2011)
EQ Group Services (HK) Ltd (2011)
EQ Holdings HK Ltd (2011)
EQ Management Services (Hong Kong) Ltd (2011)
TMF Trust (HK) Ltd (2011)

Glen Nominees Ltd (2011)
Gold Bright International Ltd (2011)
Impact Enterprises Ltd (liquidated in 2011)
Intergeest Far East Hong Kong Ltd* (2011)
Pacific Taxation Services Ltd (2011)
TMF Fiduciaries Ltd.
TMF Hong Kong Ltd.
TMF Secretarial Services Ltd.
TMF Signatories Ltd (2010)
Vencourt Ltd
Vixen Ltd (2010)

Hungary

Freeway Entertainment Kft.*
Independent CAM Services Kft.*
TMF Hungary Accounting and Services LLC

India

TMF Services India Private Limited
TMF India Private Limited

Indonesia

PT TMF Indonesia

Ireland

Brandmetro Ltd (2011)
Custom House Fund Services (Ireland) Ltd* (2011)
Dollarpoint Ltd (2011)
Dollarseal Ltd (2011)
TMF FundAdministrators (Ireland) Ltd.
TMF Management Holding (Ireland) Ltd.
TMF Administration Services Ltd.
TMF Management Ireland Ltd.

Israel

TMF Management and Accounting Services (Israel) Ltd.
Vered Shibolet Consulting Ltd. (2011)

Italy

Gentili & Partners—Studio Professionale Associato (2011)
TMF Ferri-Minnetti-Piredda Srl.
TMF Compliance (Italy) Srl
TMF Holding Italy Srl.
TMF Invest Italy Srl.
TMF Management Italy Srl.
TMF Payroll Services Italy S.r.l.
TMF & Partners SpA.

Jamaica

TMF Jamaica Ltd. (2010)

Japan

TMF Group Limited (Japan)

Jersey

C.H. Ltd (2011)
C.N. Ltd (2011)
EQ Council Member Ltd (2011)
EQ Directors One Ltd (2011)
EQ Directors Two Ltd (2011)
EQ Executors & Trustees Ltd (2011)
EQ Guardian Ltd (liquidated in 2012)

EQ Holdings (Jersey) Ltd (2011)
 EQ Nominees (Jersey) Ltd (2011)
 EQ Secretaries (Jersey) Ltd (2011)
 EQ Trust Holdings (Jersey) Ltd (2011)
 Equity Trust (Jersey) Ltd (2011)
 JH Ltd (2011)
 JN Ltd (2011)
 LDC Financial Services Ltd (2011)
 Manacor (Jersey) Ltd (2011)
 Manacor Nominees (Jersey) Ltd (2011)
 Shellbourne Trust Corporation Ltd (2011)
 TMF Channel Islands Ltd.
 TMF Charitable Trustee Limited
 TMF Group Services (Jersey) Ltd (2011)
 TMF Jersey Ltd.
 TMF Services (Jersey) Ltd (2011)
 TMF 1 Limited
 TMF 2 Limited

Kazakhstan

TMF Kazakhstan LLP.

Kenya

TMF Kenya Ltd.

Korea

TMF Korea Co Ltd.

Labuan

EQ Corporate Secretaries Ltd (2011)
 TMF Management Ltd (2011)
 Equity Trust (Labuan) Sdn Bhd (2011)
 TMF Trust (Labuan) Ltd (2011)
 Guarantee Management Ltd (2011)
 Guarantee Management Purpose Trust (2011)
 Panthera Ltd* (2011)
 The Mutual Assurance Co (2011)
 Tiara Ltd (2011)
 TMF Funds Services (Asia) Ltd (2011)
 TMF Holdings Asia Ltd (2011)
 TMF Secretaries Ltd (2011)
 TMF Treasury Ltd (2011)

Latvia

TMF Latvia SIA.

Liechtenstein

TMF Management Services Anstalt (2011)

Lithuania

TMF Services UAB.

Luxembourg

Custom House Fund Services (Luxembourg) S.A.* (2011)
 EQ Audit S.à.r.l (2011)
 Equity Trust Holdings S.à.r.l (2011)
 Fides (Luxembourg) S.A. (2011)
 Immobiliere Vauban S.A.
 International Pyramide Holdings (Lux) S.A. (2011)
 Invex S.à.r.l (2011)
 Luxco 84 S.à.r.l
 Luxco 86 S.à.r.l (liquidated in 2010)
 Manacor (Luxembourg) S.A. (2011)

Mutua (Luxembourg) S.A (2011).
 Scorpius Investments S.A. (liquidated in 2012)
 Sweetlake Corporation N.V. (2012)
 TMF Administrative Services S.A.
 TMF Compliance (Luxembourg) S.A.
 TMF Corporate Services S.A.
 TMF Luxembourg S.A. (2011)
 TMF Luxembourg Holding S.A
 TMF Management Luxembourg S.A. (liquidated in 2012)
 TMF Participations S.à.r.l
 TMF Secretarial Services S.A.

Malaysia

TMF Accounting Services Malaysia Sdn.Bhd. (liquidated in 2010)
 TMF Administrative Services Malaysia Sdn.Bhd.
 TMF Corporate Services Malaysia Sdn.Bhd. (liquidated in 2010)
 TMF Global Services (Malaysia) Sdn Bhd (2011)
 TMF HR Services Malaysia Sdn.Bhd. (liquidated in 2010)
 TMF Outsourcing Services Malaysia Sdn.Bhd. (liquidated in 2010)
 TMF Trustee Malaysia Bhd (2011)

Malta

Equity Fund Services (Holdings) Ltd* (2011)
 Equity Trust Malta Ltd (2011)
 Lily Trust (2012)*
 The Nascent Fund SICA Plc (2012)*
 TMF FundAdministrators (Malta) Ltd.
 TMF Holding Malta Ltd.
 TMF Management and Administrative Services (Malta) Ltd.
 TMF FundServices (Malta) Ltd.

Mauritius

Chardon Ltd (2011)
 TMF (Mauritius) Ltd (2011)
 Palisade Ltd (2011)
 Sentry Ltd (2011)

Mexico

Servicios de Personal y Control Plus S. de R.L. de C.V. (2011)
 TMF BPO Services. de R.L. de C.V.
 TMF Business Process Outsourcing S. de R.L. de C.V.

New Zealand

TMF Fiduciaries (New Zealand) Ltd (2011)
 TMF General General Partner Ltd (2011)
 TMF Trustees (New Zealand) Ltd (2011)
 TMF Corporate Services New Zealand Ltd.

Nicaragua

TMF Nicaragua y Compañía Ltda.

Norway

TMF Norway A.S.

Panama

Beneficiary Corporation (2011)
 Equity Directors (Panama) Ltd (2011)
 Equity International Incorporation (Panama) SA (2011)
 Equity Presidents (Panama) Ltd (2011)

Equity Treasurers (Panama) Ltd (2011)
Powerforce Inc (2011)
TMF Administration Services Panama Ltd (2011)
TMF Panama S. de R.L.
TMF Mid-America Corp. (2010)

Paraguay

TMF Paraguay Ltda.

Peru

TMF Peru Srl

Philippines

TMF Asia B.V. Philippines Inc.
TMF Philippines Inc. (2011)

Poland

TMF Poland Sp.zoo.
TMF VAT Services Poland Sp.zoo.

Portugal

TMFPT Servicos de Gestao e Administracao de
Sociedaes Lda.

Romania

TMF Accounting and Payroll Srl.
TMF Management Srl.
TMF Romania Srl.

Russia

RMA Services LLC
Corporate Management Rus LLC (2010)
TMF Rus Ltd.

Samoa

TMF (Samoa) Ltd (2011)

Serbia

TMF Services DOO

Singapore

Custom House Fund Services (Singapore) Pte Ltd* (2011)
EQ International Incorporations Pte Ltd (2011)
Equity Trust Services (Singapore) Pte Ltd (2011)
Intergest International (Singapore) Pte Ltd (2011)
JNC Corporate Management Rus LLC (liquidated in 2011)
TMF Singapore Pte Ltd
TMF Singapore H Pte Ltd (2011)
TMF Trustees Singapore Ltd (2011)

Slovakia

FMTA s.r.o.
TMF Aux s.r.o.
TMF Services Slovakia s.r.o.

Slovenia

TMF Racunovodstvo in administrativne storitve D.O.O.

South Africa

TMF Administrative and Management Services (Pty) Ltd.

Spain

Freeway Spain S.L.*
TMF Latin America Holding Spain One S.L.
TMF Latin America Holding Spain Two S.L.
TMF Management Holding Spain S.L.U.
TMF Management (Spain) S.L.
TMF Participations Holding (Spain) S.L.
TMF Sociedad de Direccion S.L.
TMF Sociedad de Participacion S.L.
TMF Spain S.A
TMF VAT & Fiscal Services Spain S.L.

Sweden

Equity Trust Sweden AB (2011)
TMF Sweden AB

Switzerland

Gentili & Partners S.A.
TMF Brunnen AG
TMF Investments S.A.
TMF Services S.A

Taiwan

TMF Taiwan Ltd.

Thailand

Parnassus Holding Thailand Co Ltd.
TMF Thailand Ltd.

The Netherlands

Administratiekantoor van De Twentsche Trust-
Maatschappij B.V.* (2011)
Administratiekantoor Versluis B.V. (liquidated in 2012)
Beleggingsmaatschappij Snijpen B.V. (liquidated in 2012)
Beleggingsmaatschappij Vechtmond I B.V. (liquidated in 2012)
BfT Nederland B.V.
BJH Beheer- en Participatiemaatschappij B.V. (liquidated in 2012)
Capital Mania B.V. (liquidated in 2012)
Cardinal Holding B.V. (liquidated in 2011)
Ceruletwo B.V. (liquidated in 2012)
Clear Management Company B.V. (2011)
C.M.S. Corporate Management Services B.V. (liquidated in 2011)
Custom House Fund Services (Netherlands) B.V.* (2011)
E.M.T. International B.V. (liquidated in 2011)
Emba Management and Finance B.V. (liquidated in 2012)
Entro B.V. (liquidated in 2011)
Entgroone B.V. (liquidated in 2011)
E.T.S.A. Management en Finance B.V. (liquidated in 2012)
EQ Escrow Services B.V. (2011)
Equity Trust (Netherlands) B.V. (2011)
ETTS B.V. (2011)
Executive Management Trust B.V. (liquidated in 2011)
Exploitatiemaatschappij De Gelder VIII B.V. (liquidated in 2012)
Freeway CAM B.V.*
Freeway Entertainment Group B.V.*
Freeway Patents and Trademarks B.V.*
Holdingmaatschappij van Ka B.V. (liquidated in 2011)

InterGest Holland B.V. (2011)
 Jeewa B.V.*
 Jurato Trust B.V. (liquidated in 2012)
 Kloppenberg Beheer B.V. (2012)
 Landsbreed B.V.
 Manacor (Nederland) B.V. (2011)
 Masanco Netherlands B.V.
 Motiva B.V. (2011)
 National Trust Maatschappij N.V. (2010)
 Nationwide Management Services B.V. (liquidated in 2011)
 Netherlands Management Company Holding B.V. (liquidated in 2011)
 Netherlands Management Company B.V. (liquidated in 2011)
 NMS Holding B.V. (liquidated in 2011)
 Nommet Management Services B.V.
 Ofasec Administratie B.V. (2010)
 Parnassus Trust Amsterdam B.V.
 Persijn Beheer B.V.
 Rekencentrum Versluis B.V.
 RevCheck B.V.*
 Stichting Administratiekantoor Dolfino (2011)
 Stichting Beheer Derdengelden Equity Trust (liquidated in 2012)
 Stichting Beheer Derdengelden EMT (liquidated in 2011)
 Stichting Cerulean
 Stichting Derdengelden E.T.S.A. (liquidated in 2011)
 Stichting Derdengelden TMF
 Stichting Ecotree
 Stichting Eljan (2010)
 Stichting Equity (2011)
 Stichting Fidelia (2010, liquidated in 2011)
 Stichting Freeway Custody
 Stichting L'Orage
 Stichting M.P.V.
 Stichting Plantersrust (liquidated in 2011)
 Stichting Therog (2010)
 Stichting TMF Capital Advances (liquidated in 2011)
 Stichting TMF Participations
 Stichting Tradman Beheer (liquidated in 2011)
 Tradman Accounting Services (Drivi Accounting Services B.V.)
 Tradman BPO Services B.V.
 Tradman Corp B.V.
 Tradman FS Holding B.V.
 Tradman FundServices B.V.
 Tradman IP Holding B.V.
 Tradman Management B.V.
 Tradman Netherlands B.V.
 TMF Adria Holding B.V. (liquidated in 2012)
 TMF Asia B.V.
 TMF Bewaar B.V.
 TMF Financial Services B.V.
 TMF FundAdministrators B.V.
 TMF FundServices B.V.
 TMF GlobalCustody B.V.
 TMF Group B.V.
 TMF Group Holding B.V.
 TMF Group Invest Two B.V.
 TMF Group Services B.V.
 TMF Group Services II B.V.
 TMF Holding B.V.
 TMF Holding Eastern Europe B.V.
 TMF Holding International B.V.
 TMF Human Resources Holding B.V. (liquidated in 2010)
 TMF ICT Lease I B.V. (liquidated in 2010)
 TMF Latin America B.V.
 TMF Leasing B.V.
 TMF Management B.V.
 TMF Middle East B.V..
 TMF Nederland B.V. (liquidated in 2011)

TMF Netherlands B.V. (2011)
 TMF North America B.V.
 TMF Participations B.V.
 TMF Poland B.V.
 TMF Poland SPV B.V. (Liquidated in 2012)
 TMF Services B.V.
 TMF SFS Management B.V.
 TMF Slovak & Czech Holding B.V.
 TMF Slovakia B.V.
 TMF Structured Finance Services B.V.
 TMF Structured Products B.V.*
 TMF Travel B.V.
 TMF Trustee B.V.
 Venture Support B.V.
 Zarf Trust Corporation B.V. (liquidated in 2011)

Turkey

CPA Systems Ltd.
 TMF Administrative Services Ltd.

Turks and Calcos Islands

EQ Life Ltd (2011)

Ukraine

TMF Ukraine L.L.C.

United Arabian Emirates

TMF Services B.V.—Dubai branch

United Kingdom

470 Ltd.
 Chigwell Investments Ltd.
 EQ Trust UK Ltd (2011)
 Equity Trust (UK) Ltd (2011)
 Equity Trust Consultants (UK) Ltd (2011)
 Equity Trustees (UK) Ltd (2011)
 Freeway CAM UK Limited* (2010)
 Joint Corporate Services Ltd.
 Joint Secretarial Services Ltd.
 Krisolta Film & TV Ltd.*
 Praxis MGT Ltd.
 Sonic Corporate Services Ltd.
 Synonance Patents Trademarks Exploitation and Capital Ltd.*
 The D4 Trust
 TMF Corporate Services Ltd.
 TMF Holding UK Ltd (2011)
 TMF Corporate Secretarial Services Ltd.
 TMF Corporate Administration Services Ltd.
 TMF Management Holding UK Ltd.
 TMF Management UK Ltd.
 TMF Management Holding UK Ltd (2011)
 TMF Nominees Ltd.
 TMF Services (UK) Ltd (2011)
 TMF Trustee Ltd.
 TMF VAT Services Ltd.
 Tradman Ltd. (liquidated in 2010)
 Warwick Investments Ltd.
 WH Secretaries Ltd.

United States of America

Custom House Fund Services (Chicago) LLC* (2011)
 Lords Securities Corporation
 Lords Securities (Delaware), LLC.
 TMF Services New York Inc . (liquidated in 2011)

TMF US California Inc. (liquidated in 2011)
 TMF US Holding Inc.
 TMF USA Inc

Venezuela

TMF Venezuela C.A.
 TMF Services Venezuela C.A.

Uruguay

Equity Trust Company (Uruguay) SA (2011)
 Equity Trust Uruguay Administradora de Fondos de
 Inversion y Fidecomisos (2011)
 Parnassus SRL
 TMF International services Uruguay S.A. (2010)
 TMF Uruguay SRL

Vietnam

TMF Vietnam Company Limited.

* The Group wholly controls the above subsidiaries, except for the following:

Entity name	Country of incorporation	Ownership interest (%)
Freeway Australia Pty Ltd. (liquidated in 2011)	Australia	60
Custom House Global Fund Services Ltd (2011)	British Virgin Islands	50.18
Custom House Fund Services (Curacao) N.V. (2011, liquidated in 2012)	Curacao	50.18
Custom House Fund Services (Guernsey) Ltd (2011)	Guernsey	50.18
Intergeest Far East Hong Kong Ltd (2011)	Hong Kong	95
Freeway Entertainment Kft.	Hungary	60
Independent CAM Services Kft.	Hungary	60
Custom House Fund Services (Ireland) Ltd (2011)	Ireland	50.18
Panthera Ltd (2011)	Labuan	48
Custom House Fund Services (Luxembourg) SA (2011)	Luxembourg	50.18
Equity Trust (Malaysia) Bhd (2011)	Malaysia	80
Equity Fund Services (Holdings) Ltd (2011)	Malta	50.18
Lily Trust (2012)	Malta	50.18
The Nascent Fund SICA Plc	Malta	50.15
Administratiekantoor van De Twentsche Trust-Maatschappij B.V. (2011)	The Netherlands	50.18
Custom House Fund Services (Netherlands) B.V. (2011)	The Netherlands	50.18
Freeway CAM B.V.	The Netherlands	60
Freeway Entertainment Group B.V.	The Netherlands	60
Freeway Patents and Trademarks B.V.	The Netherlands	60
Jeewa B.V.	The Netherlands	60
RevCheck B.V.	The Netherlands	60
TMF Structured Products B.V.	The Netherlands	70
Custom House Fund Services (Singapore) Pte Ltd (2011)	Singapore	50.18
Freeway Spain S.L.	Spain	60
Freeway CAM UK Limited (2010)	United Kingdom	60
Krisolta Film & TV UK Ltd.	United Kingdom	60
Custom House Fund Services (Chicago) LLC (2011)	United States of America	50.18
Synonance Patents Trademarks Exploitation and Capital Ltd.	United Kingdom	60

TMF Group Holding B.V.

Consolidated Annual Report 2011

TMF Group Holding B.V.

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Independent Auditor's report

To the General Meeting of Shareholders of TMF Group Holding B.V.

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements 2011 as set out on pages 16 to 61 which are part of the financial statements of TMF Group Holding B.V., Amsterdam, which comprise the consolidated balance sheet as at 31 December 2011, the consolidated income statement, the statements of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility

The directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the Directors' review and Financial review in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the directors are responsible for such internal control as they determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of TMF Group Holding B.V. as at 31 December 2011, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the Directors' review and Financial review, to the extent we can assess, have been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the Directors' review and Financial review, to the extent we can assess, is consistent with the consolidated financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Rotterdam, 18 June 2012

PricewaterhouseCoopers Accountants N.V.

J.G. Bod RA

The above auditor's report is the original auditor's report that was issued on June 18, 2012 with respect to the consolidated annual report for the period ending December 31, 2011. This annual report also contained the management report and company financial statements. For purposes of the Offering Memorandum, the management report and company financial statements have been omitted. Furthermore, the page references in the original auditor's report refer to the consolidated annual report, which page reference compares to pages F-151 to F-200 in this Offering Memorandum.

TMF Group Holding B.V.
Consolidated income statement

In thousands of Euro	Note	For the year ended 31 December	
		2011	2010
Total revenue	5	374,760	231,647
Personnel expenses	7	(188,533)	(108,021)
Rental and office expenses		(49,095)	(33,551)
Professional fees		(10,166)	(4,922)
Sales, general and administrative costs		(21,082)	(12,102)
Results from operating activities before depreciation, amortisation, impairment charges and other income/(expenses)	5	105,884	73,051
Other income/(expenses)—net	8	(45,853)	(6,003)
Depreciation, amortisation and impairment charges	11/12	(33,191)	(20,846)
Operating profit		26,840	46,202
Finance income	9	7,119	2,414
Finance expenses	9	(108,015)	(58,295)
Net finance costs	9	(100,896)	(55,881)
Result before income tax		(74,056)	(9,679)
Income tax expense	10	(6,740)	(7,211)
Result for the year	5	(80,796)	(16,890)
Attributable to:			
Equity holders of the Company		(79,322)	(17,123)
Non-controlling interests		(1,474)	233
Result for the year		(80,796)	(16,890)

The notes on pages F-157 to F-194 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated statement of comprehensive income

<u>In thousands of Euro</u>		For the year ended 31 December	
		2011	2010
Result for the year		(80,796)	(16,890)
Cash flow hedges	21	(6,374)	—
Foreign currency translation differences for foreign operations		11,152	9,891
Other comprehensive income for the year, net of tax		4,778	9,891
Total comprehensive income for the year		(76,018)	(6,999)
Attributable to:			
Equity holders of the Company		(74,505)	(7,267)
Non-controlling interests		(1,513)	268
Total comprehensive income for the year		(76,018)	(6,999)

The notes on pages F-157 to F-194 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated balance sheet

In thousands of Euro	Note	As at 31 December	
		2011	2010
Assets			
Intangible assets	11	628,220	287,911
Tangible fixed assets	12	22,955	13,589
Financial assets	13	69,386	66,492
Deferred tax assets	14	3,340	1,097
Total non-current assets		723,901	369,089
Trade receivables	13/15	97,765	60,460
Other receivables	16	27,956	12,835
Financial assets	13	9,158	16,519
Current tax assets		5,776	2,694
Cash and cash equivalents	13/17	211,617	146,652
Total current assets		352,272	239,160
Held under Trust			
Clients' funds held under Trust		49,772	40,386
Clients' ledger balances		(49,772)	(40,386)
Net held under Trust		—	—
TOTAL ASSETS	5	1,076,173	608,249
Equity			
Share capital	18	18	18
Share premium	18	106,393	24,661
Reserves	19	74,137	69,320
Retained earnings	18	(308,655)	(224,333)
Total equity attributable to equity holders of the Company		(128,107)	(130,334)
Non-controlling interest		1,161	694
Total equity		(126,946)	(129,640)
Liabilities			
Loans and borrowings	20	837,241	528,108
Derivative financial instruments	21	6,374	—
Provisions	22	16,394	912
Retirement benefit obligations	23	3,616	732
Deferred tax liabilities	14	37,638	6,269
Total non-current liabilities		901,263	536,021
Loans and borrowings	20	198,388	147,544
Provisions	22	9,394	1,634
Trade and other payables	24	85,528	48,664
Current tax liabilities		8,546	4,026
Total current liabilities		301,856	201,868
Total liabilities	5	1,203,119	737,889
TOTAL EQUITY AND LIABILITIES		1,076,173	608,249

The notes on pages F-157 to F-194 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated statement of changes in equity

In thousands of Euro	Attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Total		
Balance at 1 January 2010	18	24,661	(6,466)	(207,210)	(188,997)	426	(188,571)
Profit for the year	—	—	—	(17,123)	(17,123)	233	(16,890)
Other comprehensive income							
Translation movements	—	—	9,856	—	9,856	35	9,891
Total other comprehensive income . .	—	—	9,856	—	9,856	35	9,891
Total comprehensive income	—	—	9,856	(17,123)	(7,267)	268	(6,999)
Transactions with owners							
Proceeds from shareholder loan	—	—	65,930	—	65,930	—	65,930
Total transactions with owners	—	—	65,930	—	65,930	—	65,930
Balance at 31 December 2010	18	24,661	69,320	(224,333)	(130,334)	694	(129,640)

In thousands of Euro	Attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Reserves	Retained earnings	Total		
Balance at 1 January 2011	18	24,661	69,320	(224,333)	(130,334)	694	(129,640)
Loss for the year	—	—	—	(79,322)	(79,322)	(1,474)	(80,796)
Other comprehensive income							
Cash flow hedges	—	—	(6,374)	—	(6,374)	—	(6,374)
Translation movements	—	—	11,191	—	11,191	(39)	11,152
Total other comprehensive income . .	—	—	4,817	—	4,817	(39)	4,778
Total comprehensive income	—	—	4,817	(79,322)	(74,505)	(1,513)	(76,018)
Transactions with owners							
Non-controlling interests arising on business combinations	—	—	—	—	—	1,980	1,980
Dividend paid	—	—	—	(5,000)	(5,000)	—	(5,000)
Capital contributions	—	81,732	—	—	81,732	—	81,732
Total transactions with owners	—	81,732	—	(5,000)	76,732	1,980	78,712
Balance at 31 December 2011	18	106,393	74,137	(308,655)	(128,107)	1,161	(126,946)

The notes on pages F-157 to F-194 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Consolidated cash flow statement

In thousands of Euro	Note	For the year ended 31 December	
		2011	2010
Cash flows from operating activities			
Cash generated from operations	25	106,170	73,405
Interest paid		(86,580)	(37,010)
Income tax paid		(12,028)	(1,663)
Net cash generated from operating activities		7,562	34,732
Cash flows from investing activities			
Acquisition of subsidiaries, net of cash acquired	6	(173,491)	(7,690)
Acquisition and due diligence costs	8	(11,199)	(1,491)
Redundancy and restructuring costs	8	(34,524)	(5,380)
Provisions	22	6,983	(707)
Acquisition of intangible assets	11	(750)	(2,327)
Acquisition of tangible fixed assets	12	(11,185)	(3,578)
Disposal of (in)tangible (fixed) assets	11/12	266	359
Acquisition of available-for-sale financial assets	13	(1,199)	—
Disposal of available-for-sale financial assets	8/13	253	(190)
Net cash used in investing activities		(224,846)	(21,004)
Cash flows from financing activities			
Proceeds from borrowings	20	694,482	15,129
Repayments of borrowings	20	(532,326)	(17,729)
Borrowings issued	13	(2,800)	—
Dividend paid		(5,000)	—
Capital contributions received		81,732	—
Net cash generated from financing activities		236,088	(2,600)
Net increase in cash, cash equivalents and bank overdrafts		18,804	11,128
Cash, cash equivalents and bank overdrafts at beginning of the year	17	49,453	38,325
Cash, cash equivalents and bank overdrafts at end of the year	17	68,257	49,453

The notes on pages F-157 to F-194 are an integral part of these consolidated financial statements.

TMF Group Holding B.V.
Notes to the consolidated financial statements

1. General information

TMF Group Holding B.V. (the 'Company') and its associated companies (together the 'Group') is specialised in facilitating clients to operate and invest seamlessly across borders.

The Company was incorporated in the Netherlands on 3 August 2004. The address of the registered office is at Herikerbergweg 238, 1101 CM Amsterdam Zuidoost. The Company principally acts as a holding and finance company for group investments.

The shares in the Company are 100% held by TMF Group HoldCo B.V. 65% of the ordinary shares in TMF Group HoldCo B.V. are indirectly held by Doughty Hanson & Co V (which comprises a series of English limited partnerships with each limited partnership having a common general partner in Doughty Hanson & Co V Limited) and indirectly by the employees of affiliates of Doughty Hanson & Co V Limited. The remaining 35% of the ordinary shares in TMF Group HoldCo B.V. are indirectly held by the management and employees of the Group.

TMF Group HoldCo B.V. prepares also consolidated financial statements that are available to the public.

This consolidated 2011 Annual Report of TMF Group Holding B.V. was authorised for issue by the Board of Directors on 18 June 2012. Until approval at the annual general shareholders meeting, the Board of Directors can amend the financial statements.

2. Summary of significant accounting policies

The principle accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless stated otherwise.

2.1 Basis of preparation

These consolidated financial statements of the Group have been prepared in accordance with IFRS as adopted by the European Union.

These consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets and financial assets and financial liabilities (including derivative instruments) at fair value through income statement.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3 (critical accounting estimates and judgements).

Going concern

These consolidated financial statements have been prepared under the going concern convention. The Board of Directors is confident that, after making enquiries and on the basis of current cash flow projections and available facilities, it has a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

New standards, amendments and interpretations effective in 2011

There are no IFRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 January 2011 that would be expected to have a material impact to the group.

New standards and interpretations not yet adopted

The following new standards, amendments and interpretations to existing standards have been issued but are not effective for the financial year beginning 1 January 2011.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

IAS 19, 'Employee benefits' was amended in June 2011. The impact on the Group will be as follows: to eliminate the corridor approach and recognise all actuarial gains and losses in Other comprehensive income as they occur; to immediately recognise all past service costs; and to replace interest cost and expected return on plan assets with a net interest amount that is calculated by applying the discount rate to the net defined benefit liability (asset). The Group is yet to assess the full impact of the amendments and intends to adopt IAS 19 no later than the accounting period beginning on or after 1 January 2013.

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. IFRS 9 was issued in November 2009 and October 2010. It replaces the parts of IAS 39 that relate to the classification and measurement of financial instruments. IFRS 9 requires financial assets to be classified into two measurement categories: those measured as at fair value and those measured at amortised cost. The determination is made at initial recognition. The classification depends on the entity's business model for managing its financial instruments and the contractual cash flow characteristics of the instrument. For financial liabilities, the standard retains most of the IAS 39 requirements. The main change is that, in cases where the fair value option is taken for financial liabilities, the part of a fair value change due to an entity's own credit risk is recorded in other comprehensive income rather than the income statement, unless this creates an accounting mismatch. The Group is yet to assess IFRS 9's full impact and intends to adopt IFRS 9 no later than the accounting period beginning on or after 1 January 2013.

IFRS 10, 'Consolidated financial statements' builds on existing principles by identifying the concept of control as the determining factor in whether an entity should be included within the consolidated financial statements of the Company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess. The Group is yet to assess IFRS 10's full impact and intends to adopt IFRS 10 no later than the accounting period beginning on or after 1 January 2013.

IFRS 12, 'Disclosures of interests in other entities' includes the disclosure requirements for all forms of interests in other entities, including joint arrangements, associates, special purpose vehicles and other off balance sheet vehicles. The Group is yet to assess IFRS 12's full impact and intends to adopt IFRS 12 no later than the accounting period beginning on or after 1 January 2013.

IFRS 13, 'Fair value measurement', aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across IFRSs. The requirements, which are largely aligned between IFRSs and US GAAP, do not extend the use of fair value accounting but provide guidance on how it should be applied where its use is already required or permitted by other standards within IFRSs or US GAAP. The Group is yet to assess IFRS 13's full impact and intends to adopt IFRS 13 no later than the accounting period beginning on or after 1 January 2012.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

2.2 Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls a specific entity. The Group also assesses existence of control where it does not have more than 50% of the voting power but is able to govern the financial and operating policies by virtue of de-facto control. De-facto control may arise in circumstances where the size of the Group's voting power rights relative to the size and dispersion of holdings or other shareholders give the group the power to govern the financial and operating policies, etc.

Subsidiaries are fully consolidated from the date when control is transferred to the Group. They are de-consolidated from the date that control ceases.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

The Group uses the acquisition method of accounting to account for business combinations. The considerations transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in the business combination are measured initially at their fair values at the acquisition date. On an acquisition by acquisition basis, the Group recognises any controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through income statement.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in income statement or as a change to other comprehensive income. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in income statement.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions—that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in the carrying amount recognized in the income statement. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amount previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to income statement.

Special purpose entities

The Group has established a number of special purpose entities ('SPE's') on behalf of its clients. A SPE is consolidated if, based on an evaluation of the substance of its relationship with the Group and the SPE's risks and rewards, the Group concludes that it controls the SPE. As at 31 December 2011, no SPE's established on behalf of clients were consolidated.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

2.3 Segment reporting

A geographical segment is engaged in providing services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments. A business segment is a group of assets and operations engaged in providing services that are subject to risks and returns that are different from those of other business segments.

2.4 Foreign currency translation

Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in Euros ('€'), which is the Company's functional and the Group's presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Group companies

The results and financial position of all Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the Euro are translated into Euro as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (c) all resulting exchange differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognized in the income statement as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

2.5 Revenue recognition

The Group recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group. The Group bases its estimates on historical results, taking into consideration the type of client, transaction and the specifics of each arrangement. Revenue is shown net of value added tax, discounts and after eliminating sales within the Group.

Service contracts

The Group's sole source of revenue is from the rendering of services. The Group provides its services to clients on a time and cost basis or based upon a fixed price contract, with contract terms generally ranging from less than one year to longer term client relationships.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Revenue from time and cost contracts is recognized at the contractual rates as time has been spent and direct expenses are incurred.

Revenue from fixed price contracts is generally recognized in the period in which the services are provided, using a straight line basis over the term of the contract.

If circumstances arise that may change the original estimates of revenues, costs or extent of progress toward completion, estimates are revised. These revisions may result in increases or decreases in estimated revenues or costs and are reflected in income in the period in which the circumstances that give rise to the revision become known.

To the extent that any fees paid on account exceed the value of work performed, they are included in trade and other payables as deferred income.

2.6 Other income and expenses

Other income and expenses include those significant items which are separately disclosed by virtue of size or incidence to enable a full understanding of the Group's financial performance. Transactions which may give rise to Other income and expenses are principally gains and losses on disposal of investments and subsidiaries, acquisition due diligence, start-up and integration related costs as well as redundancy and restructuring costs.

2.7 Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight line basis over the period of the lease.

The Group leases certain equipment and software, where the Group has substantially all the risks and rewards of ownership. These leases are classified as finance leases. Finance leases are capitalised at the lease's commencement at the lower of the fair value of the leased assets and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance costs is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The assets acquired under the financial lease is depreciated/ amortised over the shorter of the useful life of the asset and the lease term.

2.8 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Refer to note 2.21 on deferred income tax.

2.9 Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired entity or business at the date of acquisition. Goodwill on acquisitions of entities or businesses is included in intangible assets. Separately recognized goodwill is

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity or business include the carrying amount of goodwill relating to the entity or business sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group allocates goodwill to each region in which it operates (also refer to note 2.11).

Client lists

Client lists, including client relationships, acquired by the Group have finite useful lives. Client lists are measured at cost less accumulated amortisation and any accumulated impairment losses. Separate values are not attributed to internally generated client lists or relationships. Amortisation is calculated using the straight line method to allocate the cost of the client lists over their estimated useful lives (2-16 years).

Non-compete agreements

Non-compete agreements entered into by the Group have finite useful lives. Non-compete agreements are measured at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the cost of the non-compete agreements over the period of their enforceability (1-5 years).

Brands

Brands acquired by the Group have finite useful lives. Brands are valued using the relief from royalty method. Amortisation is calculated using the straight line method to allocate the cost of the brand over the period of its estimated useful life (4-20 years).

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of three years.

Costs associated with developing or maintaining computer software programmes are recognized as an expense as incurred. Costs that are directly associated with the development of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognized as intangible assets. Computer software development costs recognized as assets are amortised over their estimated useful lives (a period not exceeding three years).

2.10 Tangible fixed assets

Recognition and measurement

Tangible fixed assets are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset. Historical costs include expenditure that is directly attributable to the acquisition of the item. Cost also include borrowing costs attributable to the investment insofar as these have been incurred as a result of unavoidable passage of time needed to prepare the item for its intended use. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Depreciation

Depreciation of tangible fixed assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

— Buildings	25-50 years
— Leasehold improvements	term of the lease
— Furniture and fittings	10 years
— Office and computer equipment	3-5 years
— Motor vehicles	3 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (also refer to note 2.11).

Disposal

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized within other income/(expenses)—net, in the income statement.

2.11 Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment (e.g. goodwill). Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). For goodwill impairment testing is performed at a regional level. Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at each reporting date.

2.12 Financial assets

The Group classifies its financial assets into the following categories:

- at fair value through income statement;
- loans and receivables; or
- available for sale.

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of the financial assets at initial recognition.

Financial assets at fair value through income statement

Financial assets at fair value through income statement are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise 'non-current bank deposits' and 'loans due from related parties'.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

Regular purchases and sales of financial assets are recognized on the trade-date on which the Group commits to purchase or sell the asset.

Investments are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through income statement. Financial assets carried at fair value through income statement are initially recognized at fair value, and transaction costs are expensed in the income statement. Financial assets are derecognized when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through income statement are subsequently carried at fair value. Loans and receivables are carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through income statement' category are presented in the income statement within operating income, in the period in which they arise. Dividend income from financial assets at fair value through income statement is recognized in the income statement as part of other income when the Group's right to receive payments is established.

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences on monetary securities are recognized in income statement; translation differences on non-monetary securities are recognized in equity. Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognized in equity.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognized in equity are included in the income statement as gains and losses from investment securities.

Interest on available-for-sale securities calculated using the effective interest method is recognized in the income statement as part of other income. Dividends on available-for-sale equity instruments are recognized in the income statement as part of other income when the Group's right to receive payment is established.

If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis and option pricing models, making maximum use of market inputs and relying as little as possible on entity-specific inputs.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. In the case of equity securities classified as available for sale, a significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the securities are impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss—measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognized in income statement—is removed from equity and recognized in the income statement. Impairment losses recognized in the

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

income statement on equity instruments are not reversed through the income statement. Impairment testing of trade receivables and unbilled services is described in note 2.14 respectively 2.15.

2.13 Derivative financial instruments and hedging activities

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently remeasured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group sometimes designates certain derivatives as cash flow hedges of particular risks associated with a recognized asset or liability or a highly probable forecast transaction.

The Group documents, at the inception of the transaction, the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative instruments used for hedging purposes are disclosed in note 21. Movements on the hedging reserve in other comprehensive income are shown in note 19.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedge item is more than 12 months; it is classified as a current asset or liability when the remaining maturity is less than 12 months. The Group has no trading derivatives.

Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income. The gain or loss relating to the ineffective portion is recognized immediately in the income statement within 'other income/(expense)—net'.

Amounts accumulated in equity are reclassified to income statement in the periods when the hedged item affects income statement (for example, when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognized in the income statement within net finance costs.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognized when the forecast transaction is ultimately recognized in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement within 'other income/(expense)—net'.

Derivatives that do not qualify for hedge accounting

Changes in the fair value of any derivative instruments that do not qualify for hedge accounting are recognized immediately in the income statement within net finance costs.

2.14 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for impairment. An allowance for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the assets is reduced through the use of an allowance account, and the amount of the loss is recognized in the

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

income statement within 'Sales, general and administrative costs'. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited against 'Sales, general and administrative costs' in the income statement.

2.15 Unbilled services

Unbilled services relates to services performed but not yet billed. Unbilled services are carried at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment which is determined as described in the previous paragraph, trade receivables.

2.16 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within loans and borrowings in current liabilities on the balance sheet.

2.17 Funds held under trust

Client money is held in Group bank accounts on behalf of clients and is recorded as an asset on the balance sheet of the Group. A corresponding liability is offset against this asset to reflect the balanced financial position of the Group.

2.18 Share capital

Ordinary shares and preference shares are classified as equity.

2.19 Trade and other payables

Trade and other payables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.20 Loans and borrowings

Loans and borrowings are recognized initially at fair value, net of transaction costs incurred. Loans and borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest method.

Costs incurred during the (re)financing of loans and borrowings are capitalized and amortised over the estimated useful lives of the loans and borrowings. Loans and borrowings are presented net of capitalized costs.

Loans and borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

2.21 Current and deferred income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

asset or a liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income statement. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not be reversed in the foreseeable future.

2.22 Employee benefits

Pension obligations

The Group operates a number of pension schemes around the world. The schemes are generally funded through payments to insurance companies. The Group has both defined benefit and defined contribution plans. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically, defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that are denominated in Euro and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains or losses arising from changes in actuarial assumptions in excess of 10% of the value of plan assets or 10% of the defined benefit obligation are charged or credited to the income statement over the employees' expected average remaining working lives.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as an employee benefit expense when they fall due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Annual leave

Paid holidays are regarded as an employee benefit and as such are charged to the income statement as the benefits are earned. An accrual is made at balance sheet date to reflect the fair value of holidays earned but not yet taken.

2.23 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

2. Summary of significant accounting policies (Continued)

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognized as an interest expense.

3. Critical accounting estimates and judgements

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

3.1 Impairment of goodwill

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in note 2.11. The recoverable amounts of cash-generating units have been determined based on fair value less costs to sell. These calculations require the use of estimates and assumptions consistent with the most up-to-date budgets and plans that have been formally approved by management. Refer to note 11 for the key assumptions used for the fair value less costs to sell calculations.

3.2 Impairment of trade receivables and unbilled services

The Group periodically tests whether trade receivables and unbilled services have suffered any impairment, in accordance with the accounting policy stated in note 2.14 and 2.15. The calculation of the allowance account for trade receivables and unbilled services requires the use of estimates and assumptions consistent with the latest available information regarding the clients.

3.3 Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax, deferred income tax provisions and tax losses carried forward in the period in which such determination is made. The tax position includes estimates made in respect of the tax deductibility of certain costs. This is inherent to the fact that the tax calculations are made in a complex international environment.

3.4 Retirement benefits

Defined benefit schemes are reappraised annually by independent actuaries based upon actuarial assumptions. Significant judgement is required in determining these actuarial assumptions. Refer to note 23 for the principle assumptions used.

3.5 Provisions

The provisions of the Group mainly relate to legal cases, restructurings and loss making contracts. Refer to note 2.23 for the general accounting policies used and to note 22 for more details regarding the three categories mentioned above.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

3. Critical accounting estimates and judgements (Continued)

3.6 Fair value estimation with respect to financial instruments

There are three valuation methods to determine the fair value of financial instruments. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

As at 31 December 2011, the only financial instruments that are accounted for to fair value are derivative financial instruments (2010: none). The fair value of all derivative financial instruments is based on the Level 2 method mentioned above.

The fair value of the derivative financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves.

Refer to note 21 for further information on derivative financial instruments.

4. Financial risk management

4.1 Financial risk factors

The Group's operating activities expose it to a variety of financial risks, such as market risks (including foreign currency exchange risk and interest rate risk), credit risk and liquidity risk. The Group's overall financial risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by our central treasury department (Group Treasury) under policies approved by management. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. Management provides written principles for overall risk management, as well as written policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk, use of financial instruments and non-derivative financial instruments and investments of excess liquidity.

The Group's treasury risk management policy is to reduce, where it is deemed appropriate to do so, fluctuations in earnings and cash flows associated with changes in interest rates, foreign currency rates and the currency exposure of certain investments in foreign subsidiaries.

To achieve this, the management monitors these exposures and where deemed appropriate the Group enters into currency and interest rate swaps, forward rate agreements and forward foreign exchange contracts to manage the volatility relating to these exposures.

4.2 Cash flow and fair value interest rate risk

Interest rate risk is the risk that unexpected interest rate changes negatively affect the Group's results, cash flows and equity.

It is the Group's policy to mitigate the effects of interest rate volatility on its results, cash flows and balance sheet. As the Group has no significant interest-bearing assets, the Group's income and operating cash inflows are substantially independent of changes in market interest rates.

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Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on the income statement of a defined interest rate shift and determines whether derivative financial instruments should be in place to limit the interest rate risk to an acceptable level.

At 31 December 2011, if Euro, US Dollar and GBP market interest rates had been 100 basis points higher/lower with all other variables held constant, the loss for the year would have been approximately €5.4 million (2010: €4.6 million) lower/higher.

4.3 Foreign currency exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar. In several markets client contracts are denominated in Euro or US Dollars although this is not the local currency.

Foreign exchange risk arises from future commercial transactions, recognized assets and liabilities and investments in foreign operations.

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

The Group enters into derivative financial instruments solely for hedging purposes. All derivatives are approved by management prior to committing the Group. As at 31 December 2011, no currency derivatives were outstanding.

As at 31 December 2011, if Euro had strengthened/weakened by 1% against the US Dollar with all variables held constant, the loss for the year would have been €0.6 million lower/higher (2010: €0.2 million lower/higher), mainly as a result of foreign exchange gains on translation of US Dollar denominated borrowings and trade payables compensated by foreign exchange losses on translation of US Dollar denominated cash and cash equivalents.

4.4 Credit risk

Credit risk is the risk that counterparties fail to meet their contractual payment obligations through insolvency or default as well as credit exposure to clients.

Credit risk arising from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions is managed centrally. Credit exposures to clients, including outstanding receivables and committed transactions, are managed on a local basis.

The Group has no significant concentrations of credit risk. The maximum credit risk exposure of the Group's financial assets at the end of the period is represented by the amounts reported under the corresponding balance sheet headings.

4.5 Liquidity risk

Liquidity risk is the risk that the Group does not have sufficient headroom (cash and cash equivalents plus committed credit lines) available to meet both the Group's day-to-day operating requirements and debt servicing obligations (interest and debt repayment).

Group Treasury mitigates liquidity risk by ensuring the Group maintains sufficient cash and marketable securities, the availability of funding from an adequate amount of committed credit facilities and the ability to close out market positions.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

4. Financial risk management (Continued)

Cash flow forecasting is performed by management of the operating entities of the Group which is consolidated by Group Finance. These rolling forecasts are monitored to ensure the Group's cash and liquidity requirements are sufficient to meet operational needs whilst maintaining sufficient headroom on its undrawn committed borrowing facilities (note 20). This enables management to monitor compliance with borrowing limits and debt covenants on its borrowing facilities.

The forecast cash and cash equivalents are as follows:

In thousands of Euro	2012	2013 – 2014
Opening cash and cash equivalents for the period (note 17)	68,257	83,015
Net cash generated from operating activities	39,650	114,080
Net cash used in investing activities	(15,695)	(30,370)
Net cash used in financing activities	(9,197)	(25,706)
Closing cash and cash equivalents for the period	83,015	141,019

In addition to the above, as at 31 December 2011, the Group had €53.7 million (2010: €12.5 million) funds available from a Revolving Credit facility held by its parent company.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the period remaining to contractual maturity date. The cash flows with respect to operating lease commitments are shown in note 25. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months are equal to their carrying balances as the impact of discounting is not significant.

In thousands of Euro	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
At 31 December 2011				
Loans and borrowings (including interest) (note 20)	237,981	58,104	221,642	758,532
Trade and other payables (note 24)	85,528	—	—	—
At 31 December 2010				
Loans and borrowings (including interest) (note 20)	170,335	45,772	114,674	508,698
Trade and other payables (note 24)	48,664	—	—	—

4.6 Capital risk management

The Group's objectives when managing capital is to safeguard the Group's ability to continue as a going concern in order to provide returns to shareholders, benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Since the Group is highly leveraged, management focus is on cash generation and an important KPI used in this respect is the cash conversion ratio. This focus should make it possible for the Group to pay interest and repay the loans in time.

During 2011 the Group has complied with the banking covenants. For 2012 the following covenants should, and are budgeted to, be reached:

	31 December 2012
Cash cover (consolidated cash flow to consolidated debt service)	> 1.00
Interest cover (adjusted consolidated EBITDA to consolidated net interest)	> 2.42
Adjusted Leverage (consolidated total net debt to adjusted consolidated EBITDA)	< 5.28

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

5. Segment information

Segment information is presented in respect of the Group's geographical and business segments. The primary format, geographical segments, is based on the Group's management and internal reporting structure.

Inter-segment revenue comprises management fees and services provided to clients by other entities in the Group. Inter-segment transfers or transactions are entered into under normal commercial terms and conditions that would also be available to unrelated third parties.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly investments and related revenue, loans and borrowings and related expenses, corporate assets (primarily the Group's headquarters) and head office expenses, and income tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire tangible assets and intangible assets, excluding those acquired in business combinations.

Geographical segments

During 2011 the Group changed the geographical segments, to align with the change in regional management.

The Group has operations in the following geographical segments and locations of offices:

- Benelux;
- EMEA (excluding Benelux);
- Americas; and
- Asia Pacific (APAC).

Business segments

The Business segments have been restated as well, to align with new business line management:

The Group comprises of the following main business segments:

- Corporate services;
- Structured finance services;
- Private client services;
- Fund services; and
- Emerging business lines.

Emerging business lines include:

- Private equity services;
- Real estate investment services;
- International VAT registration and refund;
- International licensing and collection;
- International incorporations;
- International pensions; and
- Tax compliance.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

5. Segment information (Continued)

Geographical segments

	Benelux	EMEA ^{*)}	Americas	APAC	Eliminations	Consolidated
In thousands of Euro	2011	2011	2011	2011	2011	2011
Total external revenue	135,121	134,848	63,870	40,921	—	374,760
Inter-segment revenue	4	2,717	194	2,583	(5,498)	—
Total segment revenue	<u>135,125</u>	<u>137,565</u>	<u>64,064</u>	<u>43,504</u>	<u>(5,498)</u>	<u>374,760</u>
<i>Segment result</i>						
Results from operations	56,768	31,968	10,414	6,734	—	105,884
Unallocated expenses						(79,044)
Net finance costs						(100,896)
Income tax expense						(6,740)
Loss for the year						<u>(80,796)</u>

	Benelux	EMEA ^{*)}	Americas	APAC	Eliminations	Consolidated
In thousands of Euro	2010	2010	2010	2010	2010	2010
Total external revenue	75,088	101,903	34,760	19,896	—	231,647
Inter-segment revenue	195	10,940	1,656	2,114	(14,905)	—
Total segment revenue	<u>75,283</u>	<u>112,843</u>	<u>36,416</u>	<u>22,010</u>	<u>(14,905)</u>	<u>231,647</u>
<i>Segment result</i>						
Results from operations	29,877	36,104	4,042	3,028	—	73,051
Unallocated expenses						(26,849)
Net finance costs						(55,881)
Income tax expense						(7,211)
Profit for the year						<u>(16,890)</u>

*) Excluding Benelux

	Benelux	EMEA ^{*)}	Americas	APAC	Eliminations	Consolidated
In thousands of Euro	2011	2011	2011	2011	2011	2011
Total assets	1,443,942	492,473	784,328	240,671	(1,885,241)	1,076,173
Total liabilities	1,426,245	311,477	110,432	217,409	(862,444)	1,203,119
Capital expenditure	5,799	1,618	959	3,559	—	11,935
Depreciation	3,553	2,486	1,138	1,540	—	8,717
Amortisation/impairment	14,581	3,081	4,357	2,455	—	24,474

	Benelux	EMEA ^{*)}	Americas	APAC	Eliminations	Consolidated
In thousands of Euro	2010	2010	2010	2010	2010	2010
Total assets	1,222,517	747,525	99,284	52,042	(1,513,119)	608,249
Total liabilities	1,180,391	296,987	79,065	57,537	(876,091)	737,889
Capital expenditure	3,180	1,421	505	799	—	5,905
Depreciation	1,695	1,681	903	964	—	5,243
Amortisation/impairment	6,165	2,206	4,675	2,557	—	15,603

Reference is made to note 11 intangible assets, for a segment level summary of the goodwill allocation.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

5. Segment information (Continued)

Business segments

In thousands of Euro	Revenue from clients		Segment assets		Capital expenditure	
	2011	2010	2011	2010	2011	2010
Corporate services	258,372	184,075	906,879	517,359	10,077	5,045
Structured finance services . .	34,401	28,671	54,408	53,080	117	496
Private client services	31,312	—	78,157	—	1,269	—
Fund services	33,700	11,730	21,744	20,058	286	239
Emerging business lines	16,975	7,171	14,985	17,752	186	125
Total operations	374,760	231,647	1,076,173	608,249	11,935	5,905

6. Business combinations

The Group invests in acquisitions that provide additional scale to our business or assists in consolidating fragmented markets, by:

- filling geographic gaps;
- increasing our presence in existing markets; and
- increasing our presence in specific service lines.

With an effective date of 1 January 2011, the Group acquired 100% of the share capital of the Equity Trust (Equity Trust Holding S.à.r.l, Luxembourg), for a total consideration of €215.1 million, and merged this business into the Group. The cash outflow from this acquisition, net of cash acquired, was €172.2 million.

The assets and liabilities arising from the acquisition are as follows:

In thousands of Euro	Pre acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
2011			
Cash and cash equivalents	49,019	(6,045)	42,974
Intangible assets (note 11)	11,647	122,214	133,861
Tangible fixed assets (note 12)	7,114	—	7,114
Financial assets	789	—	789
Deferred tax assets (note 14)	1,164	—	1,164
Trade and other receivables	38,297	6,045	44,342
Bank and loans	(225,465)	(21,000)	(246,465)
Retirement benefit obligations (note 23)	(2,416)	—	(2,416)
Provisions (note 22)	(4,757)	(11,502)	(16,259)
Trade and other payables	(42,352)	—	(42,352)
Deferred tax liabilities (note 14)	(3,620)	(30,093)	(33,713)
Net identifiable assets and liabilities	(170,580)	59,619	(110,961)
Non-controlling interest	2,970	(4,950)	(1,980)
Goodwill (note 11)	125,802	104,024	229,826
Total	(41,808)	158,693	116,885

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

6. Business combinations (Continued)

In thousands of Euro	Pre acquisition carrying amounts	Fair value adjustments	Recognized values on acquisition
2010			
Cash and cash equivalents	1,026	—	1,026
Intangible assets (note 11)	—	4,409	4,409
Tangible fixed assets (note 12)	19	—	19
Unbilled Services	205	—	205
Trade and other receivables	763	—	763
Trade and other payables	(1,908)	—	(1,908)
Deferred tax liabilities (note 14)	—	(570)	(570)
Net identifiable assets and liabilities	105	3,839	3,944

Goodwill is calculated as follows:

In thousands of Euro	2011	2010
Purchase consideration		
Cash paid	215,145	4,819
Consideration deferred to future periods	—	537
Total purchase consideration	215,145	5,356
Less: fair value of net assets acquired (excluding goodwill)	110,961	(3,944)
Less: acquired loan notes	(98,260)	—
Less: minority interest	1,980	—
Goodwill	229,826	1,412
Negative goodwill through income statement (note 8)	—	225
Goodwill (note 11)	229,826	1,637

The goodwill recognized on acquisitions is attributable to the skills and technical talent of the acquired business's workforce, and the synergies and other benefits expected to be achieved from integrating the respective businesses into the Group. Besides this, goodwill includes the effect of the deferred tax liabilities and non-recurring clients.

None of the additional Goodwill is tax deductible.

The impact on cash flows as a result of the acquisition(s) is as follows:

In thousands of Euro	2011	2010
Cash paid	215,145	4,819
Cash and cash equivalents acquired	(42,974)	(1,026)
Net cash outflow on current year acquisitions	172,171	3,793
Deferred consideration cash outflow from prior period acquisitions	1,320	3,897
Net cash outflow on acquisitions	173,491	7,690

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

7. Personnel expenses

The average number of full time equivalent employees in 2011 was 4,532 (2010: 2,985). Personnel expenses are summarised as follows:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Wages and salaries	149,984	80,840
Other personnel costs	13,184	13,199
Social security costs	17,126	10,242
Pension costs—defined contribution plans	4,434	1,873
Pension costs—defined benefit plans (note 23)	3,805	1,867
Total personnel expenses	188,533	108,021

Other personnel costs relate to education expenses, recruitment costs, placement agencies, temporary employees and management fees.

The Group introduced an employee participation plan in 2004. Under this plan, certain managers and senior employees are invited to indirectly invest in TMF Group HoldCo B.V. The investment is entered into at market value and at the risk of the employee. In 2011 the former Equity Trust employee share plan was combined with the existing TMF share plan.

8. Other income/expenses—(net)

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Gain/(loss) on disposal of available-for-sale financial assets	(130)	108
Acquisition, due diligence and start up costs	(11,199)	(731)
Redundancy and restructuring costs	(34,524)	(5,380)
Other expenses—net	(45,853)	(6,003)

The acquisition, due diligence and start up costs in 2011 mainly relate to costs incurred as result from the merger with Equity Trust.

Redundancy and restructuring costs in 2011 mainly relate to integration costs as result of the merger with Equity Trust. These costs include items such as staff redundancies, premises (e.g. onerous lease contracts), IT and professional fees. Redundancy and restructuring costs in 2010 relate to the preparation of the upcoming merger with Equity Trust and restructuring of a few local offices.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

9. Finance income and expenses

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Interest income on short-term bank deposits	6,948	2,414
Other	171	—
Finance income	7,119	2,414
Secured senior bank loan	(46,327)	(17,526)
Secured mezzanine bank loan	(10,077)	(12,747)
Unsecured related party loan	(35,127)	(21,580)
Secured bank overdrafts	(12,256)	(3,390)
Other	(61)	(161)
Total interest expense	(103,848)	(55,404)
Net foreign exchange losses on financing activities	(4,167)	(2,891)
Finance expenses	(108,015)	(58,295)
Net finance costs	(100,896)	(55,881)

The net foreign exchange losses in 2010 and 2011 mainly arose on the US Dollar and GBP senior bank loans.

10. Income tax expense

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Current tax expense	10,163	8,470
Deferred income tax (note 14)	(3,423)	(1,259)
Total income tax expense	6,740	7,211

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the tax rates applicable in the Netherlands on the profits of the consolidated entities as shown below:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Profit/(loss) for the year	(80,796)	(16,980)
Total income tax expense	6,740	7,211
Profit/(loss) before income tax	(74,056)	(9,769)
Tax calculated at the Company's domestic applicable tax rate (25%/25.5%) . .	(18,514)	(2,468)
Effect of tax rates in foreign jurisdictions	(1,242)	(1)
Income not subject to tax/non deductible expenses	2,890	1,878
Utilisation of previously unrecognized tax losses	(225)	(192)
Correction of previous years	224	(2,427)
Other non profit related taxes	642	3,476
Tax losses where no deferred income tax asset was recognized	22,965	6,945
Tax charge	6,740	7,211

The weighted average effective tax rate amounts to (9)% (2010: (74)%).

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

11. Intangible assets

In thousands of Euro	Goodwill	Client lists	Non-compete agreements	Brand	Software	Total
Cost						
Balance at 1 January 2010	253,518	39,842	9,385	1,993	12,344	317,082
Acquisitions through business combinations (note 6)	1,637	2,485	1,505	419	—	6,046
Changes in deferred consideration	(902)	—	—	—	—	(902)
Additions	—	—	—	—	2,327	2,327
Exchange differences	5,943	2,605	594	244	54	9,440
Balance at 31 December 2010	260,196	44,932	11,484	2,656	14,725	333,993
Balance at 1 January 2011	260,196	44,932	11,484	2,656	14,725	333,993
Acquisitions through business combinations (note 6)	229,826	122,118	—	9,903	1,840	363,687
Additions	—	—	—	—	750	750
Disposals	—	—	—	—	(8)	(8)
Exchange differences	444	160	(87)	73	(767)	(177)
Balance at 31 December 2011	490,466	167,210	11,397	12,632	16,540	698,245
Amortisation and impairment						
Balance at 1 January 2010	6,955	15,355	2,645	137	4,488	29,580
Amortisation for the year	—	7,611	3,320	511	4,161	15,603
Exchange differences	—	665	144	43	47	899
Balance at 31 December 2010	6,955	23,631	6,109	691	8,696	46,082
Balance at 1 January 2011	6,955	23,631	6,109	691	8,696	46,082
Amortisation for the year	—	15,385	3,519	1,520	4,050	24,474
Exchange differences	—	276	89	36	(932)	(531)
Balance at 31 December 2011	6,955	39,292	9,717	2,247	11,814	70,025
Carrying amounts						
At 1 January 2010	246,563	24,487	6,740	1,856	7,856	287,502
At 31 December 2010	253,241	21,301	5,375	1,965	6,029	287,911
At 1 January 2011	253,241	21,301	5,375	1,965	6,029	287,911
At 31 December 2011	483,511	127,918	1,680	10,385	4,726	628,220

A segment level summary of the goodwill allocation is presented below. The corresponding information relating to 2010 has been restated to the new geographical segmentation.

In thousands of Euro	2011	2010
Benelux	250,822	127,213
EMEA	130,441	78,410
Americas	56,267	27,650
APAC	45,981	19,968
Total goodwill	483,511	253,241

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

11. Intangible assets (Continued)

Impairment tests for goodwill

Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to region of operation. Impairment testing is done based on regions.

The recoverable amount of a CGU is determined based on fair value less costs to sell. These calculations use pre-tax cash flow projections based on 2012 financial budgets and the five year forecast approved by management. Cash flows beyond the five year period are extrapolated using an estimated perpetual growth rate.

2011	Benelux	EMEA	Americas	APAC	
Discount rate ^(a)	8.3%	9.2%	10.0%	8.8%	
EBITDA growth ^(b)	8%	15%	15%	39%	
Perpetual growth ^(c)	0%	0%	0%	0%	

2010	The Netherlands	Western Europe	Eastern Europe	The Americas	Other
Discount rate ^(a)	9.55%	9.55%	10.17%	10.82%	8.96%
EBITDA growth ^(b)	2%	12%	3%	19%	25%
Perpetual growth ^(c)	2.50%	2.50%	3.50%	3.50%	2.50%

(a) Pre-tax discount rate applied to the cash flow projection.

(b) Budgeted EBITDA growth.

(c) Budgeted growth after 5 years.

These assumptions have been used for the analysis of each region.

Sensitivity analysis

A sensitivity analysis was performed by using (1) a 1% higher discount rate and (2) 1% less cash flows in our projections. These scenarios would have led to no additional impairment.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

12. Tangible fixed assets

In thousands of Euro	Buildings	Leasehold improvements	Furniture and fittings	Office & computer equipment	Motor vehicles	Total
Cost						
Balance at 1 January 2010	—	9,363	6,769	15,116	436	31,684
Additions	—	865	353	2,220	140	3,578
Acquired through business combinations (note 6)	—	—	—	19	—	19
Disposals	—	(169)	(376)	(67)	(165)	(777)
Exchange differences	—	548	169	376	(10)	1,083
Balance at 31 December 2010	—	10,607	6,915	17,664	401	35,587
Balance at 1 January 2011	—	10,607	6,915	17,664	401	35,587
Additions	—	5,813	1,190	4,007	175	11,185
Acquired through business combinations (note 6)	1,960	716	1,065	3,229	144	7,114
Disposals	—	(730)	(1,282)	(2,974)	(259)	(5,245)
Exchange differences	(19)	153	54	186	1	375
Balance at 31 December 2011	1,941	16,559	7,942	22,112	462	49,016
Depreciation						
Balance at 1 January 2010	—	3,288	2,667	10,530	318	16,803
Depreciation for the year	—	1,511	1,081	2,566	85	5,243
Disposals	—	(20)	(208)	(83)	(118)	(429)
Exchange differences	—	234	5	155	(13)	381
Balance at 31 December 2010	—	5,013	3,545	13,168	272	21,998
Balance at 1 January 2011	—	5,013	3,545	13,168	272	21,998
Depreciation for the year	74	2,508	1,466	4,515	154	8,717
Disposals	—	(944)	(1,379)	(2,381)	(283)	(4,987)
Exchange differences	(19)	47	79	221	5	333
Balance at 31 December 2011	55	6,624	3,711	15,523	148	26,061
Carrying amounts						
At 1 January 2010	—	6,075	4,102	4,586	118	14,881
At 31 December 2010	—	5,594	3,370	4,496	129	13,589
At 1 January 2011	—	5,594	3,370	4,496	129	13,589
At 31 December 2011	1,886	9,935	4,231	6,589	314	22,955

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

13. Financial assets

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Non-current financial assets		
Available-for-sale financial assets	526	120
Non-current bank deposits	1,200	—
Loans receivable from related parties	67,612	66,323
Other	48	49
Total non-current financial assets	69,386	66,492
Current financial assets		
Financial assets designated at fair value through income statement	620	399
Loans receivable from related parties	8,538	16,116
Other	—	4
Total current financial assets	9,158	16,519

The maximum exposure to credit risk at the reporting date is the fair value of the financial assets. None of the financial assets are either past due or impaired.

The loans receivable from related parties are loans provided to TMF Group HoldCo B.V. and St. Andrew Street Unit Trust.

Financial assets designated at fair value through income statement represents primarily dormant companies held for resale.

The accounting policies applied for financial assets are noted below:

<u>In thousands of Euro</u>	<u>Loans and receivables</u>	<u>Assets at fair value through profit & loss</u>	<u>Available for sale</u>	<u>Total</u>
31 December 2011				
Non-current financial assets	68,860	—	526	69,386
Trade receivables	97,765	—	—	97,765
Current financial assets	8,538	620	—	9,158
Cash and cash equivalents	211,617	—	—	211,617
Total assets	386,780	620	526	387,926
31 December 2010				
Non-current financial assets	66,372	—	120	66,492
Trade receivables	60,460	—	—	60,460
Current financial assets	16,120	399	—	16,519
Cash and cash equivalents	146,652	—	—	146,652
Total assets	289,604	399	120	290,123

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

14. Deferred tax assets and liabilities

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Deferred tax assets		
To be recovered after more than 12 months	2,170	554
To be recovered within 12 months	1,170	543
Total deferred tax assets	3,340	1,097
Deferred tax liabilities		
To be recovered after more than 12 months	(32,948)	(4,818)
To be recovered within 12 months	(4,690)	(1,451)
Total deferred tax liabilities	(37,638)	(6,269)
Deferred tax liability (net)	(34,298)	(5,172)

The gross movement in the deferred tax account is as follows:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Beginning of the year	(5,172)	(6,073)
Acquired through business combinations (note 6)	(32,549)	(570)
Income statement credit (note 10)	3,423	1,471
End of the year	(34,298)	(5,172)

The movement in deferred tax assets and liabilities during the year is as follows:

Deferred tax assets

<u>In thousands of Euro</u>	<u>Provisions</u>	<u>Tax losses</u>	<u>Tangible fixed assets</u>	<u>Other</u>	<u>Total</u>
At 1 January 2010	50	132	—	403	585
(Charge)/credited to the income statement	45	498	75	(106)	512
At 31 December 2010	95	630	75	297	1,097
At 1 January 2011	95	630	75	297	1,097
(Charge)/credited to the income statement	47	(65)	346	751	1,079
Acquired through business combinations (note 6)	—	412	—	752	1,164
At 31 December 2011	142	977	421	1,800	3,340

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

14. Deferred tax assets and liabilities (Continued)

Deferred tax liabilities

<u>In thousands of Euro</u>	<u>Fair value gains</u>	<u>Other</u>	<u>Total</u>
At 1 January 2010	6,871	(213)	6,658
Charge/(credited) to the income statement	(1,585)	626	(959)
Acquired through business combinations (note 6)	570	—	570
At 31 December 2010	5,856	413	6,269
At 1 January 2011	5,856	413	6,269
Charge/(credited) to the income statement	(4,083)	1,739	(2,344)
Acquired through business combinations (note 6)	33,397	316	33,713
At 31 December 2011	35,170	2,468	37,638

Deferred tax assets are recognized for tax loss carry forwards to the extent that the realization of the related tax benefit through the future taxable profits is probable. The Group did not recognize deferred tax assets of €75.2 million (2010: €32.8 million) in respect of estimated taxable losses. The main part of the non capitalised losses relates to the Netherlands and Luxembourg.

15. Trade receivables

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Trade receivables	81,364	48,199
Less: Allowance for impairment of trade receivables	(12,128)	(9,021)
Trade receivables—net	69,236	39,178
Unbilled services	28,529	21,282
Total trade receivables (current)	97,765	60,460

The ageing of trade receivables is as follows:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Less than one month	37,473	20,923
2 - 3 months	14,341	8,389
4 - 6 months	8,339	5,419
7 - 12 months	10,629	5,828
1 - 2 years	6,398	4,335
More than 2 years	4,184	3,305
Trade receivables	81,364	48,199

The fair values of total trade receivables are as follows:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Trade receivables—net	69,236	39,178
Unbilled services	28,529	21,282
Fair value of total trade receivables	97,765	60,460

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

15. Trade receivables (Continued)

Movements in the provision for impairment of trade receivables are as follows:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
At 1 January	9,021	8,671
Acquired through business combinations	8,213	—
Increase in the allowance for receivables impairment	3,159	2,052
Reversed allowance for trade receivables	(437)	(430)
Receivables written off during the year as uncollectible	(7,828)	(1,272)
At 31 December	12,128	9,021

It was assessed that a portion of the impaired trade receivables are expected to be recovered. The impairment profile of trade receivables is as follows:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Trade receivables not yet due	38,492	18,265
Trade receivables due but not yet impaired	28,611	16,586
Trade receivables impaired	14,261	13,348
At 31 December	81,364	48,199

The carrying amounts of the Group's total trade receivables and unbilled services are denominated in the following currencies:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Euro	60,312	40,970
US Dollar	22,899	10,381
UK Pound	9,234	4,974
Other	17,448	13,156
Total trade receivables and unbilled services	109,893	69,481

The maximum exposure of credit risk at the reporting date is the fair value of the receivables. The Group does not hold any collateral as security. The Group has no significant concentrations of credit risk.

16. Other receivables

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Prepayments	6,465	3,389
Rental and other deposits	9,924	2,583
Receivables in relation to SPE's	1,301	2,394
Interest receivable	1,947	1,174
Unbilled disbursements	981	565
Other receivables	7,338	2,730
Total other receivables	27,956	12,835

Other receivables are not overdue or impaired.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

17. Cash and cash equivalents

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Cash at bank and on hand	196,228	146,029
Short-term bank deposits	15,389	623
Bank overdrafts used for cash management purposes (note 20)	(143,360)	(97,199)
Cash and cash equivalents in the cash flow statement	68,257	49,453

The Group manages US Dollar and Euro notional cash pools. In these cash pools, the account balances are notionally offset for interest purposes without the central movement of funds. Interest is earned on the net balance of the pool. The total net balances in the cash pool as at 31 December 2011 is €10.0 million (2010: €32.1 million). Positive balances and bank overdrafts with respect to the cash pool are presented separately in the financial statements.

18. Equity

Share capital and share premium

At 31 December 2011, the authorized share capital comprised 90,000 shares (2010: 90,000) divided into 90,000 ordinary shares. The issued share capital amounts to €18,000 and consists of 18,000 ordinary shares with a nominal value of €1 each. All shares are fully paid.

In 2011, capital contributions from the parent company for an amount of €81.7 million were added to the share premium reserve.

Retained earnings

Legal reserves of €3.5 million (2010: €795 thousand) are included in retained earnings. Legal reserves are mandatory statutory reserves held by Group subsidiaries. These reserves and the currency translation reserves are not available for distribution to shareholders.

19. Reserves

Reconciliation of the movement in reserves

<u>In thousands of Euro</u>	<u>Currency translation reserve</u>	<u>Hedging reserve</u>	<u>Shareholder loan</u>	<u>Total reserves</u>
Balance at 1 January 2010	(6,466)	—	—	(6,466)
Translation movements	9,856	—	—	9,856
Proceeds from shareholder loans	—	—	65,930	65,930
Balance at 31 December 2010	3,390	—	65,930	69,320
Balance at 1 January 2011	3,390	—	65,930	69,320
Translation movements	11,191	—	—	11,191
Cash flow hedges	—	(6,374)	—	(6,374)
Balance at 31 December 2011	14,581	(6,374)	65,930	74,137

Currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Hedging reserve

The hedging reserve includes the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges. Amounts accumulated in equity are reclassified to income statement in the periods when the hedged item affects income statement.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

19. Reserves (Continued)

Shareholder loan

TMF Group HoldCo B.V. provided the Group with loans amounting to €65.9 million during 2010. These loans were converted into equity in 2012. As the loan is interest free, it was already reported as part of equity as at 31 December 2010.

20. Loans and borrowings

In thousands of Euro

Non-current

Secured bank borrowings*	555,745	365,940
Related party loan (note 28)*	262,797	160,905
Unsecured, subordinated loans*	15,589	—
Deferred consideration payable	831	767
Non-current deferred income	1,257	—
Other non-current loans and borrowings*	1,021	496

Total non-current loans and borrowings	837,241	528,108
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Current

Bank overdrafts (note 17)*	143,360	97,199
Current portion of secured bank borrowings*	19,383	26,524
Due to related parties (note 28)*	34,480	21,579
Deferred consideration payable	1,031	943
Other current loans and borrowings*	134	1,299

Total current loans and borrowings	198,388	147,544
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Total borrowings	1,035,629	675,652
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* Interest bearing liabilities

The Group's primary source of finance is intercompany lending from TMF Group HoldCo B.V. and senior loan facilities provided by a syndicate of banks. As a result of the merger with Equity Trust, on 23 June 2011 the Group refinanced its lending facilities. These borrowings were fully repaid at the moment of the refinancing.

The deferred consideration payable relates to deferred payments and earn-out agreements with the former shareholders of acquired companies and sellers of client portfolios.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

20. Loans and borrowings (Continued)

Terms and repayment schedules

The terms and conditions of outstanding loans are as follows:

In thousands of Euro	Currency	Nominal interest rate	Year of maturity	Fair value	Carrying amount	Fair value	Carrying amount
				2011		2010	
Secured Senior A bank loan	Euro	Euribor + 4.00%	2017	48,455	48,455	42,707	42,707
Secured Senior A bank loan	US Dollar	US Libor + 4.00%	2017	47,906	47,906	19,854	19,854
Secured Senior A bank loan	GBP	GBP Libor + 4.00%	2017	17,752	17,752	—	—
Secured Senior B bank loan	Euro	Euribor + 4.25%	2018	443,692	443,692	89,497	89,497
Secured Senior B & C bank loans	US Dollar	—	—	—	—	4,860	4,860
Secured Senior C bank loan	Euro	—	—	—	—	87,540	87,540
Secured mezzanine bank loan	Euro	—	—	—	—	115,117	115,117
Acquisition facility . . .	Euro/GBP	—	—	—	—	24,462	24,462
Unsecured related party loans	Euro	Euribor + 1.00% - 7.00%	—	4,344	4,344	3,863	3,863
Unsecured related party loans	Euro	6.26% - 14.99%	2017 - 2031	379,193	292,935	217,087	178,619
Unsecured, subordinated loan . .	Euro	12%	2013	15,843	15,589	—	—
Secured bank overdraft (note 17) .	Euro/US Dollar	Euribor + 4.15%	—	143,360	143,360	97,199	97,199
Financial lease				477	477	1,718	1,718
Other loans and borrowings				18,000	18,000	8,506	8,506
Total				1,119,022	1,032,510	712,410	673,942

The fair value of the unsecured related party loans and the unsecured subordinated loan is calculated based upon 10-year government bonds of 2.2% (2010: 3.09%). The fair value of the other loans equals the carrying amount as these loans have variable interest rates. Refer to note 28 for further information on related party loans.

The bank loans are secured over the shares, bank accounts, trade receivables and intercompany receivables of several entities within the Group.

The effective interest rate of the secured senior bank loans is 1.80% (2010: 1.33%) higher than the nominal interest rate due to capitalised finance costs.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates are as follows:

In thousands of Euro	2011	2010
6 months or less	286,861	493,603
6-12 months	6,549	—
1-5 years	446,166	1,718
Over five years	292,934	178,621
Total	1,032,510	673,942

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

20. Loans and borrowings (Continued)

The Group has undrawn borrowing facilities totalling €103.7 million as at 31 December 2011 (2010: €18.2 million), which consist of €50 million acquisition facility and €53.7 million undrawn revolver facility. The acquisition facility can only be used for future acquisitions, €18.7 million of the undrawn revolver facility can be used for bank guarantees.

21. Derivative financial instruments

In thousands of Euro

	2011		2010	
	Assets	Liabilities	Assets	Liabilities
Interest rate swaps—cash flow hedge	—	6,374	—	—
Balance at 31 December	—	6,374	—	—
Non-current	—	6,374	—	—
Current	—	—	—	—
Total	—	6,374	—	—

The full fair value of a hedging derivative is classified as non-current asset or liability if the remaining maturity of the hedged item is more than 12 months and as a current asset or liability if the maturity of the hedged item is less than 12 months.

The ineffective portion recognized in the income statement that arises from cash value hedges amounts to nil (2010: nil).

The Group had no trading derivatives during 2010 and 2011.

Interest rate swaps

The notional principal amounts of the outstanding interest rate swap contracts at 31 December 2011 were €420 million (2010: nil) at fixed interest rates between 1.6475%—1.67%. The interest rate swaps are concluded for a period of three years, commencing on 1 September 2011.

Gains and losses recognized in the hedging reserve in equity on interest rate swap contracts as of 31 December 2011 will be continuously released to the income statement within finance costs until the repayment of the bank loans.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

22. Provisions

In thousands of Euro	Legal	Restructuring	Loss making contracts	Other	Total
Balance at 1 January 2010	—	3,253	—	—	3,253
Charged to the income statement:					
—Additions	—	790	—	—	790
—Unwind of discount	—	161	—	—	161
Used during the year	—	(1,658)	—	—	(1,658)
Balance at 31 December 2010	—	2,546	—	—	2,546
Balance at 1 January 2011	—	2,546	—	—	2,546
Acquired through business combinations (note 6)	9,461	—	6,193	605	16,259
Charged to the income statement:					
—Additions	—	13,188	—	583	13,771
—Unwind of discount	—	61	—	—	61
—Exchange differences	(21)	24	—	14	17
Used during the year	(2,904)	(1,634)	(2,064)	(264)	(6,866)
Balance at 31 December 2011	<u>6,536</u>	<u>14,185</u>	<u>4,129</u>	<u>938</u>	<u>25,788</u>

	<u>2011</u>	<u>2010</u>
Current	9,394	912
Non-current	16,394	1,634
Balance at 31 December	<u>25,788</u>	<u>2,546</u>

Legal

The legal provisions relate to costs with regard to legal cases in subsidiaries of the Group. Management considers there are no material uncertainties as to the amount provided for, which relates to costs that will be made in these legal cases.

Restructuring

The restructuring provisions have been created to cover the Equity Trust integration costs, mainly in the Netherlands and Argentina. Integration costs include staff redundancies and onerous office lease agreements. Management considers there are no material uncertainties as to the amount provided for.

Loss making contracts

The provision for loss making client contracts in Jersey and Hong Kong covers unavoidable future losses as a result of these contracts. Management considers there are no material uncertainties as to the amount provided for.

23. Retirement benefit obligations

As at 31 December 2011, the Group operates four average salary pension schemes in The Netherlands, for its employees with a retirement age between 62 and 65 years and an entry age between 18 years and 25 years. Approximately 70% of the employees' average salary is accrued. The scheme is an insurance scheme whereby the insurer will pay future annuities for which it receives annual premiums from the employing company and (a part of) the employees. The assets in the scheme partly represent the market value of the funded benefits at the insurer, the (expected) interest profit sharing and the current account with the insurer, and partly represent the market value of investments in bonds. The liabilities in the scheme represent the present value of the current and future defined benefit pension obligations.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

23. Retirement benefit obligations (Continued)

There is no legal obligation on the Group subsidiaries to fund any reported deficit in these schemes at any time.

All retirement benefit obligations are of a long term nature.

The amounts in the balance sheet were determined as follows and are based on external actuarial reports.

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Present value of funded obligations	30,437	18,399
Fair value of plan assets	(33,778)	(20,917)
	(3,341)	(2,518)
Effect of applying 58b	782	—
Unrecognized actuarial gains	6,175	3,250
Liability in the balance sheet	3,616	732

Movement in the liability for defined benefit obligations

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Beginning of year	18,399	15,010
Acquired through business combinations (note 6)	10,994	—
Current service cost	2,026	1,311
Employee contribution	1,164	656
Interest cost	1,443	812
Actuarial (gains)/losses	(3,582)	699
Net benefits paid	(7)	(89)
End of year	30,437	18,399

Movement in plan assets

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Beginning of year	20,917	17,831
Acquired through business combinations (note 6)	8,578	—
Expected return on plan assets	504	749
Actuarial gains/(losses)	(417)	186
Employer contributions	3,305	1,689
Employee contributions	1,164	656
Net benefits paid	(7)	(89)
Other costs	(266)	(105)
End of year	33,778	20,917

The actual return on plan assets for the year ended 31 December 2011 is €0.1 million (2010: €0.9 million).

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

23. Retirement benefit obligations (Continued)

Expense recognized in the income statement

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Current service cost	2,026	1,311
Interest cost	1,443	812
Other costs	266	105
Amortisation of actuarial results	(208)	(371)
Effect of applying 58b	782	759
Expected return on plan assets	(504)	(749)
Total included in personnel expenses (note 7)	3,805	1,867

Principal actuarial assumptions

	<u>2011</u>	<u>2010</u>
Discount rate	3.00% - 4.75%	4.75%
Expected return on plan assets	1.40% - 4.75%	3.75%
Future salary increases	2.00%	1.75%

Sensitivity analysis

The table below shows the approximate impact on the 2011 net periodic pension costs if the mentioned key assumptions would change by one percentage point:

<u>Impact on net periodic pension costs 2011</u> <u>In thousands of Euro</u>	<u>Increase</u> <u>assumption by 1%</u>	<u>Decrease</u> <u>assumption by 1%</u>
Discount rate	115	(34)
Return of plan assets	—	—
Future salary increases	59	(55)

If more than one assumption were changed, the impact would not necessarily be the same as if only one assumption changed in isolation.

Expected service costs of post-employment benefit plans for the year ending 31 December 2012 are €2.0 million.

24. Trade and other payables

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Trade payables	18,649	6,671
Deferred income	9,758	8,387
Social security and other taxes	11,191	5,799
Personnel expenses payable	13,225	8,840
Accrued expenses	13,817	8,387
Payables in relation to SPE's	6,897	6,529
Interest payable	5,253	1,259
Other payables	6,738	2,792
Total trade and other payables	85,528	48,664

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

25. Cash generated from operations

<u>In thousands of Euro</u>	<u>Note</u>	<u>2011</u>	<u>2010</u>
Result before income tax		(74,056)	(9,679)
Adjustments for:			
Amortisation/impairment	11	24,474	15,603
Depreciation/impairment	12	8,717	5,243
Retirement benefit obligations	23	468	178
Other income/expenses—net	8	45,853	6,003
Finance costs—net	9	100,896	55,881
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):			
Financial assets	13	(217)	(4)
Trade receivables	15	(7,320)	(3,479)
Other receivables	16	9	12,834
Trade and other payables	24	235	(8,997)
Changes in foreign currency		7,111	(178)
Cash generated from operations		106,170	73,405

26. Commitments

Capital commitments

As at 31 December 2011, capital expenditure for the acquisition of tangible fixed assets contracted for at balance sheet date but not yet incurred amounts to €2.0 million (2010: nil).

Operating lease commitments

The Group leases various offices under non-cancellable operating lease agreements. The leases have varying terms, escalation clauses and renewal rights.

The Group also leases various motor vehicles, office and computer equipment under cancellable operating lease agreements. The lease expenditure charge to the income statement during the year is €26.1 million (2010: €17.3 million).

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Less than 1 year	25,261	17,125
1 - 5 years	54,587	34,521
Over 5 years	26,216	7,001
Total operating lease commitments	106,064	58,647

Guarantees

The Group has issued guarantees in connection with deferred consideration payments (refer to note 20) and office lease agreements amounting to €16.3 million (2010: €2.6 million).

27. Contingencies

Legal claims

The Group has contingent liabilities in respect to legal claims. The most material claims are described below.

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

27. Contingencies (Continued)

Case 1

In Jersey some Group company had provided trustee, director and administration services to certain property investment and development trusts and companies. A number of the investors into these trusts and companies have threatened legal proceedings and/or have filed complaints.

In December 2010, an Order of Justice was issued in Jersey by the trustee and manager of three collective investment funds (the "Funds") invested in the property development structures, to which two Group companies were the previous trustee and manager (the "Proceedings"). The Proceedings contain allegations of breach of trust, breach of contract and breach of fiduciary duty by the Group companies as the previous trustee and manager of the Funds. However, until the Court has ruled it is not clear what the potential liability to Group companies is.

It is at this stage impossible to make any reasonable estimate of the value of any claims whether in the Proceedings or otherwise.

Management is of the view that the success of the Proceedings as currently articulated is considered unlikely.

Case 2

Some Group companies provided trustee and administration services in relation to a trust fund and its underlying company. The underlying company's assets consisted of an investment portfolio managed by a third party on a discretionary basis. On 13 July 2011, the current trustee of the trust fund commenced legal proceedings against the relevant Group companies, alleging breaches of trust. At this stage it is not possible to make a precise estimate of the damages that the relevant Group companies may be required to pay as the relevant Group companies have not received any expert evidence on the damages and the relevant Group companies may be able to obtain a contribution from other parties.

Management current view is that they are confident that any potential contingency relating to this matter will not lead to any impact for the Company.

Case 3

During 2011, a 50.18% owned Group company received a letter from the liquidators acting for various linked funds making allegations against that company and one of its directors (which acted as director for these funds) and its/his alleged role in the collapse of the funds. The liquidators claimed damages in this respect, which damages are not substantiated in detail. The relevant Group company is currently defending its position and has valid ground to believe that the claim has no merit.

Management current view is that they are confident that any potential contingency relating to this matter will not lead to any impact for the Company.

Other

The Group has claims outstanding since 2004 for which previous Group shareholders have provided a written guarantee for any material liabilities which may arise from these claims. As such, no provision has been recognized for these claims.

The Group has contingent liabilities in respect to other legal claims arising from the normal course of business. It is not anticipated that any material liabilities will arise from the contingent liabilities other than those provided for.

Contingent assets

During 2008 the Group sold and assigned €9.3 million of certain financial assets and deferred tax assets to Middenberm Group Holding Luxembourg S.A. Middenberm Group Holding Luxembourg S.A. is entitled to return of 10% of the purchase price or the unrecovered portion thereof each year ("Yield"). This

TMF Group Holding B.V.
Notes to the consolidated financial statements (Continued)

27. Contingencies (Continued)

Yield will be calculated up to the date that Middenberm Group Holding Luxembourg S.A. has been able to unconditionally transfer all assets to a third party or otherwise realized in cash. If the aggregated proceeds received by Middenberm Group Holding Luxembourg S.A. for all assets are in excess of the purchase price, increased by the Yield, then the amount of excess shall be considered as an adjustment to the purchase price and repaid to the Group.

28. Related party transactions

Parent and ultimate controlling party

The shares in the Company are 100% held by TMF Group HoldCo B.V. 65% of the ordinary shares in TMF Group HoldCo B.V. are indirectly held by Doughty Hanson & Co V (which comprises a series of English limited partnerships with each limited partnership having a common general partner in Doughty Hanson & Co V Limited) and indirectly by the employees of affiliates of Doughty Hanson & Co V Limited. The remaining 35% of the ordinary shares in TMF Group HoldCo B.V. are indirectly held by the management and employees of the Group.

In 2011 the Group provided services to DH T S.à.r.l for €15 thousand. In 2010 no services have been provided.

The Group has given loans to and received loans from TMF Group HoldCo B.V. Reference is made to note 13 and 20.

Transactions with key management, personnel and advisors

Key management personnel compensation comprised:

<u>In thousands of Euro</u>	<u>2011</u>	<u>2010</u>
Wages, salaries and management fees	3,811	2,433
Post-employment benefits	171	112
Total remuneration of key management	3,982	2,545

Other transactions with key management and personnel

The Group has not had any other material transactions with key management and personnel.

Other related party transactions

The Group has given a loan to St. Andrew Street Unit Trust of €2.7 million (2010: nil). Reference is made to note 13.

29. Auditor fee

The auditor remuneration of PricewaterhouseCoopers Accountants N.V. amounted to €435 thousand (2010: €242 thousand) and is related to the audit of the annual accounts. No other services have been performed by PricewaterhouseCoopers Accountants N.V.

Group entities

The entities of the Group by country of incorporation are included below. All entities have a balance date of 31 December 2011.

Argentina

Equity Trust Company Argentina SA
TMF Argentina Srl.
TMF Outsourcing Srl.
TMF Fiduciario (Argentina) S.A.

Aruba

Equity Trust Management Services (Aruba) N.V.
Manacor (Aruba) N.V.
Vokad Aruba N.V. (i.l.)

Australia

Kingsway Taitz Fund Administration Pty Ltd.
TMF Corporate Services (AUST) Pty Ltd.
TMF FundAdministrators (Australia) Pty Ltd.
TMF FundServices (Australia) Pty Ltd.
TMF Nominees (AUST) Pty Ltd.

Austria

APS Buchführungs- & Steuerberatungs GmbH.
Cinephil Filmvertrieb GmbH.
Dr. Mayer GmbH Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft
TMF Management GmbH.
TMF Accounting & Payroll
Steuerberatungsgesellschaft GmbH.
TMF Austria GmbH.
S.A.L.E.M. Assets Holding GmbH.

Barbados

Equity Management Services Barbados Inc

Belgium

Equity Trust (Belgium) N.V.
TMF Accounting Services B.V.B.A.
TMF Belgium N.V.
TMF Management N.V.
TMF Services N.V.
Van Dungen Automaten Exploitatie en Beheer B.V.B.A.

Bolivia

TMF Bolivia Srl.

Bonaire

Equity Trust Company (Bonaire) B.V.

Brazil

Equity Trust Do Brazil Participacoes Ltda
Serpac—Empreendimentos Ltda
Serpac—Participacoes Ltda
SERPAC- Servicos Paralegalais e Contabeis Ltda.
TMF Brazil Assessoria Contábil e Empresarial Ltda.
TMF Sao Paulo Adm. E Participações Ltda.

British Virgin Islands

Aguila Nominees Ltd
Alstonia Investments Ltd.
Anglo Nominees Ltd.
Anshun Services Ltd
Baretta Ltd
Bicourt Ltd.
Birchtown Ltd
Bishopsgate Nominees Ltd
Bison Financial Services Ltd.
Bison Group Ltd.
Business Administration Services Ltd.
Carissa Ltd
Chapway Ltd.
CMS Ltd
Commonwealth Fund Services Ltd
Commonwealth Services Ltd
Commonwealth Trust Limited
Custom House Global fund services Ltd*
Derard Ltd
Elara Group Ltd.
EQ Capital Plan Ltd
EQ Corporate Services (BVI) Ltd
EQ Directors Ltd
EQ Executorship Services (BVI) Ltd
EQ Fund Services (BVI) Ltd
EQ Incorp Directors (BVI) Ltd
Equity Group (BVI) Ltd
Equity Group International Ltd
Equity HTM Services Ltd
Equity International Holdings Ltd
Equity Trust Capital (BVI) Ltd
Equity Trust Company (Asia) Ltd
Equity Trust Corporation (BVI) Ltd
F.M.C. Ltd
Fanlau Ltd.
Fides Management Services Ltd
Financial Trustees Ltd.
Fort Trust Company Ltd
Goldthread Ltd
Guardian Trust and Securities Co Ltd
Havelet Trust Company (BVI) Ltd
Homestead Management Ltd
Imperial Trust Ltd
Insinger Corporate Formations (BVI) Ltd
Insinger Trust (BVI) Ltd
Insinger Trustee Services (BVI) Ltd
International Management Company (BVI) Ltd
JAI Services Ltd
Leadenhall Services Ltd
Leadenhall Trust Company Ltd
M.N. Ltd
Manacor (BVI) Ltd
Manfell Ltd.
Marek Ltd
Mediator Holding Inc.
Miranda Overseas Holdings Ltd
Moultrie Investments Ltd
OCM Management Ltd.
Oldwick Holdings Ltd
Opti Resources Ltd.
Optimal Corporate Services (BVI) Ltd
Panbridge Nominee (Asia) Ltd
PAS Ltd
Prestocorp Ltd.

Prosec Ltd.
 Pyramide Holding Ltd
 Qurum Corporate Services Ltd
 Ribalta Holdings Inc
 Rossan Corp. Management Ltd.
 S.C.S. Ltd
 Sage trust Company Ltd
 Sealight Trust Ltd
 Securities Management Ltd.
 Shellbourne Trust Company (BVI) Ltd
 Shellbourne Trust Corporation
 Shellbourne Trustees (BVI) Ltd
 Southfield Management Ltd
 Spade Investments Ltd
 SPC Directors Ltd
 Tarma Management Overseas Inc
 Taunton Trading Ltd
 Threadneedle Services Ltd
 Tiepin Services Ltd
 TMF Administration Services Ltd
 TMF Authorised Representative (BVI) Ltd
 TMF (BVI) Ltd.
 TMF Company Ltd.
 TMF FundServices (BVI) Ltd.
 TMF Management Services Ltd.
 Treasure Bay X3-2 Development Co. Ltd
 TMF Management (BVI) Ltd.
 Universal Corporate Services (BVI) Ltd.
 Vision Tower Ltd
 Wickhams Cay Trust Co Ltd
 Worldwide Financial Services Ltd

Bulgaria

TMF Bulgaria EOOD
 TMF Fund Services Bulgaria EOOD
 TMF Services d.o.o. Beograd
 TMF Services EOOD

Canada

TMF Canada Management Inc.

Cayman Islands

EQ Nominees Ltd
 Fides Ltd
 TMF (Cayman) Ltd

Chile

TMF Administradora SA
 TMF Chile Asesorias Empresariales Ltda.
 TMF Empresa de Servicios Transitorios Ltda.
 TMF Servicios Integrales Ltda

China

Equity Trust Corporate Management Consulting
 (Shanghai) Co Ltd
 TMF Services Ltd.

Colombia

Global Process Outsourcing SAS
 TMF Colombia Ltda.

Costa Rica

TMF Costa Rica (TMFCR) Ltda.

Croatia

TMF Croatia d.o.o.

Curacao

Bermaju N.V.
 BFT (Netherlands Antilles) N.V.
 BFT (Netherlands Antilles) Holding N.V.
 Curab N.V.
 Curacao Accounting N.V.
 Custom House Fund Services (Curacao) N.V.*
 EQ Trust Caribbean Holding N.V.
 Equity Trust Admin Services N.V.
 Equity Trust Company (Curacao) N.V.
 Etrusco N.V.
 International Pyramid Holdings N.V.
 N.V. Fides
 Parnassus Trust (Curacao) N.V.
 Pietermaai Building Association N.V.
 Stichting Beheer TMF Curacao
 Tarma Holdings N.V.
 Tarma Trust Management N.V.
 Tiana Services N.V.
 Tradman Curacao N.V.
 Tradman Accounting Services N.V.
 TMF (Netherlands Antilles) Invest N.V.
 TMF Investments N.V.
 TMF (Netherlands Antilles) Holding N.V.
 TMF (Netherlands Antilles) N.V.
 Vokad N.V. (NA)

Cyprus

Equity Trust E.Q. (Cyprus) LLTD*
 TMF Administrative Services Cyprus Ltd
 TMF Management Ltd

Czech Republic

TMF Czech a.s.
 TMF Assets a.s.

Denmark

TMF Denmark A/S

Dominican Republic

TMF Republica Dominicana, C. por A.

Ecuador

TMF Ecuador Compañía Ltda.

El Salvador

TMF El Salvador Ltda de C.V.

Egypt

TMF Egypt LLC

Estonia

TMF Services Estonia OU

Finland

TMF Finland OY

France

Cinephil France S.A.S.
Parnassus Accounting France S.à.r.l
TMF France Management S.à.r.l
TMF France S.A.S.
TMF VAT Services France S.A.S.

Germany

TMF Deutschland A.G.
TMF Management Holding Deutschland A.G.
Una Incorporation GmbH.
Una Management GmbH.

Guatamala

TMF Guatamala Ltda.

Guernsey

Amarado Ltd
Caravel Management Ltd
Custom House Fund Services (Guernsey) Ltd*
Equity (Guernsey) Holdings Ltd
Equity Trust Guernsey Ltd
GCI Management Ltd
Leadenhall Nominees Ltd
Tower Secretaries Ltd

Honduras

TMF Services Honduras S. de R.L.

Hong Kong

Dale Nominees Ltd
EQ Corporate Management (China) Ltd
EQ Group Services (HK) Ltd
EQ Holdings HK Ltd
EQ Management Services (Hong Kong) Ltd
Equity Trust (HK) Ltd
Glen Nominees Ltd
Gold Bright International Ltd
Intergest Far East Hong Kong Ltd*
Pacific Taxation Services Ltd
TMF Fiduciaries Ltd.
TMF Hong Kong Ltd.
TMF Secretarial Services Ltd.
TMF Signatories Ltd
Vencourt Ltd
Vixen Ltd

Hungary

Freeway Entertainment Kft.*
Independent CAM Services Kft.*
Synonance Patents Trademarks Explotation And
Capital Kft.*
TMF Hungary Accounting and Services LLC

India

TMF Services India Private Limited
TMF India Private Limited

Indonesia

PT TMF Indonesia

Ireland

Brandmetro Ltd
Custom House Fund Services (Ireland) Ltd*
Dollarpoint Ltd
Dollarseal Ltd
TMF FundAdministrators (Ireland) Ltd.
TMF Management Holding (Ireland) Ltd.
TMF Administration Services Ltd.
TMF Management Ireland Ltd.

Israel

TMF Management and Accounting Services (Israel) Ltd.

Italy

Gentili & Partners—Studio Professionale Associato
TMF, Ferri-Minnetti-Piredda Srl.
TMF Compliance (Italy) Srl
TMF Holding Italy Srl.
TMF Invest Italy Srl.
TMF Management Italy Srl.
TMF Payroll Services Italy S.r.l.
TMF & Partners SpA.

Jamaica

TMF Jamaica Ltd.

Japan

TMF Japan Ltd.

Jersey

C.H. Ltd
C.N. Ltd
EQ Council Member Ltd
EQ Directors One Ltd
EQ Directors Two Ltd
EQ Executors & Trustees Ltd
EQ Guardian Ltd
EQ Holdings (Jersey) Ltd
EQ Nominees (Jersey) Ltd
EQ Secretaries (Jersey) Ltd
EQ Trust Holdings (Jersey) Ltd
Equity Trust (Jersey) Ltd
Equity Trust Group Services (Jersey) Ltd
Equity Trust Services Ltd
JH Ltd
JN Ltd
LDC Financial Services Ltd
Manacor (Jersey) Ltd
Manacor Nominees (Jersey) Ltd
Shellbourne Trust Corporation Ltd
TMF Channel Islands Ltd.
TMF Charitable Trustee Limited
TMF Jersey Ltd.
TMF 1 Limited
TMF 2 Limited

Kazakhstan

TMF Kazakhstan LLP.

Kenya

TMF Kenya Ltd.

Korea

TMF Financial Services Korea Company Ltd.

Labuan

EQ Corporate Secretaries Ltd
EQ Management & Consultancy Ltd
Equity Trust (Labuan) Sdn Bhd
Equity Trust (Labuan) Ltd
Guarantee Management Ltd
Guarantee Management Purpose Trust
Panthera Ltd*
The Mutual Assurance Co
Tiara Ltd
TMF Funds Services (Asia) Ltd
TMF Holdings Asia Ltd
TMF Secretaries Ltd
TMF Treasury Ltd

Latvia

TMF Latvia SIA.

Liechtenstein

TMF Management Services Anstalt

Lithuania

TMF Services UAB.

Luxembourg

Custom House Fund Services (Luxembourg) S.A.*
EQ Audit S.à.r.l
Equity Trust Co (Luxembourg) S.A.
Equity Trust Holdings S.à.r.l
Fides (Luxembourg) S.A.
Immobiliere Vauban S.A.
International Pyramide Holdings (Lux) S.A.
Invex S.à.r.l
Luxco 84 S.à.r.l
Manacor (Luxembourg) S.A.
Mutua (Luxembourg) S.A.
Scorpius Investments S.A.
TMF Administrative Services S.A.
TMF Compliance (Luxembourg) S.A.
TMF Corporate Services S.A.
TMF Luxembourg S.A.
TMF Management Luxembourg S.A.
TMF Participations S.à.r.l
TMF Secretarial Services S.A.

Malaysia

EQ Corporate Services (Malaysia) Sdn Bhd
Equity Trust (Malaysia) Bhd
TMF Administrative Services Malaysia Sdn.Bhd.

Malta

Equity Fund Services (Holdings) Ltd*
Equity Trust Malta Ltd
TMF FundAdministrators (Malta) Ltd.
TMF Holding Malta Ltd.
TMF Management and Administrative Services (Malta) Ltd.
TMF FundServices (Malta) Ltd.

Mauritius

Chardon Ltd
Equity Trust (Mauritius) Ltd
Palisade Ltd
Sentry Ltd

Mexico

Servicios de Personal y Control Plus S. de R.L. de C.V.
TMF BPO Services. de R.L. de C.V.
TMF Business Process Outsourcing S. de R.L. de C.V.

New Zealand

Equity Trust Fiduciaries (New Zealand) Ltd
Equity Trust General Partner Ltd
Equity Trustees (New Zealand) Ltd*
TMF Corporate Services New Zealand Ltd.

Nicaragua

TMF Nicaragua y Compañía Ltda.

Norway

TMF Norway A.S.

Panama

Beneficiary Corporation
Equity Directors (Panama) Ltd
Equity International Incorporation (Panama) SA
Equity Presidents (Panama) Ltd
Equity Treasurers (Panama) Ltd
Powerforce Inc
TMF Administration Services Panama Ltd
TMF Panama S. de R.L.
TMF Mid-America Corp.

Paraguay

TMF Paraguay Ltda.

Peru

TMF Peru Srl

Philippines

TMF Asia B.V. Philippines Inc.
TMF Philippines Inc.

Poland

TMF Management Poland Sp.zoo.
TMF Poland Sp.zoo.
TMF VAT Services Poland Sp.zoo.

Portugal

TMFPT Servicos de Gestao e Administracao de Sociedaes Lda.

Romania

TMF Accounting and Payroll Srl.
TMF Management Srl.
TMF Romania Srl.

Russia

RMA Services LLC
TMF Corporate Management Rus LLC
TMF Rus Ltd.

Samoa

Equity Trust (Samoa) Ltd

Serbia

TMF Services DOO

Singapore

Custom House Fund Services (Singapore) Pte Ltd*
EQ International Incorporations Pte Ltd
Equity Trust Services (Singapore) Pte Ltd
Intergest International (Singapore) Pte Ltd
TMF Management Singapore H Pte Ltd
TMF Singapore Pte Ltd
TMF Trustees Singapore Ltd

Slovakia

FM TA s.r.o.
TMF Aux s.r.o.
TMF Services Slovakia s.r.o.

Slovenia

TMF Racunovodstvo in administrativne storitve D.O.O.

South Africa

TMF Administrative and Management Services (Pty) Ltd.

Spain

Freeway Spain S.L.*
TMF Latin America Holding Spain One S.L.
TMF Latin America Holding Spain Two S.L.
TMF Management Holding Spain S.L.U.
TMF Management (Spain) S.L.
TMF Participations Holding (Spain) S.L.
TMF Sociedad de Direccion S.L.
TMF Sociedad de Participacion S.L.
TMF Spain S.A
TMF VAT & Fiscal Services Spain S.L.

Sweden

Equity Trust Sweden AB
TMF Sweden AB

Switzerland

Garlati Gentili & Partners S.A.
TMF Brunnen AG
TMF Investments S.A.
TMF Services S.A

Taiwan

TMF Taiwan Ltd.

Thailand

Parnassus Holding Thailand Co Ltd.
TMF Thailand Ltd.

The Netherlands

Administratiekantoor van De Twentsche Trust-
Maatschappij B.V.*
Administratiekantoor Versluis B.V.
Beleggingsmaatschappij Snijpen B.V.
Beleggingsmaatschappij Vechtmond I B.V.
BfT Nederland B.V.
BJH Beheer- en Participatiemaatschappij B.V.
Capital Mania B.V.
Ceruleone B.V.
Ceruletwo B.V.
Clear Management Company B.V.
Custom House Fund Services (Netherlands) B.V.*
Emba Management and Finance B.V.
E.T.S.A. Management en Finance B.V.
EQ Escrow Services B.V.
Equity Trust (Netherlands) B.V.
ET Group Services B.V.
ETTS B.V.
Exploitiemaatschappij De Gelder VIII B.V.
Freeway CAM B.V.*
Freeway Entertainment Group B.V.*
Freeway Patents and Trademarks B.V.*
InterGest Holland B.V.
Jeewa B.V. *
Jurato Trust B.V.
Landsbreed B.V.
Manacor (Nederland) B.V.
Masanco Netherlands B.V.
Motiva B.V.
National Trust Maatschappij N.V.
Nomet Management Services B.V.
Ofasec Administratie B.V.
Parnassus Trust Amsterdam B.V.
Persijn Beheer B.V.
Rekencentrum Versluis B.V.
RevCheck B.V.*
Stichting Administratiekantoor Dolfenco
Stichting Beheer Derdengelden Equity Trust
Stichting Cerulean
Stichting Derdengelden TMF
Stichting Ecotree
Stichting Eljan
Stichting Equity
Stichting Freeway Custody
Stichting L'Orage
Stichting M.P.V.
Stichting Therog
Stichting TMF Participations
Stichting TMF Structured Products
Tradman Accounting Services (Drivi Accounting
Services B.V.)
Tradman BPO Services B.V.
Tradman Corp B.V.
Tradman FS Holding B.V.
Tradman FundServices B.V.
Tradman IP Holding B.V.
Tradman Management B.V.
Tradman Netherlands B.V.
TMF Adria Holding B.V.
TMF Asia B.V.
TMF Bewaar B.V.
TMF Financial Services B.V.
TMF FundAdministrators B.V.
TMF FundServices B.V.
TMF GlobalCustody B.V.
TMF Group B.V.
TMF Group Holding B.V.
TMF Group Invest Two B.V.
TMF Holding B.V.

TMF Holding Eastern Europe B.V.
TMF Holding International B.V.
TMF Interlease Aviation B.V.*
TMF Interlease Aviation II B.V.
TMF Interlease Aviation III B.V.
TMF Latin America B.V.
TMF Leasing B.V.
TMF Management B.V.
TMF Middle East B.V..
TMF Netherlands B.V.
TMF North America B.V.
TMF Participations B.V.
TMF Poland B.V.
TMF Poland SPV B.V.
TMF Services B.V.
TMF SFS Management B.V.
TMF Slovak & Czech Holding B.V.
TMF Slovakia B.V.
TMF Structured Finance Services B.V.
TMF Structured Products B.V.*
TMF Travel B.V.
TMF Trustee B.V.
Venture Support B.V.

Turkey

CPA Systems Ltd.
TMF Administrative Services Ltd.

Turks and Calcos Islands

EQ Life Ltd

Ukraine

TMF Ukraine L.L.C.

United Kingdom

Chigwell Investments Ltd.
EQ Trust UK Ltd
Equity Trust (UK) Ltd
Equity Trust Consultants (UK) Ltd
Equity Trustees (UK) Ltd
Freeway CAM UK Limited*

Joint Corporate Services Ltd.
Joint Secretarial Services Ltd.
Krisolta Film & TV Ltd.*
Praxis MGT Ltd.
Sonic Corporate Services Ltd.
TMF Corporate Services Ltd.
TMF Holding UK Ltd
TMF Corporate Secretarial Services Ltd.
TMF Corporate Administration Services Ltd.
TMF Management Holding UK Ltd.
TMF Management UK Ltd.
TMF Management Holding UK Ltd
TMF Nominees Ltd.
TMF Services (UK) Ltd
TMF Trustee Ltd.
TMF VAT Services Ltd.
Warwick Investments Ltd.
WH Secretaries Ltd.

United States of America

Custom House Fund Services (Chicago) LLC*
Lords Securities Corporation
Lords Securities (Delaware), LLC.
TMF US Holding Inc.
TMF USA Inc

Uruguay

Equity Trust Company (Uruguay) SA
Equity Trust Uruguay Administradora de Fondos de
Inversion y Fidecomisos
Parnassus SRL
TMF International services Uruguay S.A.
TMF Uruguay SRL

Venezuela

TMF Venezuela C.A.
TMF Services Venezuela C.A.

Vietnam

TMF Vietnam Company Limited.

* The Group wholly controls the above subsidiaries, except for the following:

Entity name	Country of incorporation	Ownership interest (%)
Custom House Global Fund Services Ltd	British Virgin Islands	50.18
Custom House Fund Services (Curacao) N.V.	Curacao	50.18
Equity Trust E.Q. (Cyprus) LLTD	Cyprus	80
Custom House Fund Services (Guernsey) Ltd	Guernsey	50.18
Intergest Far East Hong Kong Ltd	Hong Kong	95
Freeway Entertainment Kft.	Hungary	60
Independent CAM Services Kft.	Hungary	60
Synonance Patents Trademarks Exploitation And Capital Kft. . .	Hungary	60
Custom House Fund Services (Ireland) Ltd	Ireland	50.18
Panthera Ltd	Labuan	48
Custom House Fund Services (Luxembourg) SA	Luxembourg	50.18
Equity Trust (Malaysia) Bhd	Malaysia	80
Equity Fund Services (Holdings) Ltd	Malta	50.18
Administratiekantoor van De Twentsche Trust- Maatschappij B.V.	The Netherlands	50.18
Freeway CAM B.V.	The Netherlands	60
Freeway Entertainment Group B.V.	The Netherlands	60
Freeway Patents and Trademarks B.V.	The Netherlands	60
InterGest Holland B.V.	The Netherlands	95
Jeewa B.V.	The Netherlands	60
RevCheck B.V.	The Netherlands	60
TMF Interlease Aviation B.V.	The Netherlands	95
TMF Structured Products B.V.	The Netherlands	70
Equity Trustees (New Zealand) Ltd	New Zealand	80
Custom House Fund Services (Singapore) Pte Ltd	Singapore	50.18
Freeway Spain S.L.	Spain	60
EQ Trust UK Ltd	United Kingdom	75
Freeway CAM UK Limited	United Kingdom	60
Krisolta Film & TV UK Ltd.	United Kingdom	60
Custom House Fund Services (Chicago) LLC	United States of America	50.18

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TMF Group Holding B.V.**

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3065 WB Rotterdam
P.O. Box 8800
3009 AV Rotterdam
The Netherlands

TRUSTEE

U.S. Bank Trustees Limited
5th Floor
125 Old Broad Street
London EC2N 1AR
United Kingdom

**PRINCIPAL PAYING AND
TRANSFER AGENT**

**Elavon Financial Services
Limited, UK Branch**
5th Floor,
125 Old Broad Street
London EC2N 1AR
United Kingdom

REGISTRAR

**Elavon Financial
Services Limited**
Block E
Cherrywood Business Park
Longhinstown Dublin
Ireland

LEGAL ADVISORS TO THE TRUSTEE

White & Case LLP
5 Old Broad Street
London EC2N 1DN
United Kingdom

LISTING AGENT

**Société Générale
Bank & Trust S.A.**
11, avenue Emile Reuter
L-2450 Luxembourg
Grand Duchy of Luxembourg

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€45,000,000 Floating Rate Senior Secured Notes due 2018

€20,000,000 9.875% Fixed Rate Senior Notes due 2019

TMF Group Holding B.V.



Sole Global Coordinator and Joint Bookrunner
Goldman Sachs International

July 22, 2014