IMPORTANT NOTICE: You must read the following before continuing. The following applies to the preliminary offering memorandum (the "Offering Memorandum") attached to this e-mail, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them, any time you receive any information from us as a result of such access.

The Offering Memorandum has been prepared in connection with the offer and sale of the notes described therein. The Offering Memorandum and its contents are confidential and should not be distributed, published or reproduced (in whole or in part) or disclosed by recipients to any other person.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES DESCRIBED IN THE ATTACHED OFFERING MEMORANDUM HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION. THE SECURITIES ARE BEING OFFERED AND SOLD: (1) WITHIN THE UNITED STATES IN RELIANCE ON RULE 144A UNDER THE U.S. SECURITIES ACT ("RULE 144A") ONLY TO PERSONS THAT ARE QUALIFIED INSTITUTIONAL BUYERS (EACH A "QIB") WITHIN THE MEANING OF RULE 144A ACTING ON THEIR OWN ACCOUNT OR FOR THE ACCOUNT OF ANOTHER QIB; AND (2) OUTSIDE THE UNITED STATES IN OFFSHORE TRANSACTIONS (AS DEFINED IN REGULATION S UNDER THE U.S. SECURITIES ACT ("REGULATION S")) IN RELIANCE ON REGULATION S. THE ATTACHED OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. DISTRIBUTION OR REPRODUCTION OF THE ATTACHED OFFERING MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE U.S. SECURITIES ACT OR THE APPLICABLE SECURITIES LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to receive the attached Offering Memorandum or to make an investment decision with respect to the notes described therein, each prospective investor must be either (1) a QIB in respect of the securities being offered pursuant to Rule 144A, or (2) outside the United States in respect of the securities being offered in offshore transactions pursuant to Regulation S. By accepting this e-mail and accessing the Offering Memorandum, you shall be deemed to have represented to us that (1) in respect of the securities being offered pursuant to Rule 144A, you are (or the person you represent is) a QIB, and that the e-mail address to which, pursuant to your request, the attached Offering Memorandum has been delivered by electronic transmission is utilized by a QIB, or (2) in respect of the securities being offered pursuant to Regulation S, you are outside the United States and that the e-mail address to which, pursuant to your request, the attached Offering Memorandum has been delivered by electronic transmission is utilized outside the United States, (3) you are a person to whom the attached Offering Memorandum may be delivered in accordance with the restrictions set out in *"Transfer Restrictions"* in the attached Offering Memorandum, and (4) you consent to the delivery of such Offering Memorandum by electronic transmission. You are reminded that the Offering Memorandum has been delivered to you on the basis that you are a person into whose possession the Offering Memorandum may be lawfully delivered and you may not, nor are you authorized to, deliver the Offering Memorandum to any other person or make copies of the Offering Memorandum. The Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither (i) NewCo Sab BidCo S.A.S., NewCo Sab MidCo S.A.S., Cerba HealthCare S.A.S. or any of their affiliates, nor (ii) the Initial Purchasers named in the Offering Memorandum or any person who controls any of them or any director, officer, employee or agent of them or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any alterations to the Offering Memorandum distributed to you in electronic format.

This e-mail and the attached document are intended only for use by the addressee named herein and may contain legally privileged and/or confidential information. If you are not the intended recipient of this e-mail, you are hereby notified that any dissemination, distribution or copying of this e-mail and the attached document is strictly prohibited. If you have received this e-mail in error, please immediately notify the sender by reply e-mail and permanently delete all copies of this e-mail and destroy any printouts of it.

This communication is directed solely at (i) persons who have professional experience in matters relating to investments and are investment professionals as defined within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), (ii) high net worth bodies corporate and any other person falling within Article 49(2)(a) to (d) of the Order, (iii) persons outside the United Kingdom and (iv) any other persons to whom it may otherwise lawfully be communicated or cause to be communicated (all such persons together being referred to as "relevant persons"). The Offering Memorandum must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which the Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person must not act or rely on the Offering Memorandum or any of its contents.

SUBJECT TO COMPLETION, DATED MARCH 20, 2017

PRELIMINARY OFFERING MEMORANDUM
STRICTLY CONFIDENTIAL

NOT FOR GENERAL DISTRIBUTION
IN THE UNITED STATES

NewCo Sab MidCo S.A.S.

€180,000,000 % Senior Notes due 2025

NewCo Sab MidCo S.A.S., a *société par actions simplifée* incorporated under the laws of France (the "Issuer"), is offering €180,000,000 in aggregate principal amount of its % senior notes due 2025 (the "Notes"). The Issuer will issue the Notes as part of the financing for the direct and indirect acquisition (the "Acquisition") by the direct subsidiary of the Issuer of substantially all the outstanding shares issued by Financière Gaillon 0 S.A.S. (the "Target"), the acquisition or refinancing of other securities issued by the Target, as well as the refinancing of certain existing indebtedness of the Target's subsidiaries.

The Issuer will pay interest on the Notes at a rate of % *per annum*, payable semi-annually in arrears on each and , commencing on , 2017. The Notes will mature on , 2025. Prior to , 2020, the Issuer will be entitled, at its option, to redeem all or a portion of the Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, plus the applicable "make-whole" premium. Prior to , 2020, the Issuer may redeem, at its option, up to 40% of the original principal amount of the Notes with the net proceeds from certain equity offerings at the redemption price set forth in this Offering Memorandum, provided that at least 60% of the original principal amount of the Notes remains outstanding. At any time on or after , 2020, the Issuer may redeem all or part of the Notes at the redemption prices set forth in this Offering Memorandum. In addition, the Issuer may redeem all, but not part, of the Notes at a price equal to 100% of the principal amount thereof (including accrued and unpaid interest and Additional Amounts (as defined herein), if any) upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain defined events constituting a change of control, each holder of the Notes may require the Issuer to repurchase all or a portion of its Notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any. However, a change of control will not be deemed to have occurred if a specified consolidated net leverage ratio is not exceeded in connection with such event.

Pending consummation of the Acquisition, the Initial Purchasers (as defined herein) will, concurrently with the issuance of the Notes on the Issue Date (as defined herein), deposit the gross proceeds from the Offering (as defined herein) into an escrow account for the benefit of the holders of the Notes. The release of escrow proceeds will be subject to the satisfaction of certain conditions, including the completion of the Acquisition pursuant to the terms of the FG Acquisition Agreement (as defined herein) promptly following the release of the funds from the escrow account. The consummation of the Acquisition is subject to the satisfaction of certain conditions, including clearance by the French *Ministère de l'Economie, de l'Industrie et du Numérique* and antitrust clearance in certain jurisdictions, and the performance of certain closing actions. If the conditions to the release of escrow proceeds have not been satisfied on or prior to the Escrow Longstop Date (as defined herein) or upon the occurrence of certain other events, the Notes will be subject to a special mandatory redemption. The special mandatory redemption price of the Notes will be equal to 100% of the aggregate issue price of the Notes, plus accrued and unpaid interest and Additional Amounts, if any, from the Issue Date to, but excluding, such special mandatory redemption date. See "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption*."

The Notes will be guaranteed on a senior subordinated basis by BidCo on the Issue Date and by each Post-Completion Date Guarantor (as defined herein) within 120 days from the Acquisition Completion Date. The Notes will be senior obligations of the Issuer.

On the Issue Date, the Notes will be secured by a first-ranking pledge over the escrow account in which the gross proceeds of the Offering will be deposited and the rights of the Issuer under the Shortfall Agreement (as defined herein), by a first-ranking pledge over the share capital of the Issuer and by a second-ranking pledge over the shares in BidCo held by the Issuer (the "Issue Date Collateral"). On the Acquisition Completion Date, the Notes will be secured by a second-ranking pledge over the receivables owed to the Issuer by BidCo in respect of any proceeds loan pursuant to which the proceeds from the Offering are provided by the Issuer to BidCo (the "Completion Date Collateral" and together with the Issue Date Collateral, the "Collateral"). The validity and enforceability of the Guarantees (as defined herein) and the Collateral will be subject to the limitations described in "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations*."

There is currently no public market for the Notes. Application will be made to The Channel Islands Securities Exchange Authority Limited (the "Exchange") for the listing of and permission to deal in the Notes on the Official List of the Exchange. There can be no assurance that the Notes will be listed on the Official List of the Exchange, that such permission to deal in the Notes will be granted or that such listing will be maintained.

Investing in the Notes involves risks. See "*Risk Factors*" beginning on page 32.

Issue Price of the Notes: % plus accrued and unpaid interest, if any, from the Issue Date.

The Notes and the Guarantees have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any other jurisdiction, and are being offered and sold in the United States only to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act and outside the United States in reliance on Regulation S under the U.S. Securities Act. Prospective purchasers that are qualified institutional buyers are hereby notified that the seller of the Notes may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. The Notes are not transferable except in accordance with the restrictions described under "*Transfer Restrictions*."

The Notes will be in registered form and will initially be issued in denominations of €100,000 and integral multiples of €1,000 in excess thereof and will only be transferable in minimum principal amounts of €100,000 and integral multiples of €1,000 in excess thereof. The Notes will be represented on issue by one or more Global Notes (as defined herein), which we expect will be delivered through Euroclear SA/VA ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream") on or around , 2017 (the "Issue Date").

Joint Global Coordinators and Joint Physical Bookrunners

Deutsche Bank **J.P. Morgan** **Natixis**

Joint Bookrunners

BNP PARIBAS **Credit Suisse**

The date of this Offering Memorandum is , 2017.

TABLE OF CONTENTS

In making an investment decision, you should rely only on the information contained in this Offering Memorandum. None of the Issuer, the Guarantors or any of the Initial Purchasers has authorized anyone to provide you with information that is different from the information contained herein. If given, any such information should not be relied upon. None of the Issuer, the Guarantors or any of the Initial Purchasers is making an offer of the Notes in any jurisdiction where this Offering is not permitted. You should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date on the front cover of this Offering Memorandum.

Notice to Investors

This Offering Memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose. Accordingly, the Notes may not be offered or sold, directly or indirectly, and this Offering Memorandum may not be distributed, in any jurisdiction except in accordance with the legal requirements applicable in such jurisdiction. You must comply with all laws that apply to you in any place in which you buy, offer or sell any Notes or possess this Offering Memorandum. Neither we, nor Deutsche Bank AG, London Branch, J.P. Morgan Securities plc, Natixis, BNP Paribas, London Branch and Credit Suisse Securities (Europe) Limited (the "Initial Purchasers") are responsible for your compliance with these legal requirements. See also "*Plan of Distribution*."

You should base your decision to invest in the Notes solely on information contained in this Offering Memorandum. Neither we nor the Initial Purchasers have authorized anyone to provide you with different information. In addition, neither we nor the Initial Purchasers nor any of our or their respective representatives are providing you with any legal, business, tax or other advice in this Offering Memorandum. You should consult with your own advisors as needed to assist you in making your investment decision and to advise you whether you are legally permitted to purchase the Notes.

By accepting delivery of this Offering Memorandum, you agree to the foregoing restrictions and agree not to use any information herein for any purpose other than considering an investment in the Notes. This Offering Memorandum may only be used for purpose for which it was published. 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 any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream.

We will not, nor will any of our agents, have responsibility for the performance of the respective obligations of Euroclear and Clearstream or their respective participants under the rules and procedures governing their operations, nor will we or our agents have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to these book-entry interests. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures.

This Offering Memorandum contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of certain of the documents referred to herein will be made available to prospective investors upon request to us.

The Initial Purchasers, the Trustee (as defined herein) and any other agents acting with respect to the Notes accept no responsibility for and make no representation or warranty, express or implied, as to the accuracy or completeness of the information set out in this Offering Memorandum and nothing contained in this Offering Memorandum is, or should be relied upon as, a promise or representation by the Initial Purchasers, the Trustee, or any other agents acting with respect to the Notes as to the past or the future. The Issuer and not the Initial Purchasers has ultimate authority over the information contained in this Offering Memorandum and whether and how to communicate the information contained therein.

By purchasing the Notes, you will be deemed to have acknowledged that you have reviewed this Offering Memorandum and have had an opportunity to request, and have received all additional information that you need from us. No person is authorized in connection with any offering made by this Offering Memorandum to give any information or to make any representation not contained in this Offering Memorandum or any pricing term sheet or supplement and, if given or made, any other information or representation must not be relied upon as having been authorized by us or the Initial Purchasers.

The information contained in this Offering Memorandum is as of the date indicated herein. Neither the delivery of this Offering Memorandum at any time after the date of publication nor any subsequent commitment to purchase the Notes shall, under any circumstances, create an implication that there has been no change in the information set out in this Offering Memorandum or in our business since the date of this Offering Memorandum.

This Offering Memorandum is a confidential document that we are providing only to prospective purchasers of the Notes. You should read this Offering Memorandum before making a decision whether to purchase any Notes. You must not use this Offering Memorandum for any other purpose, make copies of any part of this Offering Memorandum or give a copy of it to any other person; or disclose any information in this Offering Memorandum to any other person.

The Notes are subject to restrictions on transferability and resale, which are described under the captions "*Plan of Distribution*" and "*Transfer Restrictions*." By possessing this Offering Memorandum or purchasing any Note, you will be deemed to have represented and agreed to all of the provisions contained in that section of this Offering Memorandum. You should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time.

We reserve the right to withdraw the Offering at any time. We and the Initial Purchasers may reject any offer to purchase the Notes in whole or in part and to allot to any prospective purchaser less than the amount of the Notes sought by it. The Initial Purchasers and certain of their respective related entities may acquire, for their own accounts, a portion of the Notes.

Stabilization

IN CONNECTION WITH THE ISSUE OF THE NOTES, DEUTSCHE BANK AG, LONDON BRANCH (THE "STABILIZING MANAGER") (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVER-ALLOT THE NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, THERE IS NO ASSURANCE THAT THE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) WILL UNDERTAKE STABILIZATION ACTION. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE FINAL TERMS OF THE OFFER OF THE 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 NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILIZING MANAGER (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

Important Information About Selling and Jurisdictional Restrictions

United States. Neither the Notes nor the Guarantees have been or will be registered under the U.S. Securities Act or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

In the United States, the offering of the Notes is being made only to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act). Prospective purchasers that are qualified institutional buyers are hereby notified that the Initial Purchasers of the Notes may be relying on an exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A. Outside the United States, the Offering is being made in offshore transactions (as defined in Regulation S).

Neither the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission nor any non-U.S. securities authority has approved or disapproved of these securities or determined that this Offering Memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

European Economic Area. In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "Relevant Member State"), each Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive was implemented in that Relevant Member State it has not made and will not make an offer of Notes which are the subject of the Offering contemplated by this Offering Memorandum to the public in that Relevant Member State other than:

a) to any legal entity which is a qualified investor as defined in the Prospectus Directive;

b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or

c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require the Issuer or any Initial Purchaser to publish an offering memorandum pursuant to Article 3 of the Prospective Directive or supplement an offering memorandum pursuant to Article 16 of the Prospective Directive.

For the purposes of this provision:

- the expression "an offer of Notes to the public" in relation to any 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 Notes to be offered so as to enable an investor to decide to purchase or subscribe the 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, as amended, including by Directive 2010/73/EU and includes any relevant implementing measure in the Relevant Member State.

Each subscriber for or purchaser of the Notes in the Offering located within a Relevant Member State will be deemed to have represented, acknowledged and agreed that it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive. The Issuer, the Initial Purchasers and their affiliates and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Initial Purchasers of such fact in writing may, with the consent of the Initial Purchasers, be permitted to subscribe for or purchase the Notes in the Offering.

Austria. No prospectus has been or will be approved and/or published pursuant to the Austrian Capital Market Act (*Kapitalmarktgesetz*), as amended or approved by the competent authority of

another Member State of the European Economic Area and published pursuant to the Prospectus Directive and validly passported to Austria. Neither this Offering Memorandum nor any other document connected therewith constitutes a prospectus according to the Austrian Capital Market Act and neither this Offering Memorandum nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Initial Purchasers. No steps may be taken that would constitute a public offering of the Notes in Austria and the Offering of the Notes may not be advertised in Austria. Each Initial Purchaser has represented and agreed that it will offer the Notes in Austria only in compliance with the provisions of the Austrian Capital Market Act and all other laws and regulations in Austria applicable to the offer and sale of the Notes in Austria.

Belgium. This Offering Memorandum relates to a private placement of the Notes and does not constitute an offer or solicitation to the public in Belgium to subscribe for or acquire the Notes. The Offering has not been and will not be notified to, and this Offering Memorandum has not been, and will not be, approved by the Belgian Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des Services et Marchés Financiers*) pursuant to the Belgian laws and regulations applicable to the public offering of notes. Accordingly, the Offering, as well as any other materials relating to the Offering may not be advertised, the Notes may not be offered or sold, and this Offering Memorandum or any other information circular, brochure or similar document may not be distributed, directly or indirectly, (i) to any other person located and/or resident in Belgium other than in circumstances which do not constitute an offer to the public in Belgium pursuant to the Belgian Act of June 16, 2006 on the public offering of investment instruments and the admission of investment instruments to trading on a regulated market (the "Prospectus Act") or (ii) to any person qualifying as a consumer within the meaning of the Belgian Act of April 6, 2010 on market practices and consumer protection, unless such sale is made in compliance with this Act and its implementing regulation. This Offering Memorandum has been issued to the intended recipient for personal use only and exclusively for the purpose of the Offering. Therefore it may not be used for any other purpose, nor passed on to any other person in Belgium. Any resale of the Notes in Belgium may only be made in accordance with the Prospectus Act and other applicable laws.

France. This Offering Memorandum has not been prepared in the context of a public offering of financial securities in France within the meaning of article L.411-1 of the French *Code monétaire et financier* and Title I of Book II of the *Règlement Général* of the *Autorité des marchés financiers* (the French financial markets authority, or "AMF"). Consequently, the Notes may not be, directly or indirectly, offered or sold to the public in France ("*offre au public de titres financiers*"), and neither this Offering Memorandum nor any offering or marketing materials relating to the Notes must be made available or distributed in any way that would constitute, directly or indirectly, an offer to the public in France.

The Notes may only be offered or sold in France to qualified investors ("*investisseurs qualifiés*"), other than individuals, and/or to providers of investment services relating to portfolio management for the account of third parties ("*personnes fournissant le service d'investissement de gestion de portefeuille pour le compte de tiers*"), all as defined in and in accordance with articles L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*.

Prospective investors are informed that:

(i) this Offering Memorandum has not been and will not be submitted for prior approval and clearance procedure to the AMF;

(ii) in compliance with articles L.411-2, D.411-1, D.744-1, D.754-1 and D.764-1 of the French *Code monétaire et financier*, any qualified investors ("*investisseurs qualifiés*") subscribing for the Notes should be acting for their own account; and

(iii) the direct and indirect distribution or sale to the public of the Notes acquired by them may only be made in compliance with articles L.411-1, L.411-2, L.412-1 and L.621-8 of the French *Code monétaire et financier*.

Germany. In the Federal Republic of Germany, the Notes may only be offered and sold in accordance with the provisions of the Securities Prospectus Act of the Federal Republic of Germany (the "Securities Prospectus Act," *Wertpapierprospektgesetz*, WpPG) and any other applicable German law. No application has been made under German law to offer the Notes to the public in or out of the Federal Republic of Germany. The Notes are not registered or authorized for distribution under the Securities Prospectus Act and accordingly may not be, and are not being, offered or advertised publicly or by public promotion. This Offering Memorandum is strictly for private use and the offer is only being made to recipients to whom this Offering Memorandum is personally addressed and does not constitute an offer or advertisement to the public. In Germany, the Notes will only be available to, and this Offering Memorandum and any other offering material in relation to the Notes is directed only at, persons who are qualified investors (*qualifizierte Anleger*) within the meaning of Section 2 No. 6 of the Securities Prospectus Act or who are subject to another exemption in accordance with Section 3 para. 2 of the Securities Prospectus Act. Any resale of the Notes in Germany may only be made in accordance with the Securities Prospectus Act and other applicable laws.

Italy. The Offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Offering Memorandum or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "Financial Services Act") and Article 34-*ter*, first paragraph, letter b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("Regulation No. 11971"); or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-*ter* of Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this Offering Memorandum or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must:

a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "Banking Act"); and

b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

In accordance with Article 100-*bis* of the Italian Financial Services Act, where no exemption applies under (i) and (ii) above, Notes which are initially offered and placed in Italy or abroad to qualified investors only but in the following year are regularly (*sistematicamente*) distributed on the secondary market in Italy to non-qualified investors become subject to the public offer and the prospectus requirement rules set out in the Financial Services Act and Regulation No. 11971. Failure to comply with such rules may result in the sale of the Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

Luxembourg. This Offering Memorandum has not been approved by and will not be submitted for approval to the Luxembourg financial sector regulator (the *Commission de surveillance du secteur financier*) for the purposes of a public offering or sale in Luxembourg of the Notes. Accordingly, the Notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this Offering Memorandum nor any other circular, prospectus, form of application, advertisement or other material may be distributed, or otherwise made available in or from, or published in, Luxembourg except in circumstances which do not constitute a public offer of securities to the public and subject to prospectus requirements in accordance with the Luxembourg act of July 10, 2005, on prospectuses for securities, as amended.

The Netherlands. Each of the Initial Purchasers has represented and agreed that it has not, directly or indirectly, offered or sold and will not, directly or indirectly, offer or sell the Notes in the Netherlands other than to qualified investors as defined in article 1:1 of the Act on Financial Supervision (*Wet op het financieel toezicht*).

Sweden. This Offering Memorandum is not a prospectus and has not been prepared in accordance with the prospectus requirements provided for in the Swedish Financial Instruments Trading Act (*Sw. lagen (1991:980) om handel med finansiella instrument*) nor any other Swedish enactment. Neither the Swedish Financial Supervisory Authority (*Sw. Finansinspektionen*) nor any other Swedish public body has examined, approved or registered this Offering Memorandum or will examine, approve or register this Offering Memorandum. Accordingly, this Offering Memorandum may not be made available, nor may the Notes otherwise be marketed and offered for sale, in Sweden other than in circumstances that constitute an exemption from the requirement to prepare a prospectus under the Swedish Financial Instruments Trading Act.

Switzerland. Neither this Offering Memorandum nor any other offering or marketing material relating to the Offering, the Issuer, or the Notes have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Offering Memorandum will not be filed with, and the offer of Notes will not be supervised by, the Swiss Financial Market Supervisory Authority, and the Offering has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (the "CISA"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Notes.

United Kingdom. This Offering Memorandum is being distributed only to and is directed only at: (a) persons who have professional experience in matters relating to investments and are investment professionals as defined within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"), (b) high net worth bodies corporate and any other person falling within Article 49(2)(a) to (d) of the Order, (c) persons outside the United Kingdom and (d) any other persons to whom it may otherwise lawfully be communicated or cause to be communicated (all such persons together being referred to as "relevant persons").

Each Initial Purchaser has represented and agreed that: (a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "FSMA")) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and (b) it has complied and will comply with all applicable provisions of the FSMA in respect of anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

This Offering Memorandum must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons. Recipients of this Offering Memorandum are not permitted to transmit it to any other person. The Notes are not being offered to the public in the United Kingdom. Any person who is not a relevant person should not act or rely on this Offering Memorandum or any of its contents.

Available Information

Each purchaser of Notes from the Initial Purchasers will be furnished with a copy of this Offering Memorandum and, to the extent provided to the Initial Purchasers by us, any related amendment or supplement to this Offering Memorandum. Each person receiving this Offering Memorandum and any related amendments or supplements to this Offering Memorandum acknowledges that:

(1) such person has been afforded an opportunity to request from us, and to review and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;

(2) such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information or its investment decision; and

(3) except as provided pursuant to (1) above, no person has been authorized to give any information or to make any representation concerning the Notes offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by the Initial Purchasers or us.

For so long as any of the Notes are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, we will, during any period in which we are neither subject to the reporting requirements of Section 13 or 15(d) of the U.S. Exchange Act, nor exempt from the reporting requirements under Rule 12g3-2(b) under the U.S. Exchange Act, provide to the holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner, in each case upon the written request of such holder, beneficial owner or prospective purchaser, the information required to be provided by Rule 144A(d)(4) under the U.S. Securities Act. Any such request should be directed to: NewCo Sab MidCo S.A.S., 3, Boulevard de Sébastopol, 75001 Paris, France. Copies of the Indenture, the forms of the Notes, the Intercreditor Agreement, the Security Documents and Escrow Agreement will be made available upon request to the Paying Agent or to the Issuer at the address above.

We are not currently, and we will not be, subject to the periodic reporting and other information requirements of the U.S. Exchange Act. Pursuant to the Indenture and so long as the Notes are outstanding, we will furnish periodic information to holders of the Notes. See "*Description of the Notes—Certain Covenants—Reports*."

Forward-Looking Statements

Various statements contained in this Offering Memorandum constitute "forward-looking statements." All statements other than statements of historical fact included in this Offering Memorandum, including, without limitation, statements regarding our future financial position, strategy, anticipated investments, costs and results (including growth prospects in particular countries), plans, projects to enhance efficiency, impact of governmental regulations or actions, litigation outcomes and timetables, future capital expenditures, liquidity requirements, the successful integration of acquisitions and joint ventures into our Group, and objectives of management for future operations, may be deemed to be forward-looking statements. When used in this Offering Memorandum, the words "believe," "anticipate," "should," "intend," "plan," "will," "expect," "estimates," "positioned," "strategy" and similar expressions identify these forward-looking statements. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements or industry results to be materially different from those contemplated, projected, forecasted, estimated or budgeted, whether expressed or implied, by these forward-looking statements. These factors include those set forth in the section of this Offering Memorandum captioned "*Risk Factors*," which include, among others:

- price regulation that may be affected by efforts to reduce government spending on healthcare;
- continued weakness in economic conditions;
- our corporate structure and the manner in which we exercise control over the operations of certain of our French subsidiaries due to regulatory constraints;
- legal and regulatory requirements governing our activities;
- the dependence of our Central Lab business on the pharmaceutical industry;
- failure to establish and comply with appropriate quality standards in the provision of our testing services;
- the execution of our growth strategy through the acquisition of other businesses;
- our ability to integrate acquired businesses and realize planned synergy benefits;
- uncertainty with respect to the amount and the timeframe for synergies and other benefits expected to be realized from the Acquisition;
- our dependence on our senior management team;
- difficulty in recruiting specialized clinical pathologists;
- the competitive environment in which we operate;
- the internalization of testing by hospitals and regional laboratory hubs, as well as the development of new, more cost effective tests that can be directly performed by the customers of our Specialized Testing business;
- failures of our information technology systems;
- failure to timely or accurately bill for our services;
- financial difficulties of our clients or third party payers requiring us to write off bad debts;

- the volatile nature of our Central Lab backlog;
- failure to comply with and liabilities arising under environmental, health and safety laws and regulations;
- disruption, failure or unsuitable delivery of sample transportation services;
- our dependence on our facility in Saint-Ouen-l'Aumône, France;
- failure to comply with privacy laws and information security policies;
- our exposure to risks related to litigation;
- our exposure to liabilities not covered by our insurance policies;
- labor disruptions and negotiation of collective bargaining agreements;
- our reliance on the operating companies of our Group, some of which we do not control, for revenues to make payments on the Notes or the Guarantees;
- our significant leverage, which may make it difficult to operate our businesses;
- the covenants contained in the Indenture and the Senior Credit Facilities Agreement, which limit our operating and financial flexibility;
- fluctuations in interest rates; and
- other risks associated with the Acquisition, our financing, the Notes and our structure discussed under "*Risk Factors*."

The risks included herein are not exhaustive. Moreover, we operate in a highly competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for us to predict all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

We assume no obligation to update the forward-looking statements contained in this Offering Memorandum to reflect actual results, changes in assumptions or changes in factors affecting these statements.

Presentation of Financial and Other Information

Presentation of Financial Information

The Issuer was incorporated on January 13, 2017 for the purpose of facilitating the Transactions (as defined herein) and performing certain activities related thereto. Substantially the entire share capital of the Target, an indirect parent company of Cerba HealthCare, will be sold to BidCo, which is the direct subsidiary of the Issuer, on the Acquisition Completion Date in connection with the Transactions and, as part of the Post-Completion Mergers, Cerba HealthCare will be merged into BidCo. The Issuer is a holding company with no revenue-generating activities of its own and does not have any business operations, material assets or liabilities other than those incurred in connection with its incorporation and the Transactions. See "*Risk Factors—Risks Related to Our Indebtedness—The Issuer and certain of the Guarantors are holding companies that have no revenue-generating operations of their own and will depend on cash from the operating companies of our Group to be able to make payments on the Notes or the Guarantees.*" Consequently, only limited historical financial information relating to the Issuer is available, and no financial information with respect to the Issuer is included in this Offering Memorandum, except for certain limited "as adjusted" financial data presented on a consolidated basis as adjusted to reflect certain effects of the Transactions. All historical financial information presented in this Offering Memorandum is that of Cerba HealthCare and its consolidated subsidiaries. Accordingly, unless otherwise stated, all references to "we," "us," "our" or the "Group" in respect of historical financial information in this Offering Memorandum are to Cerba HealthCare and its subsidiaries on a consolidated basis. The historical financial information provided in this Offering Memorandum does not include the Target and certain other intermediate holding companies above Cerba HealthCare.

The existing intermediate holding companies above Cerba HealthCare (*i.e.*, Cerberus Nightingale 1 (the "Existing Senior Notes Issuer"), Cerberus Nightingale 2 and Financière Gaillon 13) are holding companies with no revenue generating activities of their own and do not engage in any activities other than those relating to holding the shares of their subsidiaries. The only assets of Cerba HealthCare, the Existing Senior Notes Issuer, Cerberus Nightingale 2 and Financière Gaillon 13 are the shares in their subsidiaries, Cerberus Nightingale 2, Financière Gaillon 13, Cerba Healthcare and Cefid S.A., respectively, and *de minimis* cash. Except for the Existing Senior Secured Notes issued by Cerba HealthCare and the Existing Senior Notes issued by the Existing Senior Notes Issuer, the only liabilities of Cerba Healthcare, the Existing Senior Notes Issuer, Cerberus Nightingale 2 and Financière Gaillon 13 are debt owed to their direct parent entities. On an unconsolidated basis, Cerba HealthCare, the Existing Senior Notes Issuer, Cerberus Nightingale 2 and Financière Gaillon 13 have historically experienced losses. Following the Post-Completion Mergers, Cerba HealthCare, the Existing Senior Notes Issuer, Cerberus Nightingale 2 and Financière Gaillon 13 will merge into BidCo.

This Offering Memorandum includes the following financial information:

- the audited consolidated financial statements of Cerba HealthCare as of, and for the year ended, December 31, 2014, prepared in accordance with IFRS;
- the audited consolidated financial statements of Cerba HealthCare as of, and for the year ended, December 31, 2015, prepared in accordance with IFRS; and
- the audited consolidated financial statements of Cerba HealthCare as of, and for the year ended, December 31, 2016, prepared in accordance with IFRS.

In the future, we will report consolidated financial statements and other information for the Issuer and its subsidiaries prepared under IFRS, although we intend to also provide certain financial information about Cerba HealthCare in order to facilitate the analysis of our financial performance for the periods ending prior to January 1, 2019. The fiscal year of the Issuer ends on December 31 of each calendar year and the first annual consolidated financial statements for the

Issuer will be available in respect of the year ended December 31, 2018. The consolidated financial statements of Cerba HealthCare in this Offering Memorandum have not been adjusted to reflect the impact of any changes to the income statements, balance sheets or cash flow statements that might occur as a result of purchase accounting adjustments to be applied as a result of the Transactions. However, the Issuer will account for the Acquisition using the purchase method of accounting under IFRS and will apply purchase accounting adjustments in connection with the Transactions to the financial statements for accounting periods subsequent to the Acquisition Completion Date. The application of purchase accounting could result in different carrying values for existing assets and assets we may add to our balance sheet, which may include intangible assets, such as goodwill, leasehold rights and software, and different amortization and depreciation expenses. Due to these and other potential adjustments, our future financial statements could be materially different once the adjustments are made and may not be comparable to Cerba HealthCare's consolidated financial statements included in this Offering Memorandum. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Comparability of Our Financial Statements*."

The Acquisition will be accounted for using the purchase method of accounting. Under IFRS 3 "Business Combinations," the cost of an acquisition is measured as the fair value of the assets transferred, liabilities incurred and the equity interests issued by the acquirer, including the fair value of any asset or liability incurred and the equity interests issued by the acquirer, including the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expressed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair market values at the acquisition date. The excess of the consideration transferred over the fair value of the acquirer's share of the identifiable net assets acquired is recorded as goodwill. Since the Acquisition has not been consummated as of the date of this Offering Memorandum, we have not identified the fair value of assets acquired and liabilities to be assumed at the date of the Acquisition. In accordance with IFRS, we have up to twelve months from the Acquisition Completion Date to finalize the allocation of the purchase price.

Certain numerical figures set out in this Offering Memorandum, including financial data presented in millions or thousands and percentages describing market shares, have been subject to rounding adjustments and, as a result, the totals of the data in this Offering Memorandum may vary slightly from the actual arithmetic totals of such information. Percentages and amounts reflecting changes over time periods relating to financial and other data set forth in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" are calculated using the numerical data in our consolidated financial statements or the tabular presentation of other data (subject to rounding) contained in this Offering Memorandum, as applicable, and not using the numerical data in the narrative description thereof.

Pro Forma Financial Information

We present in this Offering Memorandum certain unaudited *pro forma* consolidated financial information for the year ended December 31, 2016, adjusted to give effect to the nine companies that we acquired between January 1, 2016 and February 10, 2017 and the one company that we have agreed to acquire (pursuant to a letter of intent signed in 2016), as if such acquisitions had completed on January 1, 2016, and estimated cost savings and synergies from these and the two prior years' acquisitions on an annual run rate basis and to eliminate the transaction and restructuring costs associated with such acquisitions (collectively, the "Pro Forma Financial Information"). The unaudited *pro forma* financial information has been prepared for illustrative purposes only and does not represent what our actual results would have been had such acquisitions occurred on January 1, 2016, nor does it purport to project our results of operation at any future date. The Pro Forma Financial Information included in this Offering Memorandum has not been prepared in accordance with the requirements of Regulation S-X under the U.S. Securities Act, IFRS or U.S. generally accepted accounting principles. Neither the adjustments nor

the resulting Pro Forma Financial Information have been audited in accordance with French generally accepted accounting standards, International Accounting Standards or U.S. generally accepted accounting standards. In evaluating the Pro Forma Financial Information, you should carefully consider our audited historical consolidated financial statements included elsewhere in this Offering Memorandum.

The Pro Forma Financial Information is based upon available information and assumptions that we believe are reasonable but are not necessarily indicative of the results that would have actually been achieved if the acquisitions had been completed on the dates indicated, or indicative of the results that may be achieved in the future. The Pro Forma Financial Information is provided for information purposes only.

Non-IFRS Financial Measures

This Offering Memorandum contains non-IFRS financial measures and ratios, including EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA and certain coverage ratios that are not required by, or presented in accordance with IFRS. Such measures and ratios may not reflect accurately our performance, liquidity or our ability to incur debt and should not be considered as alternatives to operating income/(loss) or profit/(loss) or any other performance measures derived from or in accordance with IFRS, SEC requirements or any other generally accepted accounting principles or as alternatives to net cash provided by/(used in) operating activities. The financial information contained in this Offering Memorandum is not intended to comply with the reporting requirements of the SEC and will not be subject to review by the SEC. As used in this Offering Memorandum, the following terms have the following meanings:

EBITDA for the years ended December 31, 2014, 2015 and 2016 represents operating income/(loss) plus the income statement line items for net change in depreciation and amortization, and goodwill impairment. We present EBITDA including profit (loss) attributable to non-controlling interests.

Adjusted EBITDA represents EBITDA adjusted for certain items, either positive or negative, which our management considers to be non-recurring in nature as well as certain non-cash items that management does not consider to be representative of the underlying performance of the business, including:

- expenses incurred in connection with acquisitions completed during the period (advisory fees and other one off items) and restructurings, as well as all costs, fees and other expenses incurred in connection with share capital increases or new indebtedness;
- certain non-recurring litigation costs;
- other non-cash items such as movement in pension and other provisions; and
- certain accounting adjustments.

Pro Forma Adjusted EBITDA represents Adjusted EBITDA as further adjusted for the full period effect on our EBITDA from the nine companies that we acquired between January 1, 2016 and February 10, 2017 and the one company that we have agreed to acquire (pursuant to a letter of intent signed in 2016), as if such acquisitions had been completed on January 1, 2016, estimated cost savings and synergies from these and the two prior years' acquisitions on an annual run rate basis and an elimination of the transaction and restructuring costs associated with such acquisitions. See "*Summary—Summary Consolidated Financial and Other Information—Other Financial and Operating Data*."

This Offering Memorandum contains certain synergy estimates, among others, relating to cost reductions and other benefits expected to arise from the nine companies that we acquired

between January 1, 2016 and February 10, 2017 and the one company that we have agreed to acquire (pursuant to a letter of intent signed in 2016), and acquisitions completed in the two prior years, as well as adjustments for related costs to implement these acquisitions. The estimates present the expected future impact of these transactions and the integration of these companies into our existing business on a run-rate basis. Such estimates are based on a number of assumptions made in reliance on the information available to us and management's judgments based on such information. The assumptions used in estimating the synergies arising from these acquisitions are inherently uncertain and are subject to a wide variety of significant business, economic, and competitive risks and uncertainties that could cause actual results to differ materially from those contained in the synergy benefit estimates.

We present Adjusted EBITDA and Pro Forma Adjusted EBITDA for informational purposes only. This information does not represent the results we would have achieved had each of the acquisitions or other transactions for which an adjustment is made occurred at the dates indicated. There is no assurance that items we have identified for adjustment as non-recurring will not recur in the future or that similar items will not be incurred in the future. The calculations for Adjusted EBITDA and Pro Forma Adjusted EBITDA are based on various assumptions (including the successful implementation of certain initiatives), management estimates and the unaudited management accounts of the acquired businesses. These amounts have not been, and, in certain cases, cannot be, audited, reviewed or verified by any independent accounting firm. This information is inherently subject to risks and uncertainties. It may not give an accurate or complete picture of the financial condition or results of operations of the acquired businesses or other transactions for the periods presented, may not be comparable to our consolidated financial statements or the other financial information included in this Offering Memorandum and should not be relied upon when making an investment decision.

We present EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA because we believe they are helpful to investors as measures of our operating performance and ability to service our debt. These measures are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of our operating performance, cash flows or any other measure of performance derived in accordance with IFRS. EBITDA and its variants as presented in this Offering Memorandum may differ from similarly titled measures used by other companies and from "Consolidated EBITDA" contained in the sections entitled "*Description of the Notes*" of this Offering Memorandum and in the Indenture. For a reconciliation of EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA to operating income (loss), see "*Summary—Summary Consolidated Financial and Other Information—Other Financial and Operating Data*."

We also present net sales on a like-for-like basis, which we calculate as the variation of net sales generated in any two subsequent years within a perimeter of locations as of January 1 of the first of these two years. This approach results in a growing like-for-like portfolio over time and does not allow for like-for-like comparison across all periods presented in this Offering Memorandum. These like-for-like figures may deviate from the presentation of organic growth in our historic and future financial reporting, which is computed on a dynamic basis, comparing against the perimeter at the end of the relevant prior-year period. Like-for-like net sales are prepared by our management and provide a useful measure of our ongoing organic performance but are not included in our historical financial information or prepared in accordance with IFRS.

The non-IFRS measures presented in this Offering Memorandum may not be comparable to other similarly titled measures of other companies, have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. Some of the limitations of each of these non-IFRS measures are:

- they do not reflect cash outlays for capital expenditures or contractual commitments;

- they do not reflect changes in, or cash requirements for, working capital;

- they do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on indebtedness;

- they do not reflect income tax expense or the cash necessary to pay income taxes;

- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA do not reflect cash requirements for such replacements; and

- other companies, including other companies in our industry, may calculate EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA differently than as presented in this Offering Memorandum, limiting their usefulness as comparative measures.

Because of these limitations, EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA and the related ratios presented throughout this Offering Memorandum should not be considered as measures of discretionary cash available to invest in business growth or reduce indebtedness.

As Adjusted Financial Information

We present in this Offering Memorandum certain as adjusted financial information for the Issuer, which is based on the consolidated financial information for Cerba HealthCare, on an as adjusted basis to reflect certain effects of the Transactions on the indebtedness, cash position and interest expense of the Issuer as of and for the twelve-month period ended December 31, 2016. See "*Summary—Summary Consolidated Financial and Other Information—Other Financial and Operating Data*." This as adjusted financial information has been prepared for illustrative purposes only and does not represent what our actual interest expense would have been had the Offering occurred on January 1, 2016 or what our actual cash position or indebtedness would have been had the Transactions occurred on December 31, 2016, nor does it purport to project our indebtedness, cash position or interest expense at any future date. The adjusted financial information has not been adjusted to reflect the impact of any changes to the income statement, balance sheet or cash flow statement that might occur as a result of application of the acquisition method of accounting under IFRS, which will affect the comparability of the Issuer's future consolidated financial statements with the combined financial statements contained in this Offering Memorandum. The as adjusted financial information has not been prepared in accordance with the requirements of Regulation S-X under the U.S. Securities Act, the Prospectus Directive or any generally accepted accounting standards. Neither the assumptions underlying the pro forma adjustments nor the resulting adjusted financial information have been audited or reviewed in accordance with any generally accepted auditing standards.

The contents of any website, including the websites of the Sponsors, Cerba HealthCare or any member of the Group, do not form any part of this Offering Memorandum.

Industry and Market Information

Unless otherwise expressly indicated or noted below, all information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to our business contained in this Offering Memorandum is based on estimates prepared by us based on certain assumptions and our knowledge of the industry in which we operate, as well as data from various market research publications, publicly available information and industry publications, including reports published by various third-party sources. Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. We have not independently verified such data. We use a combination of data provided by the French Court of Audit (*Cour des Comptes*), the French National Institute of Statistics and Economic Studies (INSEE), the Directorate for Research, Studies, Assessments and Statistics (DREES), the French National Health Insurance Fund (CNAMTS) for the French market, the Belgian National Institute for Health and Disability Insurance (INAMI) for the Belgian market, the Statistics Portal of the Grand Duchy of Luxembourg for the Luxembourg market and other industry sources.

In many cases, there is no readily available external information (whether from trade associations, government bodies or other organizations) to validate market related analysis and estimates, requiring us to rely on our own internally developed estimates regarding the industry in which we operate, our position in the industry, our market share and the market shares of various industry participants based on experience, our own investigation of market conditions and our review of industry publications, including information made available to the public by our competitors. While we have examined and relied upon certain market or other industry data from external sources as the basis for our estimates, including an industry report prepared by a major third party consulting firm, which was commissioned by Cerba HealthCare in connection with the sale process resulting in the Acquisition, neither we nor the Initial Purchasers have verified that data independently. We and the Initial Purchasers cannot assure you of the accuracy and completeness of, and take no responsibility for, such data. Similarly, while we believe our internal estimates to be reasonable, these estimates have not been verified by any independent source and we and the Initial Purchasers cannot assure you as to their accuracy. Our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under "*Risk Factors*" and "*Forward-Looking Statements*."

Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. Where we have found information from different sources to be conflicting, we have used the information that we believe to be the most accurate and prepared on a basis consistent with the other sources we have used.

Certain Definitions Used in this Offering Memorandum

Unless indicated otherwise in this Offering Memorandum or the context requires otherwise:

- "**Acquisition**" refers to the direct and indirect acquisition from the Sellers of substantially all of the issued and outstanding share capital and certain other financial securities of the Target, the redemption of the Sellers' Bonds and the transfer of at least 96% of the shares of Manco from certain managers of the Group to BidCo, in each case by BidCo pursuant to the Acquisition Agreements;

- "**Acquisition Agreements**" refers to the FG Acquisition Agreement and the Manco Acquisition Agreement;

- "**Acquisition Completion Date**" refers to the date on which the Acquisition is consummated and the proceeds from the Offering are released from the Escrow Account;

- "**Acquisition Longstop Date**" refers to May 31, 2017;

- "**BARC**" refers to Bio Analytical Research Corporation NV, a *naamloze vennootschap* organized under the laws of Belgium and registered with Crossroads Bank for Enterprises under number 0425.663.615 (Commercial Court of Ghent);

- "**Belux**" refers to, collectively, Belgium and Luxembourg;

- "**BidCo**" refers to NewCo Sab BidCo S.A.S., a *société par actions simplifée* incorporated under the laws of France, registered with the *register du commerce et des sociétés de Paris* under registration number 824 988 117;

- "**BidCo Proceeds Loan**" has the meaning ascribed to it in "*Summary—The Transactions—The Financing and Equity Contribution*";

- "**Biopart Bonds**" refers to the bonds issued by Cerba HealthCare to Biopart Investments S.A. on June 10, 2011 in connection with the acquisition of LLAM (with €10.0 million in principal amount outstanding as of December 31, 2016, and €7.1 million in accrued and unpaid interest as of that date);

- "**Cefid**" refers to Cefid SA, a *société anonyme* organized under the laws of France, registered with the *registre du commerce et des sociétés de Pontoise* under registration number 319 891 107;

- "**Central Lab**" refers to our central laboratory testing line of business, through which we perform tests on the safety and efficacy of new molecules for use in clinical settings;

- "**Cerba**," "**we**," the "**Group**," "**our**" or "**us**" refer to Cerba HealthCare and its subsidiaries, and following the completion of the Acquisition, the Issuer and its consolidated subsidiaries, unless the context suggests otherwise. The use of these terms is not intended to imply that the Acquisition will be completed on certain terms, or at all;

- "**Cerba HealthCare**" refers to Cerba HealthCare S.A.S. (formerly known as Cerba European Lab S.A.S.), a *société par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Pontoise* under registration number 522 942 192;

- "**Cerba Proceeds Loans**" refers to the loans to be made under one or more loan agreements to be entered into on the Acquisition Completion Date (and as amended from time to time) between BidCo, as lender, Cerba HealthCare and Cerba Selafa, as borrowers, pursuant to which approximately €848.1 million of the proceeds of the BidCo Proceeds Loan and the Senior Term Loan will be advanced to Cerba HealthCare and Cerba Selafa;

- "**Cerba Selafa**" refers to Cerba Selafa, a *société d'exercice libéral à forme anonyme* organized under the laws of France, registered with the *registre du commerce et des sociétés de Pontoise* under registration number 402 928 766;

- "**Cerballiance Côtes d'Armor**" refers to Cerballiance Côtes d'Armor (formerly Biobaie), a *société d'exercice libéral par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Saint-Brieuc* under registration number 348 060 955;

- "**Cerballiance Côte d'Azur**" refers to Cerballiance Côte d'Azur (formerly Billiemay),a French *société d'exercice liberal par actions simplifiée*, with its registered office located at 9, boulevard Strasbourg—83000 Toulon, France, registered under number 783 159 593 RCS Toulon;

- "**Cerballiance Hauts-de-France**" refers to Cerballiance Hauts-de-France (formerly Biolille Société d'Exercice Libéral de Directeurs et Directeurs Adjoints en Laboratoire d'Analyse de Biologie Médicale), a *société d'exercice libéral par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Lille* under registration number 429 259 310;

- "**Cerballiance Normandie**" refers to Cerballiance Normandie (formerly Centre de Biologie Médicale), *a société d'exercice libéral à responsabilité limitée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Caen* under registration number 395 013 741;

- "**Cerballiance Paris**" refers to Cerballiance Paris (formerly Centre Biologique du Chemin Vert), a *société d'exercice libéral par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Paris* under registration number 328 386 529;

- "**Cerballiance Paris Sud**" refers to Cerballiance Paris Sud (formerly Novescia Sud) , a *société d'exercice libéral par actions simplifiée* incorporated under the laws of France and registered with the *registre du commerce et des socétés d'Evry* under registration number 390 675 502;

- "**Cerballiance Provence**" refers to Cerballiance Provence (formerly Biotop Développement), a *société d'exercice libéral par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Marseille* under registration number 518 767 462;

- "**Cerballiance Pyrénées**" refers to Cerballiance Pyrénées (formerly BioPyrénées Lab SELAS), a *société d'exercice libéral par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des société de Tarbes* under registration number 777 164 856;

- "**Cerballiance Réunion**" refers to *Cerballiance Réunion* (formerly Bioréunion), a *société d'exercice libéral par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Saint-Denis (Réunion)* under registration number 329 452 106;

- "**Cerballiance Somme**" refers to Cerballiance Somme (formerly Biopole 80), a *société d'exercice libéral par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Amiens* under registration number 483 411 724;

- "**Cerberus Nightingale 2**" refers to Cerberus Nightingale 2, a public limited liability company (*société anonyme*) organized and established under the laws of Luxembourg, having its registered office at 43-45, allée Scheffer, L-2520 Luxembourg, registered with the Luxembourg Trade and Companies Register under registration number B 140.095, and the direct parent company of Financière Gaillon 13;

- "**Clearstream**" means Clearstream Banking, *société anonyme*;

- "**clinical pathologist**" refers to a professional who is qualified to own, manage or operate a clinical laboratory and who, depending on the country in which he operates, may or may not be a medical doctor;

- "**Collateral**" has the meaning given to such term in "*Summary—The Offering*";

- "**collection centers**" refers to sites that we operate as part of our Routine Lab business at which samples are collected from patients for testing at a technical platform;

- "**Damien Bonds**" refers to the bonds issued by Cerba HealthCare to Jean-Michel Damien on December 1, 2011 in connection with the acquisition of Laboratoire Damien by Cerballiance Hauts-de-France (with €1.0 million in principal amount outstanding as of December 31, 2016, and €0.5 million in accrued and unpaid interest as of that date);

- "**Equity Contribution**" has the meaning ascribed to it in "*Summary—The Transactions—The Financing and Equity Contribution*";

- "**Escrow Account**" refers to the escrow account of the Issuer into which the Initial Purchasers will deposit the gross proceeds of the Notes on the Issue Date, to be controlled by the Escrow Agent and charged in favor of the Trustee on behalf of the holders of the Notes;

- "**Escrow Agent**" refers to JPMorgan Chase Bank, N.A.;

- "**Escrow Agreement**" refers to the agreement to be dated on or around the Issue Date between the Issuer, the Trustee and the Escrow Agent relating to the Escrow Account into which the gross proceeds of the Notes will be deposited pending consummation of the Acquisition;

- "**Escrow Longstop Date**" refers to September 30, 2017;

- "**EU**" refers to the European Union;

- "**euro**," "**euros**," "**€**" or "**EUR**" refer to the single currency of the Member States of the European Union participating in the third stage of the economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended or supplemented from time to time;

- "**Existing Management Vendor Loans**" refers to the Biopart Bonds and the Damien Bonds;

- "**Existing Notes**" refers to, collectively, the Existing Senior Secured Notes and the Existing Senior Notes;

- "**Existing Revolving Credit Facility**" refers to the revolving credit facility available pursuant to the Existing Revolving Credit Facility Agreement;

- "**Existing Revolving Credit Facility Agreement**" means the super senior revolving credit facility agreement dated January 18, 2013, as amended from time to time, entered into among, *inter alios*, Cerba HealthCare, the several mandated lead arrangers named therein, Natixis as agent, Wilmington Trust (London) Limited as security agent and the several lenders named therein;

- "**Existing Senior Notes**" refers to the €145,000,000 in aggregate principal amount of 8.25% Senior Notes due 2020 issued by the Existing Senior Notes Issuer;

- "**Existing Senior Notes Issuer**" refers to Cerberus Nightingale 1, a public limited liability company (*société anonyme*), organized and established under the laws of Luxembourg, having its registered office at 43-45, allée Scheffer, L-2520 Luxembourg and registered with the Luxembourg Trade and Companies Register under registration number B 141.222, and the direct parent company of Cerberus Nightingale 2;

- "**Existing Senior Secured Notes**" refers to the €570,000,000 aggregate principal amount of 7.00% Senior Secured Notes due 2020 issued by Cerba HealthCare;

- "**FG Acquisition Agreement**" refers to the securities transfer agreement entered into on February 8, 2017, among, *inter alios*, BidCo, as purchaser, and the Sellers (as defined therein), as sellers relating to the Acquisition;

- "**Financière Gaillon 13**" refers to Financière Gaillon 13 S.A.S., a *société par actions simplifiée* organized under the laws of France and registered with the *registre du commerce et des sociétés de Pontoise* under number 790 424 626 and the direct parent company of Cerba HealthCare;

- "**Financing**" has the meaning ascribed to it in "*Summary—The Transactions—The Financing and Equity Contribution*";

- "**Guarantees**" refers to the guarantees of the Notes by the Guarantors;

- "**Guarantors**" refers to, collectively, BidCo and the Post-Completion Date Guarantors;

- "**HoldCo**" refers to NewCo Sab PikCo S.A.S., a *société par actions simplifée* incorporated under the laws of France and registered with the *registre du commerce et des sociétés de Paris* under registration number 827 777 897, and the direct parent company of the Issuer;

- "**IFRS**" refers to the International Financial Reporting Standards, as adopted by the EU;

- "**INAMI**" refers to *Rijksinstituut voor Ziekte-en Invaliditeitsverzekering / Institut National d'Assurance Maladie-Invalidité*;

- "**Indenture**" refers to the indenture governing the Notes as described in "*Description of the Notes*";

- "**Initial Purchasers**" refers to BNP Paribas, London Branch, Credit Suisse Securities (Europe) Limited, Deutsche Bank AG, London Branch, J.P. Morgan Securities plc and Natixis;

- "**Intercreditor Agreement**" refers to the intercreditor agreement to be dated on or around the Issue Date by and among, *inter alios*, the Issuer, BidCo, the Trustee, the Security Agent, the lenders and agents under the Senior Credit Facilities and certain hedge counterparties (substantially in the form as set forth in Annex A: Intercreditor Agreement to this Offering Memorandum);

- "**Issue Date**" refers to the date of the issuance of the Notes offered hereby;

- "**Issuer**" refers to NewCo Sab MidCo S.A.S., a *société par actions simplifée* incorporated under the laws of France and registered with the *registre du commerce et des sociétés de Paris* under registration number 824 963 045;

- "**JS Bio**" refers to the company formerly known as JS Bio, a *société d'exercise libéral par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Marseilles* with registration number 518 437 439, which we acquired in May 2014 and whose operations are now conducted by Cerballiance Provence and its subsidiary Cerballiance Côte d'Azur;
- "**laboratory company**" refers to any legal entity operating one or more clinical laboratories, directly or indirectly, through one or more subsidiaries;
- "**LLAM**" refers to L.L.A.M. S.A., a public limited liability company (*société anonyme*) organized under the laws of Luxembourg, having its registered office at 8, avenue du Swing, L-4367 Belvaux, Luxembourg, registered with the Luxembourg Trade and Companies Register under registration number B 161.406;
- "**Luxembourg**" refers to the Grand Duchy of Luxembourg;
- "**Manco**" refers to Managers Group Cerba Investments (M.G.C.I.), a *société par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Pontoise* under registration number 523 719 631;
- "**Manco Acquisition Agreement**" refers to the securities transfer agreement to be entered into prior to the Acquisition Completion Date, among, *inter alios*, BidCo, as purchaser, and certain managers of the Group, as sellers, pursuant to which BidCo will agree to acquire at least 96% of the issued share capital of Manco;
- "**Menalabs**" refers to Middle East and Northern Africa Holding Company S.A.S.;
- "**Novescia**" refers to the business of Novescia S.A.S., which was subsequently merged into Financière de l'Equerre 1, a *société par actions simplifiée à associé unique* incorporated under the laws of France and registered with the *registre du commerce et des sociétes de Pontoise* under registration number 808 602 205;
- "**Offering**" refers to the offering of the Notes by the Issuer;
- "**PAI**" refers to PAI Partners S.A.S. and its affiliates;
- "**Partners Group**" refers to investment funds advised or managed by Partners Group AG;
- "**Paying Agent**" refers to Elavon Financial Services DAC, UK Branch;
- "**Post-Completion Date Guarantors**" refers to CERBA Selafa, LLAM S.A., Cerballiance Provence, Cerballiance Paris Sud, Cerballiance Paris, Cerballiance Côte d'Azur and Cerballiance Rhône Alpes;
- "**Post-Completion Merger 1**" refers to the intended merger of Manco into BidCo, currently expected to be completed by the end of 2017;
- "**Post-Completion Merger 2**" refers to the intended merger of Cerberus Nightingale 2 into the Existing Senior Notes Issuer and of the Existing Senior Notes Issuer into the Target, currently expected to be completed in 2018;
- "**Post-Completion Merger 3**" refers to the intended merger of the Target into BidCo, currently expected to be completed shortly after the Post-Completion Merger 2;
- "**Post-Completion Merger 4**" refers to the intended merger of Financière Gaillon 13 into BidCo, currently expected to be completed shortly after the Post-Completion Merger 3;
- "**Post-Completion Merger 5**" refers to the intended merger of Cerba HealthCare into BidCo, currently expected to be completed shortly after the Post-Completion Merger 4;

- "**Post-Completion Mergers**" refers to, collectively, the Post-Completion Merger 1, the Post-Completion Merger 2, the Post-Completion Merger 3, the Post-Completion Merger 4 and the Post-Completion Merger 5;
- "**PSP Investments**" refers to one or more wholly owned subsidiaries of the Public Sector Pension Investment Board;
- "**Refinancing**" has the meaning ascribed to it in "*Summary—The Transactions—The Financing and Equity Contribution*";
- "**regional clusters**" refers to laboratories organized as groups of collection centers that send their tests to one or more technical platforms for testing;
- "**Registrar**" refers to Elavon Financial Services DAC;
- "**Revolving Credit Facility**" refers to the €175.0 million (equivalent) revolving credit facility under the Senior Credit Facilities Agreement;
- "**Routine Lab**" refers to our routine laboratory testing line of business, through which we perform tests prescribed by doctors and medical institutions in connection with general patient care to establish or support a diagnosis, to monitor treatment or to search for an otherwise undiagnosed condition;
- "**Security Agent**" refers to U.S. Bank Trustees Limited;
- "**Security Documents**" refers to the security and other documents and agreements that provide for Security Interests over the Collateral for the benefit of the holders of the Notes, as described in more detail under "*Description of the Notes—Security—General*";
- "**Security Interests**" refers to the security interests in the Collateral;
- "**SEL**" refers to a French company incorporated as a *société d'exercice libéral*, including its sub-forms. See "*Regulation—France*";
- "**Sellers**" refers to, collectively, PAI, Manco and certain managers of the Group;
- "**Sellers' Bonds**" refers to the 364,145,489 convertible bonds with a par value of €0.01 each issued by the Target and owned by the Sellers;
- "**Senior Credit Facilities**" refers to the Senior Term Loan and the Revolving Credit Facility;
- "**Senior Credit Facilities Agreement**" refers to the €969.0 million (equivalent) senior facilities agreement to be dated on or around the Issue Date, between, *inter alios*, BidCo as an original borrower and the lenders as defined therein;
- "**Senior Term Loan**" means the €794.0 million senior term loan under the Senior Credit Facilities Agreement;
- "**Shortfall Agreement**" refers to the agreement among the Issuer, Public Sector Pension Investment Board (directly or indirectly through a wholly owned subsidiary thereof) and one or more investment funds advised or managed by Partners Group, pursuant to which the Sponsors will be required to fund the Issuer with any funding shortfall, including interest accrued on the Notes and additional amounts, if any, from the Issue Date to the special mandatory redemption date, on a several, *pro rata* basis in proportion to their respective total equity commitments in UK TopCo, which Shortfall Agreement will be charged in favor of the Trustee on behalf of the holders of the Notes;
- "**Specialized Testing**" refers to our specialized laboratory testing line of business, through which we perform specialized tests outsourced by other private laboratories and hospitals;
- "**Sponsors**" refers to, collectively, Partners Group and PSP Investments;

- "**Target**" refers to Financière Gaillon 0, a *société par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Pontoise* under registration number 807 870 910, and the direct parent company of the Existing Senior Notes Issuer;

- "**technical platforms**" refers to our sites at which we conduct tests on patient samples and which generally provide testing for multiple collection centers;

- "**TopCo**" refers to NewCo Sab TopCo S.A.S., a *société par actions simplifée* incorporated under the laws of France registered with the *registre du commerce et des sociétés de Paris* under registration number 824 987 697 and the direct parent company of HoldCo;

- "**Transactions**" refers to the Acquisition, the Refinancing, the Financing and the Equity Contribution;

- "**Transfer Agent**" refers to Elavon Financial Services DAC, UK Branch;

- "**Trustee**" refers to U.S. Bank Trustees Limited;

- "**UAE**" refers to the United Arab Emirates;

- "**UK TopCo**" refers to the ultimate holding company for the Group, an entity to be incorporated in England and Wales;

- "**United States**" or "**U.S.**" refers to the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia; and

- "**U.S. dollars**," "**dollars**," "**U.S.$**" or "**$**" refers to the lawful currency of the United States.

Exchange Rate Information

The following table sets forth, for the periods indicated below, the high, low, average and period end Bloomberg Generic Composite Rate expressed as U.S. dollars per €1.00. The Bloomberg Generic Composite Rate is a "best market" calculation, in which, at any point in time, the bid rate is equal to the highest bid rate of all contributing bank indications and the ask rate is set to the lowest ask rate offered by these banks. The Bloomberg Generic Composite Rate is a mid-value rate between the applied highest bid rate and the lowest ask rate. The below 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 the euro or U.S. dollar amounts referred to in this Offering Memorandum have been, could have been or could, in the future, be converted into U.S. dollars or euro, as the case may be, at any particular rate, if at all.

The average rate for a year means the average of the Bloomberg Generic Composite Rate on the last business day of each month during a year. The average rate for a month, or for any shorter period, means the average of the daily Bloomberg Generic Composite Rate during that month, or shorter period, as the case may be.

The Bloomberg Generic Composite Rate of the euro on March 17, 2017 was $1.0737 per €1.00.

	U.S. dollars per €1.00			
Year	**Period end**	**Average**	**High**	**Low**
2012	1.3197	1.2858	1.3463	1.2053
2013	1.3789	1.3283	1.3804	1.2772
2014	1.2100	1.3283	1.3925	1.2100
2015	1.0866	1.1096	1.2010	1.0492
2016	1.0547	1.1069	1.1527	1.0384
Month				
September 2016	1.1228	1.1212	1.1254	1.1153
October 2016	1.0963	1.1023	1.1218	1.0874
November 2016	1.0599	1.0786	1.1115	1.0555
December 2016	1.0547	1.0542	1.0767	1.0384
January 2017	1.0784	1.0637	1.0784	1.0427
February 2017	1.0608	1.0640	1.0788	1.0544
March 2017 (through March 17, 2017)	1.0737	1.0624	1.0766	1.0507

Summary

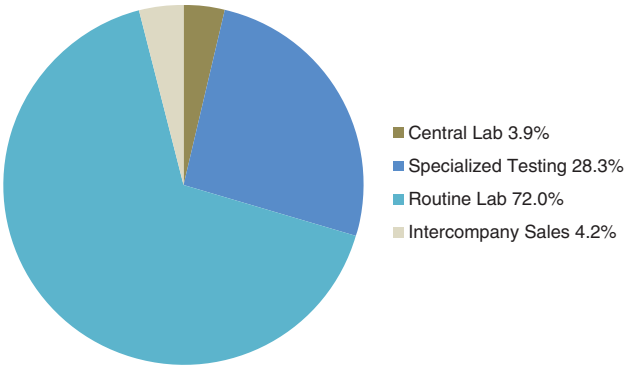
This summary highlights information from this Offering Memorandum. It is not complete and does not contain all of the information that you should consider before investing in the Notes. You should read this Offering Memorandum carefully in its entirety, including the sections entitled "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Industry" and "Business," as well as our audited consolidated financial statements and the notes thereto included elsewhere in this Offering Memorandum.

Overview

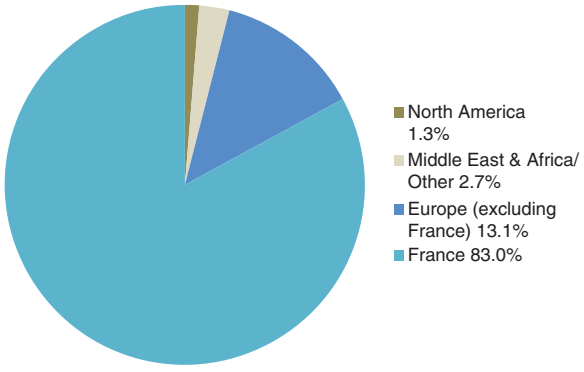
We are a leading European clinical pathology laboratory, providing routine and specialized clinical laboratory testing services primarily in France, Belgium, Luxembourg and the UAE, and supporting pharmaceutical and biotechnology companies worldwide in the clinical trial phase of their drug development processes.

Through our Routine Lab and Specialized Testing operations, we offer a range of over 2,500 routine and specialty clinical tests used by doctors and medical institutions to diagnose, monitor and treat diseases. We generally perform clinical tests using automated testing equipment, quickly delivering results to doctors, hospitals and patients and offering specialized assistance with respect to interpretation of results. Through a large network of high quality laboratories in France, Belgium, Luxembourg and the UAE, our Routine Lab operations perform a wide variety of clinical tests (including blood chemistry analyses, urinalyses, blood cell counts and microbiology cultures and procedures) for patients who have generally been prescribed these tests by their doctors. Our Specialized Testing operations offer private laboratories and public hospitals a broad range of specialty testing services, such as molecular biology testing, oncology testing, allergy testing, hormonology testing, infectious disease testing and diagnostic genetic testing. While France represents the largest share of our Specialized Testing customer base (91.9% of our Specialized Testing net sales for the year ended December 31, 2016), we also offer our services to hospitals or laboratories based elsewhere in Europe, the Middle East and North Africa. The prices of a large majority of the clinical tests that we offer in our Routine Lab and Specialized Testing businesses are set by the respective government authorities of the countries in which we operate.

Net sales by operation
(for the year ended December 31, 2016)



Net sales by geography
(for the year ended December 31, 2016)



Our Central Lab testing operations, which we operate through our BARC subsidiaries, provide testing services to pharmaceutical companies and contract research organizations worldwide in connection with the clinical trial phrase of drug development. We leverage our Routine Lab and Specialized Testing facilities and expertise to develop testing protocols with our clients and to provide a range of safety, efficacy and pharmacodynamic testing services.

As of December 31, 2016, we had approximately 4,396 full-time equivalent employees and we employed approximately 415 clinical pathologists. Over the course of our history, we have developed our business through strategic acquisitions of regional laboratories, such as our acquisitions of JS Bio, Cerballiance Provence, Cerballiance Hauts-de-France, Cerballiance Réunion and Novescia, as well as through selective purchases of larger testing platforms for access to new markets, such as our acquisitions of a majority stake in Menalabs in the United Arab Emirates in 2016, LLAM in Luxembourg in 2011 and BARC in Belgium in 2007.

For the year ended December 31, 2016, we generated total net sales of €634.1 million. Over the same period, our Routine Lab business generated net sales of €385.8 million (60.9% of our total net sales), our Specialized Testing business generated net sales of €179.3 million (28.3% of our total net sales) and our Central Lab business generated net sales of €25.0 million (3.9% of our total net sales), each prior to elimination of intercompany sales, which accounted for negative €26.7 million and included €0.7 million of net sales generated by our operations in the United Arab Emirates. We generated Adjusted EBITDA of €145.5 million and Pro Forma Adjusted EBITDA of €161.0 million for the year ended December 31, 2016. See "*Summary—Summary Consolidated Financial and Other Information—Other Financial and Operating Data*."

Our Competitive Strengths

Our business benefits from a number of competitive strengths, including:

Integrated, Efficient and Diversified Business Model

We operate an integrated, efficient and diversified business model based on strong and recognized medical expertise, as well as proven industrial and organizational know how. Our reputation for scientific excellence, inherited from our historical specialty business founded in 1967 in France as well as our Central Lab business founded in 1985 in Belgium, benefits the entire organization through cross selling, cost synergies, training, technical support and sharing of best practices, as well as quicker and easier access to technology and to top-trained clinical pathologists. We believe our reputation for scientific excellence is particularly valuable to our Specialized Testing and Central Lab businesses and is a significant strength as we look to continue taking part in the consolidation of the routine lab market. Our reputation boosts our credibility as a market consolidator. Through its link with the medical and pharmaceutical communities, our Central Lab business provides us with insights into new clinical pathology tests being developed in the industry. The strong medical expertise of our Group and its exposure to rare pathologies also help attract and retain top-trained clinical pathologists. We believe our Central Lab business leverages our Routine Lab and Specialized Testing infrastructure, equipment and clinical pathologists to perform safe and cost effective testing of new drugs, thereby generating significant cost synergies.

Our business model also benefits from our strong experience in managing large scale technical and logistical networks, which allows us not only to expand our different businesses organically and geographically, but also to optimize internal synergies between them. In particular, our strong logistics expertise, based on outsourced operations managed by in-house experts, allows us to optimize our size and organization in a cost and operationally effective way.

Our presence across all segments of the industry also allows us to benefit from the entire life cycle of a test, from its early and confidential use, as part of a drug trial in Central Lab, to its more common use in Specialized Testing through to its massive dissemination as a routine test. Finally, our integrated business model has allowed us to better absorb pricing pressures and improve profitability by negotiating more advantageous purchasing conditions with our reagent and equipment suppliers. We regularly invest in the latest technological advances in our field and are able to attract and retain leading clinical pathologists.

Leading Market Positions Across Routine, Specialty and Central Lab Testing

We are the only clinical pathology laboratory in Europe with leading market positions in all its European geographies and across all three segments of the clinical laboratory services industry based on revenue. We believe that we are the largest private network of clinical pathology laboratories in France in terms of 2016 run-rate revenues, one of the two national scale networks and one of the top four private players in Europe by net sales, based on management estimates. We also believe that, based on management estimates for 2016, we were among the three largest private providers of routine testing in Belgium and the largest private ambulatory care routine laboratories in Luxembourg. In Specialized Testing, our historical core business, we believe that we were co-leader of the market in France based on management estimates for 2016, with customers in more than 50 countries across Europe, the Middle East and North Africa. Finally, we believe we are a significant player in the Central Lab market worldwide, based on management estimates for 2016. Our position in the three segments in which we operate enables us to attract top-trained clinical pathologists and to be at the forefront of both technological and medical advancements in the clinical pathology industry as a result of our close relationships with the medical and scientific communities. Our position as a leader has made us a key player in the consolidation of the routine market.

We believe we offer one of the largest catalogs of routine and specialized clinical tests in Europe, with over 2,500 tests as of December 31, 2016, of which approximately 1,500 are highly specialized in molecular clinical pathology, immunology, cellular clinical pathology, bacteriology, hormonology, oncology and rare biochemistry. As of December 31, 2016, we employed approximately 415 clinical pathologists who perform and interpret clinical tests processed on our technical platforms and assist external clinical pathologists and doctors in their diagnostics.

Resilient and Growing Market Underpinned by Strong Fundamentals and Further Growth Opportunities

The European clinical laboratory services market has been characterized by resilient growth over the past several years, including through economic downturns, benefiting from favorable demographic and scientific trends. The private clinical laboratory testing market in France is estimated to have experienced approximately 2.5% compound annual growth from 2006 to 2011, reflecting the net effect of tariff decreases and the combined growth effect of volume and mix. From 2011 to 2014 the market experienced a 0.6% average decrease in value as a consequence of new test coefficient reductions. From 2014 onwards, the market stabilized due to a three-year agreement capping the growth of overall testing spending at 0.25% per year from 2014 to 2016. In Belgium, the total clinical laboratory testing market experienced annual growth between 1% and 2% since 2012, and the ambulatory biology market in Luxembourg grew at a rate of approximately 8% per year over the last 10 years.

Past growth of the routine and specialty testing markets has been supported by strong demographic trends in our geographical markets. Contrary to certain other European countries, the population in France, our main market, continues to grow. In the meantime, as life expectancy continues to increase in Europe generally, the number of people aged 60 and over (an age from which many people request and need more medical treatments) increases too. In addition, as birth rates remain relatively high in our markets, particularly in France, pregnant women also generate a significant volume of medical testing.

Public health and scientific trends have also been key drivers of the growth of the routine and specialty testing markets. As it is often less expensive to prevent a disease than to treat it, governments have pursued policies that favor preventive care, in addition to encouraging more accurate and sophisticated tests to facilitate early detection. We believe, based on publicly available information, that from 2010 to 2020, the percentage of overall healthcare expenditure worldwide dedicated to diagnosis, prediction and disease monitoring will increase from

approximately 30% to 40%. Finally, chronic diseases, which generally require regular testing for monitoring purposes, have increased in recent years likely due to certain lifestyle trends, such as low levels of physical activity, malnutrition, stress and pollution.

We believe that in addition to these favorable demographic and public health fundamentals, other trends support an increase in the volume of medical testing, and thus support the future growth of our different markets. In particular:

- we believe that new tests will emerge as technologies develop and personalization of prevention and treatment will become the norm, further offering growth opportunities for our specialized testing segment; we believe that the market continues to shift progressively to preventive care, early detection and companion diagnostics;

- we also believe that the consolidation of the routine laboratory testing market in Europe is continuing, in particular in France, which is still fragmented, with approximately 2,195 legal entities or approximately 3,876 collection centers as of December 2014;

- state budget reductions, as well as regulatory liberalization, create pressure to outsource routine and specialized tests from the public sector; in 2015, revenue from the private French clinical laboratory testing totaled approximately €4.3 billion, representing approximately 60% of the overall French clinical laboratory testing market; and

- with respect to the central lab market, we believe that the pharmaceutical industry's need to market new drugs to replace aging blockbusters, as well as the further outsourcing of pharmaceutical companies' R&D capabilities, continues to increase demand for central lab testing.

Significant Barriers to Entry

The European testing markets in which we operate are characterized by national regulatory and structural specificities which make them more difficult and costly to penetrate for potential new entrants. We believe that scientific reputation, technical capabilities, market and regulatory knowledge, as well as critical size, all of which are characteristics of Cerba, are key elements that will be necessary to be able to fully benefit from future growth opportunities.

We believe our Group is well known for scientific excellence and cutting edge technical know-how. Inherited from our historical core specialty lab business founded in 1967 in France and our central lab business founded in 1985 in Belgium, this reputation, which has allowed us to establish strong relationships with the scientific community and to establish a renowned brand name in the medical laboratory testing industry, constitutes an invaluable advantage over potential new entrants, in particular in Central Lab where referral processes are long and difficult.

We operate in a highly regulated market with stringent regulations and strict accreditation procedures governing the granting or the renewal of a license to operate a laboratory. Securing these mandatory accreditations entails significant investment and lengthy and complex processes making it increasingly difficult for new entrants to penetrate the market. For example, the existing administrative authorization process for the establishment and operation of clinical laboratories in France will be replaced in November 2020 by a new accreditation procedure, COFRAC accreditation, that will introduce new, stricter requirements pursuant to the ISO standard. COFRAC accreditation is being implemented gradually and, since November 2016, 50% of the tests performed by a laboratory already have to be accredited. We are compliant with this requirement. In November 2018, 70% of the tests performed by a laboratory will have to be accredited. The COFRAC accreditation process is costly and time consuming. As such, it constitutes

a significant barrier to entry for new entrants and a significant burden for existing small labs. In addition, the legal constraints in the French market regarding mandatory shareholding of clinical pathologists with which we believe we already comply, constitute a significant barrier to entry into the French routine market. The stringent price regulations applicable to the routine and specialty markets in which we operate also constitute serious obstacles for new entrants as these price constraints favor well established and large players who benefit from their existing reputation and large scale to implement a cost effective model. Finally, we believe that in France, new networks would be difficult to create as the opening of new laboratories or collection centers requires several regulatory approvals, which are only rarely obtained as the market is already well covered by a large number of laboratories.

We also believe that size and scale, which would be highly difficult and costly to achieve in the short term for any new entrant, are key strengths for larger market participants like us. We believe that larger participants, with well-established and integrated logistical capabilities, are better equipped and positioned to treat high volume testing in a more cost effective way, to consolidate the routine market where necessary, to secure loyalty from outsourcing (for specialty lab) and commercial (for central lab) partners, to optimize synergies within the different testing businesses and, finally, to seize growth opportunities in new geographical markets.

Finally, we believe that the logistics organization of our Specialized Testing business is a valuable asset that would be difficult for new entrants to replicate. For cost and operational efficiency, we have outsourced the operation of our logistics network to a trusted partner, which is ISO accredited and is in charge of the collection and transportation of samples. While we have outsourced this aspect of the logistics for our Specialized Testing Business, we maintain in-house the management and proprietary mapping of the network. This model, as well as our strong in-house logistics expertise and experience, allow us to collect an average of approximately 24,000 samples per day, from more than 3,000 locations worldwide, and to ensure that all tubes arrive before 7 a.m. in our specialty laboratory in Saint-Ouen-l'Aumône, near Paris, France, to be tested and the results returned to clients within 24 hours.

Proven Consolidation Strategy with a Structured Approach to Acquisitions

Founded as a specialty laboratory in 1967, we have since then expanded into new businesses and new geographies through acquisitions. With our acquisition of BARC in 2007, we expanded into the central laboratory testing business as well as the routine laboratory testing business in Belgium. We have continued to expand our Routine Lab business through several strategic acquisitions in highly populated geographic areas of France (such as Cerballiance Hauts-de-France in the Lille metropolitan area in 2009, Cerballiance Paris (formerly CBCV) in the Paris area in 2010, Cerballiance Provence (formerly Biotop Développement) in the Marseille area in 2010, JS Bio in the Provence–Alpes–Côte d'Azur area in 2014 and Novescia in 2015), and Luxembourg (such as Ketterthill Laboratories, which we acquired through our acquisition of LLAM in 2011), complemented by a series of bolt-on acquisitions. While strategic acquisitions are more complex and less frequent, they enable us to expand into new geographic zones, such as the acquisition of a majority stake in Menalabs in the United Arab Emirates in 2016 and of DeltaMedica in Italy in February 2017, or into complementary segments, such as the acquisition of Antagène S.A., a veterinary laboratory in France, in August 2016. Significant portions of the European clinical laboratory services market, especially the French market, remain fragmented. These markets present opportunities for consolidation and growth. The laboratories we acquire through these strategic acquisitions often serve as technical platforms regional clusters and perform the entire clinical laboratory testing for the region. We complement these strategic acquisitions with smaller bolt-on acquisitions of laboratories that we transform into collection centers where samples are collected from patients and sent to the technical platforms for testing. Through this regional clusterization strategy built around technical platforms, we have built a very dense network of laboratories centered around eleven regional clusters in France, two in Belgium and one in Luxembourg. From a single collection center in 2007, we have grown to operate

approximately 360 collection centers with a staff of approximately 415 clinical pathologists as of December 31, 2016. We have completed 59 acquisitions from 2009 to 2016. In the years ended December 31, 2014, 2015 and 2016 alone, we completed three, seven and five acquisitions, respectively, of which respectively two, five and four were bolt-on acquisitions.

In addition, certain regulatory changes, such as the introduction of mandatory accreditation and higher quality standards in France, generally benefit larger laboratory companies or networks like ours. Since 2007, we have been an active consolidator in the routine lab market, and we believe we are well positioned to capitalize on additional opportunities in France as well as in potential new markets. We have a dedicated team of four professionals focused on finding, evaluating and executing external growth opportunities and have developed a structured approach to acquisitions that capitalizes on the expertise and market knowledge of our senior management and local laboratory doctors. The laboratory companies we acquire are often clients or competitors of ours with whom we have had prior business interaction. This in-depth knowledge of the industry helps us pre-select suitable acquisition targets. Our track record demonstrates a disciplined approach to acquisitions, including the setting of internal acquisition multiple targets and high due diligence standards, which include the participation of our senior executives at various stages of the acquisition process. We believe that the fragmentation of the French clinical laboratory market, together with the slow-growth economy in the past several years, allows us to complete acquisitions of clinical laboratories at attractive prices.

Post-acquisition, we generally implement cost reduction initiatives aimed at increasing the profitability of the clinical laboratories we acquire through economies of scale and the sharing of best practices with the rest of the network. Historically, we have been able to extract a substantial amount of synergies from our acquisitions. Certain synergies from bolt-on acquisitions can be realized upon closing of the acquisition such as savings on reagent costs. We also achieve reductions in technical and administrative expenses as we shift technical and administrative functions to our technical platforms and redeploy the personnel of the acquired entity across our network of technical platforms, which can be a lengthy process taking more than 24 months after acquisition in certain cases. However, due to voluntary departures resulting from the redeployment process of our workforce to our regional platforms, some cost reductions relating to personnel can be quickly realized. In 2016, we have re-branded our entire network in France under the brand Cerballiance to develop the reputation of the Group, introduce the new brand to all clients and unite the employees around our brand.

Track Record of a Strong and Sustained Financial Performance, with High Margin and Strong Cash Flow Generation

We have demonstrated sustained net sales compound annual growth of 18.2% between the year ended December 31, 2009 (predecessor of Cerba HealthCare) and the year ended December 31, 2016. This sales growth has been underpinned by our acquisition strategy as we have sought to increase our market share in the Routine Lab testing market.

Our Adjusted EBITDA margin for the years ended December 31, 2014 and 2016 increased from 22.7% to 23.0%, demonstrating our ability to rapidly integrate acquired companies, realize synergies and gain greater operating leverage through our increased scale. We have developed and are implementing numerous cost initiatives that allow us to further control our costs by optimizing our relationships with our suppliers, our logistics operations and our information technology systems. This disciplined investment and cost control strategy has allowed us to achieve a significant increase in Adjusted EBITDA margins over the years.

Finally, our business benefits from relatively low capital expenditure (excluding acquisitions) and working capital requirements. For the years ended December 31, 2014, 2015 and 2016, our net capital expenditures (excluding asset acquisitions), were €9.5 million, €23.0 million and €22.8 million, respectively. As a percentage of our net sales, capital expenditure (excluding asset

acquisitions) amounted to 2.4%, 4.1% and 3.6% for the years ended December 31, 2014, 2015 and 2016, respectively. Due to this favorable business model, we were able to generate strong cash flow as reflected by our cash conversion rate of 89.5% for 2014, 79.7% for 2015 and 84.3% for 2016 (cash conversion rate, expressed as a percentage, is defined as Adjusted EBITDA minus capital expenditure (excluding asset acquisitions), divided by Adjusted EBITDA), generating the capacity to de-lever while continuing to support our acquisition strategy.

Well Regarded and Experienced Management Team at Group Level and Unique Governance and Ownership Structure at Operational Level

We benefit from the experience and industry know how of our current senior management team. In particular, Catherine Rondot Courboillet, our CEO and a highly regarded industry specialist in Europe, Jérôme Thill, our deputy CEO, Sylvie Cado, head of our Specialized Testing business, Philippe Buhl, head of our Routine Labs in France and Cyril Dubreuil, our sales and business development director, each of whom has more than eight years of experience in the industry. Our management team has an average of 20 years' industry experience and an average of 16 years' experience in the Group.

Moreover, our ownership model is based on a strong entrepreneurial culture, where more than 100 laboratory doctors and managers are shareholders of our structure, at our holding company level and at the different operating laboratories levels. Our ownership model and structure gives us overall strategic control, while also incentivizing doctors and managers to fully contribute to a common commercial, scientific and industrial project and greatly rewarding commitment, development and innovation. For example, in 2013, we were the first medical lab to bring highly innovative non-invasive pre-natal testing to market in Europe. We believe that our ownership structure is key to the strength and success of our model.

Following completion of the Acquisition, we also expect our business to benefit from the market expertise, business relationships, knowledge and experience of our future shareholders, Partners Group and PSP Investments.

Our Strategy

Based in particular on our strong scientific reputation and expertise, our strategy mainly consists of becoming a leading network in the French routine lab market through consolidation, while maintaining our unique positioning in the European specialty and central lab businesses. The key elements of our strategy are:

Drive Organic Volume Growth Across Our Business Segments

The core of our Group's strategy consists of developing organically each of our different business segments through coordinated but tailored action plans.

With respect to our Routine Lab business, our strategy encompasses operational and functional alignment between our regional clusters, which is facilitated by the deployment of a dedicated team. These alignment efforts include the standardization of our routine industrial processes with respect to technical platform operations, quality assurance and information systems. The dedicated team in charge of this integration strategy also focuses on improving the management of our routine staff and the organization of our networks. We are also further developing our retail strategy through relocation of our laboratories into new, more attractive or convenient locations, and a rebranding of our entire network in France under the Cerballiance brand. Our strategy with respect to the organic growth of our Routine Lab business includes the selection of those of our youngest laboratory doctors with the most promising managerial capabilities; we will provide them with high quality business school training, with the aim of further improving the management of our laboratories at the local level. Finally, we have a dedicated team of key account managers focusing on accelerating the penetration of and recruitment of key customers,

such as public hospitals and retirement homes, through partnerships. While such partnerships are time consuming and expensive to negotiate, due to reasons such as national referencing, site by site negotiations and entry costs, they offer attractive long-term contracts with secured high volumes.

In the Specialized Testing market, we are committed first to maintaining our leadership through the renewal of our catalog of tests, the acceleration of compliance with new ISO regulations and the improvement of our logistics services, in particular at the international level. We intend to continue to particularly focus our efforts on profitable organic growth driven mainly by new tests and, to a lesser degree, by the expansion of our international activity. As a result, we aim to innovate through new technologies, new tests and enhanced services for customers through partnerships with hospitals and biotech companies, and through the work of our scientific and medical committee. We also believe that the combination of our scientific and logistics expertise positions us well to benefit from future national screening campaigns and epidemics testing. We also aim to further expand our export activity, leveraging our reputation and logistics capabilities to reach more customers, including in selective new geographical markets. Our focus on profitable organic growth also implies the further development of synergies between our Specialized Testing business and our Central Lab activities, in particular through biomarkers innovations. Finally, we intend to further foster the general profitability of our Specialized Testing business, including through the further automation of our processes (such as invoicing and samples encoding) and the better optimization of new regulations.
Finally, we intend to continue developing our Central Lab business through the further differentiation of the positioning of BARC. In particular, we aim at capturing organic growth opportunities of our Central Lab business by broadening our product selection from safety to tailor made biomarkers and leveraging our strong scientific knowledge and capabilities as well as our proven specialist approach implemented by a unique team of clinical pathologists, including through the co-development of new tests with clients. We also intend to further develop our Central Lab business by further strengthening our position in Europe and Africa, working to establish a position in Asia, improving client services and adaptability including through price transparency and competitiveness, strengthening our pure testing player approach (that is, our ability to intervene in all clinical trial phases) and continuing our certification program and our tailor made reporting approach. Finally, we intend to further strengthen our worldwide lab networks to capture new contracts and expand our customer base.

Selectively Pursue Acquisitions

In the French routine lab market, we are organized in eleven regional clusters, which we intend to expand further. In regions where we are already present, our expansion strategy will include selected small- and mid-size bolt-on acquisitions that fit into and complement the existing local networks organized around technical platforms, similar to the acquisition of JS Bio in 2014. To expand into new regions, we intend to pursue acquisitions of existing regional clusters followed by further bolt-on acquisitions in line with our clusterization strategy but also to implement more significant strategic transactions with larger players, such as the acquisition of Novescia in 2015 or Menalabs in 2016. Our strategic focus will be to pursue bolt-on acquisitions to strengthen and increase our local market share and the density of our regional network. As in the past, we aim to generate immediate synergies from bolt-on acquisitions by transforming the acquired small laboratories into collection centers that feed samples to a technical platform where test analysis is centralized.

In the past, we completed a number of strategic acquisitions to expand our geographical coverage and gain critical mass in markets outside France. Although our acquisition strategy is currently focused on the French routine market, we may explore opportunities to purchase larger laboratory networks in other European countries or to pursue bolt-on acquisitions in regions adjacent to the markets where we currently operate. As such, our focus will be on regions with growing and aging populations as well as regions with greater per capita spending on healthcare services.

Finally, expansion into additional business segments will be another important growth driver for us in the coming years. We aim to become a national player in the veterinary laboratory market in France through leveraging our large network of collection centers. We have acquired a second veterinary laboratory in France in 2016 to further expand our service offering.

Continue to Deliver Operating Efficiencies

We also intend to continue to take advantage of the economies of scale provided by our presence in all three segments of the laboratory testing market and by the size of our network to streamline our operations and administrative functions and to control costs. We are aiming in particular at controlling costs through the further rationalization of our network (in particular in France by establishing technical platforms surrounded by a sophisticated and condensed network of collection centers), the further industrialization and automation of our processes and the optimization of synergies between our segments and geographies. We also intend to continue leveraging our size to obtain favorable commercial conditions from suppliers. In cooperation with our main logistical partners, we are continuing to improve our logistical organization and optimize samples collection and transportation, seeking logistical synergies between our national and international activities and between our three business segments. Finally, we continuously work on the further integration of our laboratories, in particular with respect to those acquired most recently. In particular, we will seek to optimize our operating costs through the implementation of group agreements and processes with respect to IT, cars, rentals, external fees and utilities.

The Sponsors

Following the completion of the Acquisition, the Sponsors will be the indirect principal shareholders of the Group.

Founded in 1996, Partners Group is a global private markets investment manager, serving over 900 institutional investors worldwide. Partners Group has approximately €54 billion in assets under management across four asset classes – Private Equity, Private Real Estate, Private Debt and Private Infrastructure. Partners Group is listed on the SIX Swiss Exchange and had a market capitalization of CHF 14.2 billion as of March 17, 2017. It employs more than 900 professionals across 19 offices worldwide. In Private Equity, Partners Group manages assets of EUR 30 billion and has on behalf of its clients directly invested in more than 100 companies since inception. The investment focus in Private Equity is on companies with strong growth potential, profitability profile, cash generation and value-add opportunities in six core sectors, including Healthcare. Partners Group pursues a diversified and global relative value approach across geographies and industries. Recent European investments include Foncia, Vermaat, Voyage Care and VAT Vakuumventile AG.

Public Sector Pension Investment Board ("PSP Investments") is a Crown Corporation created by an act of the Canadian Parliament, with a share capital issued to the President of the Treasury Board of Canada to be held on behalf of Her Majesty in right of Canada. It is one of Canada's largest pension investment managers, with CAD$125.8 billion of assets under management as of September 30, 2016. PSP Investments invests net contributions from the pension plans of the public service, the Canadian Forces, the Royal Canadian Mounted Police, and the Reserve Force. PSP Investments manages a diversified global portfolio including stocks, bonds and other fixed-income securities, and investments in private equity, real estate, infrastructure, natural resources and private debt. PSP Investment's recent European investments include Keter and AllFlex. PSP Investments has invested in healthcare companies such as Acelity and TeamHealth. Headquartered in Ottawa, PSP Investments' principal place of business is in Montréal, with offices in New York City and London.

The Transactions

The Acquisition

On February 8, 2017, BidCo, an entity indirectly owned by the Sponsors, entered into the FG Acquisition Agreement to acquire from the Sellers all of the issued and outstanding share capital of the Target and the Sellers' Bonds. Prior to the Acquisition Completion Date, BidCo will enter into the Manco Acquisition Agreement to acquire at least 96% of the issued and outstanding share capital of Manco from certain managers of the Group. We currently expect the Acquisition to complete at the end of April 2017. The consummation of the Acquisition is, however, subject to the satisfaction of certain conditions, including clearance by the French *Ministère de l'Economie, de l'Industrie et du Numérique* and antitrust clearance in certain jurisdictions, and the performance of certain closing actions. Under the terms of the Acquisition Agreements, BidCo has agreed to take all necessary steps to obtain the required clearances following the signing of the Acquisition Agreements. If these conditions are not satisfied on or prior to the Acquisition Longstop Date, and such date has not been extended by the parties, the Acquisition Agreements may be terminated.

The Acquisition Agreements contain customary warranties and indemnities given by the Sellers as to capacity, title and certain disclosure matters as well as customary covenants given by the Sellers regarding, among other things, the conduct of the business and the affairs of the Group pending closing of the Acquisition. The Sellers' liability for any breach of a warranty is subject to certain thresholds and limitations. The FG Acquisition Agreement includes a feature whereby the purchase price will increase with the time period that elapses until the Acquisition Completion Date. As a result, the ultimate purchase price will be dependent on the timing of the Acquisition Completion Date.

The Issuer, the direct parent of BidCo, holds 100% of the share capital of BidCo. Each of BidCo and the Issuer is a *société par actions simplifiée* incorporated and existing under the laws of France. BidCo and the Issuer are indirectly owned and controlled by the Sponsors, and were incorporated by affiliates of the Sponsors as acquisition vehicles for the Transactions. Neither BidCo nor the Issuer has any business operations or material assets or liabilities other than those incurred in connection with its incorporation and the Transactions.

The Financing and Equity Contribution

The consummation of the Acquisition (including the repayment or satisfaction and discharge of certain existing indebtedness owed by the Target and certain of its subsidiaries, as well as estimated transaction fees and expenses) is expected to require an aggregate of €1,761.4 million in debt and equity financing.

The Acquisition and the related transaction fees and expenses will be financed through (i) (A) the issuance of the Notes in the aggregate principal amount of €180.0 million and (B) a drawing under the Senior Term Loan in the amount of €794.0 million ((A) and (B) collectively, the "Financing") and (ii) (X) €743.3 million of cash funding to be provided by the Sponsors to the Issuer indirectly through UK TopCo by way of equity contributions (approximately €10.0 million of which will be reserved for future management participation in the Group pursuant to a management equity participation program) and (Y) €44.1 million of equity contribution by certain managers of the Group in the Issuer of all or part of their existing investments in Manco, indirectly through TopCo ((X) and (Y) collectively, the "Equity Contribution"). The Issuer will advance the proceeds of the Offering to BidCo by way of a proceeds loan (the "BidCo Proceeds Loan") and contribute the proceeds from the Equity Contribution to BidCo.

The proceeds of the Financing and the Equity Contribution will be used as further described under "*—Sources and Uses of the Transactions*." We refer to the application of the proceeds of the Financing and Equity Contribution to the redemption of the Existing Notes and repayment of

certain other existing indebtedness, including certain financial securities issued by the Target, as the "Refinancing." We refer to the Acquisition and the Refinancing collectively as the "Transactions." See "*Use of Proceeds*," "*Capitalization*," "*Description of Other Indebtedness,*" "*Description of the Notes*."

Escrow Account

Pending the consummation of the Acquisition, the Initial Purchasers will deposit the gross proceeds from the Offering into the Escrow Account in the name of the Issuer. The Escrow Account will be controlled by the Escrow Agent and will be pledged on a first-ranking basis in favor of the Trustee on behalf of the holders of the Notes.

The release of the escrow proceeds from the Escrow Account is subject to the satisfaction of certain conditions, including the consummation of the Acquisition promptly following release of the escrow proceeds from the Escrow Account. See "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption.*" If these conditions are not satisfied on or prior to the Escrow Longstop Date or upon the occurrence of certain other events, the Notes will be subject to a special mandatory redemption. The special mandatory redemption price for the Notes will be equal to 100% of the aggregate issue price of the Notes plus accrued and unpaid interest and Additional Amounts, if any, from the Issue Date to, but not including, the date of such special mandatory redemption. See "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption*."

Pursuant to the Shortfall Agreement, in the event of a special mandatory redemption, the Public Sector Pension Investment Board (directly or indirectly through a wholly owned subsidiary thereof) and one or more investment funds advised or managed by Partners Group AG will each be required to make an equity contribution to the Issuer in such aggregate amounts as required in order to enable the Issuer to pay any funding shortfall, including escrow account fees and costs, accrued and unpaid interest and Additional Amounts, if any, owing to the holders of the Notes on such special mandatory redemption date. The obligation of each of the Sponsors to make such equity contributions will be several, and not joint, and will be made on a *pro rata* basis in proportion to the Sponsors' respective total equity commitments in UK TopCo. Under the Shortfall Agreement, the Sponsor contribution shall be contributed, directly or indirectly, to the capital of the Issuer for deposit into the Escrow Account. Under no circumstance may the Trustee cause the Sponsor contribution to be paid directly to the Trustee or any other person. The rights of the Issuer under the Shortfall Agreement will be pledged on a first-ranking basis in favor of the Trustee on behalf of the holders of the Notes.

The holders of the Notes will not have any direct right to enforce the Shortfall Agreement, and must rely on the Issuer's sole right to enforcement under the Shortfall Agreement. See "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption*," and "*Risk Factors—Risks Related to the Acquisition—If the conditions precedent to the release of the escrow proceeds are not satisfied, the Issuer will be required to redeem the Notes, which means that you may not obtain the return you expect on the Notes*."

Sources and Uses of the Transactions

The sources and uses of the funds necessary to consummate the Transactions are shown in the table below assuming the Acquisition Completion Date occurs on April 30, 2017. Actual amounts will vary from estimated amounts depending on several factors, including accrued interest on debt being repaid, differences from our estimates of fees and expenses associated with the Transactions and fees and expenses actually incurred, the actual Acquisition Completion Date and the actual date of redemption of the Existing Notes, repayment of the Existing Revolving Credit Facility and certain other indebtedness. Any changes in these amounts may affect the amount of the Equity Contribution.

Sources of funds	Amount (€ in millions)	Uses of funds	Amount (€ in millions)
Borrowings under the Senior Term Loan	794.0	Consideration payable for the Acquisition[2]	882.6
Proceeds from the Notes offered hereby	180.0	Redemption of Existing Notes[3]	715.0
Equity Contribution[1]	787.4	Repayment of Existing Revolving Credit Facility[4]	43.0
		Repayment of other existing indebtedness[5]	37.7
		Redemption premium[6]	13.0
		Accrued interest[7]	14.1
		Estimated transaction fees and expenses[8]	56.0
Total Sources	**1,761.4**	**Total Uses**	**1,761.4**

(1) Represents (i) the indirect cash investment expected to be made by the Sponsors in the amount of approximately €743.3 million (approximately €10.0 million of which will be reserved for future management participation in the Group pursuant to a management equity participation program) and (ii) the contribution by certain managers of the Group of all or part of their existing investments in the Target and Manco in the amount of approximately €44.1 million, each of which will be contributed through wholly owned or majority owned intermediate holding companies to BidCo.

(2) Represents the total cash purchase price payable under the Acquisition Agreements, which includes the repayment of the Sellers' Bonds in the amount of €4.3 million.

(3) Represents the aggregate principal amount of Existing Notes to be redeemed on or around the Acquisition Completion Date. The amount does not include accrued and unpaid interest or redemption premium.

(4) Represents the repayment of amounts expected to be outstanding under the Existing Revolving Credit Facility as of April 30, 2017. The amount does not include accrued and unpaid interest.

(5) Represents the repayment of (i) €17.7 million in aggregate principal amount (including capitalized interest) outstanding under the Existing Management Vendor Loans and (ii) €20.0 million in aggregate principal amount outstanding under our bilateral credit facilities.

(6) Represents estimated premium payable in connection with the redemption of the Existing Notes. As of April 30, 2017, the redemption price for the Existing Senior Secured Notes will be €1,017.50 per €1,000.0 in aggregate principal amount of Existing Senior Secured Notes and the redemption price for the Existing Senior Notes will be €1,020.63 per €1,000.0 in aggregate principal amount of Existing Senior Notes.

(7) Represents estimated accrued interest including (i) €10.0 million of interest accrued on the Existing Senior Secured Notes from February 1, 2017 through to April 30, 2017, (ii) €2.5 million of interest accrued on the Existing Senior Notes from February 15, 2017 through to April 30, 2017, (iii) €0.1 million of interest accrued on the Existing Revolving Credit Facility through to April 30, 2017, and (iv) €1.5 million of non-capitalized accrued interest on the Existing Management Vendor Loans through to April 30, 2017.

(8) Includes estimated expenses in connection with the Transactions, including discounts, commissions and commitment, placement, advisory and other fees related to the Notes and the Senior Credit Facilities. Also includes the deemed interest payable under the FG Acquisition Agreement assuming the Acquisition Completion Date occurs on April 30, 2017. The actual amount of transaction fees and expenses may differ from the estimated amount depending on several factors, including differences from our estimates of fees and expenses and the actual fees and expenses as of the completion of the various transactions referred to in the table above, as well as the actual date on which the Acquisition Completion Date occurs. To the extent either the Notes or the Senior Term Loan is issued with original issue discount, the amount of fees and expenses will increase.

Recent Developments

Current Trading

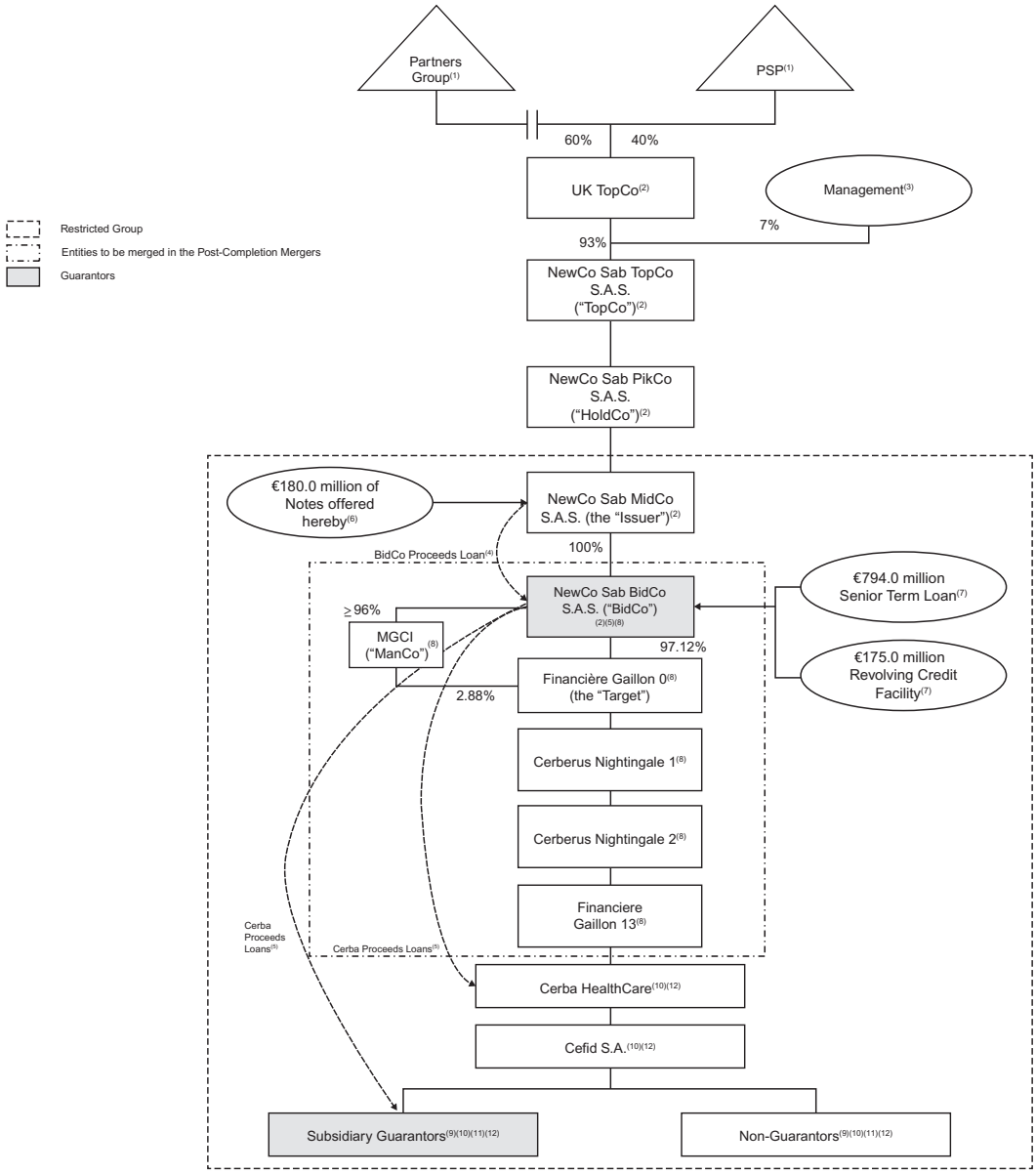
Based on management accounts for January 2017, we anticipate that our net sales and EBITDA increased slightly compared to January 2016 on a like-for-like basis.

The foregoing information is based solely on preliminary internal information used by management and management estimates and remains subject to our normal end-of-quarter and end-of-year review process. As a result, this information may change. In particular, during the course of our review process we could identify items that would require us to make adjustments, which might be material.

Summary Corporate and Financing Structure

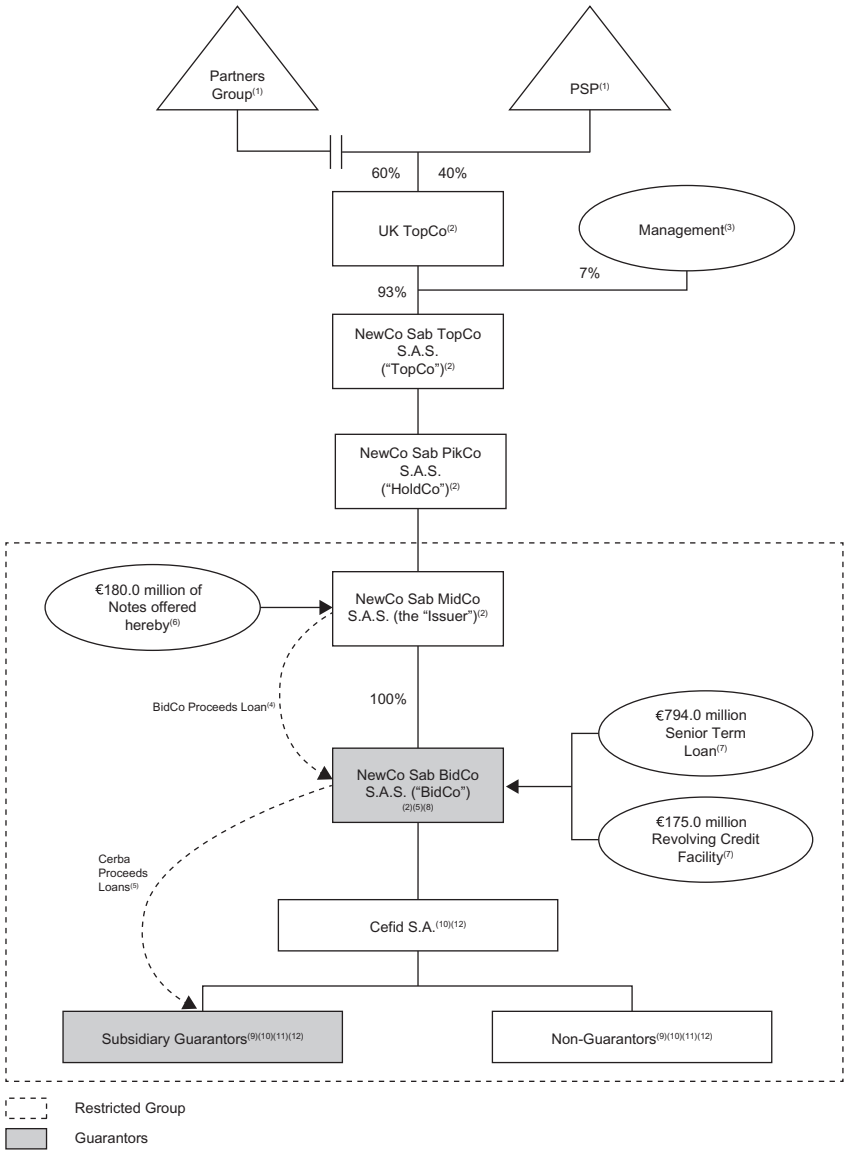
Corporate and Financing Structure Prior to the Post-Completion Mergers

The following diagram presents our simplified corporate structure and principal outstanding financing arrangements after giving effect to the Transactions. Percentages shown in the diagram below refer to percentage ownership. All entities shown below are 100% owned (ignoring any *de minimis* shareholdings) unless otherwise indicated. Certain ownership restrictions apply to our French laboratory subsidiaries under mandatory French law. For more information on the ownership restrictions under French law, see "*Risk Factors—Risks Related to Our Business—We may not exercise full control over the operations of certain of our French subsidiaries in which we have a minority voting interest and are dependent on the clinical pathologists who own a majority voting interest in them to conduct the operations of such subsidiaries*"; "*Business—Our Specific Corporate Structure*" and "*Regulation—Regulations Affecting Our Routine Lab and Specialized Testing Business—France—Laboratory Ownership and Corporate Structure.*" For more information, see "*Description of Other Indebtedness,*" and "*Description of the Notes.*"



Corporate and Financing Structure Following the Post-Completion Mergers

The following diagram presents our simplified corporate structure and principal outstanding financing arrangements immediately after the Post-Completion Mergers. The Post-Completion Mergers are subject to certain conditions and may not be completed within the anticipated time frame, or at all. Percentages shown in the diagram below refer to percentage ownership. All entities shown below are 100% owned (ignoring any *de minimis* shareholdings) unless otherwise indicated. Certain ownership restrictions apply to our French laboratory subsidiaries under mandatory French law. For more information on the ownership restrictions under French law, see "*Risk Factors—Risks Related to Our Business—We may not exercise full control over the operations of certain of our French subsidiaries in which we have a minority voting interest and are dependent on the clinical pathologists who own a majority voting interest in them to conduct the operations of such subsidiaries*"; "*Business—Our Specific Corporate Structure*" and "*Regulation—Regulations Affecting Our Routine Lab and Specialized Testing Business—France—Laboratory Ownership and Corporate Structure*." For more information, see "*Description of Other Indebtedness*," and "*Description of the Notes*."



(1) On the Acquisition Completion Date, the Sponsors will directly or indirectly hold all of the share capital of UK TopCo, which will indirectly hold (through wholly owned or majority owned intermediate holding companies) substantially all of the share capital of the Target (other than the indirect shareholding being acquired by management). See "*Principal Shareholders and Related Party Transactions.*"

(2) On the Acquisition Completion Date (i) the Sponsors will indirectly through UK TopCo provide an aggregate €743.3 million to BidCo and (ii) certain managers of the Group will indirectly through TopCo contribute a portion of their shares in Manco (the existing management investment vehicle of the Group) equal to €44.1 million to BidCo, in each case by way of the Equity Contribution.

(3) The Sponsors intend to establish a management equity participation program on or after the Acquisition Completion Date, pursuant to which certain managers who are employees of the Group may indirectly hold, through a management pooling vehicle, a portion of the share capital of the Target. See "*Principal Shareholders and Related Party Transactions—Management Equity Participation Program*."

(4) On the Acquisition Completion Date, the Issuer will advance the BidCo Proceeds Loan to BidCo.

(5) On the Acquisition Completion Date, BidCo will use the proceeds from the Equity Contribution, the BidCo Proceeds Loan and the Senior Term Loan to (i) fund the purchase price for the Acquisition, (ii) advance the Cerba Proceeds Loans to Cerba HealthCare (in the amount of approximately €783.1 million) and Cerba Selafa (in the amount of approximately €65 million) for repayment of certain existing indebtedness of the Group pursuant to the Refinancing and (iii) pay transaction fees and expenses incurred in connection with the Transactions. The Cerba Proceeds Loan made to Cerba HealthCare will be extinguished in connection with the Post-Completion Merger 5.

(6) The Notes will be general, senior obligations of the Issuer. On the Issue Date, the Notes will be secured by first- and second-ranking security interests in the Issue Date Collateral, as applicable. On the Acquisition Completion Date, the Notes will be secured by second-ranking security interests in the Completion Date Collateral. For a description of the Collateral, see "*The Offering*." On the Issue Date, the Notes will be guaranteed on a senior subordinated basis by BidCo. Within 120 days from the Acquisition Completion Date, the Notes will also be guaranteed on a senior subordinated basis by the Post-Completion Date Guarantors. The laws of certain jurisdictions in which the Guarantors are organized limit the amount of obligations that may be guaranteed, or in respect of which security interests may be provided as well as the enforceability of Guarantees and the rights to the security securing the Notes and the Guarantees. For more information on limitations to the validity and enforceability of the Guarantees and the Security Interests and the liability of the Guarantors and security provider, see "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations.*"

(7) The Senior Credit Facilities provide for aggregate borrowings of up to €969.0 million (equivalent) in the form of a Senior Term Loan in an aggregate principal amount of €794.0 million and a Revolving Credit Facility in an aggregate principal amount of €175.0 million. The Post-Completion Date Guarantors will guarantee the Senior Credit Facilities on a senior basis. See "*Description of Other Indebtedness—Senior Credit Facilities Agreement*" and "*Description of Other Indebtedness—Intercreditor Agreement*."

(8) Upon consummation of the Post-Completion Mergers, Manco, the Target and certain intermediate holding companies between the Target and Cefid (*i.e.*, Cerba HealthCare, the Existing Senior Notes Issuer, Cerberus Nightingale 2 and Financière Gaillon 13) will merge into BidCo, after which Cefid will be directly and wholly owned by BidCo.

(9) The Post-Completion Date Guarantors will be CERBA Selafa, LLAM S.A., Cerballiance Provence, Cerballiance Paris Sud, Cerballiance Paris, Cerballiance Côte d'Azur and Cerballiance Rhône Alpes. The Post-Completion Date Guarantors accounted for 76.7% of our EBITDA for the year ended December 31, 2016, and held 64.4% of our total assets (excluding goodwill, equity investments in subsidiaries and intercompany transactions) as of December 31, 2016. The subsidiaries of Cerba HealthCare that will not guarantee the Notes accounted for 23.3% of our EBITDA for the year ended December 31, 2016, and held 35.6% of our total assets (excluding goodwill, equity investments in subsidiaries and intercompany transactions) as of December 31, 2016. As of December 31, 2016, our subsidiaries not guaranteeing the Notes had total debt, when excluding shareholder debt, the Existing Notes and the Sellers' Bonds (each of which we expect to repay as part of the Transactions) and intercompany loans, of €35.3 million.

(10) Restrictions imposed on the ownership of each of our French laboratory subsidiaries by French law limit (i) persons who are not clinical pathologists and entities that are not laboratory companies from holding more than 25% of a laboratory company's share capital and (ii) external clinical pathologists and entities that are laboratory companies from holding more than 49.9% of the voting rights in a laboratory company. We hold our French laboratory companies indirectly through Cefid. Cefid holds the statutory maximum of 25% of the share capital of Cerba Selafa. However, the by-laws of Cerba Selafa allow Cefid to hold 99.96% of its financial rights (*i.e.*, the rights to receive dividends and other distributions). Cerba Selafa, as a laboratory company, holds, directly or indirectly, approximately the statutory maximum of 49.9% of the voting rights in Cerballiance Provence, Cerballiance Pyrénées, Cerballiance Côtes d'Armor, Cerballiance Paris, Cerballiance Normandie and Cerballiance Somme, and approximately 46% of the voting rights in Cerballiance Réunion and Cerballiance Hauts-de-France. Cerba Selafa holds between approximately 70% and 99.99% of the financial rights in each of Cerballiance Provence, Cerballiance Hauts-de-France, Cerballiance Pyrénées, Cerballiance Réunion, Cerballiance Côtes d'Armor, Cerballiance Normandie, Cerballiance Paris and Cerballiance Somme. The clinical pathologists at each of our French laboratory subsidiary companies hold the remainder of the voting rights and financial rights. For companies set up after May 31, 2013, in France, law n° 2013-442 dated May 30, 2013 requires that the ownership of more than 50% of their share capital and voting rights must be held, directly or indirectly, by clinical pathologists working within the laboratory companies. Laboratories set up prior to May 31, 2013, do not have to comply with this requirement. For more information on our corporate structure and the limitations imposed by French law on ownership of laboratory companies, see "*Business—Our Specific Corporate Structure*" and "*Regulation—Regulations Affecting Our Routine Lab and Specialized Testing Businesses—France*."

(11) Each of our Belgian and Luxembourg subsidiaries is wholly owned directly or indirectly by Cerba HealthCare.

(12) On the Acquisition Completion Date, approximately €107.3 million of existing indebtedness, including finance leases and bilateral credit agreements, will remain outstanding and not be subject to the Refinancing. See "*Capitalization*" and "*Summary—The Transactions.*"

The Offering

The summary below describes the principal terms of the Notes, the Guarantees, the Intercreditor Agreement and the Collateral. It is not intended to be complete and certain of the terms and conditions described below are subject to important exceptions. You should carefully review the "*Description of the Notes*" section of this Offering Memorandum for more detailed descriptions of the terms and conditions of the Notes, including the definitions of certain terms used in this summary.

Issuer	NewCo Sab MidCo S.A.S.
Notes Offered	€180,000,000 aggregate principal amount of % senior notes due 2025 (the "Notes").
Issue Price	The issue price for the Notes is % (plus accrued and unpaid interest from the Issue Date, if any).
Maturity Date	, 2025.
Issue Date	, 2017 (the "Issue Date").
Interest Payment Dates	The Issuer will pay interest on the Notes semi-annually in arrears on each and , commencing on , 2017, at a rate equal to % *per annum*. Interest on the Notes will accrue from the Issue Date.
Form and Denominations	Global Notes will be issued for the Notes in denominations of €100,000 and integral multiples of €1,000 in excess of €100,000. Notes in denominations of less than €100,000 will not be available.
Ranking of the Notes	The Notes will: • be general, senior obligations of the Issuer, secured as set forth under "*Description of the Notes—Security*"; • rank *pari passu* in right of payment with all of the Issuer's existing and future debt that is not subordinated in right of payment to the Notes; • rank senior in right of payment to all of the Issuer's future debt that is subordinated in right of payment to the Notes; • be guaranteed by BidCo on the Issue Date and within 120 days from the Acquisition Completion Date by the Post-Completion Date Guarantors, in each case on a senior subordinated basis, as described below under "*—Guarantors*"; • be effectively subordinated to any existing and future indebtedness or obligation of the Issuer that is secured by property or assets that do not secure the Notes, or that is secured on a first-ranking basis by property or assets that secure the Notes on a second-ranking basis, to the extent of the value of the property and assets securing such debt; and • following the Acquisition Completion Date, be structurally subordinated to any existing or future indebtedness of subsidiaries of the Issuer that do not guarantee the Notes, including obligations to trade creditors.

The Notes will be subject to the terms of the Intercreditor Agreement, including, subject to certain exceptions, payment blockage, standstill and turnover provisions. See "*—Intercreditor Agreement*" and "*Description of the Notes—Security.*"

Guarantors . . . . . The Notes will be guaranteed as of the Issue Date on a senior subordinated basis by BidCo. The Notes will be guaranteed on a senior subordinated basis by the Post-Completion Date Guarantors (together with BidCo, the "Guarantors") within 120 days of the Acquisition Completion Date.

Ranking of the Guarantees . . . The Guarantee of each Guarantor will:

- be a senior subordinated obligation of that Guarantor;
- be subordinated in right of payment to any existing and future senior debt of that Guarantor, including that Guarantor's guarantee of the debt incurred under the Senior Credit Facilities;
- rank *pari passu* in right of payment with all of such Guarantor's existing and future senior subordinated debt that is not subordinated in right of payment to its Guarantee;
- rank senior in right of payment to all of such Guarantor's future debt that is subordinated in right of payment to its Guarantee;
- be effectively subordinated to any existing and future debt of that Guarantor (including obligations to trade creditors) that is secured on a first-ranking basis by property or assets that secure the Notes on a second-ranking basis, or by property or assets that do not constitute Collateral, to the extent of the value of the property and assets securing such obligations or indebtedness; and
- be structurally subordinated to all existing and future debt of such Guarantor's subsidiaries (including obligations to trade creditors) that do not guarantee the Notes.

The Guarantees will be subject to the terms of the Intercreditor Agreement. See "*—Intercreditor Agreement.*"

The Guarantees will be subject to release under certain circumstances. See "*Description of the Notes—Note Guarantees.*"

The obligations of the Guarantors will be contractually limited under the applicable Guarantees to reflect limitations under applicable law, including but not limited to, with respect to maintenance of share capital, corporate benefit, fraudulent conveyance and other legal restrictions applicable to the Guarantors and their directors. In certain cases, these limitations may apply to the Guarantees, but not to the Guarantors' obligations under other debt, including the Senior Credit Facilities. See "*Description of the Notes—*

	The Notes Guarantees," "Risk Factors—Risks Related to the Notes—The Guarantees and the Security Interests over the Collateral may be limited by applicable laws or subject to certain limitations or defenses that may adversely affect their validity and enforceability" and "Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations."
	The Post-Completion Date Guarantors accounted for 76.7% of our EBITDA for the year ended December 31, 2016, and held 64.4% of our total assets (excluding goodwill, equity investments in subsidiaries and intercompany transactions) as of December 31, 2016. The subsidiaries of Cerba HealthCare that will not guarantee the Notes accounted for 23.3% of our EBITDA for the year ended December 31, 2016, and held 35.6% of our total assets (excluding goodwill, equity investments in subsidiaries and intercompany transactions) as of December 31, 2016. As of December 31, 2016, Cerba HealthCare's subsidiaries that will not guarantee the Notes had total debt, excluding shareholder debt, the Existing Notes and the Sellers' Bonds (each of which we expect to repay as part of the Transactions) and intercompany loans, of €35.3 million. This amount would have ranked structurally senior to the Notes and the Guarantees. See "*Risk Factors—Risks Related to Our Indebtedness—The Notes will be structurally subordinated to the liabilities of non-guarantor subsidiaries and effectively subordinated to liabilities that are secured on assets that do not secure the Notes.*"
Collateral	On the Issue Date, the Notes will be secured by a first-ranking charge over the escrow proceeds of the Offering and the rights of the Issuer under the Shortfall Agreement, a first-ranking pledge over the share capital of the Issuer held by HoldCo and, a second-ranking pledge over the shares in BidCo held by the Issuer (the "Issue Date Collateral"). On the Acquisition Completion Date, the Notes will be secured by a second-ranking pledge over the receivables owed to the Issuer by BidCo in respect of the BidCo Proceeds Loan (the "Completion Date Collateral" and together with the Issue Date Collateral, the "Collateral").
	Pursuant to the Intercreditor Agreement, the lenders under the Senior Credit Facilities and certain hedge counterparties will be repaid with the proceeds from any enforcement of the Collateral in priority to the Notes. See "*—Intercreditor Agreement.*"
	The Security Interests in the Collateral will be subject to certain limitations under applicable law and may be released under certain circumstances. See "*Risk Factors—Risks Related to Our Indebtedness.*"
Intercreditor Agreement	The Intercreditor Agreement will set out various matters governing the relative rights relating to the indebtedness and obligations under the Notes and certain other existing and future indebtedness and obligations permitted under

the Indenture governing the Notes. Although the Notes will be secured by certain liens on the Collateral, under the terms of the Intercreditor Agreement, the holders of the Notes will be subject to certain limitations on their ability to take certain actions in respect of their interests in the Collateral, including certain standstill periods relating to the Notes in particular. See "*Description of Other Indebtedness—Intercreditor Agreement*."

Escrow Proceeds; Special Mandatory Redemption . . . . . Concurrently with the closing of the Offering, and pending consummation of the Acquisition and the satisfaction of certain other conditions, the Initial Purchasers will deposit the gross proceeds of the Offering into an escrow account held in the name of the Issuer (the "Escrow Account"). The Escrow Account will be controlled by the Escrow Agent, and pledged on a first-ranking basis in favor of the Trustee on behalf of the holders of the Notes. Upon delivery to the Trustee and the Escrow Agent of an officer's certificate stating that the conditions to the release of the proceeds from escrow are satisfied, the escrowed proceeds will be released to the Issuer and utilized as described in "*Use of Proceeds*" and "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption*." The release of the proceeds deposited on the Escrow Account will be subject to the satisfaction of certain conditions, including the completion of the Acquisition pursuant to the terms of the FG Acquisition Agreement promptly following the escrow release. If the conditions to the release of the proceeds deposited on the Escrow Account have not been satisfied on or prior to the Escrow Longstop Date, or upon the occurrence of certain other events, the Notes will be subject to a special mandatory redemption. The special mandatory redemption price of the Notes will be equal to 100% of the aggregate issue price of the Notes, plus accrued and unpaid interest and Additional Amounts, if any, from the Issue Date to, but not including, such special mandatory redemption date.

In the event of a special mandatory redemption, the Sponsors will each be required to make an equity contribution to the Issuer, in an amount in the aggregate that is required to enable the Issuer to pay any funding shortfall, including escrow account fees and costs, accrued and unpaid interest, and Additional Amounts, if any, owed to the holders of the Notes on such special mandatory redemption date, pursuant to the Shortfall Agreement. The obligation of each of the Sponsors to make such equity contributions will be several, and not joint, and will be made on a *pro rata* basis in proportion to the Sponsors' respective total equity commitments in UK TopCo. The rights of the Issuer under the Shortfall Agreement will be pledged on a first-ranking basis in favor of the Trustee on behalf of the holders of the Notes. The holders of the Notes

will not have any direct right to enforce the Shortfall Agreement, and must rely on the Issuer's sole right to enforcement under the Shortfall Agreement. See "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption*" and "*Risk Factors—Risks Related to the Acquisition—If the conditions precedent to the release of the escrow proceeds are not satisfied, the Issuer will be required to redeem the Notes, which means that you may not obtain the return you expect on the Notes.*"

Optional Redemption . . . . . At any time prior to , 2020, the Issuer will be entitled, at its option, to redeem all or a portion of the Notes at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts (as defined herein), if any, plus the applicable "make-whole" premium.

At any time prior to , 2020, the Issuer may redeem, at its option, up to 40% of the original principal amount of the Notes with the net proceeds from certain equity offerings at the redemption price set forth in this Offering Memorandum, provided that, *inter alia*, at least 60% of the original principal amount of the Notes remains outstanding.

At any time on or after, 2020, the Issuer may redeem all or part of the Notes at the redemption prices set forth in this Offering Memorandum.

In addition, the Issuer may redeem all, but not part, of the Notes at a price equal to 100% of the principal amount thereof (including accrued and unpaid interest and Additional Amounts, if any) upon the occurrence of certain changes in applicable tax law.

Upon the occurrence of certain defined events constituting a change of control, each holder of the Notes may require the Issuer to repurchase all or a portion of its Notes at a price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any. However, a change of control will not be deemed to have occurred if a specified consolidated net leverage ratio is not exceeded in connection with such event.

Change of Control . . . . . If a change of control occurs, the Issuer must offer to purchase each holder's Notes at a purchase price of 101% of the principal amount of the Notes, plus accrued and unpaid interest and Additional Amounts, if any, to (but excluding) the date of purchase. However, a change of control with respect to the Notes will not be deemed to have occurred if a specified consolidated net leverage ratio is not exceeded in connection with such event. See "*Description of the Notes—Change of Control.*"

Redemption for Taxation Reasons	If certain changes in the law of any relevant taxing jurisdiction impose certain withholding taxes or other deductions on the payments on the Notes, the Issuer may redeem all but not some of the Notes at a redemption price of 100% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, to (but excluding) the date of redemption. See "*Description of the Notes—Redemption for Taxation Reasons.*"
Additional Amounts	All payments made by or on behalf of the Issuer or any Guarantor under or with respect to the Notes or its Guarantee, as applicable, will be made without withholding or deduction for, or on account of, any present or future taxes in any taxing jurisdiction unless required by applicable law. If withholding or deduction for such taxes is required to be made in a relevant taxing jurisdiction with respect to a payment on the Notes or the Guarantees, subject to certain exceptions, the Issuer or the relevant Guarantor, as the case may be, will pay the additional amounts necessary so that the net amount received after the withholding or deduction is not less than the amount that would have been received in the absence of the withholding or deduction. See "*Description of the Notes—Withholding Taxes.*"
Certain Covenants	The Indenture will contain covenants that, among other things, will limit the ability of the Issuer and its restricted subsidiaries to: • incur or guarantee additional debt and issue certain preferred stock; • make restricted payments, including dividends or other distributions; • engage in certain transactions with affiliates; • create or permit to exist certain liens; • sell certain assets; • guarantee additional debt without also guaranteeing the Notes; • create restrictions on the ability of restricted subsidiaries to pay dividends or make other payments to the Issuer; • create unrestricted subsidiaries; • merge or consolidate with other entities or transfer all or substantially all of the Issuer's or a Guarantor's assets; and • impair the Security Interests for the benefit of the holders of the Notes. These covenants are subject to a number of important limitations and exceptions as described under "*Description of the Notes—Certain Covenants.*"

Certain U.S. Federal Income Tax Considerations	For a discussion of certain U.S. federal income tax considerations of an investment in the Notes, see "*Tax Considerations—Certain U.S. Federal Income Tax Considerations*." You should consult your own tax advisor to determine the U.S. federal, state, local and other tax consequences of an investment in the Notes.
Original Issue Discount	If the stated principal amount of the Notes exceeds the issue price by an amount equal to or greater than a statutorily defined *de minimis* amount, then the Notes will be considered to be issued with original issue discount ("OID") for U.S. federal income tax purposes. If the Notes are issued with OID, then, in addition to the stated interest on a Note, a U.S. Holder (as defined in "*Tax Considerations—Certain U.S. Federal Income Tax Considerations*") will generally be required to include the OID on such Note in gross income (as ordinary income) as it accrues on a constant yield to maturity basis for U.S. federal income tax purposes, in advance of the receipt of the cash payments to which such OID is attributable and regardless of the U.S. Holder's regular method of accounting for U.S. federal income tax purposes. See "*Tax Considerations—Certain United States Federal Income Tax Considerations*."
Transfer Restrictions	The Notes and the Guarantees have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any other jurisdiction and may not be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. We have not agreed to, or otherwise undertaken to, register the Notes (including by way of an exchange offer). See "*Transfer Restrictions*."
Use of Proceeds	The gross proceeds of the Offering will be used, together with the proceeds of the Senior Term Loan and the Equity Contribution, to fund the consideration payable for the Acquisition, repay certain existing indebtedness of the Group and pay the fees and expenses incurred in connection with the Transactions, including estimated fees and expenses incurred in connection with the Offering. See "*—The Transactions*" and "*Use of Proceeds.*"
No Established Market	The Notes will be new securities for which there is currently no established trading market. Although the Initial Purchasers have informed us that they intend to make a market in the Notes, they are not obligated to do so and they may discontinue market-making at any time without notice. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained.

Listing	Application will be made to The Channel Islands Securities Exchange Authority Limited for the listing of and permission to deal in the Notes on the Official List of the Exchange. There can be no assurance that the Notes will be listed on the Official List of the Exchange, that such permission to deal in the Notes will be granted or that such listing will be maintained.
Governing Law of the Indenture, the Guarantees and the Notes	The State of New York.
Governing Law of the Security Documents	The Security Documents will be governed by the laws of France and England and Wales.
Governing Law of the Intercreditor Agreement	England and Wales.
Trustee	U.S. Bank Trustees Limited.
Security Agent	U.S. Bank Trustees Limited.
Escrow Agent	JPMorgan Chase Bank, N.A.
Paying Agent and Transfer Agent	Elavon Financial Services DAC, UK Branch.
Registrar	Elavon Financial Services DAC.
Listing Sponsor	Carey Olsen Corporate Finance Limited.

Summary Consolidated Financial and Other Information

The following tables set forth summary consolidated financial information and other data of Cerba HealthCare for the years ended and as of the dates indicated below. The historical summary consolidated financial information of Cerba HealthCare set forth below as of and for the years ended December 31, 2014, 2015 and 2016 has been derived from the audited consolidated financial statements of Cerba HealthCare as of and for the years ended December 31, 2014, 2015 and 2016, which have been prepared in accordance with IFRS and are included elsewhere in this Offering Memorandum. Some of the performance indicators and ratios shown below were taken from Cerba HealthCare's accounting records and are not included in Cerba HealthCare's audited financial statements for the years ended December 31, 2014, 2015 and 2016.

The entire share capital of the Target will be sold directly or indirectly to BidCo on the Acquisition Completion Date in connection with the Transactions and, as part of the Post-Completion Mergers, Cerba HealthCare will be merged into BidCo, the direct subsidiary of the Issuer. BidCo and the Issuer were formed for the purposes of facilitating the Transactions. None of them have any business operations or material assets or liabilities other than those incurred in connection with their incorporation and the Transactions. We do not present in this Offering Memorandum any financial information or financial statements of BidCo or the Issuer for the periods presented, other than certain limited financial data presented on a consolidated basis "as adjusted" to reflect the Transactions and the offering of the Notes.

We have also presented summary unaudited *pro forma* consolidated financial and other data prepared to give effect to the Transactions as if they had occurred on January 1, 2016, in the case of summary unaudited *pro forma* consolidated income statement information, and December 31, 2016, in the case of summary unaudited *pro forma* consolidated balance sheet information. The *pro forma* adjustments are based upon available information and certain assumptions that we believe are reasonable. The summary unaudited *pro forma* consolidated financial and other data are for informational purposes only and do not purport to represent what our pro forma interest expense actually would have been if the Transactions had occurred on January 1, 2016, or what our actual net financial debt would have been had the Transactions occurred on December 31, 2016, or on any other date and such data do not purport to project our financial results for any future period.

The summary consolidated financial information below includes certain non-IFRS measures that we use to evaluate our economic and financial performance. These measures are not identified as accounting measures under IFRS and therefore should not be considered a substitute for, or superior to, the equivalent measures calculated and presented in accordance with IFRS or those calculated using financial measures that are prepared in accordance with IFRS. See "*Presentation of Financial and Other Information—Non-IFRS Financial Measures*."

You should read the information set forth below in conjunction with the sections "*Presentation of Financial and Other Information—Presentation of Financial Information*," "*Use of Proceeds*," "*Capitalization*," "*Selected Historical Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the consolidated financial statements and the notes thereto included elsewhere in this Offering Memorandum. Our historical results do not necessarily indicate results that may be expected for any future period.

Summary Consolidated Income Statement Data

	Year ended December 31,		
	2014	2015	2016
	(€ in millions)		
Net sales	**399.2**	**556.0**	**634.1**
Consumption of materials and supplies	(66.3)	(87.0)	(94.6)
Other purchases and external expenses	(94.0)	(134.3)	(143.7)
Taxes and duties	(12.0)	(17.4)	(20.8)
Personnel expenses	(140.6)	(214.4)	(240.8)
Net change in depreciation and amortization	(24.0)	(32.9)	(38.4)
Other income	4.1	4.9	6.2
Other expenses	(8.0)	(6.1)	(8.7)
Goodwill impairment	(22.6)	—	—
Operating income/(loss)	**35.9**	**68.8**	**93.4**
Cost of net debt	(37.7)	(57.0)	(84.1)
Other financial income	0.3	0.5	0.6
Other financial expenses	(1.1)	(2.0)	(1.1)
Financial income/(expense)	**(38.5)**	**(58.5)**	**(84.6)**
Pretax income/(expense)	**(2.6)**	**10.3**	**8.8**
Income tax	(10.8)	(8.9)	(16.0)
Profit (loss)	**(13.4)**	**1.4**	**(7.2)**
Attributable to owners of Cerba HealthCare	(15.4)	(1.0)	(8.7)
Attributable to non-controlling interests	2.0	2.4	1.5

Summary Consolidated Balance Sheet Data

	As of December 31,		
	2014	2015	2016
	(€ in millions)		
Goodwill	671.2	969.3	982.3
Intangible assets	108.2	159.4	158.5
Property, plant and equipment	64.5	85.1	92.7
Non-current tax assets	0.0	—	—
Other non-current assets	1.7	4.8	5.5
Deferred tax assets	2.1	10.9	7.6
Non-current assets	**847.7**	**1,229.5**	**1,246.5**
Inventories	5.6	7.4	8.1
Trade receivables	54.0	67.2	67.9
Current tax assets	3.7	7.4	4.7
Other current assets	18.0	22.6	24.3
Cash and cash equivalents	64.1	46.1	48.3
Current assets	**145.4**	**150.7**	**153.3**
Total assets	**993.1**	**1,380.2**	**1,400.0**
Equity attributable to owners of the company	286.3	295.6	290.6
Non-controlling interests	9.7	7.3	8.7
Total equity	**295.9**	**302.9**	**299.3**
Non-current financial liabilities	512.2	805.8	843.6
Employee benefits	6.9	15.6	18.1
Non-current provisions	0.9	3.5	2.8
Deferred tax liabilities	33.2	45.6	27.6
Other non-current liabilities	4.6	3.8	2.8
Non-current liabilities	**557.8**	**874.2**	**894.9**
Current financial liabilities	36.7	59.5	55.5
Current provisions	0.7	1.2	1.9
Trade payables	45.0	76.0	68.7
Current tax liabilities	14.2	6.5	14.2
Other current liabilities	42.7	59.9	65.3
Current liabilities	**139.4**	**203.1**	**205.6**
Total equity and liabilities	**993.1**	**1,380.2**	**1,399.8**

Summary Consolidated Cash Flow Statement Data

	Year ended December 31,		
	2014	2015	2016
	(€ in millions)		
Net cash provided by/(used in) operating activities	67.5	88.2	109.2
Net cash provided by/(used in) investing activities	(83.8)	(309.5)	(39.9)
Net cash provided by/(used in) financing activities	14.9	203.7	(66.7)
Effect of exchange rate fluctuations on cash held	0.2	(0.0)	0.2
Net increase/(decrease) in cash and cash equivalents	**(1.3)**	**(17.8)**	**2.8**
Cash and cash equivalents at beginning of period	63.6	62.3	44.6
Cash and cash equivalents at end of period	62.3	44.6	47.4

Other Financial and Operating Data

	Year ended December 31,		
	2014	2015	2016
	(€ in millions, except percentages, ratios or where otherwise indicated)		
Other financial information:			
Total net sales	399.2	556.0	634.1
Specialized net sales(*)	139.5	154.4	179.3
Routine France net sales(*)	155.6	318.1	385.8
Routine Belux net sales(*)	74.1	70.2	70.7
Central Lab net sales(*)	44.7	32.5	25.0
Intercompany sales	(14.7)	(19.2)	(26.7)(**)
Capital expenditures(1)	9.5	23.0	22.8
Capital expenditures margins(2)	2.4%	4.1%	3.6%
Gross margin(3)	83.4%	84.3%	85.1%
EBITDA(4)(5)	82.5	101.7	131.8
Adjusted EBITDA(5)(6)	90.5	114.9	145.5
Pro Forma Adjusted EBITDA(5)(6)			161.0
As adjusted data:			
As adjusted interest expense(7)			42.0
As adjusted net financial debt (excluding the Notes)(8)			871.3
As adjusted net financial debt (including the Notes)(9)			1,051.3
Ratio of as adjusted net financial debt (excluding the Notes) to Pro Forma Adjusted EBITDA			5.4x
Ratio of as adjusted net financial debt (including the Notes) to Pro Forma Adjusted EBITDA			6.5x
Ratio of Pro Forma Adjusted EBITDA to as adjusted interest expense			3.8x
Key operating indicators:			
Routine France testing volume *(in thousands of files)*	3,681	7,771	9,383
Routine Belux testing volume *(in thousands of files)*	1,165	1,120	1,123
Specialized testing volume *(in thousands of files)*	3,877	5,223	7,488
Central Lab backlog(10) *(€ in millions)*	65.5	88.0	100.4

(*) Prior to elimination of intercompany sales.

(**) Includes €0.7 million of net sales generated by our operations in the United Arab Emirates.

(1) Capital expenditures represents net investments in property, plant and equipment and intangible assets, excluding asset acquisitions.

(2) Capital expenditures margin, expressed as a percentage, is calculated as (i) capital expenditures divided by (ii) total net sales.

(3) Gross margin, expressed as a percentage, is calculated as (i) total net sales less consumption of materials and supplies, divided by (ii) total net sales.

(4) EBITDA for the years ended December 31, 2014, 2015 and 2016, represents operating income/(loss) plus the income statement line items for net change in depreciation and amortization, and goodwill impairment. The income statement line items net change in depreciation, amortization and impairment include, among others, provisions for operational risks, disputes, pensions, bad debt, overdue receivables and depreciation of tangible assets.

(5) EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA are not measurements of financial performance under IFRS and should not be considered as alternatives to other indicators of our operating performance, cash flows or any other measure of performance derived in accordance with IFRS. EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA as presented in this Offering Memorandum may differ from and may not be comparable to similarly titled measures used by other companies and differ from "Consolidated EBITDA" contained in the sections "*Description of the Notes*" of this Offering Memorandum and in the Indenture. We present EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA for informational purposes only. This information does not represent the results we would have achieved had each of the acquisitions or other transactions for which an adjustment is made occurred at the dates indicated. There is no assurance that items we have identified for adjustment as non-recurring will not recur in the future or that similar items will not be incurred in the future. The calculations for Adjusted EBITDA and Pro Forma Adjusted EBITDA are based on various assumptions (including the successful implementation of certain initiatives), management estimates and the unaudited management accounts of the acquired businesses. These amounts have not been, and, in certain cases, cannot be, audited, reviewed or verified by any independent accounting firm. This information is inherently subject to risks and uncertainties. It may not give an accurate or complete picture of the financial condition or results of

operations of the acquired businesses or other transactions for the periods presented, may not be comparable to our consolidated financial statements or the other financial information included in this Offering Memorandum and should not be relied upon when making an investment decision. We present EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA because we believe they are helpful to investors as measures of our operating performance and ability to service our debt. EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS. See "*Presentation of Financial and Other Information.*"

(6) The following table shows a reconciliation of our operating income/(loss) to EBITDA, Adjusted EBITDA and Pro Forma Adjusted EBITDA for the periods indicated:

	Year ended December 31,		
	2014	2015	2016
	(€ in millions)		
Operating income/(loss)	**35.9**	**68.8**	**93.4**
Net change in depreciation and amortization	24.0	32.9	38.4
Goodwill impairment	22.6	—	—
EBITDA	**82.5**	**101.7**	**131.8**
Net change in operating provisions[(a)]	1.1	1.0	(0.2)
Movement in pension provision[(b)]	0.1	0.4	0.9
Finance costs[(c)]	0.4	0.8	0.5
Net gains/losses from disposals of assets[(d)]	—	(0.3)	0.7
M&A costs[(e)]	2.5	4.6	0.7
Non-ordinary course litigation costs[(f)]	0.8	0.2	0.5
Restructuring costs[(g)]	3.1	6.5	3.2
Start-up costs[(h)]	—	—	3.0
Temporary price cut[(i)]	—	—	4.6
Adjusted EBITDA[(j)]	**90.5**	**114.9**	**145.5**
Full year impact of acquisitions[(k)]			15.4
Pro Forma Adjusted EBITDA			**161.0**

(a) Represents provisions for doubtful accounts, which are considered recurring items but were not excluded from the calculation of EBITDA for the years ended December 31, 2014, 2015 and 2016.

(b) Represents the movement in provision related to our liability for future payments under the pension and retirement plans applicable to our employees. Actual payments under applicable pension and retirement plans are charged against the provision. This movement in provision is an IFRS requirement and is calculated on the basis of actuarial estimates of future liabilities. As this provision is a non-cash charge in our income statement, we adjust EBITDA for that charge. Actual payments under applicable pension and retirement plans related to the years ended December 31, 2014, 2015 and 2016 are included in EBITDA for these periods.

(c) Represents the costs incurred in connection with incurrence of new debt and issuance of share capital, which management considers non-recurring finance costs.

(d) Represents net gains from disposal of assets such as obsolete medical equipment, which management considers to be non-recurring with respect to certain assets.

(e) Represents the transactional costs associated with certain acquisitions, such as advisory fees. In 2014, M&A costs included an earnout charge related to Medic Lab BVBA that we acquired in 2011. In 2015, M&A costs mostly related to our acquisition of Novescia.

(f) Represents various litigation costs in connection with disputes that do not relate to our ordinary course business operations including a dispute with the sale of a subsidiary we acquired in 2011. See *"Business—Legal Proceedings."*

(g) Represents costs incurred in connection with implementing restructuring plans (mostly redundancies and severance payments) following our acquisition of certain companies.

(h) Represents the add-back of negative EBITDA contributions for the year ended December 31, 2016, of (i) our Cerbavet entity related to our veterinary business (€1.2 million), (ii) our Menalabs management entity in connection with the establishment of a new laboratory network in the UAE (€0.8 million), (iii) our Central Lab entities in connection with our innovations for our Central Lab Business (€0.8 million) and (iv) our Cerba Specimen Services S.A.S. entity in connection with the acquisition of Menalabs (€0.2 million), each of which management considers to be non-recurring expenses, including ramp-up and relocation expenses, materials expenses, staff expenses and other expenses for the establishment of new businesses.

(i) Represents a reduction in net sales in the year ended December 31, 2016, due to a temporary reduction of 7.4% imposed by the French social security in the prices for substantially all of the clinical tests we performed in France between November 15, 2016, and December 31, 2016. See "*Risk Factors—Risks Related to Our Business—The prices we may charge in our markets are dependent on tariffs set by governments. Efforts to reduce government spending on healthcare and diagnostic testing may adversely affect our business.*"

(j) Adjusted EBITDA (before temporary price cut) amounted to €140.9 million for the year ended December 31, 2016.

(k) Represents the EBITDA of nine companies that we acquired between January 1, 2016 and February 10, 2017 and one company that we have agreed to acquire (pursuant to a letter of intent signed in 2016), as if they had been acquired on

January 1, 2016, and estimated cost savings and synergies realized for such period as a result of these and prior-year acquisitions on an annual run rate basis. These adjustments include €6.1 million of EBITDA contribution of companies acquired between January 1, 2016 and February 10, 2017 (and one acquisition that we agreed pursuant to a letter of intent signed in 2016 (the "2016 Acquisitions")), €4.5 million of anticipated cost savings and synergies in connection with the acquisitions completed in 2015, €2.0 million of anticipated cost savings and synergies in connection with the 2016 Acquisitions and €3.0 million of anticipated cost savings and synergies to be achieved in 2017 in connection with acquisitions completed between January 1, 2016 and February 10, 2017.

The presentation of Pro Forma Adjusted EBITDA is for informational purposes only. This information does not represent the results we would have achieved had each of the acquisitions for which an adjustment is made occurred and been fully integrated on January 1, 2016. The calculations for Pro Forma Adjusted EBITDA are based on various assumptions and management estimates. The EBITDA of each of the relevant acquired companies for the year ended December 31, 2016 may not be representative of what the EBITDA of such entities would have been for the years ended December 31, 2016. These numbers have not been, and cannot be, audited, reviewed or verified by any independent accounting firm. This information is inherently subject to risks and uncertainties. It may not give an accurate or complete picture of the financial condition or results of operations of the relevant acquired companies for periods prior to their acquisition, may not be comparable to our consolidated financial statements or the other financial information included in this Offering Memorandum and should not be relied upon when making an investment decision. Pro Forma Adjusted EBITDA is included in this Offering Memorandum because we believe that it provides a useful measure of our results of operations; however, this information does not constitute a measure of financial performance under IFRS, and you should not consider Pro Forma Adjusted EBITDA as an alternative to operating income/(loss) or any other performance measure derived in accordance with IFRS or as a measure of our results of operations or liquidity. Other companies, including those in our industry, may calculate a similarly titled financial measure differently from us, and so the presentation of such financial measures may not be comparable to other similarly titled measures of other companies. Funds depicted by certain of these measures may not be available for management's discretionary use due to covenant restrictions, debt service payments or other commitments.

(7) As adjusted interest expense represents our estimated interest expense on a pro forma basis for the year ended December 31, 2016, after giving effect to the Transactions as if they had occurred on January 1, 2016. This reflects the interest expense in connection with debt incurred under our existing financial leases and other financial debt that is expected to remain outstanding on the Acquisition Completion Date, the Notes offered hereby and debt under the Senior Term Loan that will be outstanding *pro forma* for the Transactions assuming an imputed interest rate for the Senior Term Loan and Notes offered hereby. Each variation of 0.25% compared to these assumptions in the actual interest rate for (i) the Notes would cause a variation in as adjusted interest expense of €0.45 million and (ii) the debt under the Senior Term Loan would cause a variation in as adjusted interest expense of €1.99 million. Our new Revolving Credit Facility Agreement will not be drawn on the Acquisition Completion Date and we have assumed for purposes of this calculation that the Revolving Credit Facility Agreement was undrawn through 2016. See "*Use of Proceeds*." As adjusted interest expense has been presented for illustrative purposes only and does not purport to represent what our interest expense would have actually been had the Transactions occurred on January 1, 2016, nor does it purport to project our interest expense for any future period or our financial position at any future date.

(8) As adjusted net financial debt (excluding the Notes) represents the principal amount of our loans and borrowings other than the Notes and, for the avoidance of doubt, the Guarantees, after giving pro forma effect to the Transactions and the application of the proceeds therefrom as if the Transactions occurred on December 31, 2016.

(9) As adjusted net financial debt (including the Notes) represents the principal amount of our loans and borrowings including the principal amount of the Notes offered hereby after giving *pro forma* effect to the Transactions and the application of the proceeds therefrom as if the Transactions occurred on December 31, 2016.

(10) Our Central Lab backlog is based on anticipated net sales from uncompleted projects that our customers have awarded. Backlog is the amount of net sales that remains to be earned and recognized on written awards, signed contracts and letters of intent. While the amount of net sales included in the backlog is reviewed on an annual basis by our auditors by inquiries with management, as part of the annual audit of our financial statements, to reflect signed contracts and letters of intent, there can be no assurance that the net sales included in the backlog are a fair and accurate indicator of future net sales. Our backlog may not be indicative of our future results and we cannot assure you that we will realize all the anticipated future revenue reflected in our backlog. See "*Risk Factors—Risks Related to Our Business—Our Central Lab backlog may not be indicative of future results*."

Risk Factors

An investment in the Notes involves risks. You should carefully consider the risks described below before deciding to invest in the Notes. In assessing these risks, you should also refer to the other information in this Offering Memorandum, including the financial statements and related notes. These risks and uncertainties are not the only ones we face. Additional risks and uncertainties that are not currently known to us or that we currently consider immaterial could also impair our business, financial condition, results of operations and our ability to make payments on the Notes.

This Offering Memorandum also contains forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those included in these forward-looking statements as a result of various factors, including the risks described below and elsewhere in this Offering Memorandum. All references to "we" in "—Risks Related to the Acquisition" are to BidCo and/or its direct or indirect parent companies.

Risks Related to Our Business

The prices we may charge in our markets are dependent on tariffs set by governments. Efforts to reduce government spending on healthcare and diagnostic testing may adversely affect our business.

In the countries where we operate, most of our activities are highly regulated. In particular, there are mandatory prices or pricing methodologies for all or substantially all of the clinical tests we perform as part of our Routine Lab business and the large majority of clinical tests performed as part of our Specialized Testing business. Tariffs are established by governments and we have limited, or no, influence over the levels at which they are set. Revisions of tariffs may occur on a regular basis. Overall tariff decreases, or tariff setting that fails to keep pace with testing costs, reduce our margins and may affect our net sales from testing services, our operating results or the economic feasibility of providing certain testing services by some or all of our laboratories.

We are particularly sensitive to prices in France, as our French Routine Lab business represented 60.8% of our net sales for the year ended December 31, 2016, and France accounted for 91.9% of our Specialized Testing net sales over the same period. Prices for substantially all of the laboratory tests in France are regulated and set by the Ministry of Health (*Ministère des Affaires sociales et de la Santé*) and the National Health Insurance Fund (*Caisse Nationale d'Assurance Maladie*, or "CNAM"). According to "*Les dépenses de santé en 2015—Résultats des comptes de la santé*," approximately 70% of the spending in the French private clinical pathology testing market was financed by the French social security system in 2015. While the percentage of spending financed by the social security system has remained relatively constant over time, the regulatory tariffs in the French lab market have declined between 0.8% and 4.1% per year during the period from 2006 to 2015, according to the CNAM "*Rapport Charges et produits pour l'année 2017.*" Based on this report, the French government targets annual savings in French healthcare expenditures of approximately €1.4 billion in 2017. Clinical pathology testing expenditures represented approximately 2.0% of overall French healthcare expenditures in 2015. The CNAM revises the price catalog for laboratory tests on a quarterly basis which, combined with a three-year agreement capping the growth of overall testing spending at 0.25% per year from 2017 to 2019 (See "*Industry—Clinical Pathology Testing—Market Overview—France*") will create further downward pressure on tariffs in France going forward as the government endeavors to further reduce the rate of growth of national healthcare expenditures, although we are unable to be certain of the extent of any future reductions. In the fourth quarter of 2016, CNAM reduced the prices of all tests across the board as a temporary cost-cutting measure, which was revised in January 2017. Additionally, while the reduction in tariffs has in the past been offset by growth resulting from a combined volume and mix impact, we cannot guarantee that this trend will continue, and a decline in volume growth coupled with further tariff decreases would have a material impact on our net sales. Furthermore, because of the importance of the

French market to our Routine Lab and Specialized Testing businesses, further tariff reductions in France could significantly adversely affect our overall performance. Finally, France currently benefits from higher tariffs compared to most other European countries due to its fragmented market, and therefore has increased down side risk for prices. For more detail on French tariffs for laboratory tests, see "*Industry—Clinical Pathology Testing—Market Overview—France*."

In the Belgian and Luxembourg Routine Lab market (which represented 11.2% of our net sales for the year ended December 31, 2016), laboratory tests are state regulated and prices are set by the national healthcare regulatory body INAMI on an annual basis. According to the INAMI, the Belgian social security system reimburses approximately 75% of regulated clinical pathology test expenditures. Belgium has also experienced budgetary pressures, setting annual caps for healthcare expenses. Currently, the Belgian pricing system includes a "claw back" mechanism that allows the Belgian government to recover budgetary overspend. On November 1, 2013, the Belgian government also reduced fixed fee for ambulatory care (clinical biology) by approximately 9% and a further 4% to 5% in April 2016, including for laboratory tests performed by non-hospital laboratories, such as ours (see Royal Decree of October 18, 2013 amending the Royal Decree of 24 September 1992 laying down the procedures for fixed fee for certain clinical laboratory services provided to ambulatory patients, as well as the outsourcing of these services and Royal Decree of November, 9 2016 amending the Royal Decree of 24 September 1992 laying down the procedures for fixed fee for certain clinical laboratory services provided to ambulatory patients, as well as the outsourcing of these services). Additionally, according to the specialized press, the number of accredited laboratories has decreased by 12.5% between March 2010 and February 2014 (Le *Medecin Spécialiste*, n° spécial/ April 2014, ISSN 0770 8181). See *"Industry—Clinical Pathology Testing—Market Overview—Belgium."*

In Luxembourg, the Ministry of Health (*Ministère de la Santé*) and the national insurance scheme (*Caisse Nationale de Santé*) sets the prices for all laboratory tests. The state reimburses 100% of test expenses at the fee levels set in the annual catalog released by government health authorities. The Luxembourg government has also undertaken measures to control increases in healthcare expenditure through limiting the tariffs for laboratory tests. See "*Industry—Clinical Pathology Testing—Market Overview—Luxembourg*."

We expect increased constraints on government regulated tariffs to continue in each of the markets in which we conduct our Routine Lab and Specialized Testing businesses. The recent financial and monetary crisis in Europe has brought concerns over European countries' sovereign debt and government spending. As a result, many European countries, including France and Belgium, have announced or undertaken expenditure control measures aimed at curbing spending, including healthcare expenditures. In particular, governments tend to reduce in greater proportion tariff levels on tests that are administered in high volumes, which has a multiplying effect on our results as the tests we perform in high volumes tend to be impacted by larger tariff cuts. In addition, any changes in government or in the political environment in the countries in which we operate may cause future regulatory changes in the healthcare industry, which could have a negative impact on our business. For example, policies that constrain consolidation in markets in which we operate, limit or decrease the amounts we may charge for our services or exclude coverage of certain of our services from public health programs may have a material adverse effect on our net sales and operating results.

Continued weakness in economic conditions could have an adverse effect on our businesses.

The economic downturn and the financial and monetary crisis that Europe has been facing since 2008 have increased the risk associated with conducting our business. Economic difficulties have resulted in reduced levels of activity and have led governments, private insurers and patients to reduce their expenditures on healthcare, which has affected our net sales and margins.

Where patients, directly or indirectly (such as through private health insurance premiums), are responsible for all or part of the cost of laboratory tests, individual decisions to reduce healthcare expenditures may result in a reduction of demand for our services. In France, for example, approximately 70% of spending in the French private clinical pathology testing market was financed by the French social security system and the remainder was covered by private insurance companies (approximately 25%) and by the patient directly out-of-pocket (approximately 3%) in 2015, according to "*Les dépenses de santé en 2015—Résultats des comptes de la santé*." A decrease in household disposable income, or the perception thereof, in times of economic downturn can lead to a reduction in individuals' healthcare expenditure. This may result in patients postponing certain types of medical treatment and could result in a significant drop in the volume of business we are able to conduct through our Routine Lab and Specialized Testing businesses.

Governments, as direct payers of a test's price, whether in part or in whole, have also instituted policies designed to reduce their expenditures on healthcare as a means of reducing overall budget deficits. As a result of such policies, changes in medical guidelines could occur, leading to lower volumes of recurring tests. Such changes could have a negative impact on our business.

Further, the economic downturn could also have a negative effect on the research and development budgets of pharmaceutical companies with which we have contracts to perform testing work as part of our Central Lab business and reduce demand for our services. For example, the availability of financing from banks or the capital markets to the biotechnology or pharmaceutical industry can have a material impact on their ability to fund development of their products. Generally, biotechnology and pharmaceutical companies tend to streamline the development and testing of new products at times when the economy is depressed and when, as a consequence, their own profitability and investment capabilities are limited. As a result, they tend to limit the number of, and be more selective regarding, new trials and may also postpone or cancel existing trials when proof of efficacy is not quickly evidenced. Reduced demand from our Central Lab clients could have a negative effect on our results of operations.

We may not exercise full control over the operations of certain of our French subsidiaries in which we have a minority voting interest and are dependent on the clinical pathologists who own a majority voting interest in them to conduct the operations of such subsidiaries.

French law sets regulatory constraints on the corporate structure and nature of ownership of the share capital of clinical laboratories. In particular, French law requires that a majority of the shares and voting rights of a laboratory company be held by clinical pathologists working in the relevant laboratory company. In addition, this regulation requires that persons that are not clinical pathologists and entities that are not laboratory companies cannot hold more than 25% of the share capital of a laboratory. See "*Regulation—Regulations Affecting Our Routine Lab and Specialized Testing Businesses—France*."

As a result, our corporate structure in France is such that our non-laboratory company subsidiary, Cefid, holds 25% of the voting rights and share capital in certain of our French laboratory subsidiaries (currently Cerba Selafa), with clinical pathologists operating such French laboratory subsidiaries holding the balance, *i.e.*, a majority of the voting rights. The bylaws of such French laboratory subsidiaries allow Cefid to hold approximately 99% of the financial rights (rights to receive dividend payments) in Cerba Selafa. In addition, Cerba Selafa holds up to 49.9% of the voting rights in our other French laboratory company subsidiaries, with clinical pathologists operating each such other French laboratory subsidiary holding a majority of the voting rights. Cerba Selafa also holds between approximately 70% and 99.99% of these subsidiaries' financial rights. We are currently implementing our corporate structure for Novescia, which we acquired in March 2015. We believe the implementation would largely be complete by the end of the first quarter of 2017.

The subsidiary shareholders of our French laboratory subsidiaries have entered into shareholders' agreements with the clinical pathologists working in the relevant French laboratory subsidiary. Although these shareholders' agreements provide such subsidiary shareholders with *de facto* control on major decisions relating to the operations of the laboratory subsidiaries through veto rights within controlling bodies (board of directors or strategic committees), we do not exercise control over the appointment by the subsidiary shareholders of our representatives in the controlling bodies of the French laboratory subsidiaries, as these decisions can be taken by the clinical pathologists owning a majority of the voting rights in the subsidiary shareholders. In addition, the obligations and constraints resulting from these shareholders' agreements are limited by French regulatory constraints regarding the independence of clinical pathologists. See "*Business—Our Specific Corporate Structure*." This legal structure does not confer on us the same powers we would have if we were holding all or a majority of the voting rights of our French subsidiaries. As a result, we are dependent on the clinical pathologists who hold the majority of the voting rights in our French subsidiaries for decisions affecting these subsidiaries' day to day routine operations. Although, with respect to other actions at Cerba Selafa, we exercise *de facto* control, the clinical pathologists who hold the majority of the voting rights in our French laboratory subsidiaries may not necessarily share our views on the manner in which the subsidiaries should be managed and may exercise their voting rights in a manner adverse to us. This could disrupt the operations of our French laboratories and divert our management's time and attention from the day to day operation of our business. If our business activities were disrupted due to a conflict with our clinical pathologists, our operating results could be negatively affected.

In addition, under the terms of the bylaws and shareholders' agreements of certain of our French laboratory subsidiaries, we may be required to purchase shares held by the clinical pathologist shareholders, upon their retirement or for other reasons. This could result in our holding a greater percentage of the share capital and voting rights in such French laboratory subsidiaries than is permitted by French law. Although there is a one year grace period in the law to reduce the holdings back down to the maximum permitted level, if we fail to reduce our holdings within such period, we may be required to dissolve or wind up such subsidiary. Furthermore, as the grace period does not technically apply to the validity of the licenses of such subsidiaries and as such if we surpass the maximum ownership threshold for share capital and voting rights, even during the one year grace period, the licenses of such subsidiaries could be subject to revocation.

Although we typically seek to align the shareholders' agreements of our newly acquired French laboratory subsidiaries with those of our existing subsidiaries, as the consent of the clinical pathologists is required for such alignment, there can be no assurance that we will be able to do so in the future, including in connection with the Acquisition.

We are subject to numerous legal and regulatory requirements governing our activities, and we may face substantial fines and penalties, and our business activities may be negatively impacted if we fail to comply.

Our business is subject to, and impacted by, extensive, stringent and frequently changing laws and regulations in each of the countries in which we operate, including laws and regulations relating to:

- billing and reimbursement of clinical tests;
- certification or licensure of clinical laboratories;
- operational, personnel and quality requirements relating to clinical laboratory testing, including quality control audits by regulatory authorities to which we are periodically subject;
- safety and health of clinical laboratory employees;

- handling, transportation and disposal of medical samples and infectious and hazardous waste;
- direct and indirect ownership of clinical laboratories in France (including the ownership, by the shareholders of laboratory companies, of other businesses in certain sectors);
- outsourcing of clinical laboratory services in France;
- limitations of market share for clinical laboratory testing within a given geographic area and between adjacent regions in France;
- personnel redeployment or personnel reduction plans;
- relationships with doctors and hospitals (including laws and regulations prohibiting kickbacks and regulating gifts or fringe benefits); and
- privacy of patient data.

These laws and regulations, some of which have not been fully interpreted by courts as to their extent, may require us to modify our operations or impose additional compliance expenses or burdens or give rise to administrative fines and penalties. For example, recent French regulatory reforms have imposed stricter International Organization for Standardization ("ISO") operating standards (namely ISO 15189), and introduced minimum accreditation standards for laboratories to be complied with by 2020 (with two intermediary steps in 2016 and 2018), the implementation of which is costly and time consuming. The laboratory accreditation process involves the preparation of written applications, site studies and assessment of the scope of changes required to comply with new standards, the appointment of external qualified experts, the training of our staff, the participation of our staff in the process in addition to their usual workload, the payment of certain administrative fees and the implementation of new quality software. Accreditation may be delayed based on many factors, including the number of sites operated by a clinical laboratory and the responsiveness of the accreditation body, the COFRAC (*Comité français d'accréditation*). Although we have already undertaken to conduct our business in compliance with these heightened standards, any further changes in laws and regulations may require us to further modify our operations. In Belgium, accreditation under ISO 15189 has become a condition for the reimbursement of laboratory tests performed on the DNA of a microorganism (virus) (see Royal Decree of March 19, 2008, modifying the annex of the Royal Decree of September 14, 1984, establishing the nomenclature of healthcare services relative to the public health insurance). According to a Royal Degree of January 31, 2006, BELAC (*Organisme belge d'Accréditation*) is the only public body authorized to give such an accreditation. Also, as far as Luxembourg is concerned, and pursuant to a recent agreement entered into on June 10, 2015 with effect as from January 1, 2016 between the National Health Insurance and the Luxembourg federation of medical analysis laboratories, at least 90% of the laboratories' activities that are subject to a reimbursement from the National Health Insurance must be accredited under ISO 15189 standard by 2023. The agreement sets out two intermediary phases for such accreditation (with 50% of the laboratories' activities to be accredited on January 1, 2019, at the latest and 80% of these activities to be accredited in 2021) as well as specific different timeframes for laboratories having started their activities after January 1, 2016.

As discussed above, French law imposes stringent restrictions on the legal structure and ownership of clinical laboratories. Recently, the *Syndicat des Jeunes Biologistes Médicaux* (SJBM), a trade union representing certain young biologists in France, announced that it may initiate legal proceedings against us, alleging that the competent French regulators should not approve two upcoming mergers within our network because those would, in SJBM's view, not be permitted by the French law dated May 30, 2013. See "*Business—Legal Proceedings*" and *"Regulation—Regulations Affecting Our Routine Lab and Specialized Testing Businesses—France" and "—We may not exercise full control over the operations of certain of our French subsidiaries in which we have a minority voting interest and are dependent on the clinical pathologists who own a majority voting interest in them to conduct the operations of such subsidiaries."*

In addition, we are subject to specific Belgian regulations relating to the operation of the clinical laboratory business. See "*Regulation—Regulations Affecting Our Routine Lab and Specialized Testing Businesses—Belgium*." In particular, the Royal Decree of April 26, 2007 (implementing Article 3 §1(2) of the Royal Decree n° 143 of 30 December 1982) lists the four legal forms that clinical laboratory companies should take in order to be eligible for reimbursement by the Belgian public health insurance system. These four corporate forms are: *société privée à responsabilité limitée / besloten vennootschap met beperkte aansprakelijkheid* (SPRL/BVBA), *société en nom collectif/vennootschap onder firma* (SNC/VOF), *société coopérative/cooperative vennootschap* (SC/CV) and *association sans but lucratif / vereniging zonder winstoogmerk* (ASBL/VZW). This Royal Decree (after having been extended once) expired on December 31, 2012. The relevant agencies have not shown any indication that reimbursements would cease. The current legal gap should be filled by a new Decree which, as of March 2017, is still in draft form and should be submitted to the Belgian government for approval. According to oral sources at the INAMI, this draft Decree (i) will leave unchanged the four legal forms that clinical laboratories should take in order to be eligible for reimbursement by the Belgian public health insurance system and (ii) will provide that these rules are no longer subject to expiration. However, this information has been obtained from unofficial sources at the INAMI. It is currently unclear whether the draft Decree will be adopted and, if so, what its content will be. The absence of any form of extension of the duration of the Royal Decree of April 26, 2007 could have a significant impact on all Belgian laboratories run under the same corporate form as ours, including us.

Through our Central Lab business, we are exposed to stringent regulations relating to the conduct of the pharmaceutical business from regulatory authorities (such as the U.S. Food and Drug Administration, the U.K. Department of Health and the European Medicines Agency) and from quality control representatives from our clients. We must maintain records and reports for each study we conduct for specified periods for auditing by the study sponsor and by any regulatory authorities. At least once during each clinical trial, we undergo an on-site inspection from our clients to ensure that we are meeting standards laid out in our customer contracts. Changes to certain regulations or government programs that are not directly connected with the clinical laboratory testing market, such as regulations relating to doctors, pharmaceutical companies (particularly in the design and conduct of testing protocols in connection with our Central Lab business), health insurers and hospitals, could also affect us and impair our results of operations and our ability to expand our business.

Although we believe that we are in compliance in all material respects with applicable laws and regulations, there can be no assurance that a regulatory agency or tribunal would not reach a different conclusion. If we fail to comply with applicable laws and regulations, if they or their interpretation by competent authorities change in a manner adverse to us or our integration business model or if we cannot maintain, renew or secure required permits, licenses, accreditations or other necessary regulatory approvals, we could be unable to operate our business or commercialize our services in the relevant jurisdictions, be excluded from participating in governmental healthcare programs, suffer civil and criminal penalties or fines, or incur additional liabilities from third party claims. If any of the foregoing were to occur, our reputation could be damaged, important relationships with government regulators or third parties could be adversely affected and these developments could have a material adverse effect on our business, results of operations or financial condition and prospects.

For more details on the particular regulations that directly affect our business, see "*Regulation*."

All the arrangements between shareholders of our laboratory companies that are not contained in the bylaws could become unenforceable if they were not communicated to the relevant professional association.

Article L. 6223-8 III of the French Public Health Code provides that, in order to be binding and enforceable, all arrangements relating to a laboratory company (including shareholder agreements) must be communicated to the relevant professional association (*Ordre national des pharmaciens and / or Ordre national des médecins*). Failing to do so, the shareholding agreements pertaining to our laboratory companies could become unenforceable.

For more details on the particular regulations that directly affect our business, see "*Regulation*."

Our Central Lab business depends on the pharmaceutical industry and creates a risk of liability.

Our Central Lab business relies on contracts with pharmaceutical companies and contract research organizations to carry out drug development trials and studies. As a result, our Central Lab net sales, which accounted for €25.0 million or 3.9% of our net sales for the year ended December 31, 2016, down from €44.7 million or 11.2% of our net sales for the year ended December 31, 2014, depend greatly on the expenditures made by pharmaceutical companies in research and development. In some instances, pharmaceutical companies are reliant on the strength of their financial performance or their ability to raise capital in order to fund their research and development projects. Accordingly, economic factors affecting our Central Lab customers' financial performance or their access to the capital markets also affect our business. Further, changes by health insurance companies or government payers in reimbursement practices or in setting the tariffs for pharmaceutical products or changes in regulatory guidelines for compound testing could have a negative effect on our customers' research and development budgets. If pharmaceutical companies were to reduce the number of research and development projects they conduct or outsource, our Central Lab business and, as a consequence, our results of operations as a whole could be materially adversely affected.

Further, our Central Lab business exposes us to a range of potential liabilities related to several factors, such as:

- risks associated with our possible failure to properly care for our customers' property, such as samples, trial products, records, work in progress, other archived materials, or goods and materials in transit, while in our possession;

- risks associated with potential delays and/or cancellations of trials;

- errors or omissions from tests conducted for the pharmaceutical industry;

- errors or omissions during a study that may undermine the usefulness of a study or data from the study; and

- errors or omissions that result in harm to volunteers during a trial or injury to consumers of a drug after regulatory approval of such drug.

While we endeavor to maintain appropriate liability insurance coverage and to include in our contracts provisions entitling us to be indemnified or entitling us to a limitation of liability, these provisions do not uniformly protect us against liability arising from certain of our own actions, such as negligence or misconduct. We could be materially and adversely affected if we were required to pay damages or bear the costs of defending any claim which is not covered by a contractual indemnification provision or in the event that a party who must indemnify us does not fulfill its indemnification obligations or which is beyond the level of our insurance coverage or for which insurance coverage is not available. There can be no assurance that we will be able to maintain insurance coverage on terms acceptable to us. Any indemnity or damages that we must pay in excess of our insurance coverage could have a negative impact on our results of operations.

Failure to establish and comply with appropriate quality standards in the provision of our testing services could result in litigation and liabilities and adversely impact our reputation.

The tests we perform as part of our Routine Lab and Specialized Testing businesses are intended to supply healthcare professionals with information to help them establish or support diagnoses and prescribe medication and treatment for patient care. Our Central Lab operations provide

pharmaceutical companies with data on the safety and efficacy of their products. Inaccuracies or negligence in performing our testing services could lead to inaccurate drug efficacy and safety studies, incorrect diagnoses by doctors, prescriptions of inappropriate treatment or decisions not to prescribe treatment when treatment is required, which may lead to illness, harm, death, other adverse effects or liabilities. Errors such as misidentifying or inaccurately labeling samples, compromising the integrity of samples and errors caused by testing machines or reagents may occur. Claims and litigation against us may result in liability for the harm or other adverse effects caused. Payments related to such liabilities may adversely affect our liquidity and financial position. The process of defending such cases, even when we are successful in our defense, is costly, could distract management from executing our strategy and could result in substantial damage to our reputation in the medical community and with patients. To the extent we are held liable for misrepresentation or negligence, the damages that we may owe could have a material negative financial impact on our business.

We face risks associated with the acquisition of businesses in connection with our strategy.

In the past we have made strategic acquisitions by acquiring large laboratory testing groups in France, Belgium, Luxembourg and the UAE, such as Cerballiance Paris, Cerballiance Hauts-de-France, Cerballiance Provence, Cerballiance Réunion, JS Bio, LLAM, Novescia and Menalabs. Our growth strategy is to focus on smaller acquisitions of laboratories and integrate them into our network, particularly in France, and we may consider larger acquisitions in other regions and segments of the market. For instance, in the years ended December 31, 2014, 2015 and 2016, we have respectively completed three, seven and five acquisitions, out of which two, five and four, respectively, were bolt-on acquisitions. We plan to pursue our focus on small acquisition targets going forward and we will also selectively consider larger strategic acquisitions to the extent they complement our network. Any such acquisition could substantially increase the amount of our outstanding debt.

The success of our acquisition strategy is dependent upon our ability to identify suitable acquisition targets, conduct appropriate due diligence, negotiate transactions on favorable terms and ultimately agree and complete such transactions and integrate the acquired business into our Group. Our plans to acquire additional businesses in the future are subject to the availability of suitable opportunities at an attractive price, particularly in France and planned acquisitions may not materialize. The continued consolidation of the French clinical laboratory testing market, as well as the restrictions on both regional market share and outsourcing, may limit the opportunities for acquisitions. Current laboratory ownership constraints in France have allowed for the development of regional laboratory hubs that combine several smaller local laboratories into a larger regional entity. However, French regulation still limits the proportion of tests that one person or entity may perform in a specified territory, which limits our ability to pursue this strategy. Further, French tax reforms may limit clinical pathologists' willingness to sell to a potential buyer by imposing prohibitive capital gains tax rates. Some of our competitors are following similar acquisition strategies and they, and certain financial investors interested in entering our market, may have greater financial resources available for investments or may have capacity to accept less favorable terms than we can accept, preventing us from acquiring the businesses that we target and/or reducing the number of potential acquisition targets. In addition, certain of our competitors already have, or may attain through acquisitions, a greater geographical footprint within a particular region, country or within Europe, making them a more attractive acquirer for potential targets seeking to join a network, the size of which they believe will provide greater business prospects.

We expand into new regions by first acquiring an existing regional cluster together with, or followed by bolt-on acquisitions of, smaller laboratories that we transform into collection centers where samples are collected from patients and sent to be tested at the regional technical platform. Similarly, we entered the UAE market by acquiring a majority stake in Menalabs in 2016. Generally, we acquire businesses based, in part, on anticipated synergies that will materialize after we are able to combine the acquired business with our own. The success of our

acquisition strategy hinges upon the successful realization of such synergies within a reasonable timeframe. Achieving synergies, particularly from the acquisition of large regional clusters, can be difficult and uncertain. Achieving synergies in international acquisitions may be more difficult than in bolt-on transactions in France, or may not be successful at all. We anticipate such synergies based on our due diligence of the target company (including its existing governance structure) as well as standalone business models. Changes in either affect the timeframe in which we are able to realize such synergies or our ability to realize them at all. There can be no assurance that we will be able to maintain the customer base, suppliers or other contractual arrangement with third parties of businesses we acquire (in particular where they are subject to change of control clauses), generate expected margins or cash flows, or realize the anticipated benefits of such acquisitions, including growth or expected synergies, in the timeframe we initially anticipate, if at all. Although we analyze acquisition targets, those assessments are subject to assumptions concerning profitability, growth, interest rates, company valuations and ability to redeploy the workforce. There can be no assurance that our assessments of and assumptions regarding acquisition targets will prove to be correct, and actual developments may significantly differ from our expectations. In most cases, acquisitions involve the integration of a separate business that was previously operated independently with different systems and processes.

Even if we are able to acquire new companies, unless we are able to integrate the companies we acquire in the future into our own operations successfully, our ability to expand our operations and operate efficiently may weaken. We may not be able to integrate acquisitions successfully into our business or such integration may require more investment or time than we expect, and we could incur or assume unknown or unanticipated liabilities or contingencies with respect to customers, employees, suppliers, government authorities or public health programs, private health insurers, or to other parties, which may impact our results of operations. Certain of the businesses we acquire may not have robust accounting systems and internal controls and reporting systems, and as such the historical financial results of such businesses may be different from those reported to us. Additionally, from time to time, disputes may arise with the sellers of businesses we acquire, some of which continue to hold interests in the company and/or management positions. See "*Business—Legal Proceedings*." Such risks can be exacerbated in executing international acquisitions, as we are less familiar with the competitive, operational and regulatory environments in these markets and may not be able to identify suitable targets or be able to integrate them successfully to achieve the desired synergies. The process of integrating businesses may be disruptive to our operations and may cause an interruption of, or a loss of momentum in, such businesses or a decrease in our results of operations as a result of difficulties or risks, including:

- unforeseen legal, regulatory, contractual and other issues (in particular where they are subject to change of control clauses);
- loss of key customers or employees;
- delays in redeploying our workforce;
- difficulty in standardizing information and other systems;
- difficulty in consolidating facilities and infrastructure;
- difficulty in realizing operating synergies;
- failure to maintain the quality or timeliness of services that we have historically provided;
- added costs of dealing with such disruptions;
- regulatory and labor law restrictions on the redeployment or termination of employees;

- unforeseen challenges from operating in new geographic areas; and

- diversion of management's attention from our day to day business as a result of the need to deal with the foregoing disruptions and difficulties.

Furthermore, we operate and acquire businesses in different countries, with different regulatory and operating cultures, which may exacerbate the risks described above. If we are unable to implement our acquisition strategy or integrate acquired businesses successfully, our business and our growth could be negatively affected.

We have recorded a significant amount of goodwill and we may never realize the full value thereof.

We have recorded a significant amount of goodwill. Total goodwill, which represents the excess of cost over the fair value of the net assets of the businesses acquired, was €982.3 million as of December 31, 2016, or 70.2% of our total assets. We expect goodwill to increase further as a result of the purchase accounting for the Acquisition, with exact amounts determined following the purchase price allocation.

Goodwill is recorded on the date of an acquisition and, in accordance with IFRS, is tested for impairment annually and whenever there is any indication of impairment. Impairment may result from, among other things, deterioration in our performance, a decline in expected future cash flows, adverse market conditions, adverse changes in applicable laws and regulations (including changes that restrict the activities of, or affect the services provided by, our laboratories) and a variety of other factors. The amount of any impairment must be expensed immediately as a charge to our income statement. Any future impairment of goodwill may result in material reductions of our income and equity under IFRS.

If we lose the services of members of our senior management team, our business and operating results may be harmed.

The execution of our strategy and our continued success depend in part on the skills, continued efforts and motivation of our senior management team and other key personnel. Our strategy for organic growth and improved operating efficiency depends on our senior management having deep knowledge of our business operations. Our external growth strategy requires knowledge of the dynamics and relevant players in the various markets in which we operate. Loss of the services of key members of our senior management or experienced personnel could disrupt the pursuit of our strategy. If one or more members of our senior management team or key personnel are unable or unwilling to continue in their present positions, including for health, family or other personal reasons, we may not be able to replace them easily or at all. An inability to attract and retain qualified members or key personnel in a timely manner could have a material and adverse effect on our business, prospects, results of operations and financial condition.

If we fail to recruit specialized clinical pathologists, our businesses, particularly our Specialized Testing business, could be adversely affected.

The success of our business depends on employing and retaining qualified, highly skilled and experienced clinical pathologists who can maintain and enhance our reputation by providing testing services in accordance with our standards. As of December 31, 2016, we employed approximately 415 clinical pathologists. Our Specialized Testing business in particular is reliant on skilled clinical pathologists who have the scientific and technical expertise required to interpret the highly sophisticated tests we perform. Although the labor market for clinical pathologists in general is favorable to employers, it may be difficult to recruit and maintain the employment of the specialized clinical pathologists we need for our Specialized Testing business. Failing to do so could have a material adverse effect on our business and results of operations.

Increased competition could have a material adverse impact on our results of operations.

We are subject to competition from other market participants, particularly with respect to our Specialized Testing and Central Lab businesses.

We face competition from other specialized laboratories based on the types of services we are able to offer, from the range of tests that we provide to the other non-testing services we provide to local laboratories, such as the pickup and delivery of sample containers. Although our Specialized Testing business is subject to regulatory pricing constraints in France (which accounted for 91.9% of our Specialized Testing net sales for the year ended December 31, 2016), we are not technically subject to regulated prices in other jurisdictions. Price based competition in countries where prices are not regulated is, however, a commercial constraint for us as we have to propose to our clients competitive conditions compared to competitors who provide services locally. In France regional laboratory hubs have recently begun forming due to the easing of regulatory restrictions on ownership and are a new source of competition for our Specialized Testing business. These hubs are increasingly able to justify the costs of performing certain specialized tests due to the combined laboratories' volume of demand. To a more limited degree, our Specialized Testing business also faces competition from hospitals that are able to provide testing themselves.

Our Central Lab business is less regulated than our other lines of business and subjects us to stronger competition. We face competition from other companies based on their pricing, the scope of their testing offerings, their scientific and medical expertise, their ability to process samples and report data accurately and in a timely manner, their historical experience and customer relationships and the quality of their facilities. We face competition from large international companies. In addition, we believe that regulatory developments and price based competition in particular will lead to further consolidation of the central laboratory testing market, which may further increase price pressure in our Central Lab business. Certain of our competitors with greater financial resources and stronger market positions than ours could reduce their prices further than we might be able to in order to increase their market share, offer larger operational resources and broader geographical reach, or conduct more effective marketing programs. If we are unable to compete effectively with other companies, our results of operations may be materially adversely affected.

The internalization of testing by hospitals and regional laboratory hubs, as well as the development of new, more cost effective tests that can be directly performed by the customers of our Specialized Testing business could negatively impact our testing volume and net sales.

Our Specialized Testing customers include public and private hospitals and clinical laboratories that choose to outsource their specialized testing. Our customers choose to outsource their specialized testing because they lack the expertise or the resources to cost effectively conduct the testing themselves. However, as technology progresses, customers may find it more cost efficient to perform certain specialized tests themselves. For example, until recently, blood testing for the presence of vitamin D was a fairly complex procedure offered only by sophisticated clinical laboratories. However, a new routine testing technology was recently developed that allowed smaller laboratories with less sophisticated equipment to perform the test themselves. This led to a significant decrease in the demand for our specialized vitamin D blood test. Today, we no longer derive net sales from vitamin D testing in our Specialized Testing business unit. Additionally, as smaller clinical laboratories consolidate, they may have the requisite financial resources and demand to begin performing certain specialized tests for themselves and offering to do so for others. Manufacturers of laboratory equipment and test kits could seek to increase their sales by marketing point of care test equipment to doctors. Finally, over time, if technology improvements or patient awareness lead to increased demand, tests that we consider part of our Specialized Testing business may become more routine, tending to be performed by routine laboratories instead of specialized laboratories, and thus subject our business to downward

pricing pressure. If our customers become able to perform specialized tests themselves, and if we do not offer new or alternative tests attractive to our customers, the demand for our Specialized Testing business would be reduced and our net sales would be materially adversely impacted.

Failures of our information technology systems could disrupt our operations and cause the loss of customers or business opportunities.

Information technology (or "IT") systems are used extensively in virtually all aspects of our business and across each of our lines of business, including for test reporting, billing, customer service, logistics and management of medical data. Our operations depend on the continued and uninterrupted performance of our IT systems. IT systems are vulnerable to damage from a variety of sources, including telecommunications or network failures, human acts and natural disasters. Moreover, despite the security measures we have implemented, our IT systems may be subject to physical or electronic break-ins, computer viruses and similar disruptive problems.

IT problems may impact our ability to process test orders, deliver test results, perform or bill for tests in a timely manner or maintain the privacy of the medical data we collect. If we experience significant or recurring IT systems problems, including with our implementation of standard laboratory or billing systems, our operations would be disrupted. If our operations were so disrupted, it could adversely affect our reputation, expose us to litigation or regulatory sanction and result in a loss of other customers and negatively affect our net sales.

Additionally, as a consequence of having grown mostly through acquisitions, we do not employ a uniform software platform among our laboratories. Newly acquired laboratories may continue to use their existing IT systems for an indefinite amount of time after their acquisition, although we encourage them to adopt one of two pre-approved IT platforms when they consider changing their systems. Because most of our operations involve using a single laboratory for a particular sample and/or patient file, we do not believe it is necessary to implement a uniform information technology system across our Group. However, there is a risk that our operations could be disrupted due to any incompatibility among the information technology systems we use, which could have an adverse effect on our business and results of operations.

Failure to bill timely or accurately for our services could have a material adverse effect on our business.

Billing for our Routine Lab and Specialized Testing businesses is a complex process involving several payers. Depending on the billing arrangement and the applicable law of the country in which we operate, the payer may be a third party responsible for providing health insurance coverage to patients (such as national public health insurance or a private medical insurance plan), a patient or other party (such as a hospital, another laboratory or an employer) who outsourced testing to us, or a combination of these parties. Changes in laws and regulations and the payment policies of third party payers could increase the complexity and cost of our billing process. In addition, we must maintain procedures to ensure compliance with applicable laws and regulations in order to ensure that we bill properly for our testing, adding to the cost of the billing process and our ability to collect payment. For example, new regulation in France in 2012 required that we invoice a routine laboratory that outsources a test to our Specialized Testing business instead of invoicing patients directly. Certain routine laboratories refused to comply with these arrangements, which delayed our collection of payments and adversely affected our cash flows. In connection with our Central Lab business, we bill our clients directly through a contractually arranged billing framework. Changes in the terms of contractual arrangements with clients could result in further expense associated with collecting amounts due to us for our testing. In general, failure to bill timely or accurately for our services or increased complexity in billing arrangements and procedures may result in delayed payment, increase our working capital requirements and adversely affect our results of operations.

Financial difficulties of certain of our clients or third party payers may require us to write off debts.

We encounter third party credit risk where we are reliant on the ability of a third party to be able to pay for services we provide. We are exposed to varying levels of third party credit risk across our lines of business. Generally, we bill patients directly for tests rendered as part of our Routine Lab business. In France and Belgium, although the government sets tariffs for laboratory testing, only a portion of the cost is paid by social security systems. For example, the social security system in France financed approximately 70% of the spending in the French medical laboratory testing market in 2015. In order to make up the difference, patients must either pay out-of-pocket or file a claim with a private insurance company. As a result, we are exposed to the risk of not being able to collect amounts due from patients who are unwilling or unable to pay the portion of the cost for which they are responsible. Our Specialized Testing business relies on payment from patients or insurance companies to cover all or a portion of a test's cost, although in France, new regulations require that we directly invoice routine labs outsourcing specialized testing. Collection efforts for amounts due from our Specialized Testing business can be difficult, especially from patients in countries where there is no primary government payer of healthcare expenses. In addition, our Central Lab business bills pharmaceutical companies and contract research organizations directly for tests we perform. If a third party payer or a company with which we have a contractual relationship undergoes financial difficulties, we may not be able to collect amounts payable to us, resulting in write offs of such debt. We maintain reserves for doubtful accounts and amounts past due. However, there can be no assurance that such reserves are sufficiently large for the third party credit risks we face. Significant or recurring incidents of bad debts would adversely impact our financial condition and results of operations.

Our Central Lab backlog may not be indicative of future results.

Our Central Lab backlog of approximately €100 million as of December 31, 2016, is based on anticipated net sales from uncompleted projects that our customers have awarded. Once work begins on a project, net sales are recognized over the duration of the project. Backlog is the amount of net sales that remains to be earned and recognized on written awards, signed contracts and letters of intent. There can be no assurance that the net sales included in the backlog are a fair and accurate indicator of future net sales. In addition, contracts included in our backlog are generally subject to termination by our customers at any time. In the event that a customer cancels a contract, we typically would be entitled to receive payment for all services performed up to the cancellation date and subsequent customer authorized services related to terminating the cancelled project.

Our backlog may not be indicative of our future results and we cannot assure you that we will realize all the anticipated future revenue reflected in our backlog. A number of factors may affect backlog, including:

- the variable size and duration of a project;
- the loss or delay of a project;
- currency fluctuations of projects billed in currencies other than euro;
- the change in the scope of work during the course of a project; and
- the cancellation of such contracts by our customers.

Also, if projects are delayed, the projects will remain in backlog but will not generate net sales at the rate originally expected. Cancellation or delay of a large contract or multiple smaller contracts could result in underutilized resources and require an adjustment to our backlog, negatively affecting our net sales and results of operations. The historical relationship of backlog to net sales actually realized by us should not be considered indicative of future results.

Failure to comply with and liabilities arising under environmental, health and safety laws and regulations could result in the imposition on us of fines, penalties and other costs and the loss of our licensing, which could have a material adverse effect upon our business.

Our operations are subject to licensing and other requirements under EU, national and local laws and regulations relating to the protection of the environment and human and occupational health and safety, including those requirements governing the handling, transportation and disposal of medical samples and biological, infectious and hazardous waste, as well as those relating to the safety and health of laboratory employees. For example, we must meet strict requirements in all jurisdictions in which we operate for the disposal of laboratory samples at authorized facilities and undergo regular audits from national regulators in order to ensure compliance with mandated quality control standards. In addition, we must meet extensive requirements relating to workplace safety for employees in clinical laboratories who could be exposed to various biological risks such as blood-borne pathogens (including HIV and the viruses that cause hepatitis). These requirements include work practice controls, protective clothing and equipment, training, medical follow-up, vaccinations and other measures designed to minimize exposure to, and transmission of, blood-borne pathogens.

The environmental, health and safety regulations to which we are subject, including those governing the disposal of medical waste, are likely to become more stringent over time, and our costs to comply with these requirements are likely to increase. Moreover, we could incur substantial costs and sanctions, including civil and criminal fines and penalties, enforcement actions, or the suspension or termination of our licenses to operate as a result of violations of our responsibilities under these laws and regulations, any of which could have a material adverse effect on our business. We also may become subject to claims from employees or other persons, such as those alleging injury or illness resulting from exposure to the samples or waste they handle.

Disruption, failure or unsuitable delivery of sample transportation services could adversely affect our business and financial results.

The proper handling of samples during collection and transportation is essential for maintaining their integrity and ensuring safety from accidental exposure to potentially infectious microorganisms. The vehicles used to transport samples must satisfy relevant legal, practical and technical requirements, which vary depending on the type of samples transported. These requirements include, for example, the use of appropriate transport containers and packaging, the labeling of containers, the manner in which samples and containers are stored in the vehicle, the temperature at which samples must be transported and the duration of the journey. Drivers employed to transport samples must be trained to handle biological samples in accordance with best practices and applicable laws and regulations. Mishandling the sample in the collection and transportation process can increase the likelihood of errors in laboratory testing.

Efficient transportation of samples is key to both our Routine Lab and Specialized Testing businesses. Our Routine Lab business operates on a model of several collection centers where samples are collected and then delivered to technical platforms where testing takes place. We handle the transport of Routine Lab samples from collection centers to technical platforms ourselves.

Our Specialized Testing business collects samples for testing from over 50 countries in Europe, North Africa and the Middle East to be delivered to our laboratory in Saint-Ouen-l'Aumône, France. In order to ensure the smooth transportation of samples over such long distances, we outsource our Specialized Testing transportation logistics. We do not control the facilities or operations of our outsourced logistics provider and depend on it for its sample transportation services and conducting its operations in a manner sufficient to maintain the integrity of samples. In the event of a fault on the part of our outsourced logistics provider, we have the contractual right to take control of the provider's vehicles and personnel to assure continuation of service.

However, any interruption of our outsourced logistics provider's operations or any failure by it to fulfill its contractual commitments could result in damage to our reputation, claims against us and the loss of customers, which would adversely affect results of operations, financial condition and prospects.

A significant portion of our net sales is derived from operations we conduct at our facility in Saint-Ouen-l'Aumône, France. A disruption in the operations of that facility could have a material adverse effect upon our business and results of operations.

All of the tests we perform as part of our Specialized Testing business and a portion of the tests we carry out for our Central Lab business are conducted at our facility in Saint-Ouen-l'Aumône, France. Our administrative headquarters are also located there. As a result, its uninterrupted functioning is important to our business. If our operations at that facility were to be disrupted or compromised for an extended period of time, it could have a material adverse effect upon our Specialized Testing and Central Lab businesses and, as a consequence, our results of operations as a whole.

We are subject to stringent privacy laws and information security policies.

We receive, generate and store significant volumes of personal and sensitive information, such as patient medical information, and are therefore subject to privacy and security regulations with respect to the uses and disclosures of protected health information intended to protect the confidentiality, integrity and availability of such information. Privacy and security regulations establish a complex regulatory framework on a variety of subjects, including:

- the circumstances under which use or disclosure of protected health information is permitted or required without a specific authorization by the patient;
- a patient's rights to access, amend and receive an accounting of certain disclosures of protected health information;
- the requirements to notify patients of privacy practices for protected health information;
- administrative, technical and physical safeguards required of entities that use or receive protected health information; and
- the protection of computing systems that store protected health information.

If we do not adequately safeguard confidential patient data or other protected health information, or if such information or data are wrongfully used by us or disclosed to an unauthorized person or entity, our reputation could suffer and we could be subject to fines, penalties and litigation.

Adverse results in material litigation could have an adverse financial impact and an adverse impact on our client base and reputation.

We have been involved, and may be involved in the future, in various legal proceedings arising in the ordinary course of business, including disputes concerning professional liability and employee-related matters, regulatory matters, as well as inquiries from governmental agencies and health insurance carriers regarding, among other things, billing issues. Additionally, from time to time, disputes may arise with the sellers of businesses we acquire, some of which continue to hold interests in the company and/or management positions. See "*Business—Legal Proceedings*." Some of the proceedings against us may involve claims for substantial amounts and could divert management's attention from day to day business operations to address such issues. Proceedings may result in substantial monetary damages, damage to our reputation and decreased demand for our services, all of which could have a material adverse effect on our business. The ultimate outcome of such proceedings or claims could have a material adverse effect on our financial condition, results of operations or cash flows in the period in which the impact of such matters is determined or paid.

In some proceedings in which we are involved or could be involved, material amounts are claimed, or could potentially be claimed, from us or our subsidiaries and affiliates. Any provisions we set aside in this respect in our financial statements may prove insufficient if we were found liable, which could have material adverse consequences on our activities and financial position (particularly on our operating results and cash flow) regardless of whether or not the underlying claim is well founded.

In general, it is possible that, in the future, new proceedings, whether or not connected with those currently underway, may be initiated against us, our subsidiaries or our laboratory doctors, medical doctors or employees. Since such proceedings may be lengthy and costly, they could also, regardless of their outcome, have adverse consequences on our activities, financial position (particularly our results and cash position) and outlook.

We may incur liabilities that are not covered by insurance.

We carry insurance of various types, including workers' compensation, employment practices, pension related and general liability coverage. We maintain insurance policies both at the Group level as well as policies for individual laboratories that we operate through our various subsidiaries. While we seek to maintain appropriate levels of insurance, not all claims are insurable and there can be no assurance that we will not experience major incidents of a nature that is not covered by insurance. We maintain an amount of insurance protection that we believe is adequate, but there can be no assurance that our insurance cover will be sufficient or effective under all circumstances and against all liabilities to which we may subject. We could, for example, be subject to substantial claims for damages upon the occurrence of several events within one calendar year. In addition, our insurance costs may increase over time in response to any negative development in our claims history or due to material price increases in the insurance market in general. There can be no assurance that we will be able to maintain our current insurance coverage or do so at a reasonable cost.

Labor disputes could disrupt our operations or lead to higher labor costs.

We are subject to the risk of labor disputes, which may disrupt our operations. Labor laws applicable to our business in certain countries, particularly France, are relatively rigorous. In numerous cases, labor laws provide for the strong protection of employees' interests. In addition, some of our employees are members of unions or, based on applicable regulations, represented by work councils or other bodies. In many cases, we must inform, consult with and request the consent or opinion of union representatives or work councils in managing, developing or restructuring certain aspects of our business. These labor laws and consultative procedures could limit our flexibility with respect to employment policy or economic reorganization and could limit our ability to respond to market changes efficiently. Even where consultative procedures are not mandatory, important strategic business decisions could be negatively received by some employees and employees' representative bodies, which could lead to labor actions that could disrupt our business.

Although we believe our relations with employees are good and French law in particular limits the ability of workers involved in the provision of healthcare services (which would include certain of our employees) to go on strike, our operations may nevertheless be materially affected by strikes, work stoppages, work slowdowns or other labor related developments in the future, which could disrupt our operations and adversely affect our business, financial condition and results of operations. Our employees in certain countries benefit from collective bargaining agreements, and we may not be able to periodically renegotiate collective agreements on acceptable terms. Settlement of actual or threatened labor disputes or an increase in the number of our employees covered by collective bargaining agreements may adversely affect our labor costs, productivity and flexibility.

The results of some entities are fully consolidated in the financial statements of Cerba HealthCare, despite the fact that Cerba HealthCare holds less than 50% of the voting rights and less than 100% of the financial rights for such entities.

The results of our French subsidiaries are fully consolidated in the consolidated balance sheet and income statement of Cerba HealthCare despite us owning, directly or indirectly, less than 50% of the voting rights of our French laboratory subsidiaries. See *"—We may not exercise full control over the operations of certain of our French subsidiaries in which we have a minority voting interest and are dependent on the clinical pathologists who own a majority voting interest in them to conduct the operations of such subsidiaries."* However, although Cefid, our wholly owned subsidiary, holds, directly or indirectly, less than a majority of the voting rights in these French laboratory subsidiaries, the bylaws of these entities allow Cefid to hold, directly or indirectly, between approximately 70% and 99.99% of the financial rights in such entities, in certain cases through share capital. However, decisions by such French laboratory subsidiaries to pay dividends in excess of those required by the bylaws and shareholders' agreements are not controlled by us and we may not have access to all the cash in such entities.

In addition, because Cefid owns, directly or indirectly, less than 100% of the financial rights in certain of our French laboratory subsidiaries, we have access to only a portion of the EBITDA and assets of these entities.

Risks Related to the Acquisition

The Acquisition is subject to certain conditions and risks.

On February 8, 2017, BidCo entered into the FG Acquisition Agreement to acquire directly or indirectly from the Sellers substantially all of the issued and outstanding share capital of the Target and the Sellers' Bonds and BidCo is expected to enter into the Manco Acquisition Agreement to acquire shares of Manco from certain managers of the Group prior to the Acquisition Completion Date. We currently expect the Acquisition to complete at the end of April 2017. The consummation of the Acquisition is, however, subject to the satisfaction of certain conditions, including clearance by the French *Ministère de l'Economie, de l'Industrie et du Numérique* and antitrust clearance, and the performance of certain closing actions. The parties to the Acquisition Agreements will not consummate the Acquisition until the conditions are fulfilled, which could take several months and, in exceptional circumstances, significantly longer. Certain subsidiaries or assets of the Target may have to be sold or spun-off in order for the parties to the FG Acquisition Agreement to obtain clearance by the French *Ministère de l'Economie, de l'Industrie et du Numérique* and antitrust authorities, which might lead to the loss of operational benefits and might adversely affect the Group's financial position. Accordingly, the parties may not be able to undertake this transaction in a timely fashion, without remedies, or at all. Any such remedies may make the Acquisition less attractive. Completion of the Acquisition is one of the conditions to release the proceeds from the Offering from escrow. If the Acquisition is not consummated on or before the Escrow Longstop Date or upon the occurrence of certain other events, the Notes will be subject to a special mandatory redemption as described in "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption*" and you may not obtain the return you expect to receive on the Notes. The realization of any risks related to uncertainties of the Acquisition could have a material adverse effect on our business, financial position and results of operations.

The Issuer does not currently control the Target and its subsidiaries and will not control the Target and its subsidiaries until completion of the Acquisition.

The Target and its subsidiaries are currently controlled by PAI. The Issuer will not obtain control of the Target until completion of the Acquisition. The Sellers may not operate the business of the Target during the interim period from signing of the Acquisition Agreements until completion of the Acquisition in the same way that we would. Some information contained in this Offering Memorandum has been derived from public sources and, in the case of historical information relating to the Group, has been provided to us by the Sellers, the Target and its subsidiaries, and

the Issuer has relied on such information supplied to them in the preparation of this Offering Memorandum. Furthermore, the Acquisition itself has required, and will likely continue to require, substantial time and focus from management, which could adversely affect their ability to operate the business. Likewise, employees may be uncomfortable with the Acquisition or feel otherwise affected by it, which could have an impact on work quality and retention.

In addition, prior to the Acquisition Completion Date, the Target and its subsidiaries will not be subject to the covenants described in "*Description of the Notes*" to be included in the Indenture. Even though the Target and its subsidiaries will still be subject to the covenants of the Existing Notes until the redemption or satisfaction and discharge of the Existing Notes on the Acquisition Completion Date, we cannot assure you that, prior to such date, the Target and its subsidiaries will not take any action that would otherwise have been prohibited by the Indenture had those covenants been applicable. Any of the risks associated with the Issuer's lack of control over the Target and its subsidiaries until the completion of the Acquisition could have a material adverse effect on our business, financial position and results of operations.

If the conditions precedent to the release of the escrow proceeds are not satisfied, the Issuer will be required to redeem the Notes, which means that you may not obtain the return you expect on the Notes.

The gross proceeds from the Offering will be held in the Escrow Account, pledged in favor of the Trustee for the benefit of the holders of the Notes, pending the satisfaction of certain conditions, some of which are outside of our control. If the Acquisition is not consummated on or before the Escrow Longstop Date or upon the occurrence of certain other events, the Notes will be subject to a special mandatory redemption as described in "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption*" and you may not obtain the return you expect to receive on the Notes.

The escrow proceeds deposited on the Escrow Account will be initially limited to the gross proceeds of the Offering and will not be sufficient to pay the special mandatory redemption price, which is equal to 100% of the aggregate issue price of the Notes, plus accrued and unpaid interest and Additional Amounts, if any, from the Issue Date to, but not including, the date of special mandatory redemption. In the event that the escrow proceeds are insufficient to pay the special mandatory redemption price, plus any such accrued and unpaid interest and Additional Amounts, the Public Sector Pension Investment Board (directly or indirectly through a wholly owned subsidiary thereof) and one or more investment funds advised or managed by Partners Group AG will be required to make an equity contribution in an amount required to enable the Issuer to pay any funding shortfall, including escrow account fees and costs, accrued and unpaid interest and Additional Amounts, if any, owing to the holders of the Notes pursuant to the Shortfall Agreement. The obligation of each of the Sponsors to make such equity contributions will be several, and not joint, and will be made on a *pro rata* basis in proportion to the Sponsors' respective total equity commitments in UK TopCo. Under the Shortfall Agreement, the Sponsor contribution shall be contributed, directly or indirectly, to the capital of the Issuer for deposit into the Escrow Account. Under no circumstance may the Trustee cause the Sponsor contribution to be paid directly to the Trustee or any other person. The rights of the Issuer under the Shortfall Agreement will be pledged on a first-ranking basis in favor of the Trustee on behalf of the holders of the Notes.

The holders of the Notes will not have any direct right to enforce the Shortfall Agreement, and must rely on the Issuer's sole right to enforcement under the Shortfall Agreement. There can be no assurance that the relevant investment funds providing such commitment will have sufficient funds to make these payments.

Your decision to invest in the Notes is made at the time of purchase. Changes in the business or financial position of the Target and its subsidiaries, or the terms of the Acquisition or the Financing, between the Issue Date and the Acquisition Completion Date, may have an impact on our creditworthiness, and you will not be able to rescind your decision to invest in the Notes as a result thereof.

The Acquisition may entitle our customers and certain other business partners of the Group to terminate their agreements as a result of change of control provisions.

The Acquisition will constitute a change of control under certain agreements entered into by Cerba HealthCare and its subsidiaries, such as commercial agreements with some of our suppliers, and will entitle these third parties to terminate their agreements with us or, in some cases, request adjustments of the terms of the agreements. We cannot exclude the possibility that some of these third parties may exercise their termination, adjustment or other rights, which could have a material adverse effect on our business, results of operations and financial position following the Acquisition. In addition, some of the third parties may use their termination or adjustment rights to renegotiate the terms of the agreements to our detriment.

Amendments made to the Acquisition Agreements may have adverse consequences for holders of the Notes.

The Acquisition is expected to be consummated in accordance with the terms of the Acquisition Agreements. The Acquisition Agreements, however, may be amended and the closing conditions may be waived at any time by the parties thereto, without the consent of holders of the Notes. Furthermore, any amendments made to the Acquisition Agreements may make the Acquisition less attractive. Any amendment made to the Acquisition Agreements may be materially adverse to holders of the Notes, which, in turn, may have an adverse effect on the return you expect to receive on the Notes.

We may not be able to enforce claims relating to a breach of the representations and warranties that the Sellers have provided to us under the Acquisition Agreements.

In connection with the Acquisition, the Sellers have given certain customary representations and warranties in the FG Acquisition Agreement related to their shares in the Target and Cerba HealthCare's business, subject to significant limitations. We may not be able to enforce any claims against the Sellers relating to breaches of these representations and warranties. The Sellers' liability under the Acquisition Agreements is very limited. Moreover, even if we are able to eventually recover any losses resulting from a breach of these representations and warranties, we may temporarily be required to bear these losses ourselves. In addition, our ability to enforce our claims under the warranties and indemnities against the Sellers are dependent on their creditworthiness at the time we seek to enforce our claims, and there can be no assurances regarding the financial condition of the Sellers in the future.

The Target and/or any of its subsidiaries may have liabilities that are not known to us.

There may be liabilities that we failed or were unable to discover in the course of performing due diligence investigations into the Target and its subsidiaries in connection with the Acquisition. We may learn of additional information about the Target and/or any of its subsidiaries that adversely affects us, such as unknown or contingent liabilities and issues relating to compliance with applicable laws. Any such liabilities, individually or in the aggregate, could have a material adverse effect on our business, financial position and results of operations.

Risks Related to Our Indebtedness

The Issuer and certain of the Guarantors are holding companies that have no revenue-generating operations of their own and will depend on cash from the operating companies of our Group to be able to make payments on the Notes or their Guarantees.

The Issuer and certain Guarantors are holding companies with no business operations other than the equity interests and/or intercompany receivables they hold in each of their subsidiaries. The Issuer and such Guarantors are dependent upon the cash flow from their operating subsidiaries in the form of dividends, interest payments on intercompany loans or other distributions to meet their obligations, including their obligations under the Notes or their Guarantees. If the subsidiaries of the Issuer do not fulfill their obligations under certain intercompany loans to make scheduled payments, the Issuer may not have any other source of funds that would allow it to make payments to the holders of the Notes. The amounts of such payments, dividends and

other distributions available to the Issuer and such Guarantors will depend on the profitability and cash flows of their respective subsidiaries as well as the ability of those subsidiaries to declare dividends under applicable law. The subsidiaries of the Issuer and such Guarantors, however, may not be able to, or may not be permitted under applicable law to, make distributions, make interest payments on, or otherwise advance upstream loans to the Issuer or such Guarantors to make payments in respect of their debt, including the Notes and the Guarantees. While the Indenture will limit the ability of the Issuer's subsidiaries to incur consensual restrictions on their ability to pay dividends or make other intercompany payments, these limitations are subject to significant qualifications and exceptions, including exceptions for restrictions imposed by applicable law. In addition, the subsidiaries of the Issuer that do not guarantee the Notes have no obligation to make payments with respect to the Notes. Furthermore, with respect to certain French laboratory subsidiaries, we do not control the decisions of these subsidiaries to make distributions in excess of the distributions required under the bylaws and shareholders' agreements of such subsidiaries. Moreover, as we do not own 100% of the financial rights (right to dividends) and other distributions of these entities, whenever a dividend, distribution or other payment is made in respect of a French laboratory subsidiary, a portion is paid to the holders of the relevant minority financial rights.

Our significant leverage may make it difficult for us to operate our businesses.

We currently have, and after the issuance of the Notes will continue to have, a significant amount of outstanding debt with substantial debt service requirements. As of December 31, 2016, our pro forma net financial debt excluding shareholder debt, as adjusted to give effect to the Transactions, including the application of proceeds from the Offering and drawings under the Senior Credit Facilities, would have been €1,051.3 million, which reflects external interest-bearing loans and borrowings less cash and cash equivalents. See "*Capitalization*." In addition, our Revolving Credit Facility (which we do not expect to be drawn on the Acquisition Completion Date) provides for borrowings up to an aggregate of €175.0 million, subject to certain conditions. Our significant leverage could have important consequences for our business and operations and for holders of the Notes, including, but not limited to:

- making it more difficult for us to satisfy our obligations with respect to the Notes and our other debts and liabilities;
- requiring us to dedicate a substantial portion of our cash flow from operations to payments on our debt, thus reducing the availability of our cash flow to fund acquisitions, organic growth projects and for other general corporate purposes;
- increasing our vulnerability to a downturn in our business or general economic or industry conditions;
- placing us at a competitive disadvantage relative to competitors that have lower leverage or greater financial resources than we have;
- limiting our flexibility in planning for or reacting to competition or changes in our business and industry;
- negatively impacting credit terms with our creditors;
- restricting us from pursuing strategic acquisitions or exploiting certain business opportunities; and
- limiting, among other things, our ability to borrow additional funds or raise equity capital in the future and increasing the costs of such additional financings.

Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, including the Notes. Our ability to make payments on and

refinance our debt and to fund acquisitions, working capital expenditures and other expenses will depend on our future operating performance and ability to generate cash from operations. Our ability to generate cash from operations is subject, in large part, to general economic, competitive, legislative and regulatory factors and other factors that are beyond our control. We may not be able to generate sufficient cash flow from operations or obtain enough capital to service our debt or to fund our future acquisitions or other working capital expenditures.

In addition, we may be able to incur substantial additional debt in the future, including debt in connection with future acquisitions. The terms of the Senior Credit Facilities Agreement and the Indenture will permit our subsidiaries to do so, in each case, subject to certain limitations. If new debt is added to our current debt levels, the risks that we now face could intensify. For a discussion of our cash flows and liquidity, see "*Management's Discussion and Analysis of Financial Condition and Results of Operation—Liquidity and Capital Resources*."

We may 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 business.

We may incur substantial additional debt in the future. Although the Indenture and the Senior Credit Facilities Agreement will 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. Under the Indenture, in addition to specified permitted debt, we are, or will be, able to incur additional debt so long as our consolidated fixed charge coverage ratio (as defined in the Indenture) on a *pro forma* basis is at least 2.00 to 1.00. In the event such debt is Secured Indebtedness (as defined in the Senior Credit Facilities Agreement), our Consolidated Net Senior Secured Leverage Ratio (as defined in the Senior Credit Facilities Agreement) on a *pro forma* basis is no more than 5.50 to 1.00. We are also able to refinance debt outstanding under our Senior Credit Facilities Agreement with debt incurred in compliance with these ratios and then be able to draw amounts under our Senior Credit Facilities Agreement at a time when we do not meet these ratios. The terms of the Indenture will permit us to incur future debt that may have substantially the same covenants as, or covenants that are more restrictive than, those of the Indenture. Moreover, some of the debt we may incur in the future could be structurally senior to the Notes or may be secured by collateral that does not secure the Notes and the Guarantees. In addition, the Indenture and our Senior Credit Facilities Agreement do not prevent us from incurring obligations that do not constitute debt under those agreements. The incurrence of additional debt would increase the leverage-related risks described in this Offering Memorandum.

We are subject to restrictive covenants which limit our operating, strategic and financial flexibility.

Our Senior Credit Facilities Agreement and the Indenture will contain covenants which impose significant restrictions on the way we can operate, including restrictions on our ability to:

- incur or guarantee additional debt and issue preferred stock;
- make certain payments, including dividends or other distributions;
- make certain investments or acquisitions, including participating in joint ventures or undertaking capital expenditures;
- prepay or redeem subordinated debt;
- engage in certain transactions with affiliates;
- create unrestricted subsidiaries;
- agree to limitations on the ability of our subsidiaries to make distributions;

- sell assets, consolidate or merge with or into other companies;
- sell or transfer all or substantially all of our assets or those of our subsidiaries on a consolidated basis;
- issue or sell share capital of certain subsidiaries;
- impair the Security Interests granted for the benefit of the holders of the Notes; and
- create or incur certain liens.

These covenants could affect our ability to operate our business and may limit our ability to react to market conditions or regulatory developments or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect our ability to finance our operations, pursue acquisitions, investments or alliances, restructure our organization or finance our capital needs or such acquisitions.

Our failure to comply with the covenants under the Senior Credit Facilities Agreement or the Indenture, including as a result of events beyond our control, could result in an event of default which could materially and adversely affect our financial condition and results of operations.

The Senior Credit Facilities Agreement and the Indenture will require us to comply with various covenants, including a springing financial covenant in respect of the Revolving Credit Facility requiring us to maintain a specified leverage ratio and which is tested when loans under the Revolving Credit Facility aggregate 40% of the total commitments under the Revolving Credit Facility on the last day of a financial quarter. See "*Description of Other Indebtedness—Senior Credit Facilities Agreement*." Our ability to meet this financial ratio could be affected by deterioration in our operating results, as well as by events beyond our control, including, without limitation, decreases in tariffs or reimbursements for laboratory testing services and unfavorable economic conditions, and we cannot assure you that we will be able to meet this ratio. Moreover, the Senior Credit Facilities Agreement includes certain events of default (including, amongst other things, events of default for breaches of representations and warranties and an event of default for our failure to make principal payments when due on certain other debt) that are in addition to the events of default set forth in the Indenture. Subject to a clean-up period lasting until the date falling 180 days after the Acquisition Completion Date (or 120 days following any other permitted acquisition), if an event of default occurs and is continuing under the Senior Credit Facilities Agreement, the agent under the Senior Credit Facilities Agreement (if directed by the majority lenders thereunder (or majority lenders under the Revolving Credit Facility in the case of a financial covenant default)) could amongst other things, terminate any available facilities, cancel any undrawn commitments and declare all amounts borrowed, together with accrued and unpaid interest and any other sums then payable, to be immediately due and payable. Borrowings under other debt instruments, including the Notes, that contain cross-acceleration or cross- default provisions also may be accelerated or become payable on demand in the event that acceleration occurs under the Senior Credit Facilities Agreement. In these circumstances, our assets and cash flow may not be sufficient to repay in full that debt and our other debt, including the Notes then outstanding, if some or all of these instruments were accelerated, which could force us into bankruptcy or liquidation, and we might not be able to repay our obligations under the Notes in such an event.

Furthermore, we do not control a majority of the voting shares of a number of our French laboratory subsidiaries. As such, any such French laboratory subsidiary could take unilateral actions that we cannot control that could cause a breach of our covenants under the Indenture and an event of default.

We may not be able to generate sufficient cash to service our debt or sustain our operations, including due to factors outside our control, and may be forced to take other actions to satisfy our debt obligations, which may not be successful.

Our ability to make payments on or to refinance the Notes or our other debt obligations, and to fund working capital and capital expenditures, will depend on our future operating performance and ability to generate sufficient cash. This depends on general economic, financial, competitive, market, regulatory and other factors, many of which are beyond our control.

Our businesses may not generate sufficient cash flows from operations to make payments on our debt obligations, and additional debt and equity financing may not be available to us in an amount sufficient to enable us to pay our debts when due, or to refinance such debt, including the Notes, or to fund our liquidity needs. If our future cash flows from operations and other capital resources are insufficient to pay obligations as they mature or to fund our liquidity needs, we may be forced to:

- reduce or delay our business activities, planned acquisitions and 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.

We may not be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all.

In particular, our ability to restructure or refinance our debt will depend in part on our financial condition at such time. 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. The terms of existing or future debt instruments and the Indenture may restrict us from adopting some of these alternatives. Furthermore, we may be unable to find alternative financing, and even if we could obtain alternative financing, it might not be on terms that are favorable or acceptable to us. If we are not able to refinance our debt, obtain additional financing or sell assets on commercially reasonable terms or at all, we may not be able to satisfy our debt obligations, including under the Notes. In that event, borrowings under other debt agreement or instruments that contain cross-default or cross-acceleration provisions may become payable on demand, and we may not have sufficient funds to repay all our debts, including the Notes.

In addition, any failure to make payments of interest or principal on our outstanding debt on a timely basis would likely result in a reduction of our credit rating, which could harm our ability to incur additional debt. In the absence of such operating results and resources, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. The terms of our debt, including under the Indenture, restrict our ability to transfer or sell assets. We may not be able to consummate certain dispositions or obtain the funds that we could have realized from the proceeds of such dispositions, and any proceeds we do realize from asset dispositions may not be adequate to meet our debt service obligations then due.

Changes in tax laws or challenges to our tax position could adversely affect our results of operations and financial condition.

We are subject to complex tax laws. Changes in tax laws could adversely affect our tax position, including our effective tax rate or tax payments. We often rely on generally available interpretations of applicable tax laws and regulations. There cannot be certainty that the

relevant tax authorities are in agreement with our interpretation of these laws. If our tax positions are challenged by relevant tax authorities, the imposition of additional taxes could require us to pay taxes that we currently do not collect or pay or increase the costs of our services to track and collect such taxes, which could increase our costs of operations or our effective tax rate and have a negative effect on our business, financial condition and results of operations. The occurrence of any of the foregoing tax risks could have a material adverse effect our business, financial condition and results of operations.

French tax legislation may restrict the deductibility, for French tax purposes, of all or a portion of the interest on our indebtedness incurred in France, thus reducing the cash flow available to service our indebtedness.

Under Article 212 § II of the French Code *général des impôts* (the "French Tax Code"), deductions of interest paid on loans granted by a related party within the meaning of Article 39.12 of the French Tax Code or on loans granted by a third party but guaranteed by a related party (third party assimilated to a related party) may be subject to certain limitations. Deductions of interest paid on such loans may be partially disallowed in the fiscal year during which it is incurred if such interest exceeds each of the following thresholds: (i) the amount of interest multiplied by the ratio of (a) 1.5 times the company's net equity and (b) the average amount of indebtedness owed to related parties (or to third parties assimilated to related parties) over the relevant fiscal year; (ii) 25% of the company's earnings before tax (as increased by certain items for the purpose of these limitations); and (iii) the amount of interest received by the company from related parties (or from third parties assimilated to related parties). Deduction may be disallowed for the portion of interest that exceeds in a relevant fiscal year the highest of the above three limitations if such portion of interest exceeds €150,000, unless the company is able to demonstrate for the relevant fiscal year that the indebtedness ratio of the group to which it belongs is higher or equal to its own indebtedness ratio. Moreover, specific rules apply to companies that belong to a French tax consolidated group (*intégration fiscale*).

The Notes, which will be guaranteed by certain of the Issuer's affiliates, may therefore be considered, in whole or in part, as related party debt with respect to such Issuer. As a result, deductions by the Issuer of interest paid in respect of the Notes may be limited. In addition, similar thin capitalization rules could apply at the level of the Issuer's French subsidiaries for any amount of the proceeds of the Bidco Proceeds Loan as well as the Cerba Proceeds Loans made available to the latter by means of intragroup loans.

In addition, Article 209 § IX of the French Tax Code imposes restrictions on the deductibility of interest expenses incurred by a French company if such company has acquired shares of another company qualifying as "*titres de participation*" within the meaning of Article 219 § I a *quinquies* of the French Tax Code and if such acquiring company cannot demonstrate, with respect to the fiscal year in which the shares are acquired or the fiscal years running over a twelve-month period from the acquisition of such shares (or with respect to the first fiscal year opened after January 1, 2012 for shares acquired during a fiscal year opened prior to such date), that (i) the decisions relating to such acquired shares are actually taken by the company having acquired them (or, as the case may be, by a company controlling the acquiring company or by a company directly controlled by such controlling company, within the meaning of Article L 233-3 § I of the French *Code de commerce* (the "French Commercial Code"), that is located in France) and (ii) where control or an influence is exercised over the acquired company, such control or influence is exercised by the acquiring company (or, as the case may be, by a company controlling the acquiring company or by a company directly controlled by such controlling company, within the meaning of Article L 233-3 § I of the French Commercial Code, that is located in France).

We do not expect that this interest deduction limitation would apply to us because the Issuer and Bidco should be able to prove that they would actually (i) take the decisions regarding the shares in the Target and (ii) exercise control over the Target. However, this tax legislation and the related guidelines published by the French tax authorities (BOI-IS-BASE-35-30-10-20140325 and

BOI-IS-BASE-35-30-20-20130329) remain quite vague and subject to significant uncertainties as to their interpretation. Therefore, we cannot provide any assurance that the French tax authorities would not disagree with our position regarding the tax treatment or characterization of the indebtedness of the Group and that this tax legislation would not limit the deductibility of interest on the indebtedness of the Group.

Moreover, Article 212 *bis* of the French Tax Code provides for a general limitation of deductibility of net financial charges, subject to certain exceptions. 25% of the adjusted net financial charges incurred by French companies that are subject to French corporate income tax and are not members of a French tax consolidated group (*intégration fiscale*) are added-back to their taxable result, to the extent that such companies' net financial charges (*i.e.* financial charges decreased by certain financial income) are at least equal to €3 million in a given fiscal year. Under Article 223 B *bis* of the French Tax Code, similar rules apply to companies that belong to a French tax consolidated group (*intégration fiscale*). 25% of the adjusted aggregated net financial charges incurred by companies that are members of a French tax consolidated group (*intégration fiscale*) with respect to loans granted by lenders that are not members of such tax consolidated group are added back to the French tax consolidated group's taxable result, to the extent that the tax consolidated group companies' aggregated net financial charges are at least equal to €3 million in a given fiscal year.

Finally, Article 212 § I(b) of the French Tax Code provides for an "anti-hybrid" limitation. If the lender is a related party to the borrower within the meaning of Article 39.12 of the French Tax Code, the borrower must demonstrate, at the French tax authorities' request, that the lender is, for the current fiscal year and with respect to the interest concerned, subject to an income tax at least equal to 25% of the corporate income tax determined under standard French tax rules. Where such lender is domiciled or established outside France, the "corporate income tax determined under standard French tax rules" means the corporate income tax liability to which the lender would have been liable in France on the interest received if it had been domiciled or established in France. Specific rules apply where the lender is a pass-through entity for French tax purposes or a collective investment scheme referred to in Articles L. 214-1 to L. 214-191 of the French Monetary and Financial Code (which includes UCITSs and AIFs as well as other collective investment schemes such as SICAVs and SPPICAVs with a single shareholder) or, subject to certain conditions, a similar entity organized under a foreign law.

Considering this legislation and guidelines published by the French tax authorities (BOI-IS-BASE-35-50-20140805 and BOI-IS-BASE-35-10-20140805), this interest deduction limitation should not apply to us. However, we cannot provide any assurance that the French tax authorities would not disagree with our position and that this tax legislation would not limit the deductibility of interest on the indebtedness of the Group.

On July 12, 2016, the Council adopted Directive 2016/1164/EU laying down rules against tax avoidance practices that directly affect the functioning of the internal market (the "ATAD Directive"). The ATAD Directive provides *inter alia* for a rule limiting the deductibility of interest to 30% of the EBITDA (the "Interest Limitation Rule"). In principle, Member States shall transpose the ATAD Directive by December 31, 2018. However, Member States which have national targeted rules for preventing BEPS risks at August 8, 2016, which are equally effective to the Interest Limitation Rule, may apply these targeted rules until the end of the first full fiscal year following the date of publication of the agreement between the OECD members on the official website on a minimum standard with regard to BEPS Action 4, but at the latest until January 1, 2024. It is unclear whether the Interest Limitation Rule would be added to the interest limitation rules already in force in France or replace (at least part of) them.

The abovementioned tax rules may limit our ability to deduct interest accrued on our indebtedness incurred in France and, as a consequence, may increase our tax burden, which could adversely affect our business, results of operations and financial condition and reduce the cash flow available to service our indebtedness.

French tax legislation may restrict our ability to use French tax loss carry forwards.

We may record deferred tax assets on our balance sheet, reflecting future tax savings resulting from discrepancies between the tax and accounting valuation of the assets and liabilities or in respect of tax loss carry forwards from our entities. The actual realization of these assets in future years depends on tax laws and regulations, the outcome of potential tax audits, and on the future results of the relevant entities. In particular, pursuant Article 209, I, paragraph 3 of the French Tax Code, tax losses incurred in a given tax year may be offset against the taxable profits of the following tax year up to €1 million plus 50% of the portion of the taxable profits exceeding €1 million. Unused tax losses may be carried forward indefinitely (subject to certain exceptions) under the same conditions. Any reduction in our ability to use these assets due to changes in laws and regulations, potential tax reassessments or lower than expected results could have a negative impact on our business, results of operations and financial condition.

We are exposed to interest rate risks, and such rates may adversely affect our debt service obligations.

A portion of our debt bears interest at a variable rate, and we will be exposed to the risk of fluctuations in interest rates, primarily under the Senior Term Loan and the Revolving Credit Facility, which are based on, in respect of the Senior Term Loan, the Euro Interbank Offered Rate (EURIBOR) and, in respect of the Revolving Credit Facility, either EURIBOR in respect of utilizations in EUR or the London Interbank Offered Rate (LIBOR) for all other utilisations (in each case, subject to a zero per cent per annum floor) and in each case plus an applicable margin. These interest rates could rise significantly in the future, increasing our interest expense associated with these obligations, reducing cash flow available for capital expenditures and hindering our ability to make payments on the Notes. Neither our Senior Credit Facilities Agreement nor the Indenture contain a covenant requiring us to hedge all or any portion of our floating rate debt.

We could be adversely affected by changes to the composition of the Eurozone.

A deterioration in general economic conditions caused by instability in the Eurozone could have a material adverse effect on our business, financial condition, results of operations and prospects. If one or more countries default on their debt obligations and/or cease using the euro, there may be significant, extended and generalized dislocation in the financial markets and in the wider European economy, which may negatively affect our business, results of operations and financial condition, especially as our operations are primarily in Europe. In addition, the departure of one or more countries from the Eurozone may lead to the imposition of, *inter alia*, exchange rate control laws. Should the euro dissolve entirely, the legal and contractual consequences for holders of euro- denominated obligations and for parties subject to other contractual provisions referencing the euro would be determined by laws in effect at such time. These potential developments, or market perceptions concerning these and related issues, could adversely affect our trading environment and/or the value of the Notes and could have adverse consequences for us with respect to our outstanding debt obligations that are euro-denominated and, as we have a substantial amount of debt denominated in euro, our financial condition may be materially affected.

Furthermore, on June 23, 2016, the United Kingdom held a referendum in which voters approved an exit from the European Union, commonly referred to as "Brexit." As a result of the referendum, it is expected that the British government will begin negotiating the terms of the UK's withdrawal from the EU during 2017. A withdrawal could, among other outcomes, disrupt the free movement of goods, services and people between the UK and the EU, undermine bilateral cooperation in key policy areas, significantly disrupt trade between the UK and the EU and cause political and economic instability in other countries of the EU, including in our main markets such as France. Given the lack of comparable precedent, it is unclear what financial, trade and legal implications Brexit would have and despite our currently limited exposure to the UK, whether our business, financial position and results of operations will be materially adversely affected.

Furthermore, the Indenture and the Senior Credit Facilities Agreement contain covenants restricting our and our subsidiaries' corporate activities. See "*—We are subject to restrictive covenants which limit our operating, strategic and financial flexibility.*" Certain of such covenants impose limitations based on euro amounts (e.g., the amount of additional debt we or our subsidiaries may incur). As such, if the euro were to significantly decrease in value, the restrictions imposed by these covenants would become tighter, further restricting our ability to finance our operations and conduct our day- to-day business.

The interests of our principal shareholders may be inconsistent with the interests of holders of the Notes.

Following the completion of the Acquisition, the Sponsors will indirectly control the Group. See "*Principal Shareholders and Related Party Transactions*." As a result, the Sponsors will have, directly or indirectly, the power to affect, among other things, our legal and capital structure and our day- to-day operations, as well as the ability to elect and change our management and to approve other changes to our operations. In addition, for compliance with certain restrictive covenants, we will depend upon the cooperation of our principal shareholders who have the power to effect compliance with such covenants. The interests of the Sponsors and their affiliates could conflict with the interests of holders of the Notes, particularly if we encounter financial difficulties or are unable to pay our debts when due. Affiliates of the Sponsors also have an interest in pursuing divestitures, financings or other transactions that in their judgment could enhance their equity investments, although such transactions might involve risks to holders of the Notes. In addition, the Sponsors or their affiliates may, in the future, own businesses that directly compete with ours or do business with us.

Risks Related to the Notes

The Notes will be structurally subordinated to the liabilities of non-guarantor subsidiaries and effectively subordinated to liabilities that are secured on assets that do not secure the Notes.

Certain of our subsidiaries will not guarantee the Notes. Our subsidiaries will not have any obligations to pay amounts due under the Notes or to make funds available for that purpose unless they guarantee the Notes or grant Security Interests in this respect. Generally, holders of debt of, and trade creditors of, non-guarantor subsidiaries, including lenders under bank financing agreements, are entitled to payment of their claims from the assets of such subsidiaries before these assets are made available for distribution to the Issuer or any Guarantor, as a direct or indirect shareholder.

Accordingly, in the event that any non-guarantor subsidiary becomes insolvent, is liquidated, reorganized or dissolved or is otherwise wound up other than as part of a solvent transaction:

- the creditors of the Issuer (including the holders of the Notes) and the Guarantors will have no right to proceed against the assets of such subsidiary; and

- the creditors of such non-guarantor subsidiary, including trade creditors, will generally be entitled to payment in full from the sale or other disposal of the assets of such subsidiary before the Issuer or any Guarantor, as a direct or indirect shareholder, will be entitled to receive any distributions from such subsidiary.

As such, the Notes and each related Guarantee will be structurally subordinated to the creditors (including trade creditors) and any preferred stockholders of our non-guarantor subsidiaries. The subsidiaries of Cerba HealthCare that will not guarantee the Notes generated 23.3% of our EBITDA for the year ended December 31, 2016, and held 35.6% of our total assets (excluding goodwill, equity investments in subsidiaries and intercompany transactions) as of December 31, 2016. As of December 31, 2016, our subsidiaries not guaranteeing the Notes had total debt, when excluding shareholder debt, the Existing Notes and the Sellers' Bonds (each of which we expect

to repay as part of the Transactions) and intercompany loans, of €35.3 million. This amount will rank structurally senior to the Notes and the related Guarantees. The Indenture, subject to certain limitations, will permit these non-Guarantors to incur additional indebtedness, which may also be secured. An aggregate amount of €107.3 million of existing debt (as of December 31, 2016, after giving pro forma effect to the Transactions) will not be subject to the Refinancing and remain outstanding. A portion of this total amount is secured on property or assets that do not form part of the Collateral securing the Notes and the Notes will be effectively subordinated to the extent of the value of the property or assets securing such indebtedness. See "*Description of Other Indebtedness*."

Any of the debt that our non-guarantor subsidiaries incur in the future in accordance with the Indenture will rank structurally senior to the Notes and the related Guarantees and any debt we incur that is secured on property or assets that do not form part of the Collateral securing the Notes will be effectively senior to the Notes to the extent of the value of the property or assets securing such indebtedness.

Your right to receive payment under the Guarantees is contractually subordinated to senior debt.

The obligations of the Guarantors under their respective Guarantees will be contractually subordinated in right of payment to the prior payment in full in cash of all existing and future obligations in respect of senior debt of such Guarantor. This senior debt includes the obligations under the Senior Credit Facilities. Although the Indenture will contain restrictions on the ability of the Guarantors to incur additional debt, any additional debt incurred may be substantial and senior to the guarantees.

Upon any payment or distribution to creditors of a Guarantor in respect of an insolvency event, the holders of senior debt of such Guarantor will be entitled to be paid in full from the assets of such Guarantor before any payment may be made pursuant to such guarantee. Until the senior debt of such Guarantor is paid in full, any distribution to which holders of the Notes would be entitled but for the subordination provisions to be included in the Intercreditor Agreement shall instead be made to holders of senior debt of such Guarantor as their interests may appear. As a result, in the event of insolvency of a Guarantor, holders of senior debt of such Guarantor may recover more, ratably, than the holders of Notes, in respect of the Guarantor's guarantee in respect thereof.

In addition, the subordination provisions in the Intercreditor Agreement relating to the Guarantees will provide:

- customary turnover provisions by the Trustee and the holders of the Notes for the benefit of the holders of senior debt of such Guarantor;
- that if a payment default on any senior debt of a Guarantor has occurred and is continuing, such Guarantor may not make any payment in respect of its guarantee until such default is cured or waived;
- that if any other default occurs and is continuing on any designated senior indebtedness that permits the holders thereof to accelerate its maturity and the Trustee receives a notice of such default, such Guarantor may not make any payment in respect of the Notes, or pursuant to its Guarantee, until (amongst others) the earlier of the waiver or cure of such default and 179 days after the date on which the applicable payment blockage notice is received; and
- that the holders of the Notes and the Trustee are prohibited, without the prior consent of the majority senior secured creditors or the majority super senior creditors, from taking any enforcement action in relation to such guarantee, except in certain circumstances.

The Indenture will also provide that, except under very limited circumstances, only the Trustee will have standing to bring an enforcement action in respect of the Notes and the Guarantees.

Moreover, the Intercreditor Agreement and the Indenture will restrict the rights of holders of the Notes to initiate insolvency proceedings or take legal actions against each of the Guarantor and by accepting any Note each such holder will be deemed to have agreed to these restrictions. As a result of these restrictions, holders of the Notes will have limited remedies and recourse under the Guarantees in the event of a default by the Issuer or a Guarantor.

Your security over the Collateral ranks behind the security benefiting the lenders under the Senior Credit Facilities.

All of the Collateral (other than the charge over the escrow proceeds of the Offering and the rights of the Issuer under the Shortfall Agreement) is pledged to the Security Agent for the benefit of the lenders under the Senior Credit Facilities in addition to being pledged to the Security Agent for the benefit of holders of the Notes. Under the Intercreditor Agreement and the Security Documents, the Senior Credit Facilities are secured by first-ranking security interests in all of the Collateral (other than the charge over the escrow proceeds of the Offering and the rights of the Issuer under the Shortfall Agreement) and the proceeds of any sale of such Collateral (other than the charge over the escrow proceeds of the Offering and the rights of the Issuer under the Shortfall Agreement) on enforcement will be applied first to repay all debt of the lenders under the Senior Credit Facilities and certain hedging obligations. Consequently, you may not be able to recover on such Collateral because the lenders under the Senior Credit Facilities and the counterparties to certain hedging obligations will have a prior claim on all proceeds realized from any enforcement of such Collateral.

Holders of the Notes may not control certain decisions regarding the Collateral.

The Notes will be secured by the Collateral which will also secure the obligations under our Senior Credit Facilities and certain hedging liabilities. In addition, under the terms of the Indenture, we will be permitted to incur significant additional *pari passu* indebtedness and other obligations that may be secured by the same Collateral.

The Intercreditor Agreement will provide that the security agent, who will serve as the Security Agent for the secured parties with respect to the Collateral, will act only as provided for in the Intercreditor Agreement. The Security Agent may refrain from enforcing the Collateral unless otherwise instructed by the Instructing Group. For the purposes of enforcement, "Instructing Group" means, in the context of our capital structure upon consummation of the Transactions, more than 50% by value of the total senior secured credit participations under the Senior Credit Facilities, certain hedge counter-parties at that time, any other additional *pari passu* indebtedness that may be secured on such collateral (the "Majority Senior Secured Creditors"). The Majority Senior Secured Creditors may have interests that are different from the interests of holders of the Notes and they may, subject to the terms of the Intercreditor Agreement, elect to pursue their remedies under the Security Documents at a time when it would be disadvantageous for the holders of the Notes to do so. See "*Description of Other Indebtedness—Intercreditor Agreement*" and "*Description of the Notes—Security*."

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

In the event of an enforcement of the Security Documents, the proceeds from the sale of the assets underlying the Security Documents may not be sufficient to satisfy the obligations of the Issuer and the Guarantors with respect to the Notes. No appraisal of the value of the Collateral has been made in connection with these Offering. The value of the Collateral will also depend on many factors, including, among other things, whether or not the business is sold as a going concern, regulatory restrictions that could affect such sale, the ability to sell the assets in an orderly sale and the condition of the economies in which operations are located and the availability of buyers.

The shares and other Collateral that are pledged or assigned for the benefit of the holders of the Notes may provide for only limited repayment of the Notes, in part because most of these shares

and intercompany loan receivables 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 salable or, if salable, that there will not be substantial delays in the liquidation thereof. Industry regulations in certain jurisdictions in which we operate, such as France, include restrictions on persons who may own or operate clinical laboratories. In the event of foreclosure, the transfer of clinical laboratories (or the ownership of an entity holding clinical laboratories) may be prohibited or only permitted to a limited group of investors eligible to hold such assets, thereby decreasing the pool of potential buyers. Furthermore, the transfer of clinical laboratories may require, in certain jurisdictions, governmental or other regulatory consents, approvals or filings. Such consents, approvals or filings may take time to obtain or may not be obtained at all. As a result, enforcement may be delayed, a temporary shutdown of operations may occur and the value of the Collateral may be significantly decreased. Most of our assets will not secure the Notes and it is possible that the value of the Collateral will not be sufficient to cover the amount of debt secured by such Collateral. With respect to any shares pledged to secure the Notes and the Guarantees, such shares may also have limited value in the event of a bankruptcy, insolvency 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 this Collateral may decline over time. If the proceeds of the Collateral are not sufficient to repay all amounts due on the Notes, the holders of the Notes (to the extent not repaid from the proceeds of the sale of the Collateral) would have only a senior unsecured claim against the Issuer and a senior subordinated and unsecured claim against the Guarantors.

The Indenture will permit the granting of certain liens other than those in favor of the holders of the Notes on the Collateral. To the extent that holders of other secured debt or third parties enjoy liens, including statutory liens, whether or not permitted by the Indenture or the Security Documents, such holders or third parties may have rights and remedies with respect to the Collateral that, if exercised, could reduce the proceeds available to satisfy our obligations under the Notes. Moreover, if we issue additional notes under the Indenture, holders of such additional notes would benefit from the same collateral as the holders of the Notes being offered hereby, thereby diluting your ability to benefit from the liens on the Collateral.

The Guarantees and the Security Interests over the Collateral may be limited by applicable laws or subject to certain limitations or defenses that may adversely affect their validity and enforceability.

The obligations of the Guarantors incorporated in France and Luxembourg and the enforcement of each such Guarantee will be limited to the maximum amount that can be guaranteed by such Guarantor under the applicable laws of each jurisdiction, to the extent that the granting of such Guarantee is not in the relevant Guarantor's or grantor's corporate interests, or the burden of such guarantee exceeds the benefit to the relevant Guarantor or grantor, or such guarantee would be in breach of capital maintenance or thin capitalization rules, financial assistance rules or any other general statutory laws and would cause the directors of such subsidiary Guarantor, in certain jurisdictions, to contravene their fiduciary duties and incur civil or criminal liability. The grant of Collateral in favor of the Security Agent may also be voidable by the grantor or by an insolvency trustee, liquidator, receiver or administrator or by other creditors, or may be otherwise set aside by a court, if certain events or circumstances exist or occur, including, among others, if the grantor is deemed to be insolvent at the time of the grant, or if the grant permits the secured parties to receive a greater recovery than if the grant had not been given and an insolvency proceeding in respect of the grantor is commenced within a legally specified "claw-back" period following the grant.

Accordingly, enforcement of any such Guarantee or Security Interest against the relevant Guarantor/grantor would be subject to certain defenses available to guarantors/grantor of security interests generally and to limitations contained in the terms of the Indenture or the

documents governing the Collateral designed to ensure compliance with statutory requirements applicable to the relevant Guarantors or grantors, as applicable. As a result, a Guarantor's and a grantor's liability under its Guarantee and in respect of the security interests granted by it, respectively, could be materially reduced or eliminated altogether, depending upon the law applicable to it and facts and circumstances at the time of enforcement.

There is some uncertainty under the laws of certain jurisdictions, including France, as to whether obligations to beneficial owners of the Security Interests that are not identified as registered holders in a security document will be validly secured. Under French law, the beneficiary of a security interest must be clearly identified and indicated in the relevant security document. The fact that the direct beneficiary of the French security will be the Security Agent and not the holders of the Notes from time to time, could imply that the pledge may not be validly and fully enforceable by the holders of the Notes who are not a direct party to the relevant pledge agreements creating the security interest. Furthermore, under French law a pledge granted for the benefit of creditors in respect of whom the perfection formalities have not been fully or validly carried out or for the benefit of persons who are not effectively creditors of the relevant secured claim may not be enforceable. If a challenge to the validity or enforceability of the security interest created by the Security Documents subject to French law brought on the above grounds were to be successful, the holders of the Notes could be unable to recover any amounts under such security interests.

In addition, the granting of new Security Interests in connection with the issuance of the Notes may create hardening periods for such Security Interests in France and Luxembourg (save for financial collateral arrangements within the meaning of the Luxembourg law of August 5, 2005 on financial collateral arrangements, as amended). Under French law, hardening periods are created when an entity organized under French law grants security, even if the governing law of the instrument creating the security interest is not, as applicable, French law (for example, share pledges of the shares of a non-French entity by a French entity). The applicable hardening period for these new Security Interests will run from the moment each new security interest has been granted or perfected. The Indenture will permit the Security Interests in the Collateral to be released and retaken in certain circumstances. Such release and retaking will restart the applicable hardening periods. 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.

It is possible that a Guarantor, or a creditor of a Guarantor, the grantor of Security Interests, or the creditor thereof, or the bankruptcy trustee in the case of a bankruptcy of a Guarantor or grantor of such Security Interests, may contest the validity and enforceability of the Guarantor's Guarantee on any of the above grounds and that the applicable court may determine that the Guarantee or the Security Interests should be limited or voided. To the extent that agreed limitations on the guarantee obligation apply, the Notes would be to that extent effectively subordinated to all liabilities of the applicable Guarantor and/or grantor, including trade payables of such Guarantor and/or grantor, as applicable. Future Guarantees and/or Security Interests may be subject to similar limitations. See "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations*."

Corporate benefit, financial assistance laws and other limitations on the Guarantees may adversely affect the validity and enforceability of the Guarantees of the Notes or security interests in the Collateral.

The Guarantors or grantors of Security Interests are incorporated under the laws of France and Luxembourg. Enforcement of the obligations under a Guarantee against the Guarantors or the enforcement of a security interest in the Collateral against a grantor of Security Interests will be subject to certain defenses available to the Guarantors or grantors of Security Interests in the relevant jurisdiction, as the case may be.

Although laws differ in these jurisdictions, these laws and defenses may include those that relate to fraudulent conveyance or transfer, financial assistance, corporate purpose or benefit, voidable preference, insolvency or bankruptcy challenges, preservation of share capital, thin capitalization, capital maintenance or similar laws and regulations or defenses affecting the rights of creditors generally. If one or more of these laws and defenses are applicable, the Guarantors may have no liability or decreased liability under their respective Guarantees or the security interest in the Collateral may be void or may not be enforceable depending on the amounts of its other obligations, applicable law and facts and circumstances at the time of enforcement. Limitations on the enforceability of judgments obtained in New York courts in such jurisdictions could limit the enforceability of the Guarantees against the Guarantors or security interest in the Collateral against any Guarantor.

The liabilities and obligations of each French Guarantor are subject to:

- certain exceptions, including to the extent any obligations which, if incurred, would constitute prohibited financial assistance within the meaning of Article L. 225-216 of the French Code de Commerce or would constitute a misuse of corporate assets within the meaning of article L. 241-3, L. 242-6 or L.244-1 of the French Code de Commerce, it being specified that under French financial assistance rules, a company is prohibited from guaranteeing indebtedness of another company that is used, directly or indirectly, for the purpose of its acquisition; and

- a contractual financial limitation corresponding to an amount equal to the proceeds from the Offering of the Notes which the Issuer has applied for the direct or indirect benefit of each French Guarantor and/or the controlled subsidiaries of that French Guarantor through the intercompany loans and cash pooling arrangements that are outstanding on the date a payment is requested to be made by such French Guarantor.

Under French corporate benefit rules, a court could subordinate or void any guarantee or security and, if payment had already been made under the relevant guarantee or security, require that the recipient return the payment to the relevant guarantor or security provider, if the court found that the French guarantor or security provider did not derive an overall corporate benefit from the transaction involving the grant of the guarantee or security as a whole. The existence of a real and adequate corporate benefit to the guarantor or security provider and whether the amounts guaranteed are commensurate with the benefit received are matters of fact as to which French case law provides no clear guidance. French case law has recognized that certain intragroup transactions (including upstream guarantees) can be in the corporate interest of the relevant company, in particular, where the following criteria are fulfilled:

- the existence of a genuine group of companies (taken as a whole, not just its shareholders) operating under a common strategy aimed at a common objective;

- the existence of a common economic, social or financial interests of the group within the framework of a policy implemented by the group of companies;

- the transaction shall not be without due consideration and compensation and shall not change the existing balance between the respective obligations of the relevant companies;

- the risk assumed by a French guarantor must be proportionate to the benefit;

- the French guarantor must receive an actual and adequate benefit, consideration or advantage from the transaction involving the granting by it of the guarantee; and

- the obligations of the French guarantor under the guarantee must not exceed its financial capability.

Accordingly, the Guarantees by the French Guarantors are limited to amounts recoverable thereunder that represent either (i) the amount of debt made available directly or indirectly to that French Guarantor or its subsidiaries with the proceeds of Indebtedness previously incurred by a holding company of such French Guarantor to the extent that such Indebtedness is or has been refinanced directly or indirectly with the proceeds of Indebtedness of the Issuer constituting Secured Liabilities (as defined in the Intercreditor Agreement), which term includes the Notes offered hereby (See "*Description of the Notes—The Note Guarantees*"); and (ii) the amounts of the Notes proceeds on-lent, directly or indirectly, to such French Guarantor, and the controlled subsidiaries of that French Guarantor, through the intercompany loans, via the Group's cash-pooling arrangements or otherwise, and outstanding on the date a payment is requested to be made by such French Guarantor under its Guarantee. Any payment made by such French Guarantor under its guarantee or under the intercompany loans or the cash pooling arrangements will reduce the maximum amount of its guarantee. By virtue of this limitation, a French Guarantor's obligation under the Guarantee could be significantly less than amounts payable with respect to the Notes, or a French Guarantor may have effectively no obligation under its Guarantee.

In addition, if a French Guarantor receives, in return for issuing the guarantee, an economic return that is less than the economic benefit such French Guarantor would obtain in a transaction entered into on an arm's-length basis, the difference between the actual economic benefit and that in a comparable arm's-length transaction could be taxable under certain circumstances.

For an overview of certain insolvency laws and enforceability issues as they relate to the Guarantees and Security Interests, see "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations*."

The insolvency and administrative laws of France and other applicable jurisdictions may not be as favorable to you as the insolvency laws of the United States or those of another jurisdiction with which you are familiar; other limitations on the Guarantees and the Security Interests, including fraudulent conveyance statutes, may adversely affect their validity and enforceability.

Our obligations under the Notes will be initially guaranteed by the Guarantors and secured by Security Interests over the Collateral. The Issuer is organized under the laws of France and the Guarantors and grantors of Security Interests are organized under the laws of France and Luxembourg. In addition, the Collateral will include a pledge over shares in Bidco incorporated in France and a second-ranking pledge of receivables held by the Issuer.

The insolvency, administration and other laws of foreign jurisdictions may not be as favorable to your interests as the laws of the United States or other jurisdictions with which you are familiar. In particular, the French bankruptcy laws and regulations are unfavorable to creditors in many respects. In the event that any one or more of the Issuer, the Guarantors, or any other of the Issuer's subsidiaries, or any other grantor of Security Interests, experiences financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. In the event of a bankruptcy, insolvency, administration or similar event, proceedings could be initiated in any of these jurisdictions. Proceedings could also be initiated in France to enforce your rights against Collateral located in this jurisdiction. Such 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. There can also be no assurance that you will be able to enforce your rights effectively in such complex, multiple bankruptcy, insolvency or similar proceedings. In addition, while the Luxembourg Guarantor conducts the majority of its business in Luxembourg, to the extent that its centre of main interests is deemed to be in France, it would be subject to French insolvency proceedings (notwithstanding the opening of territorial proceedings in the relevant jurisdictions), including court-assisted proceedings (*mandat ad hoc* or *conciliation* proceedings) and court-controlled insolvency proceedings (*sauvegarde*), accelerated financial safeguard

proceedings (*sauvegarde financière accélérée*), or reorganization or liquidation proceedings (*redressement* or *liquidation judiciaire*). In general, French insolvency legislation favors the continuation of a business and protection of employment over the payment of creditors and could limit the ability of holders of the Notes to enforce their rights. See "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations*."

In addition, the bankruptcy, insolvency, administrative and other laws of a Guarantor's, a grantor of Security Interest's, the Issuer's, jurisdiction of organization may be materially different from, or in conflict with, those of the United States or other jurisdictions with which you are familiar, including in the areas of rights of creditors, priority of governmental and other creditors, the ability to obtain post-petition interest and duration of the proceedings. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Notes, Guarantees and Collateral in those jurisdictions or limit any amounts that you may receive.

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 Notes priority (according to their respective rank) in the distribution of any proceeds of such realization. Accordingly, the Security Agent and the holders of the Notes may not be able to avoid foreclosure by other creditors (including unsecured creditors) on the Collateral. See "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations.*"

Although laws differ among the jurisdictions, in general, applicable fraudulent transfer and conveyance and equitable principles, insolvency laws and limitations on the enforceability of judgments obtained in courts in such jurisdictions could limit the enforceability of the Notes against the Issuer, the enforceability of a Guarantee against a Guarantor and the enforceability of the Security Interests. The court may also in certain circumstances avoid the Security Interest or the Guarantee where the company is close to or near insolvency.

French law contains specific provisions dealing with fraudulent conveyance both in and outside insolvency proceedings, the "*action paulienne*" provisions. The *action paulienne* provision offers creditors protection against a decrease in their means of recovery. A legal act performed by a person (including, without limitation, an agreement pursuant to which the person 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, enters into additional agreements benefiting from existing security and any other legal act having similar effect) can be challenged in or outside insolvency proceedings of the relevant person by the creditors' representative (*mandataire judiciaire*), the commissioner of the safeguard or recovery plan (*commissaire à l'exécution du plan*) insolvency proceedings of the relevant person or by any of the creditors of the relevant person outside insolvency proceedings, and may be declared unenforceable against third parties under French law if: (i) the person performed such acts without an obligation to do so; (ii) the creditor concerned or, in the case of the person's insolvency proceedings, 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 ("*à titre gratuit*") in which case such knowledge of the counterparty is not necessary for a successful challenge on grounds of fraudulent conveyance. If a court found that the issuance of the Notes, the grant of the Security Interests in the Collateral, or the granting of a guarantee involved a fraudulent conveyance that did not qualify for any defense under applicable law, then the issuance of the Notes, the granting of the security interests in the Collateral or the granting of such guarantee could be declared unenforceable against third parties or declared unenforceable against the creditor who

lodged the claim in relation to the relevant act. As a result of such successful challenges, holders of the Notes may not enjoy the benefit of the Notes, the Guarantees or the security interests in the Collateral and the value of any consideration that holders of the Notes received with respect to the Notes, the security interests in the Collateral or the Guarantees could also be subject to recovery from the holders of the Notes and, possibly, from subsequent transferees. In addition, under such circumstances, holders of the Notes might be held liable for any damages incurred by prejudiced creditors of the Issuer or the Guarantors as a result of the fraudulent conveyance.

For an overview of certain insolvency laws and enforceability issues as they relate to the Guarantees and Security Interests, see "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations*."

The recovery from the enforcement of the share pledge forming part of the Collateral may be complicated, involve long recovery times and a low recovery rate.

In connection with the enforcement of the share pledge over the shares of Bidco, any sale of Bidco is likely to involve a release of primary debt, which could result in a taxable capital gain to Bidco. As Bidco will be the borrower of our Senior Credit Facilities, an enforcement over the shares of Bidco would involve the enforcement over an entity with outstanding primary debt claims. Such release is permitted by the Intercreditor Agreement and could result in a taxable capital gain. This taxable capital gain is likely to reduce the proceeds of any recovery from the enforcement of the share pledge over the shares of Bidco. Therefore, the value of the pledge over the shares of Bidco is limited. In addition, the holders of the Notes do not share in the other collateral that has been granted in favor of the creditors of our senior secured liabilities. Collateral has been granted in favor of such creditors over the shares of certain of our subsidiaries, some of whom may have outstanding primary debt claims. The release of such primary debt claims upon the enforcement of such share pledges (which is permitted by the Intercreditor Agreement could also result in a taxable capital gain to such entities. This taxable capital gain is likely to reduce the proceeds of our recovery from the enforcement of such share pledges which, as a consequence, may further reduce the value of the share pledge over Bidco which forms part of the Collateral.

In the event the Acquisition is not consummated, the Issuer will be required to redeem the Notes, which means that you may not obtain the return you expect on the Notes.

The Acquisition must be consummated no later than the Escrow Longstop Date. If the Acquisition is not consummated for any reason prior to the first business day following September 30, 2017, the Notes will be subject to a special mandatory redemption as described in "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption,*" and you may not obtain the return you expected to receive or the Notes.

The gross proceeds from the Offering will not be sufficient to pay the full redemption price of the Notes to the holders of the Notes. The gross proceeds from the Offering will be held in the Escrow Account pending the closing of the Acquisition. Although pursuant to the terms of the Escrow Agreement, the Issuer will agree to pay the interest and additional amounts, if any, that accrue while the gross proceeds remain in the Escrow Account, there can be no assurance that such interest and additional amounts, if any, will be paid in a timely fashion, if at all. In the event that the escrow funds are insufficient to pay the special mandatory redemption price, plus any such accrued and unpaid interest and additional amounts, certain investment funds advised or managed by the Sponsors will be required, on a several, *pro rata* basis, to make equity contributions in an amount requirement to enable the Issuer to pay such accrued and unpaid interest and additional amounts, if any, owing to the holders of the Notes.

Your decision to invest in the Notes is made at the time of purchase. Changes in the business or financial condition of Cerba, or the terms of the Acquisition or the financing thereof, between the closing of the Offering and the Acquisition Completion Date, may have an impact on our creditworthiness, and you will not be able to rescind your decision to invest in the Notes as a result thereof.

If the Notes are redeemed early, an investor may not be able to reinvest such proceeds in a comparable security.

In the event that the Notes are redeemed early in accordance with "*Description of the Notes—Optional Redemption*" and depending on prevailing market conditions at the time, an investor who receives proceeds due to such an early redemption may not be able to reinvest such proceeds in a comparable security at an effective interest rate as high as that carried by the Notes.

The financial information presented in this Offering Memorandum does not cover the Issuer.

We have not included any financial statements of the Issuer either on a standalone basis or consolidated with its subsidiaries in this Offering Memorandum. Although the Issuer, HoldCo, TopCo and UK TopCo do not engage in any activities other than those relating to holding the shares of their subsidiaries, these entities may have external liabilities which are not subordinated to the Notes and have experienced losses in the past and may do so in the future. The limited information that we have provided regarding these external liabilities and losses on an unconsolidated basis is not based on IFRS accounts in all cases and thus may not be comparable to, and could differ significantly from, such information prepared on the basis of IFRS. As the financial information of Cerba HealthCare that is presented in this Offering Memorandum does not include the results of the Issuer, HoldCo, TopCo and UK HoldCo, such financial information may be of limited use in assessing the financial position of the Issuer.

We may not be able to finance a change of control offer.

The Indenture requires us to make an offer to purchase the Notes at 101% of their principal amount, plus accrued and unpaid interest, if any, to, but not including, the date of purchase if we experience certain specified change of control events. The Senior Credit Facilities Agreement also requires us to make an offer to lenders thereunder to repay them at par if we experience certain specified change of control events. The source of funds for any offer to purchase Notes, or repay lenders under the Senior Credit Facilities Agreement, required as a result of any such event would be available cash or cash generated from operating activities or other sources, including borrowings, sales of assets, sales of equity or funds provided by our subsidiaries. Sufficient funds may not be available at the time of any such events to make any required purchases of the Notes tendered and we may not be able to secure access to enough cash to finance the required purchases of the Notes tendered. Our failure to effect a change of control offer when required would constitute an event of default under the Indenture.

Further, if pursuant to a change of control offer, holders of not less than 90% of the aggregate principal amount of the then outstanding Notes validly tender and do not withdraw such Notes, the Indenture will permit the Issuer, at its option, to redeem the remaining outstanding Notes at a price of 101% of the principal amount of such Notes plus accrued and unpaid interest. As a consequence, holders of the Notes may be required to surrender the Notes against their will at a price equivalent to that paid to tendering holders and may not receive the return expected.

Under the definition contained in the Indenture governing the Notes, a change of control may include a disposition of all or substantially all of 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 assets of the Issuer 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. Furthermore, certain important corporate events that might adversely affect the value of the Notes (including certain reorganizations, restructurings and mergers) would not constitute a "change of control" under the Indenture. Furthermore, the occurrence of certain events that might otherwise constitute a change of

control under the Indenture will not be deemed to be a change of control if at the time our consolidated net leverage ratio is less than a certain specified level. For a complete description of the events that would constitute a "change of control" under the Notes, see the sections entitled "*Description of the Notes—Change of Control*."

There are circumstances other than repayment or discharge of the Notes under which the Collateral securing the Notes and the Guarantees will be released automatically without your consent or the Trustee or Security Agent obtaining your further consent.

Under a variety of circumstances set forth in the Indenture governing the Notes and the Intercreditor Agreement, the Collateral securing the Notes will be released automatically, including a sale, transfer or other disposal of such Collateral in a transaction that does not violate the asset sale covenant of the Indenture, and in connection with an enforcement sale permitted under the Intercreditor Agreement. Additionally, Collateral securing the Notes and Guarantees could be released if the acquisition of any entity that subsequently becomes a Guarantor or a security provider under the Indenture is rescinded. See "*Business—Legal Proceedings*." The Indenture will permit us to designate one or more restricted subsidiaries that are Guarantors as unrestricted subsidiaries. If we designate a Guarantor as an unrestricted subsidiary for purposes of the Indenture, all the liens on the Collateral owned by such subsidiary and any guarantees of the Notes by such subsidiary will be released under the Indenture, subject to certain conditions. Designation of an unrestricted subsidiary will reduce the aggregate value of the Collateral securing the Notes to the extent of liens securing the shares of such unrestricted subsidiary or of its subsidiaries.

Security over the Collateral will be granted to the Security Agent rather than directly to the holders of the Notes. The ability of the Security Agent to enforce the Collateral may be restricted by local law.

Under French law, certain "accessory" security interests such as rights of pledge require that the pledgee and the creditor are the same person. Such security interests cannot be held on behalf of third parties who do not hold the secured claim. The beneficial holders of interests in the Notes from time to time will not be parties to the Security Documents. In order to permit the beneficial holders of the Notes to benefit from a secured claim, the Intercreditor Agreement will provide for the creation of "parallel debt" obligations in favor of the Security Agent ("Parallel Debt") mirroring the obligations of the Issuer and the Guarantors (as principal obligors) towards the holders of the Notes under or in connection with the Indenture (the "Principal Obligations"). The Parallel Debt will at all times be in the same amount and payable at the same time as the Principal Obligations. Any payment in respect of the Principal Obligations shall discharge the corresponding Parallel Debt and any payment in respect of the Parallel Debt shall discharge the corresponding Principal Obligations. Pursuant to the Parallel Debt, the Security Agent becomes the holder of a claim equal to each amount payable by an obligor under the applicable Notes. The pledges governed by French law will directly secure the Parallel Debt, and may not directly secure the obligations under the Notes and the other indebtedness secured by the Collateral. The holders of the Notes will not be entitled to take enforcement actions in respect of such security interests except through the Security Agent.

None of the Parallel Debt and trust mechanism constructs have been generally recognized by French courts and to the extent that the Notes or security interests created under the Parallel Debt and/or trust constructs are successfully challenged by other parties, holders of the Notes will not receive any proceeds from an enforcement of the Guarantees or security interests in the Collateral. In addition, the holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Security Agent.

There is one published decision of the French Supreme Court (Cour de cassation) on Parallel Debt mechanisms (Cass. com. September 13, 2011 n° 10-25533 Belvédère) relating to a bond documentation governed by New York law. Such a decision recognized the enforceability in France of certain rights (especially the filing of claims in safeguard proceedings) of a security

agent benefiting from a Parallel Debt. In particular, the French Supreme Court upheld the proof of claim of the legal holders of a Parallel Debt claim, considering that it did not contravene French international public policy (*ordre public international*) rules. The ruling was made on the basis that the French debtor was not exposed to double payment or artificial liability as a result of the Parallel Debt mechanism. Although this court decision is generally viewed by legal practitioners and academics as a recognition by French courts of Parallel Debt structures in such circumstances, there can be no assurance that such a structure will be effective in all cases before French courts. Indeed, it should be noted that the legal issue addressed by it is limited to the proof of claims. The French court was not asked to generally uphold French security interests securing a Parallel Debt. Case law on this matter is scarce and based on a case-by-case analysis. Such a decision should not be considered as a general recognition of the enforceability in France of the rights of a security agent benefiting from a Parallel Debt claim. There is no certainty that the Parallel Debt construction will eliminate the risk of unenforceability under French law.

To the extent that the security interests in the Collateral created under the Parallel Debt construction are successfully challenged by other parties, holders of the Notes will not be entitled to receive on this basis any proceeds from an enforcement of the security interests in the Collateral. The holders of the Notes will bear the risks associated with the possible insolvency or bankruptcy of the Security Agent as the beneficiary of the Parallel Debt.

The concept of "trust" has been recognized by the French Tax Code and the French Supreme Court (*Cour de cassation*), which has held, in the same published decision referred to above (Cass. com. September 13, 2011 nº 10-25533 Belvédère) that a trustee validly appointed under a trust governed by the laws of the State of New York could validly be regarded as a creditor in safeguard proceedings opened in France. However, while substantial comfort may be derived from the above, France has not ratified the Hague Convention of July 1, 1985 on the law applicable to trusts and on their recognition, so that the concept of "trust" has not been generally recognized under French law. See "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations—France*."

Investors' rights in the Collateral may be adversely affected by the failure to perfect Security Interests in the Collateral.

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 Notes may not be perfected with respect to the claims of the Notes if we or the Security Agent fail or are unable to take the actions we or the Security Agent are required to take to perfect any of these liens.

You may be required to pay a "soulte" in the event you decide to enforce the securities account by judicial or contractual foreclosure of the Collateral consisting of securities rather than by a sale of such Collateral in a public auction.

Security interests governed by French law may only secure payment obligations, may only be enforced following a payment default (including following acceleration) and may only secure up to the secured amount which is due and remaining unpaid.

Under French law, pledges over assets may generally be enforced at the option of the secured creditors either (i) pursuant to a judicial process (x) by way of a sale of the pledged assets in a public auction (the proceeds of the sale being paid to the secured creditors) or (y) by way of the judicial foreclosure (*attribution judiciaire*) of the pledged assets or (ii) by way of contractual foreclosure (*pacte commissoire*) of the pledged assets to the secured creditors, following which the secured creditors become the legal owner of the pledged assets. Enforcement by way of private sale may not be agreed at the time of granting of the security, and therefore, holders of the Notes will not benefit from such enforcement method.

If the secured creditors chose to enforce by way of foreclosure (whether a judicial foreclosure or contractual foreclosure), the secured liabilities would be deemed extinguished up to the value of

the foreclosed assets. Such value is determined either by the judge in the context of a judicial foreclosure or by a pre-contractually agreed expert in the context of a contractual foreclosure (*pacte commissoire*). In a proceeding regarding a judicial foreclosure (*attribution judiciaire*) or a contractual foreclosure (*pacte commissoire*), an expert is appointed to value the collateral (in this case, the securities) and if the value of the collateral exceeds the amount of secured debt, the secured creditors may be required to pay the pledgor a "*soulte*" equal to the difference between the value of the securities and the amount of the secured debt. This is true regardless of the actual amount of proceeds ultimately received by the secured creditors from a subsequent sale of the Collateral.

If the value of such securities is less than the amount of the secured debt, the relevant amount owed to the relevant creditors will be reduced by an amount equal to the value of such securities, and the remaining amount owed to such creditors will be unsecured.

Should a holder of the Notes decline to request the judicial or contractual foreclosure of the securities, an enforcement of the pledged securities could be undertaken through a public auction in accordance with applicable law. Since such public auction procedures are not designed for a sale of a business as a going concern, however, it is possible that the sale price received in any such auction might not reflect the value of our Group as a going concern.

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

The Notes will be denominated and payable in euros. If investors measure their investment returns by reference to a currency other than euros ("reference currency"), an investment in the Notes will entail 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 such investors measure the return on their investments. These changes may be due to economic, political and other factors over which we have no control. Depreciation of the euro against an investor's reference currency could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to investors when the return on the Notes is translated into their reference currency. Investments in the Notes denominated in a currency other than U.S. dollars by U.S. investors may also have important tax consequences as a result of foreign exchange gains or losses, if any. See "*Tax Considerations—Certain U.S. Federal Income Tax Considerations*."

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 have assigned and may in the future 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 above 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 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 the Notes.

Investors may not be able to recover in civil proceedings for U.S. securities law violations.

The Issuer and substantially all of its subsidiaries, including the Guarantors, are organized outside the United States, and their business is conducted primarily outside the United States. The directors and executive officers of the Issuer and the Guarantors are non-residents of the United States. Although the Issuer and the Guarantors will submit to the jurisdiction of certain New York courts in connection with any action under U.S. securities laws or under the applicable Indenture,

you may be unable to effect service of process within the United States on the directors and executive officers of the Issuer and the Guarantors. In addition, because a majority of the assets of the Issuer and the Guarantors and their respective subsidiaries (to the extent applicable) and all or a majority of the assets of their directors and executive officers are located outside of the United States, you may be unable to enforce judgments obtained in the U.S. courts against them. Moreover, actions of the Issuer and the Guarantors may not be subject to the civil liability provisions of the federal securities laws of the United States. See "*Service of Process and Enforcement of Civil Liabilities*."

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 France or Luxembourg. There is, therefore, doubt as to the enforceability in France or Luxembourg of civil liabilities based upon U.S. securities laws in an action to enforce a U.S. judgment in France or Luxembourg. In addition, the enforcement in France or Luxembourg 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. There is also doubt that a French or Luxembourg court would have the requisite power or authority to grant remedies sought in an original action brought in France or in Luxembourg on the basis of U.S. securities laws violations. For further information see "*Service of Process and Enforcement of Civil Liabilities*."

Transfer of the Notes will be restricted, which may adversely affect their liquidity and the price at which they may be sold.

Because the Notes and the Guarantees have not been, or will not be, and are not required to be, registered under the U.S. Securities Act or the securities laws of any other jurisdiction, they may not be offered or sold in the United States except to QIBs in accordance with Rule 144A, outside the United States in offshore transactions in accordance with Regulation S or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and all other applicable laws. These restrictions may limit the ability of investors to resell the Notes. It is the obligation of investors in the Notes to ensure that all offers and sales of the Notes within the United States and other countries comply with applicable securities laws. See "*Transfer Restriction*s."

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

The Notes will initially only be issued in global certificated form and held through Euroclear and Clearstream.

Interests in the Global Notes will trade in book-entry form only, and Notes in definitive registered form will be issued in exchange for book-entry interests only in very limited circumstances. Owners of book-entry interests will not be considered owners or holders of Notes. The common depositary, or its nominee, for Euroclear and Clearstream will be the sole registered holder of the Global Notes representing the Notes. Payments of principal, interest and other amounts owing on or in respect of the Global Notes representing the Notes will be made to the paying agent, which will make payments to Euroclear and Clearstream. Thereafter, these payments will be credited to participants' accounts that hold book-entry interests in the Global Notes and credited by such participants to indirect participants. After payment to the common depositary for Euroclear and Clearstream, 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 investors own a book-entry interest, they must rely on the procedures of Euroclear and Clearstream, and if investors are not participants in Euroclear and Clearstream, they must rely on the procedures of the participant through which they own their interest, to exercise any rights and obligations of a holder of Notes under the Indenture.

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 an investor owns a book-entry interest, it will be permitted to act only to the extent it has received appropriate proxies to do so from Euroclear and Clearstream. The procedures implemented for the granting of such proxies may not be sufficient to enable such investor to vote on a timely basis.

Similarly, upon the occurrence of an event of default under an Indenture, unless and until definitive registered Notes are issued in respect of all book-entry interests, if investors own book-entry interests, they will be restricted to acting through Euroclear and Clearstream. The procedures to be implemented through Euroclear and Clearstream may not be adequate to ensure the timely exercise of rights under the Notes. See "*Book-Entry; Delivery and Form*."

The Notes may not become, or remain, listed on the Channel Islands Securities Exchange Authority Limited.

Although the Issuer will, in the Indenture, agree to use its commercially reasonable efforts to have the Notes listed on the Official List of the Exchange and admitted to trading thereon and to maintain such listing as long as the Notes are outstanding, the Issuer cannot assure you that the Notes will become or remain listed. If the Issuer cannot maintain the listing on the Exchange and the admission to trading thereon or it determines that it will not maintain such listing, the Issuer may cease to make or maintain such listing on the Exchange, provided that it will use its commercially reasonable efforts to promptly obtain and maintain the listing of the Notes on another recognized stock exchange, although there can be no assurance that the Issuer will be able to do so. Although no assurance is made as to the liquidity of the Notes as a result of listing on the Exchange or another recognized listing exchange for comparable issuers in accordance with the Indenture, failure to be approved for listing or the delisting of the Notes from the Exchange or another listing exchange in accordance with the Indenture may have a material adverse effect on a holder's ability to resell Notes in the secondary market.

There may not be an active trading market for the Notes, in which case your ability to sell the Notes will be limited.

The Notes are new issues of securities for which there is currently no established market. We cannot assure you as to:

- the liquidity of any market in the Notes;
- your ability to sell the Notes; or
- the prices at which you would be able to sell the Notes.

Future trading prices of the Notes will depend on many factors, including, among other things, prevailing interest rates, our operating results and the market for similar securities. The liquidity of a trading market for the Notes may be adversely affected by a general decline in the market for similar securities. Historically, the market for non-investment grade securities has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. Any such disruption may have a negative effect on you, as a holder of the Notes, regardless of our prospects and financial performance. The Initial Purchasers have advised that they intend to make a market in the Notes after completing the Offering. However, they have no obligation to do so and may discontinue market-making activities at any time without notice. In addition, such market-making activity will be subject to limitations imposed by the U.S. Securities Act and other applicable laws and regulations. As a result, there may not be an active trading market for the Notes. If no active trading market develops, you may not be able to resell the Notes at a fair value, if at all.

The proposed Financial Transactions Tax (FTT) may apply and impact dealings in the Notes.

On February 14, 2013, the European Commission published a proposal (the "Commission's 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"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the 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 the Notes where at least one party is a financial institution established in a Participating Member State, and at least one party is established in a Participating Member State. 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. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

The Notes may be issued with original issue discount for U.S. federal income tax purposes.

If the stated principal amount of the Notes exceeds the issue price by an amount equal to or greater than a statutorily defined *de minimis* amount, then the Notes will be considered to be issued with original issue discount ("OID") for U.S. federal income tax purposes. If the Notes are issued with OID, then, in addition to the stated interest on a Note, a U.S. Holder (as defined in *"Tax Considerations—Certain U.S. Federal Income Tax Considerations"*) will generally be required to include the OID on such Note in gross income (as ordinary income) as it accrues on a constant yield-to-maturity basis for U.S. federal income tax purposes, in advance of the receipt of the cash payments to which such OID is attributable and regardless of the U.S. Holder's regular method of accounting for U.S. federal income tax purposes. See "Tax Considerations—Certain U.S. Federal Income Tax Considerations."

Use of Proceeds

We estimate that the gross proceeds from the sale of the Notes will be €180.0 million. Pending the consummation of the Acquisition, the Initial Purchasers will deposit the gross proceeds from the Offering into the Escrow Account for the benefit of the holders of the Notes. See "*Description of the Notes—Escrow of Proceeds; Special Mandatory Redemption.*" The gross proceeds of the Offering will be used, together with the proceeds of the Senior Term Loan and the Equity Contribution, to fund the consideration payable for the Acquisition, repay certain existing indebtedness of the Group and pay the fees and expenses incurred in connection with the Transactions, including estimated fees and expenses incurred in connection with the Offering. See "*Summary—The Transactions.*"

The expected estimated sources and uses of the funds necessary to consummate the Transactions are shown in the table below, assuming that the Acquisition and the Refinancing complete on April 30, 2017. Actual amounts will vary from estimated amounts depending on several factors, including accrued interest on debt being repaid, differences from our estimates of fees and expenses associated with the Transactions and fees and expenses actually incurred, the actual Acquisition Completion Date and the actual date of redemption of the Existing Notes and repayment of the Existing Revolving Credit Facility and certain other indebtedness. Any changes in these amounts may affect the amount of the Equity Contribution.

Sources of funds	Amount	Uses of funds	Amount
	(€ in millions)		(€ in millions)
Borrowings under the Senior Term Loan	794.0	Consideration payable for the Acquisition[2]	882.6
Proceeds from the Notes offered hereby	180.0	Redemption of Existing Notes[3]	715.0
Equity Contribution[1]	787.4	Repayment of Existing Revolving Credit Facility[4]	43.0
		Repayment of other existing indebtedness[5]	37.7
		Redemption premium[6]	13.0
		Accrued interest[7]	14.1
		Estimated transaction fees and expenses[8]	56.0
Total Sources	**1,761.4**	**Total Uses**	**1,761.4**

(1) Represents (i) the indirect cash investment expected to be made by the Sponsors in the amount of approximately €743.3 million (approximately €10.0 million of which will be reserved for future management participation in the Group pursuant to a management equity participation program) and (ii) the contribution by certain managers of the Group of all or part of their existing investments in the Target and Manco in the amount of approximately €44.1 million, each of which will be contributed through wholly owned or majority owned intermediate holding companies to BidCo.

(2) Represents the total cash purchase price payable under the Acquisition Agreements, which includes the repayment of the Sellers' Bonds in the amount of €4.3 million.

(3) Represents the aggregate principal amount of Existing Notes to be redeemed on or around the Acquisition Completion Date. The amount does not include accrued and unpaid interest or redemption premium.

(4) Represents the repayment of amounts expected to be outstanding under the Existing Revolving Credit Facility as of April 30, 2017. The amount does not include accrued and unpaid interest.

(5) Represents the repayment of (i) €17.7 million in aggregate principal amount (including capitalized interest) outstanding under the Existing Management Vendor Loans and (ii) €20.0 million in aggregate principal amount outstanding under our bilateral credit facilities.

(6) Represents estimated premium payable in connection with the redemption of the Existing Notes. As of April 30, 2017, the redemption price for the Existing Senior Secured Notes will be €1,017.50 per €1,000.0 in aggregate principal amount of Existing Senior Secured Notes and the redemption price for the Existing Senior Notes will be €1,020.63 per €1,000.0 in aggregate principal amount of Existing Senior Notes.

(7) Represents estimated accrued interest including (i) €10.0 million of interest accrued on the Existing Senior Secured Notes from February 1, 2017 through to April 30, 2017, (ii) €2.5 million of interest accrued on the Existing Senior Notes from February 15,

2017 through to April 30, 2017, (iii) €0.1 million of interest accrued on the Existing Revolving Credit Facility through to April 30, 2017, and (iv) €1.5 million of non-capitalized accrued interest on the Existing Management Vendor Loans through to April 30, 2017.

(8) Includes estimated expenses in connection with the Transactions, including discounts, commissions and commitment, placement, advisory and other fees related to the Notes and the Senior Credit Facilities. Also includes the deemed interest payable under the FG Acquisition Agreement assuming the Acquisition Completion Date occurs on April 30, 2017. The actual amount of transaction fees and expenses may differ from the estimated amount depending on several factors, including differences from our estimates of fees and expenses and the actual fees and expenses as of the completion of the various transactions referred to in the table above, as well as the actual date on which the Acquisition Completion Date occurs. To the extent either the Notes or the Senior Term Loan is issued with original issue discount, the amount of fees and expenses will increase.

Capitalization

The following table sets forth, in each case, as of December 31, 2016, the cash and cash equivalents and consolidated capitalization of (i) Cerba HealthCare as of December 31, 2016, on a historical consolidated basis and (ii) the Issuer on a consolidated basis and as adjusted to give effect to the Transactions, including the Offering and the application of the proceeds therefrom, as if these transactions had occurred on December 31, 2016. The adjustments are based on available information and contain assumptions made by our management.

The table below should be read in conjunction with "*Selected Historical Consolidated Financial Information*," "*Use of Proceeds*," "*Management's Discussion and Analysis of Financial Condition and Results of Operations*," "*Description of Other Indebtedness*," "*Description of the Notes*," and the financial statements and the related notes included elsewhere in this Offering Memorandum.

	As of December 31, 2016		
	Cerba HealthCare Actual	Adjustments	Issuer As adjusted for the Transactions
		(€ in millions)	
Cash and cash equivalents	**48.3**	**—(1)**	**30.0(1)**
Financial debt(2)			
Existing Revolving Credit Facility(3)	—	—	—
Revolving Credit Facility(4)	—	—	—
Existing Senior Secured Notes(5)	570.0	(570.0)	—
Senior Term Loan(6)	—	794.0	794.0
Bilateral credit facilities(7)	83.4	(20.0)	63.4
Finance leases(8)	42.4	—	42.4
Other borrowings(8)	1.5	—	1.5
Existing Senior Notes proceeds loan(9)	145.0	(145.0)	—
Notes offered hereby(10)	—	180.0	180.0
Total senior debt, excluding shareholder debt	**842.3**	**239.0**	**1,081.3**
Sellers' Bonds(11)	4.3	(4.3)	—
Existing Management Vendor Loans(12)	17.7	(17.7)	—
Shareholders' equity(13)	290.6	496.8	787.4(13)
Total equity and liabilities owned by shareholders	**312.6**	**474.8**	**787.4**
Total capitalization	**1,155.0**	**713.8**	**1,868.7**

(1) As adjusted amount represents the expected cash position as of April 30, 2017, assuming that the Transactions complete on that date. No cash or cash equivalents of the Target or its subsidiaries will be used in the Transactions. Cash and cash equivalents on the Acquisition Completion Date may be different from the amounts presented due to, among other reasons, interim trading and the actual Acquisition Completion Date. Cash and cash equivalents of Cerba HealthCare as of February 28, 2017 was €26.3 million.

(2) Amounts are not reduced by the amount of capitalized debt issuance costs.

(3) The Existing Revolving Credit Facility was undrawn as of December 31, 2016. As of February 28, 2017, we had drawings in an amount of €43.0 million outstanding under our Existing Revolving Credit Facility, and we expect such drawings to remain unchanged as of April 30, 2017. See "*Use of Proceeds*."

(4) The Revolving Credit Facility will provide for aggregate borrowings of up to €175.0 million. We expect the Revolving Credit Facility to be undrawn on the Acquisition Completion Date.

(5) Excludes accrued but unpaid interest.

(6) The Senior Term Loan will be drawn in full on the Acquisition Completion Date in the amount of €794.0 million in connection with the Transactions. The proceeds from the Senior Term Loan will be used as set forth under "*Use of Proceeds*."

(7) We will repay €20.0 million of our bilateral credit facilities in connection with the Refinancing. See "*Use of Proceeds*" and "*Description of Other Indebtedness*."

(8) Represents existing debt, including bank overdrafts, that is expected to remain outstanding on the Acquisition Completion Date. See "*Description of Other Indebtedness*."

(9) Corresponds to a loan pursuant to which the proceeds of the Existing Senior Notes were on-lent to Cerba HealthCare, and excludes accrued but unpaid interest.

(10) Represents the aggregate principal amount of Notes offered by the Issuer.

(11) Represents the principal amount (including capitalized interest, but excluding accrued interest) of the 364,145,489 convertible bonds issued by the Target to PAI between 2010 and 2011 which will be redeemed in full in connection with the Acquisition. See "*Use of Proceeds*."

(12) Represents the principal amount (including capitalized interest, but excluding accrued interest) of the Existing Management Vendor Loans, which will be repaid in full in connection with the Acquisition. See "*Use of Proceeds*."

(13) As adjusted amount represents the expected indirect cash investment expected to be made by the Sponsors and the contribution by certain managers of the Group, assuming a completion of the Acquisition and refinancing on April 30, 2017. See "*Use of Proceeds*."

Selected Historical Consolidated Financial Information

The following tables set forth selected consolidated financial information and other data of Cerba HealthCare for the periods ended and as of the dates indicated below. The historical selected consolidated financial information of Cerba HealthCare set forth below as of and for the years ended December 31, 2014, 2015 and 2016 has been derived from the audited consolidated financial statements of Cerba HealthCare as of and for the years ended December 31, 2014, 2015 and 2016, which have been prepared in accordance with IFRS and are included elsewhere in this Offering Memorandum.

You should read the information set forth below in conjunction with the sections "*Presentation of Financial and Other Information—Presentation of Financial Information*," "*Use of Proceeds*," "*Capitalization*," "*Selected Historical Consolidated Financial Information*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and the consolidated financial statements including the notes thereto included elsewhere in this Offering Memorandum. Our historical results do not necessarily indicate results that may be expected for any future period.

Selected Consolidated Income Statement

	Year ended December 31,		
	2014	2015	2016
	(€ in millions)		
Net sales	**399.2**	**556.0**	**634.1**
Consumption of materials and supplies	(66.3)	(87.0)	(94.6)
Other purchases and external expenses	(94.0)	(134.3)	(143.7)
Taxes and duties	(12.0)	(17.4)	(20.8)
Personnel expenses	(140.6)	(214.4)	(240.8)
Net change in depreciation and amortization	(24.0)	(32.9)	(38.4)
Other income	4.1	4.9	6.2
Other expenses	(8.0)	(6.1)	(8.7)
Goodwill impairment	(22.6)	—	—
Operating income/(loss)	**35.9**	**68.8**	**93.4**
Cost of net debt	(37.7)	(57.0)	(84.1)
Other financial income	0.3	0.5	0.6
Other financial expenses	(1.1)	(2.0)	(1.1)
Financial income/(expense)	**(38.5)**	**(58.5)**	**(84.6)**
Pretax income/(expense)	**(2.6)**	**10.3**	**8.8**
Income tax	(10.8)	(8.9)	(16.0)
Profit (loss)	**(13.4)**	**1.4**	**(7.2)**
Attributable to owners of Cerba HealthCare	(15.4)	(1.0)	(8.7)
Attributable to non-controlling interests	2.0	2.4	1.5

Selected Consolidated Balance Sheet

	As of December 31,		
	2014	2015	2016
	(€ in millions)		
Goodwill	671.2	969.3	982.3
Intangible assets	108.2	159.4	158.5
Property, plant and equipment	64.5	85.1	92.7
Non-current tax assets	0.0	—	—
Other non-current assets	1.7	4.8	5.5
Deferred tax assets	2.1	10.9	7.6
Non-current assets	**847.7**	**1,229.5**	**1,246.5**
Inventories	5.6	7.4	8.1
Trade receivables	54.0	67.2	67.9
Current tax assets	3.7	7.4	4.7
Other current assets	18.0	22.6	24.3
Cash and cash equivalents	64.1	46.1	48.3
Current assets	**145.4**	**150.7**	**153.3**
Total assets	**993.1**	**1,380.2**	**1,400.0**
Equity attributable to owners of the company	286.3	295.6	290.6
Non-controlling interests	9.7	7.3	8.7
Total equity	**295.9**	**302.9**	**299.3**
Non-current financial liabilities	512.2	805.8	843.6
Employee benefits	6.9	15.6	18.1
Non-current provisions	0.9	3.5	2.8
Deferred tax liabilities	33.2	45.6	27.6
Other non-current liabilities	4.6	3.8	2.8
Non-current liabilities	**557.8**	**874.2**	**894.9**
Current financial liabilities	36.7	59.5	55.5
Current provisions	0.7	1.2	1.9
Trade payables	45.0	76.0	68.7
Current tax liabilities	14.2	6.5	14.2
Other current liabilities	42.7	59.9	65.3
Current liabilities	**139.4**	**203.1**	**205.6**
Total equity and liabilities	**993.1**	**1,380.2**	**1,399.8**

Selected Consolidated Cash Flow Statement

	Year ended December 31,		
	2014	2015	2016
	(€ in millions)		
Net cash provided by/(used in) operating activities	67.5	88.2	109.2
Net cash provided by/(used in) investing activities	(83.8)	(309.5)	(39.9)
Net cash provided by/(used in) financing activities	14.9	203.7	(66.7)
Effect of exchange rate fluctuations on cash held	0.2	(0.0)	0.2
Net increase/(decrease) in cash and cash equivalents	**(1.3)**	**(17.8)**	**2.8**
Cash and cash equivalents at beginning of period	63.6	62.3	44.6
Cash and cash equivalents at end of period	62.3	44.6	47.4

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following is a discussion and analysis of our financial condition and results of operations as of and for the years ended December 31, 2014, 2015 and 2016. The following should be read in conjunction with the information set forth under "Presentation of Financial and Other Information," "Summary—Summary Consolidated Financial and Other Information" and the consolidated financial statements of Cerba HealthCare and the notes thereto.

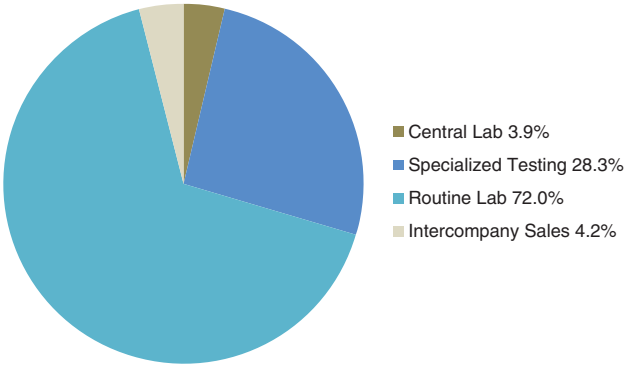
The following discussion includes forward-looking statements based on assumptions about our future performance. Our actual results could differ materially from those contained in these forward-looking statements as a result of many factors, including but not limited to those described under "Forward-Looking Statements," "Risk Factors" and elsewhere in this Offering Memorandum.

Overview

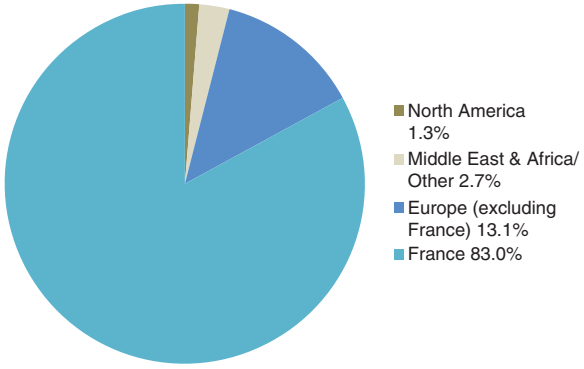
We are a leading European clinical pathology laboratory, providing routine and specialized clinical laboratory testing services primarily in France, Belgium, Luxembourg and the UAE, and supporting pharmaceutical and biotechnology companies worldwide in the clinical trial phase of their drug development processes.

Through our Routine Lab and Specialized Testing operations, we offer a range of over 2,500 routine and specialty clinical tests used by doctors and medical institutions to diagnose, monitor and treat diseases. We generally perform clinical tests using automated testing equipment, quickly delivering results to doctors, hospitals and patients and offering specialized assistance with respect to interpretation of results. Through a large network of high quality laboratories in France, Belgium, Luxembourg and the UAE, our Routine Lab operations perform a wide variety of clinical tests (including blood chemistry analyses, urinalyses, blood cell counts and microbiology cultures and procedures) for patients who have generally been prescribed these tests by their doctors. Our Specialized Testing operations offer private laboratories and public hospitals a broad range of specialty testing services, such as molecular biology testing, oncology testing, allergy testing, hormonology testing, infectious disease testing and diagnostic genetic testing. While France represents the largest share of our Specialized Testing customer base (91.9% of our Specialized Testing net sales for the year ended December 31, 2016), we also offer our services to hospitals or laboratories based elsewhere in Europe, the Middle East and North Africa. The prices of a large majority of the clinical tests that we offer in our Routine Lab and Specialized Testing businesses are set by the respective government authorities of the countries in which we operate.

Net sales by operation (for the year ended December 31, 2016)



Net sales by geography (for the year ended December 31, 2016)



Our Central Lab testing operations, which we operate through our BARC subsidiaries, provide testing services to pharmaceutical companies and contract research organizations worldwide in connection with the clinical trial phrase of drug development. We leverage our Routine Lab and Specialized Testing facilities and expertise to develop testing protocols with our clients and to provide a range of safety, efficacy and pharmacodynamic testing services.

As of December 31, 2016, we had approximately 4,396 full-time equivalent employees and we employed approximately 415 clinical pathologists. Over the course of our history, we have developed our business through strategic acquisitions of regional laboratories, such as our acquisitions of JS Bio, Cerballiance Provence, Cerballiance Hauts-de-France, Cerballiance Réunion and Novescia, as well as through selective purchases of larger testing platforms for access to new markets, such as our acquisitions of a majority stake in Menalabs in the United Arab Emirates in 2016, LLAM in Luxembourg in 2011 and BARC in Belgium in 2007.

For the year ended December 31, 2016, we generated total net sales of €634.1 million. Over the same period, our Routine Lab business generated net sales of €385.8 million (60.9% of our total net sales), our Specialized Testing business generated net sales of €179.3 million (28.3% of our total net sales) and our Central Lab business generated net sales of €25.0 million (3.9% of our total net sales), each prior to elimination of intercompany sales, which accounted for negative €26.7 million and included €0.7 million of net sales generated by our operations in the United Arab Emirates. We generated Adjusted EBITDA of €145.5 million and Pro Forma Adjusted EBITDA of €161.0 million for the year ended December 31, 2016. See "*Summary—Summary Consolidated Financial and Other Information—Other Financial and Operating Data*."

Factors that Affect Our Results of Operations

You should consider the following factors when analyzing our financial condition and results of operations.

Demand for Laboratory Tests

Our revenue is directly related to the volume of tests we perform. Demographic trends, including the growing size of the elderly population, the increase in soft diseases such as allergies, and the growth of long-term diseases such as cancer and diabetes requiring recurrent tests are contributing to increased demand for our services. Testing volumes have also increased as the medical profession focuses on the prevention and early detection and treatment of chronic and severe illnesses and increasingly relies on clinical testing for more accurate diagnoses, which also leads to the development of new tests. In addition, the greater health consciousness of the general public along with increased disposable income contributes to both volume growth and a willingness of certain patients to absorb out-of-pocket costs. In addition, outsourcing of specialty tests from hospital laboratories has increased mainly due to public spending cuts in the countries where we operate. Increase in demand for tests we provide is however mitigated by the routinization of specialized testing by laboratories that previously outsourced tests to our Specialized Testing business. This occurs for example when technology for certain tests progresses and leads to the development of more cost effective tests that can be performed by routine laboratories or when the demand for the test is such that it becomes cost efficient for routine laboratories to perform it. We experienced this in 2012 when the testing of vitamin D levels was insourced. Demand is also tempered by the decrease in the number of tests prescribed by doctors, mainly in France, as they face pressure from governmental agencies to reduce prescriptions for certain tests.

Regulated Tariffs for Laboratory Testing

We mainly operate in countries (France, Belgium and Luxembourg) and in market segments (Routine and Specialized laboratory testing) where clinical laboratory testing services are largely paid through publicly funded healthcare programs with regulated tariffs. Tariffs are set by governments and healthcare authorities and we have no control over the prices we charge to our

clients. In addition, in the countries where we operate, we are not allowed to propose additional paid services to our professional or non-professional clients.

With 60.9% and 28.3% of our net sales (prior to elimination of intercompany sales) for the year ended December 31, 2016 generated from our Routine Lab business in France and from our Specialized Testing business, respectively, we consider that approximately 90% of our consolidated net sales in 2016 were generated from regulated tariffs.

Since 2009, European governments, including the governments of France and Belgium, have been implementing austerity measures aimed at reducing government expenditures, including in healthcare. These measures encompass both tariff decreases and measures aimed at limiting testing volume growth overall. In France, efforts have been underway to reduce tariffs for clinical laboratory tests. Based on the "*Rapport Charges et produits pour l'année 2017"* by CNAM, the government targets annual savings in French healthcare expenditures of approximately €1.4 billion in the year 2017. Similar efforts to control health expenditures are also being made in Belgium, where, in addition to regulated tariffs, the government defines each year a global spending limit on clinical laboratory tests, which incentivizes doctors and patients to limit volumes. In view of reducing public health expenditures, the Belgian government also reduced fixed fees for ambulatory care (clinical biology) by approximately 9% in 2013 and an additional 4% to 5% in 2016, including for laboratory tests performed by non-hospital laboratories, such as ours (see Royal Decree of October 18, 2013 amending the Royal Decree of 24 September 1992 laying down the procedures for fixed fee for certain clinical laboratory services provided to ambulatory patients, as well as the outsourcing of these services and Royal Decree of November, 9 2016 amending the Royal Decree of 24 September 1992 laying down the procedures for fixed fee for certain clinical laboratory services provided to ambulatory patients, as well as the outsourcing of these services). In the wake of continued economic and financial instability as well as increased pressure on public spending in Europe, we expect further tariff decreases in the countries where we operate, particularly France.

General Economic Conditions and Reimbursement Levels

Although the clinical laboratory services market is generally considered to be less sensitive to economic cycles than certain other markets, we believe that a weakening of overall economic conditions may have a negative impact on our results of operations. Although we operate in countries where laboratory tests are largely paid for by healthcare programs, deterioration of economic conditions have led and will likely continue to lead governments to seek to reduce healthcare expenditure growth, which increases pressure on prices and volumes for our services. In addition, in France, our main market, public healthcare programs financed approximately 70% of the spending in the French private clinical pathology testing market in 2015, and customers are directly or indirectly (such as through private health insurance premiums) responsible for the remainder of that cost. As a result, individual decisions to reduce out-of-pocket healthcare expenditures may result in reduced demand for our services. More broadly, a general diminution of disposable income, or the perception thereof in times of economic downturn, can lead to a reduction in individuals' healthcare expenditures, regardless of the level of reimbursements by public social security systems or private insurance.

Expansion of Our Laboratory Network Through Acquisitions

We have expanded our network of clinical laboratories, and intend to continue to expand, through acquisitions. Historically, we have mainly focused on acquisitions of small and medium sized regional laboratories in France to strengthen our network in the regions where we are already present through regional clusters. While we focus on small bolt-on acquisitions, we have also made certain larger strategic acquisitions to expand our geographic presence or enter new segments. For example, in 2007, we expanded our geographical reach and business mix through the acquisition of BARC in Belgium, thereby entering the central lab and Belgian routine market. In May 2014, we completed the acquisition of JS Bio to complement our position in the south east region of France and in March 2015, we completed the acquisition of Novescia, which allowed us to further expand on geographical coverage in our core French market and to

strengthen our business with private hospitals, a significant source of business for Novescia. As of December 31, 2016, we estimate that we have realized approximately €12.6 million of synergies from the acquisition of Novescia (compared to targeted synergies of approximately €10 million) and we have implemented the procedures to realize the full-year effect of these synergies in 2017.

In 2016, we completed the acquisition of a majority stake in Menalabs, a network of routine laboratories in the United Arab Emirates to expand our network to the Middle East, a region experiencing strong growth. In the same year, we also completed the acquisition of Antagène S.A., a veterinary laboratory in France to diversify our business portfolio, and the acquisitions of LABM Brot, Diagnostika Holding Ltd and Biotech Medical Lab. In the years December 31, 2014, 2015 and 2016, we completed three, seven and five acquisitions, respectively, for aggregate consideration, including earn-outs, of €75.4 million, €286.4 million and €16.3 million, respectively.

Acquisitions affect our results of operations in several ways. First, our results for the period during which an acquisition takes place are affected by the inclusion of the results of the acquired business in our consolidated results. Acquisitions made since January 1, 2014 contributed on a cumulative basis 6.7%, 35.2% and 40.5% of the net sales of Cerba HealthCare for the years ended December 31, 2014, 2015 and 2016, respectively. In addition, the results of the acquired businesses after their acquisition may be impacted positively by synergies. For example, the businesses we have acquired in the past, particularly the small bolt-on acquisitions, have generally generated savings on reagent purchases and technical and administrative expenses within a short period after their acquisition and have realized savings on personnel expenses over a longer period of time. For larger strategic acquisitions, we may experience a temporary increase in investments and personnel expenses as we integrate the acquired business into our network. Finally, because acquired businesses are consolidated from the date of their acquisition, the full impact of an acquisition is only reflected in our financial statements in the subsequent financial year.

Because of the nature of the businesses we acquire, we carry a significant amount of goodwill on our balance sheet (€982.3 million as of December 31, 2016). Goodwill is subject to an impairment test annually and whenever there are indications of impairment. We may record significant charges in our income statement in case of impairment under IFRS.

We intend to further expand our network by continuing to acquire laboratories in each of the markets where we currently operate and selectively explore opportunities to purchase existing laboratory networks in new markets.

Changes in Regulation

Our business is subject to, and impacted by, extensive and frequently changing laws and regulations in each of the countries in which we operate as well as at the European Union level. See "*Regulation*." In particular, until 2010, consolidation was strictly regulated in the French market, by limitations placed on the number of clinical laboratories that could be operated by a single laboratory company. In addition, limitations on outsourcing and minimum levels of staffing required at each laboratory generated operational inefficiencies in that market. Some of these constraints have recently become less stringent: restrictions on the number of clinical laboratories that may be owned and operated by the same laboratory company have been softened, paving the way for market consolidation. However, outsourcing of tests between clinical laboratories is still limited, and minimum staffing requirements remain. Consolidation has also been affected by national labor laws that limit flexibility to reduce our workforce.

In France, the establishment and operation of clinical laboratories requires administrative authorization from local health authorities and compliance with certain standards set by law. The existing authorization process has been gradually replaced, since November 1, 2016, by a procedure of mandatory accreditation (applicable in steps on November 1, 2016, November 1,

2018 and November 1, 2020), and stricter standards (ISO: 15189) to obtain such accreditation have been introduced. Although implementing these stricter standards will be costly and time consuming, we believe that we are better prepared than our smaller competitors to comply with such heightened requirements. We believe that smaller laboratory companies may be unable to obtain the applicable accreditations and may be forced to close or to pursue mergers or consolidate with larger groups such as ours.

For a detailed discussion of the regulatory risks that we are facing, see "*Risk Factors—Risks Related to Our Business—We are subject to numerous legal and regulatory requirements governing our activities, and we may face substantial fines and penalties, and our business activities may be negatively impacted if we fail to comply*" and "*Regulation*."

Sensitivity of Our Cost Structure

Our cost base is largely fixed, with only consumption of materials and supplies (consisting mainly of reagent purchases and outsourced tests), certain external expenses and a small portion of personnel expenses considered fully variable. Personnel expense, which represented 38.0% of the net sales of Cerba HealthCare for the year ended December 31, 2016, is largely fixed due in part to national labor laws limiting workforce reductions and requiring the presence of at least one clinical pathologist in every lab. We believe that we can generally reduce personnel expenses, within a two year period, through the creation of regional clusters by converting acquired laboratories into collection centers and through mergers of laboratories, which allows us to redeploy staff more efficiently and achieve savings on technical and administrative expenses. We have already consolidated a substantial portion of our operations in Belgium and are in the process of doing so in France, where recent regulatory changes now allow us to reduce staffing levels and insource the performance of tests among clinical laboratories to technical platforms operated by the same laboratory company.

Cyclicality of the Central Lab Business

Revenues derived from our Central Lab business depend on the expenditures made by our clients, generally pharmaceutical and biotechnology companies, in research and development. The economic downturn has increased the risk associated with conducting our Central Lab business as economic difficulties result in budgetary constraints on our clients' research and development projects. Companies in these industries, particularly smaller biotechnology companies, are reliant on their ability to raise capital in order to fund their research and development projects. As a result, they may not be able to obtain access to credit or equity funding, which could affect their ability to engage in new trial testing projects, complete existing trials in accordance with the initial trial timetables, or make timely payments to us for projects already launched. In addition to volume reductions, the economic climate may result in downward pressure on prices and therefore margins. Decreases in research and development spending, or the perception thereof in times of economic downturn, can lead to a reduction in our clients' trial testing expenditure and pressure for improved terms. Accordingly, economic factors and industry trends that affect our clients in these industries also affect our business. We believe that we benefit from some downside protection as our Central Lab business leverages the infrastructure of our Routine and Specialized Testing business, which share the fixed costs associated with the Central Lab business. Nonetheless, changes in the number of research and development projects our clients conduct or outsource, or their effort to obtain improved terms, affect revenues and profitability. See "*Risk Factors—Risks Related to Our Businesses—Our Central Lab business depends on the pharmaceutical industry and creates a risk of liability*" and "*Risk Factors—Risks Related to Our Businesses—Our Central Lab backlog may not be indicative of future results*."

Seasonality

We experience limited seasonality in the volumes of tests we perform and, consequently, in our net sales. We have historically performed fewer tests during holiday and vacation periods, notably in the summer months and around the winter holidays. The extent of the impact of the seasonality varies among the countries in which we operate and is also affected by the number of

working days in a period. Our net working capital requirements generally follow the seasonality of the business.

Factors Affecting Comparability of Our Financial Statements

In the future, we will report consolidated financial statements and other information for the Issuer and its subsidiaries prepared under IFRS. The fiscal year of the Issuer ends on December 31 of each calendar year and the first annual consolidated financial statements for the Issuer will be available in respect of the fiscal year ended December 31, 2018. The Issuer will account for the Acquisition using the purchase method of accounting under IFRS, which will affect the comparability of the Issuer's consolidated financial statements with the financial statements of Cerba HealthCare contained in this Offering Memorandum. We will apply purchase accounting adjustments in connection with the Transactions to our financial statements for accounting periods subsequent to the Acquisition Completion Date. The application of purchase accounting could result in different carrying values for existing assets and assets we may add to our balance sheet, which may include intangible assets, such as goodwill, leasehold rights and software, and different amortization and depreciation expenses. Due to these and other potential adjustments, our financial statements could be materially different once the adjustments are made.

We will also incur a substantial amount of indebtedness as a result of the Transactions. As of December 31, 2016, on an unaudited *pro forma* basis to give effect to the Transactions, we would have had €1,081.3 million of outstanding total indebtedness, including the €180.0 million of Notes offered hereby, the €794.0 million of borrowings under the Senior Term Loan and €107.3 million of existing debt that will not be subject to the Refinancing. See "*Summary—Summary Consolidated Financial and Other Information*." Our indebtedness may limit our flexibility in planning for, or reacting to, changes in our business and future business opportunities, since a substantial portion our cash flow from operations will be dedicated to the repayment of our indebtedness, and this may place us at a competitive disadvantage as some of our competitors are less leveraged.

Key Income Statement Items

Below is a summary description of the key elements of the IFRS line items of the income statements for Cerba HealthCare.

Net sales corresponds to sales of our testing services provided directly to patients, outsourced to us by hospitals and other private laboratories, or provided to the pharmaceutical industry in connection with our clinical trial activities. Net sales consists of revenue from services rendered in the course of ordinary activities, measures the fair value of the consideration received or receivable, net of returns, trade discounts and any contractual volume discounts for hospitals. Revenue related to analyses/tests carried out in connection with routine and specialized clinical testing is recognized when the report is validated by the clinical pathologist (which is the date results are communicated to the client). For our Central Lab business, clinical trials are governed by contractual arrangements and revenue is recognized using the percentage of completion method, measured on the basis of work performed.

Cost of sales/Consumption of materials and supplies primarily includes our costs for the reagents we purchase from suppliers and for tests we outsource to other clinical laboratories.

Other purchases and external expenses includes mainly third party transport expenses, consumables, utilities, laboratory leases, operating leases, maintenance costs, post and telecommunication expenses, fees to external service providers, including audit, accounting, legal, human resources and marketing fees, insurance, security, cleaning, vehicle rental and travel expenses.

Personnel expenses principally include wages and salaries, compulsory social security contributions, post-employment benefits and other long-term benefits and employee profit

sharing. Personnel expenses also include costs associated with the use of subcontractors and non-salaried personnel.

Net change in depreciation, amortization and impairment includes regular depreciation and amortization of non-current assets such as intangible assets, buildings, laboratory equipment, computers and software. When applicable, it also includes impairment of goodwill. It also includes provisions for operational risks, disputes, pensions, bad debt and overdue receivables.

Other operating income and expenses principally includes miscellaneous income and expenses not related to the operation of our clinical laboratories.

Net financial income (expense) is financial income, net of financial expense. Financial expense primarily includes interest and related expense, such as interest on bank loans, interest on bonds issued to shareholders, commitment fees, swap related finance costs and accrued interest and related expenses.

Income tax includes corporate tax paid on income (in France, "*impôt sur les bénéfices*") and deferred taxes; it does not include other taxes payable by us, which are recorded under the line item "Taxes and duties" in our IFRS income statement.

Results of Operations

Comparison of the Year Ended December 31, 2016 with the Year Ended December 31, 2015

The following table shows certain line items of the income statements of our audited financial statements for the years ended December 31, 2015 and 2016, as well as such items as a percentage of net sales.

	Year ended December 31,			
	2015		2016	
	(€ in millions, except percentages)			
Net sales	556.0	100.0%	634.1	100.0%
Consumption of materials and supplies	(87.0)	15.6%	(94.6)	14.9%
Other purchases and external expenses	(134.3)	24.2%	(143.7)	22.7%
Personnel expenses	(214.4)	38.6%	(240.8)	38.0%
Net change in depreciation and amortization	(32.9)	5.9%	(38.4)	6.1%
Goodwill impairment	—	—	—	—
Financial income / (expense)	(58.5)	10.5%	(84.6)	13.4%
Income tax	(8.9)	1.6%	(16.0)	3.3%

The table below presents a breakdown of our net sales by business unit for the periods covered by, and based on, Cerba HealthCare's audited financial statements for the years ended December 31, 2015 and 2016, as well as each such business unit net sales as a percentage of total net sales.

	Year ended December 31,			
	2015		2016	
	(€ in millions, except percentages)			
Routine Lab France net sales(*)	318.1	57.2%	385.8	60.9%
Routine Lab Belux net sales(*)	70.2	12.6%	70.7	11.2%
Specialized Testing net sales(*)	154.4	27.8%	179.3	28.3%
Central Lab net sales(*)	32.5	5.8%	25.0	3.9%
Intercompany sales	(19.2)	(3.5)%	(26.7)(**)	(4.2)%
Total net sales	**556.0**	**100%**	**634.1**	**100%**

(*) Prior to elimination of intercompany sales.

(**) Includes €0.7 million of net sales generated by our operations in the United Arab Emirates.

Net Sales

Our total net sales increased by €78.1 million, or 14.0%, from €556.0 million for the year ended December 31, 2015, to €634.1 million for the year ended December 31, 2016. This increase was primarily due to the full year effect of the net sales generated by the businesses acquired in 2015 (mainly Novescia, contributing from March 1, 2015) for a total of €60.6 million, as well as the net sales generated by the businesses acquired in 2016 for a total of €1.6 million. Excluding the impact of these acquisitions, net sales on a like-for-like basis increased by €15.9 million or 3.8% between the year ended December 31, 2015, and the year ended December 31, 2016.

This organic growth was primarily due to an increase in net sales of our Specialized Testing business of €24.9 million, or 16.1%, between the year ended December 31, 2015 and the year ended December 31, 2016, due to gains of market shares and new revenue streams from innovative tests or services, such as non-invasive prenatal assessment of trisomy 21 or colorectal cancer screening. Excluding the impact of acquisitions, net sales of our Specialized Testing business on a like-for-like basis increased by 15.9% between the year ended December 31, 2015, and the year ended December 31, 2016.

Net sales from our Central Lab business decreased by €7.5 million, or 22.9%, between the year ended December 31, 2015 and the year ended December 31, 2016, primarily due to a lower number of new contracts signed with customers between January 1, 2014, and September 30, 2015. Acquisitions did not impact net sales from our Central Lab business between the year ended December 31, 2015, and the year ended December 31, 2016.

Net sales from our Routine Lab business in France increased by €67.7 million, or 21.3%, between the year ended December 31, 2015 and the year ended December 31, 2016, primarily due to the full year effect of the net sales generated by the Routine Lab business acquired in 2015 (mainly Novescia, contributing from March 1, 2015), amounting to €60.6 million, as well as the net sales generated by the businesses acquired in 2016 for a total of €0.5 million. Excluding the impact of these acquisitions, net sales from our Routine Lab business in France on a like-for-like basis increased by €6.6 million, or 3.7%, between the year ended December 31, 2015, and the year ended December 31, 2016. Net sales from our Routine Lab business in Belgium and Luxembourg increased by €0.5 million, or 0.7%, between the year ended December 31, 2015 and the year ended December 31, 2016, primarily due to a stabilization of revenue streams in this business unit after a decrease in net sales of 5.6% in 2015. Excluding the impact of acquisitions, net sales of our Routine Lab business on a like-for-like basis increased by 2.9% between the year ended December 31, 2015, and the year ended December 31, 2016.

The balance is explained by the movement in intercompany sales, mostly between Routine Lab in France and Specialized Testing in France.

Consumption of Materials and Supplies

Consumption of materials and supplies increased by €7.6 million, or 8.7%, from €87.0 million for the year ended December 31, 2015 to €94.6 million for the year ended December 31, 2016. This increase was primarily due to the full year effect of the cost of sales incurred by the businesses acquired in 2015.

Gross margin increased from 84.3% for the year ended December 31, 2015, to 85.1% for the year ended December 31, 2016. This increase was primarily due to the implementation of our tariffs to acquired businesses and improvement in our purchasing conditions and testing processes due to our increased scale.

Other Purchases and External Expenses

Other purchases and external expenses increased by €9.4 million, or 7.0%, from €134.3 million for the year ended December 31, 2015 to €143.7 million for the year ended December 31, 2016. This increase was primarily due to the full-year impact of operating expenses incurred by the businesses acquired in 2015.

Other purchases and external expenses as a percentage of net sales decreased from 24.2% for the year ended December 31, 2015, to 22.7% for the year ended December 31, 2016. This decrease was primarily due to a strict monitoring of costs and our ability to realize synergies and gain greater operating leverage through increased scale.

Personnel Expenses
Personnel expenses increased by €26.4 million, or 12.3%, from €214.4 million for the year ended December 31, 2015 to €240.8 million for the year ended December 31, 2016. This increase was primarily due to the full-year impact of the personnel expenses incurred by the Routine Lab businesses acquired in 2015.

Personnel expenses as a percentage of net sales decreased from 38.6% for the year ended December 31, 2015, to 38.0% for the year ended December 31, 2016. This decrease was primarily due to our strict monitoring of staff costs and our ability to integrate acquired companies, to realize synergies and gain greater operating leverage through our increased scale.

As of December 31, 2016, we had 4,396 full-time equivalent employees compared to 4,285 as of December 31, 2015.

Net Change in Depreciation and Amortization
Net change in depreciation and amortization increased by €5.5 million, or 16.7%, from €32.9 million for the year ended December 31, 2015 to €38.4 million for the year ended December 31, 2016. This increase was primarily due to the full year effect of the depreciation and amortization incurred by the businesses acquired in 2015.

Financial Income / (Expense)
Financial expense (net of financial income) increased by €26.1 million, or 44.6%, from €58.5 million for the year ended December 31, 2015, to €84.6 million for the year ended December 31, 2016. This increase was primarily due to a contemplated refinancing, which resulted in a €13.0 million charge in respect of a provision for redemption fees on the Existing Notes (with a cash impact to occur in 2017) and a €9.2 million charge in respect of the accelerated amortization of existing refinanced debt issuance costs (with no cash impact). The remaining €4.0 million increase was due to the full year effect of the €85.0 million of additional Existing Senior Secured Notes and €145.0 million of Existing Senior Notes issued in February 2015 and, to a lesser extent, €40.0 million of additional Existing Senior Secured Notes issued in October 2016.

Income Tax
Income tax expense increased by €7.1 million from an expense of €8.9 million for the year ended December 31, 2015 to an expense of €16.0 million for the year ended December 31, 2016. This increase primarily reflects an unusually low amount of income tax in 2015, which resulted from M&A transactions and financing costs in 2015 recognized in connection with the acquisition of Novescia.

Comparison of the Year Ended December 31, 2015 with the Year Ended December 31, 2014

The following table shows certain line items of the income statements of our audited financial statements for the years ended December 31, 2014 and 2015, as well as such items as a percentage of net sales.

	Year ended December 31,			
	2014		2015	
	(€ in millions, except percentages)			
Net sales	399.2	100.0%	556.0	100.0%
Consumption of materials and supplies	(66.3)	16.6%	(87.0)	15.6%
Other purchases and external expenses	(94.0)	23.5%	(134.3)	24.2%
Personnel expenses	(140.6)	35.2%	(214.4)	38.6%
Net change in depreciation and amortization	(24.0)	6.0%	(32.9)	5.9%
Goodwill impairment	(22.6)	5.7%	—	
Financial income / (expense)	(38.5)	9.6%	(58.5)	10.5%
Income tax	(10.8)	2.7%	(8.9)	1.6%

The table below presents a breakdown of our net sales by business unit for the periods covered by, and based on, Cerba HealthCare's audited financial statements for the years ended December 31, 2014 and 2015, as well as each such business unit net sales as a percentage of total net sales.

	Year ended December 31,			
	2014		2015	
	(€ in millions, except percentages)			
Routine Lab France net sales(*)	155.6	39.0%	318.1	57.2%
Routine Lab Belux net sales(*)	74.1	18.6%	70.2	12.6%
Specialized Testing net sales(*)	139.5	34.9%	154.4	27.8%
Central Lab net sales(*)	44.7	11.2%	32.5	5.8%
Intercompany sales	(14.7)	(3.7)%	(19.2)	(3.5)%
Total net sales	**399.2**	**100.0%**	**556.0**	**100%**

(*) Prior to elimination of intercompany sales.

Net Sales

Our total net sales increased by €156.8 million, or 39.3%, from €399.2 million for the year ended December 31, 2014, to €556.0 million for the year ended December 31, 2015. This increase was primarily due to the full year effect of the net sales generated by the businesses acquired in 2014 (mainly JS Bio, contributing from June 1, 2014) and acquisitions in 2015 (mainly Novescia, contributing from March 1, 2015) for a total of €169.1 million. Excluding the impact of these acquisitions, net sales on a like-for-like basis decreased by €12.4 million, or 3.3%, between the year ended December 31, 2014 and the year ended December 31, 2015, due to a tariff reduction in Luxembourg and a decrease in net sales generated by our Central Lab operations, primarily due to a lower number of new contracts signed between January 1, 2014, and September 30, 2015.

Net sales generated by our Specialized Testing business increased by €14.9 million, or 10.7%, between the year ended December 31, 2014 and the year ended December 31, 2015. This increase was primarily due to gains in market shares and new revenue streams from innovative tests or services, such as non-invasive prenatal assessment of trisomy 21 or colorectal cancer screening. Acquisitions did not impact net sales from our Specialized Testing business between the year ended December 31, 2014, and the year ended December 31, 2015.

Net sales from our Central Lab business decreased by €12.2 million, or 27.3%, between the year ended December 31, 2014 and the year ended December 31, 2015, primarily due to a lower number of new contracts signed between January 1, 2014, and September 30, 2015. Acquisitions

did not impact net sales from our Central Lab business between the year ended December 31, 2014, and the year ended December 31, 2015.

Net sales from our Routine Lab business in France increased by €162.5 million, or 104.4%, between the year ended December 31, 2014 and the year ended December 31, 2015, primarily due to the full year effect of the net sales generated by the businesses acquired in 2014 (mainly JS Bio, contributing from June 1, 2014), amounting to €21.7 million, as well as the net sales generated by the businesses acquired in 2015, including Novescia, contributing from March 1, 2015, which alone accounted for €127.1 million. Excluding the impact of these acquisitions, net sales from our Routine Lab business in France on a like-for-like basis decreased by €0.5 million, or 0.4%, between the year ended December 31, 2014, and the year ended December 31, 2015.

Net sales of our Routine Lab business in Belgium and Luxembourg decreased by €3.9 million, or 5.3%, between the year ended December 31, 2014 and the year ended December 31, 2015, primarily due to a 20% tariff reduction in Luxembourg implemented in January 2015. Additionally, sales were impacted by organizational issues caused by the implementation of a new enterprise resource planning system and disturbances in management activity caused by the departures of certain key clinical pathologists and key managers. Excluding the impact of acquisitions, net sales of our Routine Lab business on a like-for-like basis decreased by 5.2% between the year ended December 31, 2014, and the year ended December 31, 2015.

The balance is explained by the movement in intercompany sales, mostly between Routine Lab in France and Specialized Testing in France.

Consumption of Materials and Supplies
Consumption of materials and supplies increased by €20.7 million, or 31.2%, from €66.3 million for the year ended December 31, 2014, to €87.0 million for the year ended December 31, 2015. This increase was primarily due to the full year effect of the cost of sales incurred by businesses acquired in 2014 and 2015.

Gross margin increased from 83.4% for the year ended December 31, 2014, to 84.3% for the year ended December 31, 2015. This increase was primarily due to the implementation of our tariffs to acquired businesses and the improvement in our purchasing conditions and testing processes due to our increased scale.

Other Purchases and External Expenses
Other purchases and external expenses increased by €40.3 million, or 42.9%, from €94.0 million for the year ended December 31, 2014, to €134.3 million for the year ended December 31, 2015. This increase was primarily due to the full-year impact of the other operating expenses incurred by the businesses acquired in 2014 and 2015.

Other purchases and external expenses as a percentage of net sales increased from 23.5% for the year ended December 31, 2014, to 24.2% for the year ended December 31, 2015, primarily due to the impact of recent acquisitions, mainly Novescia, with a historically higher ratio of other purchases and external expenses to net sales.

Personnel Expenses
Personnel expenses increased by €73.8 million, or 52.5%, from €140.6 million for the year ended December 31, 2014, to €214.4 million for the year ended December 31, 2015. This increase was primarily due to the full year impact of the personnel expenses incurred by the businesses acquired in 2014 and 2015, such as Novescia.

Personnel expenses as a percentage of net sales increased from 35.2% for the year ended December 31, 2014, to 38.6% for the year ended December 31, 2015, reflecting recent acquisitions in our Routine Lab business in France, which are typically labor-intensive and had not yet delivered all their potential cost savings and efficiencies by the end of 2015, and the reinforcement of our headquarters support functions (such as process and engineering, IT or financial control) to improve the integration of acquired laboratories and implementation of synergies.

As of December 31, 2015, we had 4,285 full-time equivalent employees compared to 2,669 as of December 31, 2014.

Net Change in Depreciation and Amortization
Net change in depreciation and amortization increased by €8.9 million, or 37.1%, from €24.0 million for the year ended December 31, 2014 to €32.9 million for the year ended December 31, 2015.

Goodwill Impairment
A goodwill impairment charge of €22.6 million was recorded for the year ended December 31, 2014, due to short-term uncertainties in connection with our Central Lab business, such as lower new contracts, decreasing backlog and mergers of competitors. We did not identify indicators of impairment losses for the year ended December 31, 2015.

Financial Income / (Expense)
Financial expense (net of financial income) increased by €20.0 million, or 51.9%, from an expense of €38.5 million for the year ended December 31, 2014, to an expense of €58.5 million for the year ended December 31, 2015. This increase was primarily due to two issuances of Existing Notes in 2015 (*i.e*, €85 million of additional Existing Senior Secured Notes in February 2015 and €145 million of Existing Senior Notes in February 2015), and the full-year effect of a single issuance of €80 million of additional Existing Senior Secured Notes in April 2014.

Income Tax
Income tax decreased by €1.9 million, or 17.6%, from €10.8 million for the year ended December 31, 2014, to €8.9 million for the year ended December 31, 2015, which resulted from M&A transactions and financing costs in 2015 recognized in connection with the acquisition of Novescia.

Liquidity and Capital Resources

Liquidity describes the ability of a company to generate sufficient cash flows to meet the cash requirements of its business operations, including working capital needs, debt service obligations, capital expenditures, contractual obligations and other commitments, as well as acquisitions. Our primary sources of liquidity are provided by our cash from operating activities and our financings. Our liquidity requirements arise primarily to fund acquisitions, to meet our debt services obligations, working capital and, to a lesser extent, to fund capital expenditures.

Our financial condition and liquidity is and will continue to be influenced by a variety of factors, including:

- our ability to generate cash flows from our operations;
- the level of our outstanding indebtedness and the indebtedness of our subsidiaries, and the interest we are obligated to pay on such indebtedness, which affects our net financial expense;
- our ability and the ability of our subsidiaries to continue to borrow funds from financial institutions; and
- our external growth funding requirements, which consist primarily of the funding of acquisitions of additional laboratories.

Our cash requirements consist mainly of the following:

- funding acquisitions;
- funding working capital requirements;

- funding capital expenditures needs;
- servicing our indebtedness and the indebtedness of our subsidiaries;
- operating activities; and
- paying taxes.

Our sources of liquidity will consist mainly of the following:

- cash generated from our operating activities;
- borrowings under our Revolving Credit Facility which we expect will be undrawn on the Acquisition Completion Date;
- borrowings under debt securities;
- borrowings under bilateral loan facilities; and
- capital contributions from our shareholders.

Consolidated Cash Flow Statement

The following table summarizes our consolidated cash flow statement for the years ended December 31, 2014, 2015 and 2016, based on our audited financial statements included elsewhere in this Offering Memorandum.

	Year ended December 31,		
	2014	2015	2016
	(€ in millions)		
Net cash provided by / (used in) operating activities	67.5	88.2	109.2
Net cash provided by / (used in) investing activities	(83.8)	(309.5)	(39.9)
Net cash provided by / (used in) financing activities	14.9	203.7	(66.7)
Effect of exchange rate fluctuations on cash held	0.2	(0.0)	0.2
Net increase / (decrease) in cash and cash equivalents	**(1.3)**	**(17.8)**	**2.8**
Cash and cash equivalents at beginning of period	63.6	62.3	44.6
Cash and cash equivalents at end of period[(1)]	62.3	44.6	47.4

(1) Represents cash and cash equivalents as of the balance sheet date minus bank overdrafts.

Cash Flow from / (used in) Operating Activities

Cash flow from operating activities increased by €21.0 million from a cash inflow of €88.2 million for the year ended December 31, 2015, to a cash inflow of €109.2 million for the year ended December 31, 2016. This increase was primarily due to an increase in EBITDA by €30.0 million, partially offset by a €17.1 million decrease in change in working capital due to an increase in accounts receivable in connection with our higher net sales in 2016 compared to 2015. This decrease in change in working capital was partially offset by improved payment terms over the period.

Cash flow from operating activities increased by €20.7 million from a cash inflow of €67.5 million for the year ended December 31, 2014, to a cash inflow of €88.2 million for the year ended December 31, 2015. This increase was primarily due to an increase of €19.2 million in EBITDA, together with a €10.3 million increase in change in working capital due to improvement in our cash generation through quicker reimbursement following a better monitoring of accounts receivable collection.

Cash Flow from / (used in) Investing Activities

Cash flow used in investing activities decreased by €269.7 million from a cash outflow of €309.5 million for the year ended December 31, 2015, to a cash outflow of €39.9 million for the year ended December 31, 2016. This decrease was primarily due to a decrease in investments in acquisitions, from €286.4 million in 2015 (mainly Novescia) to €16.3 million in 2016. Investments

in acquisitions in 2016 are partly due to acquisitions completed in 2015 for which acquisition prices were not entirely paid out at year-end. Only €8.9 million relate to the following acquisitions completed in 2016: Antagène S.A., LABM Brot, Menalabs, Diagnostika Holding Ltd and Biotech Medical Lab. Our operating capital expenditures, excluding investments in acquisitions, amounted €22.8 million in 2016, or 3.6% of our net sales, consisting primarily of investments in diagnostics and IT equipment to upgrade our technical platforms.

Cash flow used in investing activities increased by €225.7 million from a cash outflow of €83.8 million for the year ended December 31, 2014, to a cash outflow of €309.5 million for the year ended December 31, 2015. This increase was primarily due to an increase in investments in acquisitions from €75.4 million in 2014 to €286.4 million in 2015 due to the acquisition of Novescia. Our operating capital expenditures, excluding investments in acquisitions, amounted to €9.5 million in 2014 and €23.0 million in 2015 or 4.1% of our net sales, of which €9.0 million (or 1.6% of revenue) relate to the Belval project in Luxembourg, consisting of a new building and a fully automated laboratory.

Cash Flow from / (used in) Financing Activities
Cash flow from financing activities decreased by €270.3 million from a cash inflow of €203.7 million for the year ended December 31, 2015, to a cash outflow of €66.7 million for the year ended December 31, 2016. This decrease was primarily due to the issuance of €85.0 million additional Existing Senior Secured Notes and €145.0 million Existing Senior Notes issued in February 2015 for the acquisition of Novescia. Cash flow used in financing activities in 2016 consisted of net interest expense of €56.7 million, of which €49.4 million relate to the Existing Senior Secured Notes, including the additional Existing Senior Secured Notes issued in 2015, and the repayment of financial liabilities of €85.2 million, including €50.0 million under our Existing Revolving Credit Facility, partly offset by new borrowings for €76.6 million, including €40.0 million of Existing Senior Secured Notes issued in December 2016.

Cash flow from financing activities increased by €188.8 million from a cash inflow of €14.9 million for the year ended December 31, 2014, to a cash inflow of €203.7 million for the year ended December 31, 2015. Cash from financing activities in 2015 consisted of new borrowings for €281.3 million, including the €230.0 million additional Existing Notes issued in February 2015 for the acquisition of Novescia together with €50.0 million drawn under the Existing Revolving Credit Facility to partly finance other bolt-on acquisitions, which was partially offset by net interest expense of €45.9 million, of which €40.4 million relate to the Existing Notes, and the repayment of financial liabilities of €32.5 million.

Capital Expenditures
Our net capital expenditures, excluding asset acquisitions, for the years ended December 31, 2014, 2015 and 2016 were €9.5 million, €23.0 million and €22.8 million, respectively. These reflect primarily capital expenditures incurred in the ordinary course of our business.

We expect our capital expenditures, excluding asset acquisitions, to be approximately €30.0 million in the year ended December 31, 2017, mostly related to investments in diagnostics and IT equipment to upgrade our technical platforms.

Capital Resources

As of December 31, 2016, our pro forma net financial debt excluding shareholder debt, as adjusted to give effect to the Transactions, including the application of proceeds from the Offering and drawings under the Senior Credit Facilities, would have been €1,051.3 million, which reflects external interest bearing loans and borrowings less cash and cash equivalents.

We expect cash provided by operations and amounts available under the Revolving Credit Facility to be our principal sources of funds. Future drawings under the Revolving Credit Facility will be available only if, among other things, we comply with the financial and other covenants in the Revolving Credit Facility. Our ability to meet the financial covenant in the Revolving Credit

Facility Agreement will depend on our results of operations, which may be affected by factors outside our control. For more information about the Revolving Credit Facility, see "*Description of Other Indebtedness—Revolving Credit Facility Agreement*."

Contractual Obligations and Commercial Commitments

The table below sets out our contractual obligations and commitments as of December 31, 2016, as adjusted for the Offering and the Acquisition and excluding accrued interests:

	Total	Less than 1 year	1-5 years	More than 5 years
		(€ in millions)		
Notes	**180.0**	—	—	180.0
Senior Term Loan	**794.0**	—	—	794.0
Bilateral credit facilities	**63.4**	19.0	37.0	7.4
Finance leases	**42.4**	12.2	22.5	7.7
Bank overdrafts	**0.9**	0.9	—	—
Other borrowings	**0.6**	0.6	—	—
Total	**1,081.3**	**32.7**	**59.5**	**989.1**

Our new Revolving Credit Facility Agreement will not be drawn on the Acquisition Completion Date.

Off-Balance Sheet Commitments

We are a party to various customary off-balance sheet arrangements, including guarantees and security granted in connection with earn out obligations when businesses are acquired. See note 6.29 to our audited financial statements for the year ended December 31, 2016, included elsewhere in this Offering Memorandum.

Financial Risk Management

We have historically been exposed to limited foreign exchange risk, as in the past we have entered into limited foreign currency transactions. However, our international acquisitions, for example the acquisition of a majority stake in Menalabs in 2016, expose us to exchange rate fluctuations.

We have historically been exposed to market risk arising from fluctuations in interest rates, and our exposure is expected to increase following the Transactions, as our €794.0 million Senior Term Loan will be floating rate. Although we are not required to enter into hedging transactions or to use derivative financial instruments to mitigate the adverse effects of interest rate fluctuations pursuant to the Senior Credit Facilities Agreement, we have, and may from time to time, enter into hedging transactions and use derivative financial instruments to mitigate the adverse effects of this risk.

We do not enter into financial instruments for trading or speculative purposes. We do not apply hedge accounting under IFRS.

Critical Accounting Policies and Estimates

IFRS require the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the relevant period. These estimates and assumptions are based on the information available at the time of preparation of the financial statements and affect the published amounts. Actual results may differ from these estimates.

IFRS Critical Accounting Policies and Estimates

We consider the following policies and estimates to be the most critical in understanding the assumptions and judgments that are involved in preparing our financial statements in accordance

with IFRS and the uncertainties that could affect our financial results, financial condition and cash flows:

- consolidation methods;
- recognition of revenue associated with clinical laboratory testing operations and clinical trials;
- accounting for deferred and income taxes;
- accounting for provisions and for impairment of financial assets;
- accounting for and impairment of goodwill;
- accounting for derivative financial instruments; and
- accounting for employee benefits.

A more detailed description of the accounting rules and methods that we apply under IFRS is provided in note 6.4 to the audited consolidated financial statements of Cerba HealthCare as of and for the year ended December 31, 2016 included elsewhere in this Offering Memorandum.

Consolidation Methods
All significant investments in affiliates that are exclusively controlled by Cerba HealthCare, either directly or indirectly, are fully consolidated.

French legislation requires that for laboratories that are incorporated as SELs, the clinical pathologists operating such SELs hold a majority of the shares and voting rights of such entities. In strict compliance with these regulatory constraints, the Group has set up a capital structure that meets these obligations while the bylaws governing such entities allow us to hold a majority of the financial rights in such subsidiaries. Further, provisions of the bylaws and shareholder agreements that we have entered into with the clinical pathologists holding majority voting power give us negative control over key matters of corporate governance, including the incurrence of indebtedness, acquisitions and dispositions.

Although the Group does not hold the majority of voting rights in its SEL subsidiaries, the above mentioned mechanisms allow it to obtain the majority of the economic benefits and also to demonstrate the existence of control, while being in full compliance with French legislation, therefore enabling the French entities to be fully consolidated.

Subsidiaries are fully consolidated from the date that control commences until the date that control ceases.

Revenue
Revenue from services rendered in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and any contractual volume discounts for hospitals.

Our Routine Lab and Specialized Testing operations are carried out in clinical laboratories. Revenue related to the analyses/tests carried out is recognized when the test report is validated by the clinical pathologist (*i.e.*, the date on which results are given to the client).

For our Central Lab business, clinical trials are governed by contractual agreements providing for specific invoicing at each stage. Revenue is recognized using the percentage of completion method. Percentage of completion is measured on the basis of work performed.

Income Tax
Income tax comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss unless they relate to a business combination, or to items that are recognized directly in equity or in other comprehensive income.

Current tax is (i) the expected tax payable or receivable on taxable profit or tax loss for the period, using tax rates enacted or substantively enacted at the reporting date, and (ii) any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Deferred tax is not recognized for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit;
- temporary differences related to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they are reversed, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, we take into account the impact of uncertain tax positions and any additional taxes and interest that may be due.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities and they relate to taxes levied by the same authority, either on the same taxable entity or on different tax entities that intend to settle current tax liabilities and assets on a net basis, and realize their tax assets and settle their tax liabilities simultaneously.

A deferred tax asset is recognized for unused tax credits, tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that taxable profit will be realized.

The French Finance Act of 2010 eliminated the business tax (*taxe professionnelle*) as of 2010 and replaced it with two new taxes: the property business tax (*cotisation foncière des entreprises*, or the "CFE") and the value added business tax (*cotisation sur la valeur ajoutée des entreprises*, or the "CVAE"). In accordance with the opinion of the *Conseil National de la Comptabilité*, the body that sets French national accounting standards, dated January 14, 2010, the Group has concluded that the CVAE falls within the scope of International Accounting Standard ("IAS") 12 and it has therefore been recognized under income tax. A deferred tax liability related to the CVAE is recognized.

Provisions
A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized under finance costs.

Restructuring. A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring (i) either has commenced (ii) or has been announced publicly. Future operating losses are not provisioned.

Financial assets measured at amortized cost. We consider evidence of impairment for financial assets measured at amortized cost (loans and receivables) at both a specific asset and collective level.

The high volumes and low unit values of invoices we issue require specific credit management processes. Impairment policies for receivables have been implemented on the basis of historical

trends. However, impairment allowances are allocated specifically. In specialized clinical pathology laboratories, the collection of receivables from direct patients, which are more than 35 days overdue, is handled by a debt collection company.

In assessing collective impairment, we use historical trends of the probability of default, the timing of collection and the amount of loss incurred, adjusted based on management's judgment as to whether current economic and credit conditions are such that the actual losses are likely to be greater or less than those suggested by historical trends.

An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows. Losses are recognized in profit or loss under "Net change in depreciation and amortization" and are recorded in an allowance account for loans and receivables. When an event occurring after the impairment was recognized causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Goodwill
Initial recognition. Business combinations are accounted for using the acquisition method at the acquisition date, which is the date on which control is transferred to the Group.

We measure goodwill at the acquisition date as:

- the fair value of the consideration transferred, plus
- the recognized amount of any non-controlling interests in the acquiree, plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree, less
- the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognized immediately in profit or loss.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognized in profit or loss.

Commercial goodwill that is acquired by the Group is accounted for as a business combination.

Subsequent measurement. Goodwill is measured at cost less accumulated impairment losses. For the purposes of impairment testing, goodwill is allocated to the cash generating units ("CGUs") or group(s) of CGUs that are expected to benefit from the synergies arising from the business combination.

The CGUs or group of CGUs identified by the Group are as follows:

- the specialized clinical pathology CGU, corresponding to our Specialized Testing business;
- the France private clinical laboratory testing CGU and the Belux private clinical laboratory testing CGU, corresponding to our Routine Lab business; and
- the clinical trial CGU, corresponding to our Central Lab business.

To determine the value in use of each CGU, cash flows are discounted based on the weighted average cost of capital (WACC), calculated on the basis of expected return and market risk for each CGU.

The final value is calculated using *ad infinitum* order to pay the discounted cash flow, determined on the basis of a normalized flow and an *ad infinitum* growth rate. This growth rate is in accordance with the markets development potential as regards the business as well as its competitive position. The discounted cash flows are compared to the sum of the goodwill value as well as to the operating assets allocated to the CGUs (intangible assets, items of property, plant and equipment and components of working capital, net of deferred tax liabilities).

Commercial goodwill acquired during the period is recognized as part of goodwill.

Derivative Financial Instruments
The Group holds derivative financial instruments to hedge interest rate risk exposures. The derivative financial instruments held are interest rate swaps. The derivative financial instruments are not designated as hedging instruments in a hedging relationship as set out in International Accounting Standard 39. Consequently, changes in their fair value are directly recognized in profit or loss.

Employee Benefits
In accordance with the laws and practices of the countries in which it operates, the Group grants its employees post-employment benefits (pension plans) and other long-term benefits (long service bonuses).

Defined benefit plans. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have vested in return for their service in the current and prior periods. This benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of plan assets are deducted. The discount rate is the yield at the reporting date on AA credit rated bonds that have maturity dates approximating the terms of the Group's obligations and that are denominated in the currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. The Group recognizes all actuarial gains and losses arising from defined benefit plans in other comprehensive income.

Other long-term employee benefits. The Group's net obligation in respect of long-term employee benefits other than pension plans is the amount of future benefits vested by employees in return for their service in the current and prior periods. The benefits mainly comprise seniority bonuses.

Industry

Certain of the information set forth in this section has been derived from external sources, including the "Comptes nationaux de la santé 2015" published by the DREES in 2016 and "Le scénario central de projections de population 2013-2070 pour la France" published by INSEE in 2016, among others. Industry surveys and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but some of this information may have been derived from estimates or subjective judgments or have been subject to limited audit and validation. While we have examined and relied upon certain market or other industry data from external sources as the basis for our estimates, including an industry report prepared by a major third party consulting firm, which was commissioned by Cerba HealthCare in connection with the sale process resulting in the Acquisition, we have not independently verified it.

Overview

We are engaged in three principal lines of business within the broader industry of clinical laboratory testing services. We conduct clinical pathology testing through our Routine Lab business and our Specialized Testing business. Our Routine Lab business provides local, low-complexity diagnostic testing services to patients and physicians. Our Specialized Testing business activities include providing highly complex clinical pathology, pathology and cytogenetic testing services outsourced primarily from private and public hospitals and laboratories. Additionally, our Central Lab business is engaged in providing testing services to pharmaceutical companies and contract research organizations globally in connection with the clinical trial phase of drug development. Each of our businesses focuses on different geographical regions, is targeted at a different customer base and is consequently subject to different competitive environments and market trends.

Clinical Pathology Testing

Clinical pathology testing is broadly split between routine laboratory testing, which we conduct through our Routine Lab business, and specialized laboratory testing, which we conduct through our Specialized Testing business.

Routine laboratory testing provides diagnostic, low-complexity testing to patients who are prescribed a particular test by their physician or on behalf of public and private hospitals that do not have in-house laboratories. Such diagnostic tests include clinical laboratory testing, or testing based on the analysis of bodily fluids, such as blood tests and urinalysis. Patients are either prescribed a test as part of a visit to their regular doctor or are required to undergo a diagnostic test when admitted to a hospital, in connection with the diagnosis, evaluation, detection, monitoring and treatment of medical conditions such as cancer, infectious diseases, endocrine disorders, cardiac disorders and genetic diseases. Laboratories such as ours receive business either directly from patients referred by their physician or patients who choose to have their tests performed by a particular laboratory.

Specialized laboratory testing focuses on complex, relatively uncommon laboratory testing needs that local smaller laboratories and hospitals are unable or unwilling to meet due to the expertise and technical equipment required. The types of tests that fall under this category include:

- clinical pathology, such as molecular and cellular-level testing, virology, immunological analyses, bacteriological testing, and other tests related to hormonology and oncology;
- anatomical pathology, which is the testing of histologic or cytological samples (such as human tissue); and
- cytogenetic testing, such as prenatal testing for hereditary disorders.

Market Overview

We operate our Routine Lab business in various parts of France, Belgium, Luxembourg, and the United Arab Emirates (UAE) through our recent acquisition of a majority stake in Menalabs. Providers of routine laboratory testing services in these countries include public laboratories associated with large public research facilities (such as regional hospitals and university hospitals in France), small local laboratories run by clinical pathologists themselves and private clinical laboratory networks like us.

Customers in the specialized laboratory testing market differ from those of the routine laboratory testing market. Specialized laboratories mostly receive samples through outsourcing referrals from other private laboratories and public or private hospitals that do not have the facilities, equipment, certifications, expertise or volume levels necessary to perform the requested tests. Laboratories engaged in specialized testing typically centralize their testing functions in one location, transporting samples to be tested to their main testing facility. All of our specialized testing is performed at our centralized facility in Saint-Ouen-l'Aumône, France. Due to the low volume and high geographical dispersion of specialized samples origination, sophisticated logistics systems are required to transport samples from collection centers all over the world to our centralized testing center. For the year ended December 31, 2016, 92% of our Specialized Testing net sales was derived from specialized tests performed on samples collected in France (either through our routine laboratories or from tests outsourced to us by hospitals and other private laboratories), with the remainder derived from specialized tests performed on samples collected by clients we work with in the rest of Europe and Middle East and Africa respectively.

The laboratory testing market is marked by notably high barriers to entry. Establishing a laboratory requires significant investments in specific equipment and the maintenance of a staff of trained professionals with a high level of scientific expertise and technological know-how. In order to sustain the profitability of its business, a laboratory must also be able to achieve economies of scale in order to manage logistics efficiently and cost-effectively. Moreover, it is key to have a deep knowledge of the complex legal environment in order to operate in the current market conditions, as well as a positive working relationship with the different regulatory bodies. Restriction on the allocation of new licenses and strict requirements in the application process imply a long and costly process which is uneconomical for small-scale market entrants. Finally, much like the routine laboratory testing business, the majority of prices for specialized laboratory testing are fixed by health regulatory authorities in the local jurisdiction. As a result of these requirements, many laboratories engaged in routine testing are unable to enter into the specialized testing business. Likewise, we believe that it would be challenging for foreign competitors with specialized testing capabilities to establish the necessary and accredited logistics footprint, comply with the regulatory requirements and obtain the required referrals to develop a sustainable competitive position in our core French market.

France

In 2015, according to "*Comptes nationaux de la santé 2015*" published by DREES, the private market for clinical laboratory testing in France represented revenue of approximately €4.3 billion, making it one of the largest private markets in Europe. According to an industry report prepared by a major third party consulting firm, this equates to approximately 2% of total French healthcare spending, with routine testing accounting for approximately €4 billion and specialized testing accounting for the rest. Moreover, according to an industry report prepared by a major third party consulting firm, the value of the French private clinical laboratory testing market is estimated to have experienced approximately 2.5% compound annual growth from 2006 to 2011, reflecting the net effect of tariff decreases and a combined growth effect of volume and mix. From 2011 to 2014 the market experienced a 0.6% average decrease in value as a consequence of new test coefficient reductions. From 2014 onwards, the market has stabilized due to a three-year agreement capping the growth of overall testing spending at 0.25% per year

from 2014 to 2016, by offsetting middle single digit growth in volumes with reductions of the pricing of certain high-volume tests. This overall spending increase permitted by the three-year agreement was offset by limitations on the prescription of some major tests (e.g. Vitamin D) in 2014 and external factors such as several doctors strikes and terrorist attacks in 2015. The 2014-2016 three-year agreement has been renegotiated for the 2017-2019 period, with a similar logic of capping the overall growth at 0.25% per year with some minor adjustments. The new agreement includes an allocation of €60 million of additional spend in recognition of higher than expected economies during 2014 and 2015, and to compensate for the temporary across-the-board reduction of tariffs in the fourth quarter of 2016, which was revised in January 2017.

In France, doctors prescribe clinical laboratory tests and patients are free to choose the clinical laboratory in which they are tested. Patients typically choose a laboratory based on proximity to their home or workplace. Accordingly, choice of a high traffic location and reputation for quality of services are key factors. The laboratory completes the testing process in-house except for specialized tests which can be outsourced to specialized laboratories.

Tariffs for laboratory tests are set by the Ministry of Health (*Ministère des Affaires Sociales et de la Santé*) and the National Health Insurance Fund (*Caisse Nationale d'Assurance Maladie*).

In 2015, approximately 70% of spending in the French medical laboratory testing market, including both routine and specialized testing, was financed by the French social security system and the remainder was covered by private insurance companies (approximately 25%) and by the patient directly out of pocket (approximately 3%). This split has not materially changed in recent years. The French social security system updates its catalog of tests (BIOLAM) on an annual basis, and determines the amount of reimbursement, if any, for each clinical test.

The clinical pathology testing market remains fragmented in France, with approximately 2,195 legal entities or approximately 3,876 collection centers as of December 2014. This fragmentation is the historical result of legal requirements that limited outsourcing, restricted laboratory ownership, capped the number of branches of a single laboratory and set constraints on how much of a specific area's testing needs any one laboratory could cover. The top eight leading networks of laboratories in France (including Cerba) account for approximately 60% of the total routine market, with the rest of the market being fragmented. Moreover, we believe approximately 80% of the specialty testing market is controlled by the two main participants: Cerba and Biomnis (Eurofins). As of December 2015, we believe we had a market share of approximately 10% of the French routine testing market and approximately 40% of the specialty testing market.

Belgium

According to an industry report prepared by a major third party consulting firm, the Belgian regulated clinical biology laboratory testing market grew at a compound annual rate of approximately 1.0% between 2012 and 2015 and generated revenue of approximately €1.3 billion in 2015, of which approximately 75% is reimbursed by the Belgian social security system. Furthermore, approximately €0.4 billion of the €1.3 billion are generated by private laboratories, equating to approximately 1% of total Belgian healthcare spending.

The laboratory services market in Belgium is split between tests performed for patients that are in the hospital, which is referred to as hospitalized care, and tests performed for patients that are not hospitalized, which is referred to as ambulatory care, our addressable market. The ambulatory care segment represented in 2015 approximately 60% of the total clinical pathology market. Approximately 50% of all the tests performed for ambulatory care are performed by private laboratories such as ours, the other 50% being performed by intra-hospital laboratories. Ambulatory care is mainly structured on the basis of a business-to-business model where samples are collected at a doctor's practice before being delivered to clinical laboratories such as ours for testing. However, certain laboratories, including ours, also maintain collection centers for direct access to patients.

Reimbursement levels for tests included in the INAMI (*Institut National d'Assurance Maladie-Invalidité*) catalog are set by the Belgium health authorities. In certain cases, laboratories are allowed to bill a small supplemental administrative fee per patient in addition to the set price for a test. Laboratory tests that are prescribed for non-therapeutic reasons may be excluded from INAMI's price regulation and are set freely by individual laboratories. Approximately 75% of the total biology expenses are reimbursed by INAMI, the rest being co-payment or supplements paid directly by the patient.

The Belgian clinical biology market has undergone considerable consolidation in the past 20 years. The consolidation process has been primarily driven by the easing of ownership restrictions to allow for the ownership of clinical laboratories by investors who are not clinical pathologists, the increasing difficulty in obtaining authorizations to operate and tariff reductions (in particular since the national consultation on supplements in medicine, which led to a limitation of supplements charged by all laboratories to their patients to €9 on average).

Luxembourg

The Luxembourg market is split between public and private laboratories. Public laboratories (including laboratories that are part of hospitals and clinics, as well as institutions such as the National Health Laboratory) provide routine laboratory testing to hospitalized and ambulatory patients accounting for approximately 25% of the ambulatory biology market, whereas private laboratories serve ambulatory patients exclusively with approximately 75% of the ambulatory biology market, according to an industry report prepared by a major third party consulting firm. In 2015, the total ambulatory clinical laboratory services market in Luxembourg generated revenue of approximately €66.7 million (or 2% of total Luxembourg healthcare spending), of which approximately €50.0 million was attributable to private laboratories. The value of the ambulatory biology market in Luxembourg grew at a compound annual rate of approximately 10.2% from 2010 to 2015.

Prices for all laboratory tests are set by the Luxembourg Ministry of Health (*Ministère de la Santé*) and the national insurance scheme (*Caisse Nationale de Santé*). The state reimburses partial or the full amount of test expenses at the fee level set in the annual catalog released by government health authorities.

As of 2015, there were three private laboratories operating in Luxembourg with Cerba being the main participant with approximately 45% of market share.

United Arab Emirates

According to an industry report prepared by a major third party consulting firm, the UAE pathology diagnostics market generated revenue of approximately €512 million in 2015 (representing approximately 6% of the overall healthcare spending in the region), approximately one third of which was generated by independent laboratories. The rest of the independent diagnostic market is formed by public and private hospitals and clinics with testing facilities. Routine testing accounted for 70% of the total market value while semi-specialized and specialized test accounted for 11% and 19% respectively. The market grew at an 11% average rate from 2010 to 2015 driven by overall development of the UAE market, which has benefited from both public and private investments and support.

The UAE healthcare industry is comprised of various federal and local bodies across major emirates regulating the local health sector. Prices have declined by approximately 50% since 2011 driven by increasing demand coupled with rapid development of outsourcing capacity thereby increasing pressure to consolidate.

In 2015 the private testing market, which size could be approximated by the independent laboratory sub-market, accounted for approximately €165 million, had five main participants

accounting for approximately 60% of the total independent laboratory sub-market share with some of them having partnering agreements in place with large global players. In December 2015, we believe that Menalabs had a market share of approximately 2% of the independent laboratory sub-market in the independent diagnostic market.

Competition

Routine Lab

The routine laboratory testing market in the countries in which we operate has limited competitive dynamics because of its fragmented nature and patients' tendency to go to the nearest laboratory to their home or workplace. As such, the competitive dynamics among the larger industry participants revolve around the regional density of their network. In the long term, however, we believe that the rising pressures on governments to reduce healthcare spending as they face budget constraints are likely to lead to greater harmonization across the European market and further liberalization of regulatory requirements, which in turn will lead to increased competition. We believe that this could lead to cross-border consolidation among market participants and increased penetration of the European market by some of the major non-European laboratory groups such as Quest Diagnostics, Laboratory Corporation of America and Sonic Healthcare.

Due to the regulated fee structure of the routine laboratory testing markets in which we operate, we mostly compete on the basis of the quality of the services we provide and the density of our network. We believe that patients who (as in France) are free to choose the clinical laboratories where they are tested usually base their choice on a laboratory's proximity to their home or workplace. Medical doctors sometimes refer patients to specific laboratories regardless of location. We believe that referring doctors and facilities that outsource their testing consider the following factors, among others, in selecting a clinical laboratory:

- medical and scientific expertise;
- the accuracy, timeliness and consistency in reporting test results;
- the reputation of the clinical laboratory in the medical community or field of specialty;
- the service capability and convenience;
- the number and type of tests performed;
- the method and speed of delivering/publishing results; and
- the tools for interpreting results offered.

The competitive landscape for the routine laboratory testing market that we face varies from market to market. In each of the countries in which we operate, however, we compete with local and regional independent laboratories.

In France, in addition to regional market participants, we also face competition from nationwide groups such as Synlab or Unilabs. We believe that we are the largest providers in the French Routine Lab market in terms of 2016 run-rate revenues achieved through our local leadership within regional clusters. Through our recent acquisitions, we have grown our market share allowing us to secure a leading position in the industry.

In Belgium, we face competition from hospitals that provide routine laboratory testing in-house, as well as from nationwide private laboratories such as Straco, Sonic Healthcare, Amedes and Synlab. We believe that in 2014 we held a market share of approximately 10% of the Belgian ambulatory biology testing market, based on our revenue, making us the third largest private

provider of routine testing in Belgium, due in part to our leading presence in the Flanders region. The Belgian ambulatory biology testing market is reasonably concentrated, where the three largest private providers collectively accounted for 63% of the market share in 2014.

In Luxembourg, we compete with hospitals and with the other two private laboratories in Luxembourg, Laboratoires Réunis and Laboratoire Forges du Sud. We believe that in 2015 we held a market share of approximately 45% of the Luxembourg biology testing market, based on revenue, which makes us the largest private ambulatory care routine laboratory in Luxembourg. The Luxembourg biology testing market is highly concentrated, where we believe the two largest private providers collectively accounted for 80% of the market share in 2015.

In UAE, we are part of the independent laboratories segment, with Menalabs occupying the fifth position in this segment accounting for 2% of this segment's market share by revenue in 2015 (according to an industry report prepared by a major third party consulting firm) and competing both with other independent laboratories as well as private and public hospitals and clinics in this highly fragmented market dominated by private and public hospitals and clinics. Over the last five years, large independent diagnostic companies have gained market share as hospitals and clinics have increased outsourcing to higher volume diagnostics clinics as a solution to accommodate volume while reducing costs. Current market configuration offers further room for consolidation in the coming years.

Specialized Testing

Because the services provided by specialized testing laboratories affect the delivery of healthcare, a large proportion of the tests performed by participants in this industry have rates set by central health authorities. Market participants are thus limited in the prices that they can charge patients or healthcare providers for services rendered and price competition is limited to only those tests that are outside the official testing catalog of the various public health authorities. Such pricing constraints do not apply in countries where pricing is liberalized, and international laboratories are able to set pricing competitively in such markets. However, most firms are limited to competing based on the breadth of their testing offerings, the amount of time it takes for test results to be made available to patients and the reliability of the logistics involved in sample transport.

Although we perform specialized tests for clients located in over 50 countries in Europe, North Africa and the Middle East, France generated 92% of our Specialized Testing net sales for the year ended December 31, 2016. We believe that in 2015, we held a leading share of the public and private specialized testing business in France, based on revenue. Today, we believe we are the co-leader in the French specialized testing market. Our main competitor in France is Biomnis (Eurofins). We also face a marginal amount of competition in France from public hospital laboratories. Outside France, we face competition from local participants and large international firms.

Market Trends

Routine Lab

Shift to Preventive Care, Early Detection and Companion Diagnostics

Western European governments continue to face unprecedented financial strain and seek to rein in healthcare spending in order to meet deficit reduction goals. Concluding that it is less expensive to prevent a disease than to treat one after its onset, health ministries have pursued policies that strongly favor preventive care in addition to a push for more accurate diagnostic testing to facilitate early detection of disease. Further, doctors are increasingly prescribing clinical laboratory tests to help identify potential diseases for early detection and to monitor patients throughout the course of an illness to evaluate treatment and make modifications as necessary. This shift is leading to greater reliance on diagnostic testing services. The portion of overall healthcare expenditure worldwide allocated to prediction, diagnosis and disease monitoring is

expected to increase from approximately 30% in 2010 to 40% in 2020, at the expense of expenditures allocated to treatment, according to an industry report prepared by a major third party consulting firm. As technologies develop over the long term, we believe in a trend favoring companion diagnostics, or the use of genetic markers to select individualized treatments and develop individualized prevention plans. We believe that this trend has the potential of creating overall greater demand for laboratory testing and, consequently, increased volumes.

Volume Trends

We believe that demographic trends and changes in lifestyles are leading to increased demand, and consequently increased volume, for medical testing. As life expectancy continues to grow in Europe, the number of persons aged 60 and over is expected to increase as well. INSEE reported that the French population aged 60 and over accounted for approximately 24% of the total population in 2015, while in 2000 it accounted for approximately 21%. Moreover, according to INSEE's central estimate, this age group would increase by 4.5 million between 2015 and 2030. As a result of such continuing trends, one in three persons in France will be aged 60 and over in 2060. Further, similar aging trends can be seen in Luxembourg, where the proportion of the population aged 60 and over has increased in recent years and is likely to continue to increase. Older populations have greater demand for healthcare and testing. Further, recent years have seen the growth of chronic diseases that result from certain lifestyle choices, such as low levels of physical activity, malnutrition and stress, including chronic illnesses related to obesity. We believe that these demographic and public health trends will lead to increased demand for healthcare services and, as a result, increase the volume of medical testing.

We believe that volume growth will continue to be mitigated in part by government efforts to control healthcare spending. As governments face pressure to reduce deficits due to the current economic climate, they have turned to several measures to reduce expenditures, including putting pressure on testing volumes through excluding certain prescriptions from reimbursement and other measures.

Pricing Trends

The pressure to reduce budget deficits has also led to tariff reductions in the routine laboratory testing market. In France, Belgium and Luxembourg, laboratory tariff levels are regularly updated.

In France, the CNAM (*Caisse Nationale d'Assurance Maladie*) revises the price catalog for laboratory tests on an annual basis. Stakeholders renewed the 2014-2016 agreement for the 2017-2019 period, maintaining the market growth cap at 0.25%. Pricing continues to be the variable used by the government to stabilize or slightly increase the overall healthcare spending. Pricing adjustments are expected to be realized through revisions to the reimbursement classification of medical tests (*Nomenclature des Actes de Biologie Médicale* (NABM)). Between 2006 and 2015, 33% of the approximately 810 tests listed in the NABM had their prices lowered over the period.

In Belgium, increase in health expenses is limited to 1.5% per year. Price controls prevent any substantial increase in expenses. In addition, audits on the evolution of medical testing prescriptions are performed regularly. In our case, this has led to a high degree of variability, positive and negative, in price movements from one year to another.

Technological Evolution and Quality Standards

As new technologies develop, resulting in higher quality standards for testing, laboratories are likely to experience pressure to upgrade and adopt new standards. For example, French regulatory reforms enacted in 2013 require that clinical laboratories conform to stricter ISO operating standards by 2020. Improvements in medical and information technologies and quality standards are also shaping the private clinical laboratory services market on a broader level. In facilitating more timely and effective decisions, such advances in information technologies and

quality standards ultimately improve patient care and reduce medical costs. The costs of compliance with new quality standards and the continual need to invest in new testing equipment favors larger participants with greater resources available for these expenditures. We believe that laboratories are voluntarily adhering to increasingly strict standards of quality as a means of differentiating themselves from their competitors.

Market Consolidation

We believe that the routine laboratory testing market in Europe, particularly in France, is becoming less fragmented through the combined influence of pricing pressures from payers, increasingly liberal regulatory frameworks and enhanced quality and accreditation standards. Regulatory restrictions on outsourcing quotas and staffing quotas for clinical laboratories have been lifted over recent years in order to rationalize delivery of healthcare services and reduce the costs paid by social security systems. Further, fixed compliance costs have increased due to stricter safety and quality control standards (including mandatory COFRAC accreditations in France). These higher fixed costs, combined with budget cutting measures to reduce or contain reimbursement rates, have increasingly encouraged consolidation among market participants aiming to achieve economies of scale and other related synergies. Consolidated networks of laboratories are able to move toward a more industrialized model of clinical testing and transform the rest of the network into collection centers where samples are collected and transferred to a technical platform for testing. The operation of networks of collection centers around a central technical platform allows for larger volumes of tests, as well as cost efficiencies for reagent costs and equipment and administrative costs. Given that patients generally choose the clinical laboratories where they are tested based on the proximity to their home or workplace, denser networks of collection centers naturally allow for increased patient coverage, and subsequently volumes. Consolidation allows laboratories to achieve a critical size necessary to make up for diminishing marginal revenues from individual tests due to government-imposed tariff reductions. Such consolidation could increase the market share of medium-and large-scale laboratory groups with a preexisting footprint and level of expertise, and could accelerate the entrance of large competitors in the European market. Examples of such consolidation include Synlab and Labco, our acquisition of Novescia in 2015 or the Alpha Medical acquisition by Unilabs in 2017.

Outsourcing

The outsourcing by public and private hospital laboratories to the benefit of private organizations is another trend observed in the European routine laboratory testing market over the last few years. In the long term, we believe that outsourcing will provide greater revenue for groups such as ours. We believe that the French, Belgian, Luxembourg and UAE markets may provide us with further outsourcing opportunities in the near future.

Specialized Testing

The market for specialized laboratory testing is affected by trends similar to those affecting the market for routine laboratory testing described above.

Shift to Preventive Care, Early Detection and Companion Diagnostics

The share of overall healthcare spending dedicated to prediction, diagnosis and disease monitoring worldwide is expected to increase from approximately 30% in 2010 to 40% by 2020, as a result of governments' emphasis on disease prevention as a means of reducing the costs associated with disease treatment. We believe that specialized laboratory testing stands to benefit substantially from this policy shift. For example, specialized tests such as cytogenetic testing for specific disease markers can be a very powerful tool for predicting, and ultimately preventing, many illnesses. As technologies develop over the long term, we believe there will be a trend favoring companion diagnostics, or the use of genetic markers to select individualized treatments and develop individualized prevention plans. The trend can already be observed through the increasing demand for companion diagnostics using genetic testing. As specialized

tests continue to develop as means for accurately predicting disease onset and drug interactions, we believe that physicians will be inclined to rely on them further in their clinical practice.

Pricing Trends

Because specialized laboratory testing is a part of the healthcare system, prices are regulated by state medical insurance authorities and third-party payers in a similar manner to prices for routine laboratory testing. As a result, our specialized laboratory testing business is also affected by government pressures to limit the increase in healthcare expenditure. We believe that efforts to limit the rate of growth in healthcare expenditure will result in further reductions in regulatory tariffs in the future. However, we expect price pressures to be less than in our Routine Lab business, given that relatively low prices already prevail in France for specialized tests and that a meaningful proportion of innovative ultra-specialty tests are not yet subject to regulatory tariffs. Despite pricing pressures, reimbursement rates from public authorities and the number of tests that are covered by social security systems have remained relatively stable. Although our Specialized Testing business outside France is not subject to price regulation, we need to price our offerings competitively with respect to local laboratories, which may be subject to price regulations and on behalf of whom we perform specialized tests.

Volume Trends

We believe that the demand for specialized testing is increasing as European populations age and their healthcare needs increase. We also believe that a continuing trend toward preventive and predictive care will increase demand for laboratory testing, including the tests we perform in our Specialized Testing business. Public hospitals facing increased demand for specialized tests are expected to increasingly outsource, driving greater volumes to private laboratories such as ours. However, we believe that such an increase in outsourcing will be balanced by an increase in the internalization of specialized testing functions by regional groups of laboratories that, due to regulatory liberalization, are able to consolidate and combine forces to achieve the necessary scale to perform certain specialized tests on a cost-efficient basis, subject to achieving the required scope and logistics capabilities to make this economical. Testing volumes for specialized laboratories may be negatively impacted from time to time by technological progress as customers may find it more cost-efficient to insource certain specialized tests if affordable equipment becomes available in the market.

Market Consolidation

The consolidation of the private laboratories market in France may result in some volume shifts between the two main participants, Cerba and Biomnis (Eurofins), as each participant's consolidated network tends to outsource its volumes to one specialized laboratory for efficiency purposes.

Scientific Advancements and Quality Standards

Because price competition is limited due to regulatory constraints, specialized laboratory testing market participants typically compete and seek to differentiate themselves on the perceived quality of their test offerings, their capacity for innovation and the scientific know-how of their staff. Specialized laboratory testing is also subject to the heightened regulatory accreditation standards that are currently in place in France and that are being implemented elsewhere in Europe; see "*Regulation*."

Globalization

We derived 9% of the net sales of our Specialized Testing business for the year ended December 31, 2015 (8% in 2016) from markets outside of France, including other countries in Europe, North Africa and the Middle East. With increased improvements in logistics services and the capacity to transport samples reliably and quickly over long distances, we believe that the market for specialized laboratory testing will continue to develop on a global scale, with large participants competing for market share around the world.

Central Lab

We provide central laboratory testing services for pharmaceutical and biotechnology companies and contract research organizations (CROs) in connection with the clinical trial phase of their drug development processes. In 2015, the central laboratory testing market was estimated by a major third party consulting firm to be worth over $2.8 billion worldwide. The central laboratory business is largely tied to the activity of pharmaceutical and biotechnology companies.

CROs provide all inclusive outsourced clinical services for pharmaceutical and biotechnology companies, including IT support, patient selection and logistical services. They provide their services throughout the clinical testing cycle, from preclinical testing to Phase IV studies and new drug applications. Reference laboratories such as our Central Lab business work with both pharmaceutical and biotechnology companies and CROs by performing clinical pathology testing to provide data on a test product's usefulness and clinical safety.

New pharmaceutical product candidates generally go through three phases of clinical testing before being marketed to the general public for use, potentially followed by an additional phase of post-marketing surveillance:

Phase I. In Phase I, a drug is initially introduced into a small number of human subjects and tested for safety, dosage tolerance, absorption, metabolism, distribution and excretion.

Phase II. Phase II involves clinical trials in a limited patient population to further identify possible adverse effects and safety risks and to determine the optimal dosage for dose tolerance and efficacy of the product candidate for the specific target disease.

Phase III. Phase III clinical trials are undertaken to further evaluate dosage, clinical efficacy and to further test for safety in an expanded patient population, at geographically dispersed clinical study sites. Phase III clinical trials usually include a broader patient population so that safety and efficacy can be substantially established across a wide range of genetic variation. Phase III clinical trials cannot begin until Phase II evaluation demonstrates that a dosage range of the product may be effective (which is often referred to as demonstrating "proof of concept") and has an acceptable safety profile. In the event that Phase III testing yields desired results, pharmaceutical companies will apply to have the compound approved by the relevant regulators.

Phase IV. Phase IV clinical trials are performed if a regulator requires, or a pharmaceutical company pursues, additional clinical trials after a product is approved. These clinical trials may be made a condition to be satisfied after a drug receives approval. The results of Phase IV clinical trials can confirm the efficacy of a product candidate and can provide important supplementary safety information.

Our central laboratory testing services mainly concern Phases II and III of clinical testing.

Pricing in the central laboratory testing business is not tariff-regulated, and is set contractually with the customers. This greater flexibility enables more intense, price-based competition among market participants. Additionally, the market is not limited to a particular geographic location; nearly all the laboratories engaged in central laboratory testing operate on a multinational level.

Central Lab customers' contracts vary in duration from six to 60 months, depending on the length of the particular clinical trial. Pricing is determined on a per test basis and is generally fixed, although we may offer customers rebates based on the achievement of specified volumes of testing. We are subject to liability if we fail to perform tests in a timely manner. Contracts may be terminated at any time at will by Central Lab customers, without indemnification. If a customer cancels or terminates a contract, we typically would be entitled to receive payment for all services performed up to the cancellation or termination date.

Competition

The central laboratory testing market has a wide range of participants, from small providers of limited, highly specialized services to full-service global organizations. Our central laboratory testing business competes with the in-house research departments of pharmaceutical and biotechnology companies, limited and full-service CROs and public institutions such as universities and hospitals.

We believe that we are a significant participant in the global central laboratory testing industry, with a recognized expertise in hepatology, onco-hematology and companion diagnostics, according to industry surveys. The four largest providers in the market (Covance/Labcorp, ICON, PPD and Quintiles/Quest) are estimated to account for approximately 60% of market share, according to an industry report prepared by a major third party consulting firm. We compete mainly with these large participants and several other national and international mid-sized companies.

Factors that affect a laboratory's competitive outlook include:

- the prices for its services;
- the scope of its testing offerings;
- its scientific and medical expertise;
- its ability to acquire, process, analyze and report data in a rapid and accurate manner;
- its historic experience and customer relationships; and
- the quality of its laboratory facilities.

Market Trends

Pricing Trends

Pricing in the centralized laboratory testing market is set competitively based on negotiations with the customers, *i.e.*, the pharmaceutical and biotechnology companies and CROs. In addition, as the market consolidation trend continues (as described below), we believe that laboratories could drive prices down further and intensify price-based competition. However, because the cost of analytical testing performed by centralized laboratory testing companies accounts for a relatively small portion of the total cost of conducting clinical trials, we believe that downward pricing pressure from pharmaceutical and biotechnology companies and CROs will be limited.

Market Consolidation

We believe the number of smaller laboratories is likely to decrease following European regulatory reforms requiring more stringent, and therefore costlier, certification requirements for the registration of new drugs. Further, price-based competition favors larger participants able to provide economies of scale. Finally, larger laboratories have greater resources with which to satisfy regulatory operating standards and to attract scientific talent. As a result, we believe that the market is ripe for further consolidation, leading to higher concentration of market share among larger participants.

Reinforced Need for New Products to Replace Aging Blockbusters

The past several decades in the pharmaceutical industry have been marked by "blockbuster" drugs that provided unprecedented levels of revenue to pharmaceutical companies. As time passes, patents providing exclusivity on such successful drugs expire, allowing generic manufacturers to produce and sell such drugs, thereby decreasing the pharmaceutical company's revenue streams. Pharmaceutical companies seek new replacement drugs to maintain profits. We

believe this results in additional spending for R&D to develop new drugs, which will in turn lead to more business for CROs and central laboratories such as us. Further, we believe new drug applications continue to be increasingly complex, leading to greater demand for specialized central laboratories with the expertise to support the patenting and regulatory approval of new drugs.

Outsourcing of R&D

Due to decreased margins from the expiry of patents of former blockbuster drugs, pressure on prices from payers and the general economic downturn, pharmaceutical companies are seeking to innovate while focusing on their core competencies and reduce costs. We believe that their desire to reduce costs leads to an increase in the outsourcing of their clinical trial functions. Because CROs and reference laboratories specialize in the support of new drug development, they are better positioned to identify and exploit market efficiencies, and as a result operate more efficiently. Consequently, we believe pharmaceutical companies find it increasingly cost efficient to outsource their clinical trial functions entirely to CROs and reference laboratories rather than maintaining this function in-house at higher costs. Further, while cost pressures have forced large pharmaceutical companies to reframe their operations around their core competencies, smaller and mid-sized companies have been able to develop without large companies' higher operating costs, in part due to the outsourcing of a large portion of their R&D functions. These companies have become an increasingly important driver of the growth of the pharmaceutical industry. We believe these smaller companies will continue to provide an important source of business for Central Lab.

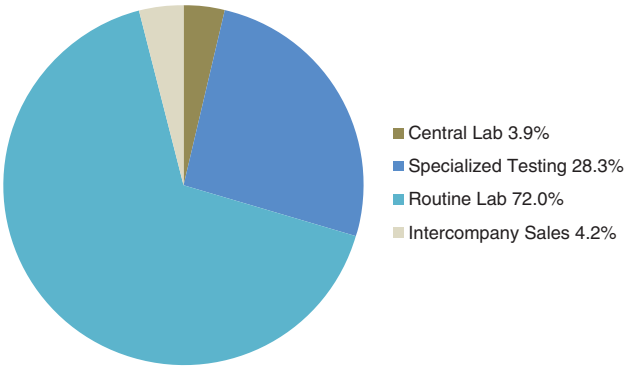
Business

Overview

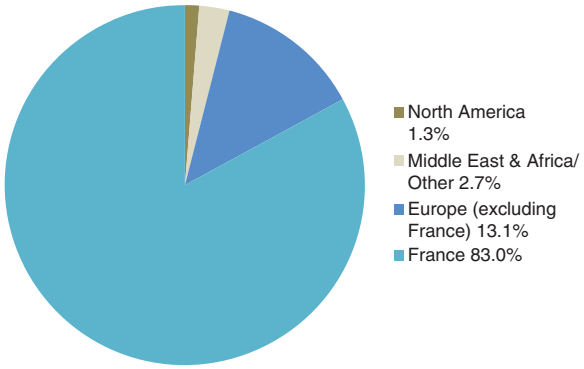
We are a leading European clinical pathology laboratory, providing routine and specialized clinical laboratory testing services primarily in France, Belgium, Luxembourg and the UAE, and supporting pharmaceutical and biotechnology companies worldwide in the clinical trial phase of their drug development processes.

Through our Routine Lab and Specialized Testing operations, we offer a range of over 2,500 routine and specialty clinical tests used by doctors and medical institutions to diagnose, monitor and treat diseases. We generally perform clinical tests using automated testing equipment, quickly delivering results to doctors, hospitals and patients and offering specialized assistance with respect to interpretation of results. Through a large network of high quality laboratories in France, Belgium, Luxembourg and the UAE, our Routine Lab operations perform a wide variety of clinical tests (including blood chemistry analyses, urinalyses, blood cell counts and microbiology cultures and procedures) for patients who have generally been prescribed these tests by their doctors. Our Specialized Testing operations offer private laboratories and public hospitals a broad range of specialty testing services, such as molecular biology testing, oncology testing, allergy testing, hormonology testing, infectious disease testing and diagnostic genetic testing. While France represents the largest share of our Specialized Testing customer base (91.9% of our Specialized Testing net sales for the year ended December 31, 2016), we also offer our services to hospitals or laboratories based elsewhere in Europe, the Middle East and North Africa. The prices of a large majority of the clinical tests that we offer in our Routine Lab and Specialized Testing businesses are set by the respective government authorities of the countries in which we operate.

Net sales by operation
(for the year ended December 31, 2016)



Net sales by geography
(for the year ended December 31, 2016)



Our Central Lab testing operations, which we operate through our BARC subsidiaries, provide testing services to pharmaceutical companies and contract research organizations worldwide in connection with the clinical trial phrase of drug development. We leverage our Routine Lab and Specialized Testing facilities and expertise to develop testing protocols with our clients and to provide a range of safety, efficacy and pharmacodynamic testing services.

As of December 31, 2016, we had approximately 4,396 full-time equivalent employees and we employed approximately 415 clinical pathologists. Over the course of our history, we have developed our business through strategic acquisitions of regional laboratories, such as our acquisitions of JS Bio, Cerballiance Provence, Cerballiance Hauts-de-France, Cerballiance Réunion and Novescia, as well as through selective purchases of larger testing platforms for access to new markets, such as our acquisitions of a majority stake in Menalabs in the United Arab Emirates in 2016, LLAM in Luxembourg in 2011 and BARC in Belgium in 2007.

For the year ended December 31, 2016, we generated total net sales of €634.1 million. Over the same period, our Routine Lab business generated net sales of €385.8 million (60.9% of our total net sales), our Specialized Testing business generated net sales of €179.3 million (28.3% of our total net sales) and our Central Lab business generated net sales of €25.0 million (3.9% of our total net sales), each prior to elimination of intercompany sales, which accounted for negative €26.7 million and included €0.7 million of net sales generated by our operations in the United Arab Emirates. We generated Adjusted EBITDA of €145.5 million and Pro Forma Adjusted EBITDA of €161.0 million for the year ended December 31, 2016. See "*Summary—Summary Consolidated Financial and Other Information—Other Financial and Operating Data*."

Our History

We were founded in 1967 in France as Laboratoires Cerba, a laboratory focused on specialized testing for local medical laboratories and hospitals. We continued to develop our expertise in high quality specialized laboratory testing over the years, aided by our acquisition of the specialized medical biology department of the Pasteur Institute in Paris in 1998. This acquisition made us a leading specialized testing laboratory in Europe. Since then, we have pursued a strategy of diversifying our business both in terms of services provided and geographical coverage. With our acquisition of BARC in 2007, we expanded into the central laboratory testing business as well as the routine laboratory testing business in Belgium. We have continued to expand our Routine Lab business through a series of strategic acquisitions since then, including French laboratories such as Cerballiance Hauts-de-France (formerly Biolille) in the Lille metropolitan area in 2009, Cerballiance Paris in the Paris area and Cerballiance Provence (formerly Biotop Développement) in the Marseille area in 2010, Cerballiance Pyrénées (formerly BioPyrénées Lab SELAS) in southwestern France, Cerballiance Réunion (formerly Bioréunion) in La Réunion, SELAS de la Baie in Brittany in 2011 and JS Bio in the Provence-Alpes-Côte d'Azur region as well as laboratories in Luxembourg, such as Ketterthill Laboratories (which we acquired through our acquisition of LLAM in 2011), and Belgium, such as Medic Lab, which we acquired in 2011. In 2015, we completed the strategic acquisition of Novescia to further expand our geographical coverage in our core French market and to strengthen our business with private hospitals, a significant source of business for Novescia. In 2016, we acquired a majority stake in Menalabs, a network of routine laboratories in the United Arab Emirates, to expand our network to the Middle East. In the same year we also acquired Antagène S.A., a veterinary laboratory in France, to diversify our business portfolio. From a single collection center in 2007, we have grown to operate approximately 360 collection centers with a staff of approximately 415 clinical pathologists as of December 31, 2016.

A number of transactions have been conducted in the past with respect to the control and ownership of our Group, most notably in 2010 with the purchase by PAI, our previous shareholders, of a majority stake in our holding company. Following the completion of the Transactions, the Sponsors will be the Group's indirect majority shareholders and certain members of our management team will hold a minority stake in our holding company.

Our Competitive Strengths

Our business benefits from a number of competitive strengths, including:

Integrated, Efficient and Diversified Business Model

We operate an integrated, efficient and diversified business model based on strong and recognized medical expertise, as well as proven industrial and organizational know how. Our reputation for scientific excellence, inherited from our historical specialty business founded in 1967 in France as well as our Central Lab business founded in 1985 in Belgium, benefits the entire organization through cross selling, cost synergies, training, technical support and sharing of best practices, as well as quicker and easier access to technology and to top-trained clinical

pathologists. We believe our reputation for scientific excellence is particularly valuable to our Specialized Testing and Central Lab businesses and is a significant strength as we look to continue taking part in the consolidation of the routine lab market. Our reputation boosts our credibility as a market consolidator. Through its link with the medical and pharmaceutical communities, our Central Lab business provides us with insights into new clinical pathology tests being developed in the industry. The strong medical expertise of our Group and its exposure to rare pathologies also help attract and retain top-trained clinical pathologists. We believe our Central Lab business leverages our Routine Lab and Specialized Testing infrastructure, equipment and clinical pathologists to perform safe and cost effective testing of new drugs, thereby generating significant cost synergies.

Our business model also benefits from our strong experience in managing large scale technical and logistical networks, which allows us not only to expand our different businesses organically and geographically, but also to optimize internal synergies between them. In particular, our strong logistics expertise, based on outsourced operations managed by in-house experts, allows us to optimize our size and organization in a cost and operationally effective way.

Our presence across all segments of the industry also allows us to benefit from the entire life cycle of a test, from its early and confidential use, as part of a drug trial in Central Lab, to its more common use in Specialized Testing through to its massive dissemination as a routine test. Finally, our integrated business model has allowed us to better absorb pricing pressures and improve profitability by negotiating more advantageous purchasing conditions with our reagent and equipment suppliers. We regularly invest in the latest technological advances in our field and are able to attract and retain leading clinical pathologists.

Leading Market Positions Across Routine, Specialty and Central Lab Testing

We are the only clinical pathology laboratory in Europe with leading market positions in all its European geographies and across all three segments of the clinical laboratory services industry based on revenue. We believe that we are the largest private network of clinical pathology laboratories in France in terms of 2016 run-rate revenues, one of the two national scale networks and one of the top four private players in Europe by net sales, based on management estimates. We also believe that, based on management estimates for 2016, we were among the three largest private providers of routine testing in Belgium and the largest private ambulatory care routine laboratories in Luxembourg. In Specialized Testing, our historical core business, we believe that we were co-leader of the market in France based on management estimates for 2016, with customers in more than 50 countries across Europe, the Middle East and North Africa. Finally, we believe we are a significant player in the Central Lab market worldwide, based on management estimates for 2016. Our position in the three segments in which we operate enables us to attract top-trained clinical pathologists and to be at the forefront of both technological and medical advancements in the clinical pathology industry as a result of our close relationships with the medical and scientific communities. Our position as a leader has made us a key player in the consolidation of the routine market.

We believe we offer one of the largest catalogs of routine and specialized clinical tests in Europe, with over 2,500 tests as of December 31, 2016, of which approximately 1,500 are highly specialized in molecular clinical pathology, immunology, cellular clinical pathology, bacteriology, hormonology, oncology and rare biochemistry. As of December 31, 2016, we employed approximately 415 clinical pathologists who perform and interpret clinical tests processed on our technical platforms and assist external clinical pathologists and doctors in their diagnostics.

Resilient and Growing Market Underpinned by Strong Fundamentals and Further Growth Opportunities

The European clinical laboratory services market has been characterized by resilient growth over the past several years, including through economic downturns, benefiting from favorable

demographic and scientific trends. The private clinical laboratory testing market in France is estimated to have experienced approximately 2.5% compound annual growth from 2006 to 2011, reflecting the net effect of tariff decreases and the combined growth effect of volume and mix. From 2011 to 2014 the market experienced a 0.6% average decrease in value as a consequence of new test coefficient reductions. From 2014 onwards, the market stabilized due to a three-year agreement capping the growth of overall testing spending at 0.25% per year from 2014 to 2016. In Belgium, the total clinical laboratory testing market experienced annual growth between 1% and 2% since 2012, and the ambulatory biology market in Luxembourg grew at a rate of approximately 8% per year over the last 10 years.

Past growth of the routine and specialty testing markets has been supported by strong demographic trends in our geographical markets. Contrary to certain other European countries, the population in France, our main market, continues to grow. In the meantime, as life expectancy continues to increase in Europe generally, the number of people aged 60 and over (an age from which many people request and need more medical treatments) increases too. In addition, as birth rates remain relatively high in our markets, particularly in France, pregnant women also generate a significant volume of medical testing.

Public health and scientific trends have also been key drivers of the growth of the routine and specialty testing markets. As it is often less expensive to prevent a disease than to treat it, governments have pursued policies that favor preventive care, in addition to encouraging more accurate and sophisticated tests to facilitate early detection. We believe, based on publicly available information, that from 2010 to 2020, the percentage of overall healthcare expenditure worldwide dedicated to diagnosis, prediction and disease monitoring will increase from approximately 30% to 40%. Finally, chronic diseases, which generally require regular testing for monitoring purposes, have increased in recent years likely due to certain lifestyle trends, such as low levels of physical activity, malnutrition, stress and pollution.

We believe that in addition to these favorable demographic and public health fundamentals, other trends support an increase in the volume of medical testing, and thus support the future growth of our different markets. In particular:

- we believe that new tests will emerge as technologies develop and personalization of prevention and treatment will become the norm, further offering growth opportunities for our specialized testing segment; we believe that the market continues to shift progressively to preventive care, early detection and companion diagnostics;

- we also believe that the consolidation of the routine laboratory testing market in Europe is continuing, in particular in France, which is still fragmented, with approximately 2,195 legal entities or approximately 3,876 collection centers as of December 2014;

- state budget reductions, as well as regulatory liberalization, create pressure to outsource routine and specialized tests from the public sector; in 2015, revenue from the private French clinical laboratory testing totaled approximately €4.3 billion, representing approximately 60% of the overall French clinical laboratory testing market; and

- with respect to the central lab market, we believe that the pharmaceutical industry's need to market new drugs to replace aging blockbusters, as well as the further outsourcing of pharmaceutical companies' R&D capabilities, continues to increase demand for central lab testing.

Significant Barriers to Entry

The European testing markets in which we operate are characterized by national regulatory and structural specificities which make them more difficult and costly to penetrate for potential new entrants. We believe that scientific reputation, technical capabilities, market and regulatory

knowledge, as well as critical size, all of which are characteristics of Cerba, are key elements that will be necessary to be able to fully benefit from future growth opportunities.

We believe our Group is well known for scientific excellence and cutting edge technical know-how. Inherited from our historical core specialty lab business founded in 1967 in France and our central lab business founded in 1985 in Belgium, this reputation, which has allowed us to establish strong relationships with the scientific community and to establish a renowned brand name in the medical laboratory testing industry, constitutes an invaluable advantage over potential new entrants, in particular in Central Lab where referral processes are long and difficult.

We operate in a highly regulated market with stringent regulations and strict accreditation procedures governing the granting or the renewal of a license to operate a laboratory. Securing these mandatory accreditations entails significant investment and lengthy and complex processes making it increasingly difficult for new entrants to penetrate the market. For example, the existing administrative authorization process for the establishment and operation of clinical laboratories in France will be replaced in November 2020 by a new accreditation procedure, COFRAC accreditation, that will introduce new, stricter requirements pursuant to the ISO standard. COFRAC accreditation is being implemented gradually and, since November 2016, 50% of the tests performed by a laboratory already have to be accredited. We are compliant with this requirement. In November 2018, 70% of the tests performed by a laboratory will have to be accredited. The COFRAC accreditation process is costly and time consuming. As such, it constitutes a significant barrier to entry for new entrants and a significant burden for existing small labs. In addition, the legal constraints in the French market regarding mandatory shareholding of clinical pathologists with which we believe we already comply, constitute a significant barrier to entry into the French routine market. The stringent price regulations applicable to the routine and specialty markets in which we operate also constitute serious obstacles for new entrants as these price constraints favor well established and large players who benefit from their existing reputation and large scale to implement a cost effective model. Finally, we believe that in France, new networks would be difficult to create as the opening of new laboratories or collection centers requires several regulatory approvals, which are only rarely obtained as the market is already well covered by a large number of laboratories.

We also believe that size and scale, which would be highly difficult and costly to achieve in the short term for any new entrant, are key strengths for larger market participants like us. We believe that larger participants, with well-established and integrated logistical capabilities, are better equipped and positioned to treat high volume testing in a more cost effective way, to consolidate the routine market where necessary, to secure loyalty from outsourcing (for specialty lab) and commercial (for central lab) partners, to optimize synergies within the different testing businesses and, finally, to seize growth opportunities in new geographical markets.

Finally, we believe that the logistics organization of our Specialized Testing business is a valuable asset that would be difficult for new entrants to replicate. For cost and operational efficiency, we have outsourced the operation of our logistics network to a trusted partner, which is ISO accredited and is in charge of the collection and transportation of samples. While we have outsourced this aspect of the logistics for our Specialized Testing Business, we maintain in-house the management and proprietary mapping of the network. This model, as well as our strong in-house logistics expertise and experience, allow us to collect an average of approximately 24,000 samples per day, from more than 3,000 locations worldwide, and to ensure that all tubes arrive before 7 a.m. in our specialty laboratory in Saint-Ouen-l'Aumône, near Paris, France, to be tested and the results returned to clients within 24 hours.

Proven Consolidation Strategy with a Structured Approach to Acquisitions

Founded as a specialty laboratory in 1967, we have since then expanded into new businesses and new geographies through acquisitions. With our acquisition of BARC in 2007, we expanded into the central laboratory testing business as well as the routine laboratory testing business in Belgium. We have continued to expand our Routine Lab business through several strategic acquisitions in highly populated geographic areas of France (such as Cerballiance Hauts-de-France in the Lille metropolitan area in 2009, Cerballiance Paris (formerly CBCV) in the Paris area in 2010, Cerballiance Provence (formerly Biotop Développement) in the Marseille area in 2010, JS Bio in the Provence–Alpes–Côte d'Azur area in 2014 and Novescia in 2015), and Luxembourg (such as Ketterthill Laboratories, which we acquired through our acquisition of LLAM in 2011), complemented by a series of bolt-on acquisitions. While strategic acquisitions are more complex and less frequent, they enable us to expand into new geographic zones, such as the acquisition of a majority stake in Menalabs in the United Arab Emirates in 2016 and of DeltaMedica in Italy in February 2017, or into complementary segments, such as the acquisition of Antagène S.A., a veterinary laboratory in France, in August 2016. Significant portions of the European clinical laboratory services market, especially the French market, remain fragmented. These markets present opportunities for consolidation and growth. The laboratories we acquire through these strategic acquisitions often serve as technical platforms regional clusters and perform the entire clinical laboratory testing for the region. We complement these strategic acquisitions with smaller bolt-on acquisitions of laboratories that we transform into collection centers where samples are collected from patients and sent to the technical platforms for testing. Through this regional clusterization strategy built around technical platforms, we have built a very dense network of laboratories centered around eleven regional clusters in France, two in Belgium and one in Luxembourg. From a single collection center in 2007, we have grown to operate approximately 360 collection centers with a staff of approximately 415 clinical pathologists as of December 31, 2016. We have completed 59 acquisitions from 2009 to 2016. In the years ended December 31, 2014, 2015 and 2016 alone, we completed three, seven and five acquisitions, respectively, of which respectively two, five and four were bolt-on acquisitions.

In addition, certain regulatory changes, such as the introduction of mandatory accreditation and higher quality standards in France, generally benefit larger laboratory companies or networks like ours. Since 2007, we have been an active consolidator in the routine lab market, and we believe we are well positioned to capitalize on additional opportunities in France as well as in potential new markets. We have a dedicated team of four professionals focused on finding, evaluating and executing external growth opportunities and have developed a structured approach to acquisitions that capitalizes on the expertise and market knowledge of our senior management and local laboratory doctors. The laboratory companies we acquire are often clients or competitors of ours with whom we have had prior business interaction. This in-depth knowledge of the industry helps us pre-select suitable acquisition targets. Our track record demonstrates a disciplined approach to acquisitions, including the setting of internal acquisition multiple targets and high due diligence standards, which include the participation of our senior executives at various stages of the acquisition process. We believe that the fragmentation of the French clinical laboratory market, together with the slow-growth economy in the past several years, allows us to complete acquisitions of clinical laboratories at attractive prices.

Post-acquisition, we generally implement cost reduction initiatives aimed at increasing the profitability of the clinical laboratories we acquire through economies of scale and the sharing of best practices with the rest of the network. Historically, we have been able to extract a substantial amount of synergies from our acquisitions. Certain synergies from bolt-on acquisitions can be realized upon closing of the acquisition such as savings on reagent costs. We also achieve reductions in technical and administrative expenses as we shift technical and administrative functions to our technical platforms and redeploy the personnel of the acquired entity across our network of technical platforms, which can be a lengthy process taking more than 24 months after acquisition in certain cases. However, due to voluntary departures resulting from the

redeployment process of our workforce to our regional platforms, some cost reductions relating to personnel can be quickly realized. In 2016, we have re-branded our entire network in France under the brand Cerballiance to develop the reputation of the Group, introduce the new brand to all clients and unite the employees around our brand.

Track Record of a Strong and Sustained Financial Performance, with High Margin and Strong Cash Flow Generation

We have demonstrated sustained net sales compound annual growth of 18.2% between the year ended December 31, 2009 (predecessor of Cerba HealthCare) and the year ended December 31, 2016. This sales growth has been underpinned by our acquisition strategy as we have sought to increase our market share in the Routine Lab testing market.

Our Adjusted EBITDA margin for the years ended December 31, 2014 and 2016 increased from 22.7% to 23.0%, demonstrating our ability to rapidly integrate acquired companies, realize synergies and gain greater operating leverage through our increased scale. We have developed and are implementing numerous cost initiatives that allow us to further control our costs by optimizing our relationships with our suppliers, our logistics operations and our information technology systems. This disciplined investment and cost control strategy has allowed us to achieve a significant increase in Adjusted EBITDA margins over the years.

Finally, our business benefits from relatively low capital expenditure (excluding acquisitions) and working capital requirements. For the years ended December 31, 2014, 2015 and 2016, our net capital expenditures (excluding asset acquisitions), were €9.5 million, €23.0 million and €22.8 million, respectively. As a percentage of our net sales, capital expenditure (excluding asset acquisitions) amounted to 2.4%, 4.1% and 3.6% for the years ended December 31, 2014, 2015 and 2016, respectively. Due to this favorable business model, we were able to generate strong cash flow as reflected by our cash conversion rate of 89.5% for 2014, 79.7% for 2015 and 84.3% for 2016 (cash conversion rate, expressed as a percentage, is defined as Adjusted EBITDA minus capital expenditure (excluding asset acquisitions), divided by Adjusted EBITDA), generating the capacity to de-lever while continuing to support our acquisition strategy.

Well Regarded and Experienced Management Team at Group Level and Unique Governance and Ownership Structure at Operational Level

We benefit from the experience and industry know how of our current senior management team. In particular, Catherine Rondot Courboillet, our CEO and a highly regarded industry specialist in Europe, Jérôme Thill, our deputy CEO, Sylvie Cado, head of our Specialized Testing business, Philippe Buhl, head of our Routine Labs in France and Cyril Dubreuil, our sales and business development director, each of whom has more than eight years of experience in the industry. Our management team has an average of 20 years' industry experience and an average of 16 years' experience in the Group.

Moreover, our ownership model is based on a strong entrepreneurial culture, where more than 100 laboratory doctors and managers are shareholders of our structure, at our holding company level and at the different operating laboratories levels. Our ownership model and structure gives us overall strategic control, while also incentivizing doctors and managers to fully contribute to a common commercial, scientific and industrial project and greatly rewarding commitment, development and innovation. For example, in 2013, we were the first medical lab to bring highly innovative non-invasive pre-natal testing to market in Europe. We believe that our ownership structure is key to the strength and success of our model.

Following completion of the Acquisition, we also expect our business to benefit from the market expertise, business relationships, knowledge and experience of our future shareholders, Partners Group and PSP Investments.

Our Strategy

Based in particular on our strong scientific reputation and expertise, our strategy mainly consists of becoming a leading network in the French routine lab market through consolidation, while maintaining our unique positioning in the European specialty and central lab businesses. The key elements of our strategy are:

Drive Organic Volume Growth Across Our Business Segments

The core of our Group's strategy consists of developing organically each of our different business segments through coordinated but tailored action plans.

With respect to our Routine Lab business, our strategy encompasses operational and functional alignment between our regional clusters, which is facilitated by the deployment of a dedicated team. These alignment efforts include the standardization of our routine industrial processes with respect to technical platform operations, quality assurance and information systems. The dedicated team in charge of this integration strategy also focuses on improving the management of our routine staff and the organization of our networks. We are also further developing our retail strategy through relocation of our laboratories into new, more attractive or convenient locations, and a rebranding of our entire network in France under the Cerballiance brand. Our strategy with respect to the organic growth of our Routine Lab business includes the selection of those of our youngest laboratory doctors with the most promising managerial capabilities; we will provide them with high quality business school training, with the aim of further improving the management of our laboratories at the local level. Finally, we have a dedicated team of key account managers focusing on accelerating the penetration of and recruitment of key customers, such as public hospitals and retirement homes, through partnerships. While such partnerships are time consuming and expensive to negotiate, due to reasons such as national referencing, site by site negotiations and entry costs, they offer attractive long-term contracts with secured high volumes.

In the Specialized Testing market, we are committed first to maintaining our leadership through the renewal of our catalog of tests, the acceleration of compliance with new ISO regulations and the improvement of our logistics services, in particular at the international level. We intend to continue to particularly focus our efforts on profitable organic growth driven mainly by new tests and, to a lesser degree, by the expansion of our international activity. As a result, we aim to innovate through new technologies, new tests and enhanced services for customers through partnerships with hospitals and biotech companies, and through the work of our scientific and medical committee. We also believe that the combination of our scientific and logistics expertise positions us well to benefit from future national screening campaigns and epidemics testing. We also aim to further expand our export activity, leveraging our reputation and logistics capabilities to reach more customers, including in selective new geographical markets. Our focus on profitable organic growth also implies the further development of synergies between our Specialized Testing business and our Central Lab activities, in particular through biomarkers innovations. Finally, we intend to further foster the general profitability of our Specialized Testing business, including through the further automation of our processes (such as invoicing and samples encoding) and the better optimization of new regulations.

Finally, we intend to continue developing our Central Lab business through the further differentiation of the positioning of BARC. In particular, we aim at capturing organic growth opportunities of our Central Lab business by broadening our product selection from safety to tailor made biomarkers and leveraging our strong scientific knowledge and capabilities as well as our proven specialist approach implemented by a unique team of clinical pathologists, including through the co-development of new tests with clients. We also intend to further develop our Central Lab business by further strengthening our position in Europe and Africa, working to establish a position in Asia, improving client services and adaptability including through price transparency and competitiveness, strengthening our pure testing player approach (that is, our

ability to intervene in all clinical trial phases) and continuing our certification program and our tailor made reporting approach. Finally, we intend to further strengthen our worldwide lab networks to capture new contracts and expand our customer base.

Selectively Pursue Acquisitions

In the French routine lab market, we are organized in eleven regional clusters, which we intend to expand further. In regions where we are already present, our expansion strategy will include selected small- and mid-size bolt-on acquisitions that fit into and complement the existing local networks organized around technical platforms, similar to the acquisition of JS Bio in 2014. To expand into new regions, we intend to pursue acquisitions of existing regional clusters followed by further bolt-on acquisitions in line with our clusterization strategy but also to implement more significant strategic transactions with larger players, such as the acquisition of Novescia in 2015 or Menalabs in 2016. Our strategic focus will be to pursue bolt-on acquisitions to strengthen and increase our local market share and the density of our regional network. As in the past, we aim to generate immediate synergies from bolt-on acquisitions by transforming the acquired small laboratories into collection centers that feed samples to a technical platform where test analysis is centralized.

In the past, we completed a number of strategic acquisitions to expand our geographical coverage and gain critical mass in markets outside France. Although our acquisition strategy is currently focused on the French routine market, we may explore opportunities to purchase larger laboratory networks in other European countries or to pursue bolt-on acquisitions in regions adjacent to the markets where we currently operate. As such, our focus will be on regions with growing and aging populations as well as regions with greater per capita spending on healthcare services.

Finally, expansion into additional business segments will be another important growth driver for us in the coming years. We aim to become a national player in the veterinary laboratory market in France through leveraging our large network of collection centers. We have acquired a second veterinary laboratory in France in 2016 to further expand our service offering.

Continue to Deliver Operating Efficiencies

We also intend to continue to take advantage of the economies of scale provided by our presence in all three segments of the laboratory testing market and by the size of our network to streamline our operations and administrative functions and to control costs. We are aiming in particular at controlling costs through the further rationalization of our network (in particular in France by establishing technical platforms surrounded by a sophisticated and condensed network of collection centers), the further industrialization and automation of our processes and the optimization of synergies between our segments and geographies. We also intend to continue leveraging our size to obtain favorable commercial conditions from suppliers. In cooperation with our main logistical partners, we are continuing to improve our logistical organization and optimize samples collection and transportation, seeking logistical synergies between our national and international activities and between our three business segments. Finally, we continuously work on the further integration of our laboratories, in particular with respect to those acquired most recently. In particular, we will seek to optimize our operating costs through the implementation of group agreements and processes with respect to IT, cars, rentals, external fees and utilities.

Our Specific Corporate Structure

Cerba HealthCare is a *société par actions simplifiée* organized under French law. Following the completion of the Acquisition, companies controlled by the Sponsors will own indirectly approximately 93% of Cerba HealthCare's share capital and voting rights. The remainder of Cerba HealthCare's share capital and voting rights will be owned by members of our senior

management and clinical pathologists. For more information on Cerba HealthCare's shareholders, see "*Principal Shareholders and Related Party Transactions*."

We primarily conduct our business through our subsidiaries. Our French subsidiaries, which represented 85.0% of our net sales for the year ended December 31, 2016, are subject to strict regulations limiting the ownership of clinical laboratories and the corporate form such laboratories can take. French law requires that a majority of the share capital and voting rights of a laboratory company be held by clinical pathologists working in the relevant laboratory. In addition, persons that are not clinical pathologists or entities that are not laboratory companies may not own more than 25% of the share capital in a laboratory company. French law also dictates that clinical laboratories must take the corporate form of an SEL (unless they are organized as a non-profit organization, or a *société civile professionnelle* (SCP), or a cooperative undertaking). For more information on the regulations affecting the corporate form and ownership of French clinical laboratories, see "*Regulation—Regulations Affecting our Routine Lab and Specialized Testing Businesses—France—Laboratory Ownership and Corporate Structure*."

We have organized our corporate structure to remain in compliance with such regulations. Each of our French laboratory subsidiaries is organized as an SEL, in accordance with French law. Cerba HealthCare indirectly holds its interests in all of its French operating subsidiaries through our non-laboratory subsidiary, Cefid, of which Cerba HealthCare owns approximately 99% of the share capital. In order to comply with SEL ownership restrictions, our corporate structure in France is such that Cefid holds 25% of the voting rights and share capital in Cerba Selafa, one of our French laboratory subsidiaries, with the clinical pathologists operating Cerba Selafa holding the balance, therefore a majority of the share capital and voting rights. The bylaws of Cerba Selafa allow Cefid to hold approximately 99% of financial rights (rights to receive dividend payments) in Cerba Selafa. In addition, Cerba Selafa holds up to 49.9% of the voting rights in our other French laboratory company subsidiaries, with clinical pathologists operating each such other French laboratory subsidiary holding a majority of the voting rights. Cerba Selafa also holds between approximately 70% and 99.99% of these subsidiaries' financial rights.

Clinical pathologists must, under French law, be allowed to exercise their independent judgment in the conduct of their day to day operations. However, we maintain *de facto* control over our subsidiaries' actions through shareholders agreements, according to which major operating decisions (such as the incurrence of debt over a specified threshold, corporate mergers, yearly budgeting, entering into contracts that last for longer than one year or are worth over a specified threshold, among other things) are subject to a vote of controlling bodies (boards of directors or strategic committees) in which representatives of our subsidiary shareholders have a veto right. We do not, however, exercise control over the appointment by the subsidiary shareholders of its representatives in the controlling bodies of the French laboratory subsidiaries, as these decisions can be taken by the clinical pathologists owning a majority of the voting rights in the subsidiary shareholders. As a result, we are dependent on the clinical pathologists who hold the majority of the voting rights in our French subsidiaries for decisions affecting these subsidiaries' operations. See "*Risk Factors—Risks Related to Our Business—We may not exercise full control over the operations of certain of our French subsidiaries in which we have a minority voting interest and are dependent on the clinical pathologists who own a majority voting interest in them to conduct the operations of such subsidiaries*." As we acquire new French laboratories, we put into place a similar shareholding structure and shareholder agreement with the clinical pathologists at the newly acquired laboratory.

Regulatory restrictions on the ownership of our subsidiaries in Belgium and Luxembourg are much less stringent than those imposed by French law. As a result, our corporate structure in Belgium and Luxembourg is relatively simple. We operate our Routine Lab business in Belgium and Luxembourg through subsidiaries owned directly and indirectly through our wholly owned subsidiary BARC, through which we also operate our Central Lab business.

We believe that we are in compliance with all regulatory structuring requirements. However, regulations are subject to change and we could incur significant expense if a regulatory authority were to take issue with our structure. See "*Risk Factors—Risks Related to Our Business—We are subject to numerous legal and regulatory requirements governing our activities, and we may face substantial fines and penalties, and our business activities may be negatively impacted if we fail to comply*."

Our Businesses

We operate three business lines: Routine Lab, Specialized Testing and Central Lab.

Routine Lab

Overview

Our Routine Lab business is our largest line of business and generated €456.5 million of net sales for the year ended December 31, 2016, representing 72.0% of our total net sales for the same period.

We operate our Routine Lab business in France, Belgium, Luxembourg and the UAE, where we estimate that we are among the largest clinical private laboratories in terms of revenue. Our Routine Lab business is highly regulated in each of these jurisdictions, including in terms of price for our services. See "*Industry—Clinical Pathology Testing—Market Overview*" and "*Regulation—Regulations Affecting Our Routine Lab and Specialized Testing Businesses*."

Our Routine Lab Services

Our Routine Lab business performs tests prescribed by doctors and medical institutions in connection with general patient care to establish or support a diagnosis, to monitor treatment or to search for an otherwise undiagnosed condition. The most frequently requested tests include:

- blood chemistry analyses;
- urinalyses;
- blood cell counts;
- thyroid tests; and
- cholesterol tests.

In each country, we operate several regional clusters consisting of multiple collection centers served by one or more technical platforms at which tests are performed. We believe this hub and spoke model provides an efficient use of our resources. By collecting samples within close proximity to patients' homes and workplaces, while centralizing testing equipment and professionals at technical platforms, we are able to reduce equipment and personnel overhead costs associated with carrying out testing at each collection center. We currently have around 270 collection centers in France served by eleven regional clusters comprising 24 technical platforms, 20 collection centers in Belgium served by two technical platforms and 70 collection centers in Luxembourg served by one technical platform. Our operating model also enables us to automate the testing process and report results quickly and efficiently. We perform and report the results of most routine procedures within 12 hours of the collection of the sample, utilizing a variety of sophisticated and computerized laboratory testing instruments at each of our technical platforms.

Testing is generally organized into three phases: (i) the pre-analytical phase, which includes collecting samples and delivering them to testing facilities; (ii) the analytical phase, during which the actual test is performed; and (iii) the post analytical phase, where results are delivered to the prescribing doctor and the patient and interpretation assistance is offered by our clinical pathologists.

Pre-analytical phase. Before clinical testing is performed, samples are collected from the patient, identified and delivered to our laboratories. In France and Luxembourg, patient samples are collected directly by the laboratory, although in more remote areas, samples are collected by nurses who then submit samples to the laboratory. In Belgium, samples are primarily collected at doctors' offices and transported to our laboratories for testing.

Analytical phase. Once we have logged in the test request and collected the samples, we perform the necessary tests. Most of our routine tests are automated, while others must be performed manually by our clinical pathologists or technicians.

Post analytical phase. Our clinical pathologists interpret test results once they become available. Routine testing is typically completed within less than 12 hours. Results are transmitted either in hard copy or made available electronically to patients or doctors via a server.

Our Routine Lab Customers

Customers of our Routine Lab business are individual patients who require routine clinical tests in connection with the diagnosis, monitoring and treatment of different illnesses. Generally, doctors prescribe the relevant tests to their patients who then go to one of our collection centers. In the year ended December 31, 2016, we performed routine tests for approximately 10.5 million patients across all the markets where we operate.

Our Routine Lab Operations

France

We believe we were the largest private network of clinical pathology laboratories in France in terms of run-rate revenue and one of the two national scale networks. We operate eleven regional clusters with approximately 270 collection centers:

- Cerballiance Paris, in Paris;
- Cerballiance Paris Sud, Cerballiance Paris Ouest and Cerballiance Paris Nord, in the Paris area;
- Cerballiance Hauts-de-France, in the Lille area;
- Cerballiance Provence and Cerballiance Côte d'Azur, in southeastern France;
- Cerballiance Pyrénées and Cerballiance Midi-Pyrénées, in southwestern France;
- Cerballiance Côte d'Armor and Cerballiance Finistère, in the Brittany area;
- Cerballiance Réunion, in the overseas French département of Réunion;
- Cerballiance Picardie, in the Amiens area;
- Cerballiance Rhône-Alpes, Cerballiance Loire and Cerballiance Bourgogne, in the Lyon Area;
- Cerballiance Normandie, in the Normandie area; and
- Cerballiance Charentes, in the Charente and Charente-Maritime region.

We believe that, for the French market in particular, location plays a key role in a clinical laboratory's success. Medical doctors in France are prohibited by law from administering laboratory analyses themselves. As a result, patients are prescribed medical analyses and find a walk-in laboratory or arrange for a nurse or technician to collect a sample from their home. Patients who travel to a laboratory to have their sample taken typically choose a laboratory based on proximity to their home or workplace. We have consequently focused on making

selective acquisitions targeted at increasing the density of our footprint in France in order to build a leading position in the French routine laboratory testing market. In 2016, we have re-branded our entire network of laboratories in France under the brand Cerballiance.

Each of our collection centers in France has an on-site clinical pathologist as required by law. Samples collected are then sent on to the nearest regional technical platform for testing. We processed approximately 9.4 million files in France in the year ended December 31, 2016, or over 30,000 per day.

Our Routine Lab business in France generated €385.8 million of net sales for the year ended December 31, 2016, representing 60.8% of our total Routine Lab net sales for the same period.

Belgium and Luxembourg

We have been active in the Belgian routine laboratory testing market since our acquisition of BARC in 2007. We believe that we are among the three largest private routine laboratories in Belgium in terms of revenue, based on management estimates for 2016, performing analyses for public and private hospitals, doctors and patients.

As of December 31, 2016, we operated in Belgium through two regional clusters:

- CRI, the largest private laboratory in the Ghent area with sites throughout a large part of Flanders; and

- LBS, the largest private laboratory in the Brussels area.

Our laboratories in Belgium offer a broad range of routine tests. Our samples are collected at the collection centers that we operate or are collected at doctors' offices and sent to our laboratories for testing. In the year ended December 31, 2016, we performed routine tests for approximately 700,000 patients in Belgium, or over 2,200 per day. We believe that we are the largest private routine ambulatory care laboratory in Luxembourg, with a market share of approximately 60% in 2016. Our routine laboratory testing business in Luxembourg is operated through Ketterthill Laboratories, which we acquired through our acquisition of LLAM in 2011. We have one technical platform with 70 collection centers throughout Luxembourg, through which we offer a broad range of routine tests. In 2016, we performed routine tests for approximately 400,000 patients in Luxembourg, or over 1,200 per day.

Our Routine Lab business in Belgium and in Luxembourg generated collectively €70.7 million of net sales for the year ended December 31, 2016, representing 11.2% of our total Routine Lab net sales for the same period.

Routine Lab Growth through Acquisitions

Both strategic and bolt-on acquisitions have played a key role in the development of our Routine Lab business, and we expect acquisitions to continue to be an important part of our growth strategy in the future. Before December 31, 2008, our business consisted of our Specialized Testing business unit, our Central Lab business unit, as well as our Routine Lab business in Belgium. We have accomplished our Routine Lab growth through the strategic acquisition of regional clusters, beginning with our acquisition of Cerballiance Hauts-de-France (formerly Biolille) in 2009. We have augmented this development through bolt-on acquisitions of small laboratories that we are able to use as collection centers to increase our concentration in targeted market areas. Over the past three years, we have completed 15 separate acquisition transactions, of which four were large, strategic acquisitions, mainly consisting of acquisitions of routine laboratories in France and, in 2016, we acquired a majority stake in Menalabs to develop our Routine Lab presences in the United Arab Emirates. We believe that we are among the five largest private routine laboratories in the United Arab Emirates in terms of revenue.

We have a two phase investment analysis process. Target selection begins with our dedicated acquisition team of five professionals, including our chief executive officer, applying specified criteria to identify an attractive laboratory for acquisition. After evaluating the opportunity for synergies and market conditions in the target's region and determining a valuation estimate, the acquisition team presents its findings to an *ad hoc* Investment Committee organized to review the acquisition that is typically composed of our CEO, deputy CEO, CFO and a member of our business development team. Acquisitions with an estimated value greater than €5 million are also presented to an *ad hoc* Executive Committee comprised of our CEO, deputy CEO, CFO and a representative of our majority shareholder for review. The committee reviewing the proposed transaction, upon consideration of the potential target's key financial information and the business rationale for the transaction, decides whether or not to proceed with the next phase. A favorable decision launches phase two, which entails a more thorough vetting of the target, including legal, financial and technical due diligence, determination of the appropriate structure for the transaction and negotiation of an acquisition agreement. Our business development manager, representatives of our finance department and the head of our routine laboratory testing business unit are all involved heavily in this phase. Upon completion of this phase, the transaction is once again presented to our Investment Committee (and to our Executive Committee for acquisitions above €5 million). Their favorable decision then results in the plan of acquisition being presented to our full board of directors for approval.

Once an acquisition agreement has been signed, our management liaises with clinical pathologists at the target laboratory to begin the integration process. A team of 20 professionals from our finance, quality control, purchasing, information technology, human resources, legal and engineering teams work in concert to begin harmonizing procedures in order to be in a position to rapidly integrate the laboratory after closing. Approximately six months after closing, management conducts a post-acquisition review during which it tracks the progress made on the plan put in place by the integration team and the performance of the newly acquired laboratory in the context of our group level business plan.

Specialized Testing

Overview

Our Specialized Testing business is our historical core business and today our second largest line of business. Our Specialized Testing business generated €179.3 million of net sales for the year ended December 31, 2016, representing 28.3% of our total net sales for the same period. In France, we are the co-leader in specialized laboratory testing in terms of revenue based on management estimates for 2016, with our main competitor Biomnis (Eurofins).

We perform all our specialized testing at our laboratory in Saint-Ouen-l'Aumône, France, but collect samples for testing from over 3,000 collection centers throughout France (including collection centers that we own and operate through our Routine Lab business as well as third party routine laboratories), elsewhere in Europe, the Middle East and North Africa. We derived 91.9% of our Specialized Testing net sales for the year ended December 31, 2016, from samples collected in France. We do not outsource any of our specialized testing to other laboratories.

Similar to our Routine Lab business, our Specialized Testing business is highly regulated, including in terms of price for our services in certain jurisdictions. Specialized Testing business includes primarily reimbursed, price regulated tests, as well as innovative specialized tests with no applicable price regulation. See "*Industry—Clinical Pathology Testing—Market Overview*" and "*Regulation—Regulations Affecting our Routine Lab and Specialized Testing Businesses*."

Our Specialized Testing Services

Our Specialized Testing business involves a more complex level of clinical laboratory tests than those provided through our Routine Lab business. These tests are conducted by highly skilled laboratory professionals and often require more sophisticated technology, equipment and materials.

Our Specialized Testing services consist of performing specialized tests on behalf of our Routine Lab business as well as those that are outsourced by other private laboratories and hospitals that do not have the scale, the expertise or the willingness to perform such tests, particularly due to the equipment needed for such testing and the lower demand for such testing compared to routine testing. Specialized testing also requires a high level of scientific and medical expertise, which we have developed since Cerba was established in 1967. Private laboratories, private hospitals and public hospitals (including most public hospitals in France) outsource their specialized tests to specialty private laboratories such as us.

Our Specialized Testing Customers

Our Specialized Testing client base includes doctors from whom we directly receive samples (primarily in Belgium), public and private hospitals, as well as other clinical laboratories that choose to outsource their specialized testing.

We reach clients throughout Europe, the Middle East and North Africa who choose to send their samples to our specialized testing facility in France.

Of our Specialized Testing net sales as of December 31, 2016, 31.3% was attributable to public hospitals and other public institutions and 68.7% was attributable to the private sector (private hospitals and/or laboratories and/or ambulatory patients).

Our Specialized Testing Logistics

Maintaining an efficient collection and transportation network is key to operating our Specialized Testing business. We collect samples for testing throughout France, the rest of Europe, the Middle East and North Africa. These samples are delivered at the same time on a daily basis to our testing facility in Saint-Ouen-l'Aumône, France, so that the results are delivered to clients within 24 hours of collection. In the past, we owned and operated a transportation fleet in order to collect and deliver Specialized Testing samples to our facility. However, to optimize costs, we have outsourced our specialized testing sample transportation services since 1998. We believe this is a more efficient use of our resources, as it avoids the need for us to incur capital expenditures on equipment necessary for such logistics, such as a fleet of vehicles, and eliminates the fixed costs associated with directly employing logistics staff. In addition, the accreditation requirements with respect to long distance transportation of medical samples have become more stringent. As such, we feel confident about outsourcing our transportation to a partner that specializes in this field. Nevertheless, we maintain strict control over the operations of our logistics network. We employ a dedicated team in charge of managing our logistics provider to ensure that our logistics provider meets our strict quality standards, including our 24 hour turnaround time from sample collection to test result delivery. This team sets routes for the collection of samples and optimizes delivery times to our testing facility to allow for batches of similar tests to be run at once in order to maximize the efficient use of our equipment and clinical pathologists' time. We review our outsourcing arrangements on a regular basis and choose providers through formal tender procedures. In addition, we have the contractual right to take direct control over our provider's dedicated vehicles and logistics personnel in the event of a material problem with the services.

Our Specialized Testing Operations

Our Specialized Testing business is structured into three groups: clinical pathology, anatomical pathology and cytogenetics. We perform approximately 32,000 tests on over 24,000 samples per day through our Specialized Testing business. Through our clinical pathology group alone, we are able to perform approximately 2,500 different specialized clinical pathology tests (one of the largest such offerings in Europe), including:

- screening for genetic disorders such as Down Syndrome;

- immunology (the study of the immune system, including allergies, transplant compatibility, antibodies, cytokines, immune system cells and their effect, receptor systems and autoimmune diseases);

- virology tests (such as determining a patient's viral load in order to determine the effectiveness of an antiviral regimen);

- bacteriology (the study of infectious bacteria);

- hormonology (the study of hormone secretions and their effects on body growth and metabolism); and

- oncology (the study of abnormal cell growth, including benign tumors and cancer).

The clinical pathology group performs approximately 32,000 tests per day from a catalog of approximately 2,500 tests. It accounted for approximately 90% of our Specialized Testing net sales for the year ended December 31, 2016. Our clinical pathology group performed approximately 10 million tests during the year ended December 31, 2016. A medical team including approximately 20 clinical pathologists provides support to routine clinical pathologists and doctors for interpreting the results of the specialized clinical pathology tests we perform.

Our anatomical pathology group performs testing of histologic or cytological samples, mostly for oncology diagnostic testing purposes. Our offerings in this area range from skin tests and cervical smears to fetal testing. Our anatomical pathology group performs approximately 1,600 tests per day and accounted for approximately 6% of our total Specialized Testing net sales for the year ended December 31, 2016. We have a dedicated team of approximately 40 professionals. Our cytogenetics group performs, among other things, pre- and post-natal genetic screenings, genetic testing related to cancer and blood diseases as well as general genetic level testing support for our other groups. The cytogenetics group accounts for approximately 4% of all our Specialized Testing net sales for the year ended December 31, 2016. We have a team of four genetics specialists and approximately 55 specialized technicians dedicated to the operations of this group.

Central Lab

Overview

Our Central Lab business is our third line of business and generated €25.0 million of net sales for the year ended December 31, 2016, representing 3.9% of our total net sales for the same period.

We provide central laboratory testing services for pharmaceutical and biotechnology companies and contract research organizations (CROs) in connection with the clinical trial phase of their drug development processes. In 2015, the central laboratory testing market was estimated by a major third party consulting firm to be worth over $2.8 billion worldwide. We operate our Central Lab business through BARC, which we acquired in 2007. BARC has been engaged in the central laboratory testing business since its creation in 1985. We believe we are a significant player in the Central Lab market worldwide based on management estimates for 2016. New drugs generally go through three phases of clinical testing before being marketed to the general public for use, potentially followed by an additional phase of post-marketing surveillance. We provide testing to support the development of new pharmaceuticals generally through Phases II through III of a drug's development. A large proportion of our Central Lab business is derived from Phase II clinical testing. For a description of the phases of clinical testing for pharmaceuticals, see "*Industry—Market Trends—Central Lab*."

Our Central Lab Services

As a reference laboratory for pharmaceutical companies and contract research organizations, we provide clinical trial assistance by running routine and specialized tests on samples received from patients in such trials. We provide five general types of services:

- collaboration with clients to develop new tests and define appropriate test panels;
- drug safety testing through hematology, biochemistry and urinalysis;
- drug efficacy testing through laboratory testing of surrogate endpoints (that is, biomarkers that are indicators of a desired clinical effect);
- pharmacodynamics testing, which measures the effects of a drug on the body; and
- the recording and storing of tests and results that can be used in connection with future testing.

Our Central Lab Customers

We work for research and development ("R&D") groups at major drug and pharmaceutical companies to develop tests to demonstrate a compound's medical usefulness. We also work for contract research organizations such as Onyx Scientific, to focus on the testing piece of a pharmaceutical company's wide scale R&D efforts. Most of our central laboratory testing business is conducted pursuant to contracts with pharmaceutical companies. As of December 31, 2016, our top five customers in terms of net sales collectively accounted for 36.6% of our Central Lab net sales. No single customer represented more than 11% of the sales of our Central Lab business for the year ending December 31, 2016.

In general, our Central Lab customer contracts are linked to a particular clinical trial and last for the duration of the phase of the trial drug's development. Contracts fix the fees that we charge for our services over the length of the clinical trial. We do not enter into exclusivity contracts for clinical testing with any of our Central Lab customers. Contracts for Central Lab customers vary in duration from six to 60 months, depending on the length of the particular clinical trial for which our services are needed. Pricing is determined on a per test basis and is generally fixed, although customers are sometimes offered rebates based on the achievement of specified volumes of testing. Contracts estimate the volume of tests that will be required, although this is non-binding and does not represent a commitment to order a specific volume of tests. We are subject to liability if we fail to perform tests in a timely manner. However, we maintain insurance for any such potential claims and generally our liability under our Central Lab contracts is limited. Since regulatory authorities receive reports on the progress of each phase of clinical testing, they may require the modification, suspension or termination of clinical trials if they conclude that an unwarranted risk is presented to patients or healthy volunteers. Contracts may be terminated at any time at will by Central Lab customers, without indemnification. In the event that a customer cancels or terminates a contract, we typically would be entitled to receive payment for all services performed up to the cancellation date and subsequent customer authorized services related to terminating the cancelled project.

Our Central Lab Operations

For trials that are based in Europe and South Africa, we perform tests related to our Central Lab business through our routine and specialized facilities and technical platforms in France, Belgium and Luxembourg. Additionally, we have logistics and administrative facilities in each of the United States, Australia and Singapore, where we work with local laboratories to perform our central lab tests. Finally, we have local partners in China and Japan through which we conduct our entire Central Lab business in these countries.

We are one of the few market participants with both a routine laboratory testing business and a central laboratory testing business. We leverage this distinguishing characteristic in several ways. First, we are able to use the lab network and infrastructure that we already have for our Routine Lab and Specialized Testing businesses for our Central Lab business. This provides us cost savings that we would not necessarily have had if our Central Lab business was our sole line of business. We are able to pass on such cost savings to customers and provide Central Lab services at a competitive price. Further, potential Central Lab clients view the expertise that we have developed in the day to day operations of our Routine Lab and Specialized Testing businesses as a sign that we are familiar with the latest testing technology and are capable of effectively carrying out testing on a large scale.

Quality Standards

Our different lines of business are generally highly regulated in terms of standard of quality and conduct of our tests. Our quality assurance efforts mainly focus on correct patient identification of samples, reporting accuracy, proficiency testing, reference range relevance, process audits, statistical process control and personnel training for all of our laboratories and collection centers. We also focus on the proper licensing, credentials and training of our professional and technical staff.

Our Routine Lab and Specialized Testing businesses are subject to national level regulation that sets quality standards for our operations. These standards vary across jurisdictions. See "*Regulation*." We believe we are in compliance with applicable accreditation or certification standards of standard setting bodies, such as the International Organization for Standardization ("ISO"), *Comité français d'accréditation* ("COFRAC") in France and BELAC in Belgium. In addition, our central laboratory business is exposed to regulatory constraints on test protocols and laboratory upkeep imposed on the pharmaceutical industry. We often agree in contracts with our clients to meet specific regulatory requirements on our central laboratory testing operations that would not have otherwise applied directly to us for commercial reasons. For more detail on the regulatory standards to which our operations are subject, see "*Regulation*."

We seek to assure the highest level of quality control throughout our Group. We have a group level Quality Committee that oversees our several business units. We also have dedicated quality assurance staff for each of our lines of business: our Routine Lab business (including separate quality assurance teams for our French Routine Lab business and our Belgium and Luxembourg Routine Lab businesses), our Specialized Testing business and our Central Lab testing business. Our facilities are subject to periodic external reviews for quality assurance. For example, our French Routine Lab and Specialized Testing facilities are subject to inspection by COFRAC every 18 months. Further, our Belgian Routine Lab facilities are subject to review and inspection for adherence to BELAC norms on a periodic basis. Our Central Lab business is subject to periodic review by our clients to ensure that we are meeting the standards to which we agreed in our contracts. Such reviews occur at least once during each clinical trial we perform. Finally, we have a dedicated quality control team that monitors our relationship with our outsourced logistics provider and have put in place contingency measures in the event of the provider's material breach of our outsourcing agreement.

Our Suppliers

The primary equipment and material required to conduct our business are testing equipment and reagents. We regularly evaluate the equipment (analytical systems and robotic, pre- and post-analytical devices) used by our business. We own the majority of the equipment necessary to conduct our Routine Lab, Specialized Testing and Central Lab businesses. We finance equipment acquisitions in the ordinary course of business through loans secured by the equipment being financed.

In addition to testing equipment, we also use basic materials such as reagents in our business. We do not enter into exclusivity contracts with any single supplier. However, our dedicated buying team crafts framework agreements pursuant to which suppliers are able to compete for the opportunity to supply our technical platforms with needed chemicals. No single provider is the source of more than 15% of our supplies for any particular calendar year.

Billing and Payment

Billing for our Routine Lab and Specialized Testing businesses is a complex process involving several payers. Depending on the billing arrangement and the applicable law of the country in which we operate, the payer may be a third party responsible for providing health insurance coverage to patients (such as national public health insurance or a private medical insurance plan), a patient or other party (such as a hospital, another laboratory or an employer) who outsourced testing to us, or a combination of these parties.

We generally bill for clinical testing services on a fee for service basis. In each of the countries in which we operate our Routine Lab testing business, the rates we can legally charge for routine laboratory tests are set by regulators. According to "*Comptes nationaux de la santé 2015*" published by DREES, in 2015, approximately 70% of spending in the French medical laboratory testing market was financed by the French social security system and the remainder was covered by private insurance companies (approximately 25%) and by the patient directly out-of-pocket (approximately 3%).

In Belgium, the social security system reimburses approximately 75% of the tests performed by clinical biology laboratories, with patients responsible for the remainder. Belgian regulations also permit laboratories to charge patients a nominal administrative fee on a per patient basis. In Luxembourg, the entire cost of tests included in the national regulator's catalog is paid for by the national healthcare system. Routine tests are almost invariably subject to price controls and reimbursement from the government.

In France, Belgium and Luxembourg, our Routine Lab patients pay the portion of the fee for which they are responsible (if any) at the time of service and the remainder is paid to us by the third party payer (national social security and/or private supplementary health insurance) generally within 30 days. However, if a routine test is administered in a non-therapeutic context (that is, if a patient is receiving elective medical treatment), that test would generally not be covered by government health insurance and the patient would be responsible for the entire cost of the test.

We have historically billed for our Specialized Testing business in much the same way as routine testing in France. However, new regulations in France in 2012 required that we invoice a routine laboratory that outsourced a test to our Specialized Testing business instead of invoicing patients directly. Prices for specialized tests are generally set by the government, but certain specialized tests that we provide are not on the French government catalog and therefore do not have a set fee. In such instances, we are free to set our fees on our own according to market forces. Further, tests done on samples imported from outside countries are not subject to fee restrictions. For such "export" tests, we generally set our fees taking into account the regulatory fee for the test in the exporting country, if any. Payments to us by national social security and/or private supplementary health insurance in the Specialized Testing business are generally made within approximately 60 days after testing. Payments by public entities, such as hospitals, take longer, running up to 80 days.

Our Central Lab business operates on a traditional contractual model through which we set rates directly with our clients. We are generally paid promptly for our services by our Central Lab clients.

Although we believe we have no material issues related to collecting fees for our services, we are subject to the risk of non-payment by patients and other clients. See "*Risk Factors—Risks Related to Our Business—Financial difficulties of certain of our clients or third party payers may require us to write off debts*." We maintain reserves for doubtful accounts and amounts past due.

Environmental, Health and Safety

Our operations are subject to licensing and other requirements under EU, national and local laws and regulations relating to the protection of the environment and human and occupational health and safety, including those requirements governing the handling, transportation and disposal of medical samples and biological, infectious and hazardous waste. All our laboratories are subject to requirements for the disposal of laboratory samples at authorized facilities and we generally utilize outside vendors for the disposal of such samples. Nevertheless, we could be held responsible for cleanup of contamination at such sites attributable to our wastes.

In addition, we must meet extensive requirements relating to workplace safety in clinical laboratories, particularly for employees who could be exposed to blood-borne pathogens such as HIV and the hepatitis B virus. These regulations, among other things, require work practice controls, protective clothing and equipment, training, medical follow-up, vaccinations and other measures designed to minimize exposure to, and the transmission of, blood-borne pathogens.

Although we are not aware of any current material non-compliance with our obligations under environmental, health and safety laws and regulations in connection with our operations, failure to comply with such laws and regulations in the future could subject us to civil and criminal fines and penalties, remediation costs, enforcement actions, the suspension or termination of our licenses to operate or third party claims. See "*Risk Factors—Risks Related to Our Business—We are subject to numerous legal and regulatory requirements governing our activities, and we may face substantial fines and penalties, and our business activities may be negatively impacted if we fail to comply*."

Information Technology Systems

We use information technology systems (or "IT systems") in virtually all aspects of our business, including clinical laboratory testing, central laboratory testing, billing, customer service and the management of medical data. We also use our and internal reporting system in order to monitor key performance indicators in each of our laboratories and adjust our operations accordingly. The successful delivery of our services depends, in part, on the continued and uninterrupted performance of our IT systems, especially when time is of the essence for a laboratory test result.

Historically, we have grown through acquisitions and as a consequence newly acquired laboratories may not use software platforms that are consistent with the systems we have implemented on a group wide basis. Newly acquired laboratories may continue to use their existing IT systems for an indefinite amount of time after their acquisition, although we encourage them to adopt one of two pre-approved IT platforms when they consider changing their systems.

Facilities

Our facilities consist primarily of collection centers, technical platforms, our specialized laboratory facility in Saint-Ouen-l'Aumône, France, and office space. We rent the majority of our premises pursuant to commercial leases. We believe that our facilities are generally adequate for our present needs and that suitable additional or replacement space would be available to the extent required.

Employees

As of December 31, 2016, we had approximately 4,396 full-time equivalent employees and we employed approximately 415 clinical pathologists. In France and Belgium, we are subject to collective bargaining agreements negotiated between unions and employers' representatives at the national level and made mandatory pursuant to national labor law. Although we are subject from time to time to minor employment related disputes, we believe that overall our relations with our employees are good.

Intellectual Property

Generally, we do not regard intellectual property to be a material part of our assets or essential to our operations. Besides copyright protections on our business and trade names, we do not hold any material intellectual property assets.

Insurance

We maintain insurance, both on the Group level and on the level of each of our individual laboratories, against various risks related to our business, including mandatory professional civil liability (for which amendments are made from time to time for laboratories conducting specific activities within the scope of our business, such as tests related to fertility treatments or prenatal diagnosis), combined property damage and, in respect of certain of our laboratories, business interruption policies. We have taken out directors' and officers' liability insurance for executives within our Group. We also maintain applicable compulsory workers' compensation and motor liability coverage.

We believe that our existing insurance policies are adequate in terms of both amounts covered and conditions of coverage to cover the major risks of our business, taking into account the cost of insurance coverage and the potential risks to business operations. However, there can be no assurance that no losses will be incurred or that this coverage will be sufficient to cover the cost of defense or damages in the event of a significant claim. See "*Risk Factors—Risks Related to Our Business—We may incur liabilities that are not covered by insurance*."

Legal Proceedings

We have been involved, and may be involved in the future, in various legal proceedings arising in the ordinary course of business, including disputes concerning professional liability and employee related matters, as well as inquiries from governmental agencies and health insurance carriers regarding, among other things, billing issues. Because we operate in a regulated industry, we are, in the ordinary course of business, subject to national and local regulatory scrutiny, supervision and controls. For more information on the regulations governing our business, see "*Regulation*."

In addition, the *Syndicat des Jeunes Biologistes Médicaux (SJBM)*, a trade union representing certain young biologists in France, announced that it may initiate legal proceedings against us, alleging that the competent French regulators should not approve two upcoming mergers within our network because those would, in SJBM's view, not be permitted by the French law dated May 30, 2013. Such law requires that the ownership of more than 50% of the share capital and voting rights of laboratory companies be held, directly or indirectly, by clinical pathologists working within such laboratory companies, with such requirement subject to certain grandfathering provisions applying to laboratory companies acquired under a prior regulatory system. To our knowledge, no such legal proceedings have been initiated to date. We firmly believe that all the Group's laboratories have been acquired, and are held, in full compliance with the French laws and regulations (including applicable grandfathering provisions) and have obtained legal advice to this effect. In addition, the legal structure of ownership of all our

laboratories has been validated by, and each of our laboratories has received a licence to operate from, the competent French regional regulators (ARS). We will vigorously defend ourselves against these allegations and believe them to be without merit. For more information on laboratory ownership requirements in France, see "*Regulation—Regulations Affecting our Routine Lab and Specialized Testing Businesses—France—Laboratory Ownership and Corporate Structure*."

On January 13, 2014, Mr. Jean Luc Dourson and Biopart (a company wholly owned by Mr. Dourson) initiated proceedings against us before the Paris Commercial Court (*tribunal de commerce de Paris*). The complainants are seeking rescission of the relevant contracts of sale of LLAM (owner of Luxembourg based Ketterthill laboratory) which we acquired on June 6, 2011. The complainants argue that we did not fulfil our obligations under the contracts of sale and that rescission may be granted pursuant to Article 1184 of the French Civil Code. The Paris Commercial Court ruled against Mr. Dourson and Biopart but they filed an appeal on November 7, 2016. We continue to vigorously defend the allegations and believe them to be without merit. Consequently we have not made any provision on our balance sheet for this litigation proceeding.

Regulation

We are subject to extensive government regulation in each of the countries in which we operate across our lines of business. Regulations that pertain to operating requirements, professional qualifications of laboratory personnel, constraints on the ownership of clinical laboratories (which are especially strict in France), and pricing and reimbursement levels of clinical laboratory tests affect our Routine Lab and Specialized Testing businesses. In addition, our Central Lab business is subject to further regulations that particularly concern drug safety.

We are also affected by numerous other laws and regulations that impose restrictions and requirements on the handling and storing of certain chemicals and reagents as well as the disposal of biological refuse, govern the handling and storing of personal data and aim to prevent fraud to social security systems.

Regulations Affecting Our Routine Lab and Specialized Testing Businesses

The activities we undertake as part of our Routine Lab and Specialized Testing operations are regulated on the national level in each of the three main countries in which we operate.

France

Pricing and Reimbursement

With respect to pricing and reimbursement, clinical laboratories are bound by the prices set by the Ministry of Health and the National Health Insurance Fund (*Caisse Nationale d'Assurance Maladie*). Prices are revised annually through negotiations among the Ministry of Health, the National Health Insurance Fund and clinical pathologists' labor unions. Over the past three years, tariffs for clinical laboratory testing have decreased by approximately €100 million per year. We expect further downward pressure on tariffs in France going forward as the government endeavors to further reduce the rate of growth of national healthcare expenditures, although we are unable to be certain of the extent of any future reductions.

According to "*Les dépenses de santé en 2015—Résultats des comptes de la santé*," in 2015, approximately 70% of spending in the French private clinical pathology testing market was financed by the French social security system and the remainder was covered by private insurance companies (approximately 25%) and by the patient directly out-of-pocket (approximately 3%). This split has not materially changed in recent years.

The reimbursement of tests by the French National Health Insurance is subject to an agreement with the National Health Insurance Fund, which must be entered into by clinical laboratories and each of the pathologists practicing within the laboratory. Any failure of one of the pathologists or of the laboratory to comply with the terms of the aforementioned agreement may lead to the suspension of reimbursement by the National Health Insurance Fund (*déconventionnement*).

Quality and Accreditation Standards

French law requires an administrative authorization (*autorisation administrative*) for the establishment and operation of clinical laboratories. As part of the authorization process, local health authorities review a filing detailing the laboratory's corporate form and governance, premises, equipment, tests, and operating procedures, as well as the professional qualifications of the laboratory's personnel, including clinical pathologists. The law sets minimal standards to be met in each of these areas. A laboratory must inform local health authorities of changes affecting any of the above matters.

Pursuant to an ordinance dated January 13, 2010 (*ordonnance n° 2010-49 relative à la biologie médicale*), which was ratified by law n° 2013-442 dated May 30, 2013 related to the reform of medical biology, the existing administrative authorization process will be replaced after

November 1, 2020 (with two intermediary steps in 2016 and 2018, concerning respectively 50% and 70% of the tests performed by a laboratory) by a new accreditation procedure to be carried out by a national accreditation body (the *Comité français d'accréditation*, or "COFRAC"). The accreditation procedure introduces new, stricter requirements for clinical laboratories pursuant to standards promulgated by the ISO (namely, ISO 15189). The ordinance provides for a transitional regime, whereby:

- until November 1, 2020, a non-accredited clinical laboratory may operate on the basis of its administrative authorization, and remains subject to the regulatory requirements described above relating to, notably, premises, equipment and mandatory minimums on the number of clinical pathologists. However, the administrative authorization will be withdrawn if by November 1, 2016, the laboratory has not been accredited for 50% of the tests it performs or if, by November 1, 2018, the laboratory has not been accredited for 70% of the tests it performs, and if, by November 1, 2020, the laboratory has not been accredited for 100% of the tests it performs; and

- since November 1, 2013, a non-accredited clinical laboratory is required to demonstrate that it has effectively begun the new accreditation process.

The COFRAC may suspend or revoke a laboratory's accreditation for all or part of the laboratory's business if such laboratory fails to comply with the requisite health, safety and quality standards. Furthermore, French law provides for substantial fines and penalties if the regulatory requirements for the grant of administrative authorizations and/or accreditation are breached.

There is no limit under French law as to the number of branch offices that a laboratory incorporated as a company may operate. However, a laboratory company may not open branch offices in more than three contiguous regional zones (*territoires de santé*) and for each branch office, at least one clinical pathologist shall be appointed to enable a speedy medical support to each branch office (meaning that a laboratory company must have at least as many clinical pathologists as branch offices). Furthermore, regional health authorities (*agences régionales de santé*) may further deny authorization for new clinical laboratories (or new branch offices of existing laboratories) within a given geographic area as delimited by each regional health authority (*zone déterminée en application du b du 2° de l'article L. 1434-9 du Code de la santé publique*) if the proposed laboratory's testing operations would cause the offer of testing operations to exceed by 25% the relevant zone's testing needs. Health authorities may also veto acquisitions of laboratory companies or branch offices, or mergers of laboratory companies if the share of the tests performed by the consolidated laboratory would exceed 25% of the total number of tests performed in the relevant zone. Furthermore, the acquisition of shares of a laboratory company is prohibited if such acquisition would result in the acquiror controlling, directly or indirectly, the performance of more than 33% of the tests performed in the relevant zone.

French law also limits the number of tests that can be outsourced by a clinical laboratory to other laboratories every year to 15% of the total number of tests it conducts. This limitation does not apply to the outsourcing of tests between branch offices of a single clinical laboratory company. The outsourcing of tests is monitored by the regional health authorities and the absence of representation or misrepresentation concerning outsourced activities may give rise to administrative sanctions.

Professional Licensing and Ethics

Clinical pathologists, technicians and laboratory personnel collecting patient samples must meet certain minimum professional qualifications.

In France, each clinical laboratory must be supervised during business hours by at least one clinical pathologist who acts as the legal representative of the laboratory company and is responsible for its operations, including the processing of tests outsourced to other laboratories.

Clinical pathologists must be registered with the pharmacists' professional association (*Ordre des Pharmaciens*) or the medical doctors' professional association (*Ordre des Médecins*, together, the "*Ordres*"), depending on whether they are qualified as pharmacists or medical doctors. Through their membership in an *Ordre*, clinical pathologists working in clinical laboratories are subject to the same rules of professional conduct as medical doctors and pharmacists set by the relevant *Ordre*. Laboratory companies must also be registered with one or both *Ordres*, based on the professional affiliation of the clinical pathologists practicing within such laboratories.

The *Ordre des Pharmaciens* and the *Ordre des Médecins* are self-regulatory bodies with administrative and disciplinary powers over practicing professionals. They also represent, respectively, the collective interests of pharmacists and medical doctors (including in both cases, clinical pathologists) before French public authorities and may be called upon to issue opinions (*avis*) on certain issues involving their profession, including proposed laws and regulations. The *Ordres* also monitor compliance by practicing professionals with applicable laws and regulations.

Among the professional conduct rules enforced by the *Ordre des Pharmaciens* is the principle of independence defined in Article R.4235-18 of the French Public Health Code. Pursuant to this principle, a pharmacist may not be subject to any financial, commercial, technical or moral constraint, if such constraint could impair his or her professional independence. A similar provision affecting medical doctors, Article R.4127-5 of the French Public Health Code, provides that a medical doctor cannot, in any manner or form, compromise his or her professional independence.

The *Ordre des Pharmaciens* and the *Ordre des Médecins* regulate access to the profession by maintaining respective national registries of practicing professionals (each, a *Tableau de l'Ordre*), on which every practicing pharmacist or medical doctor, as well as every clinical laboratory company, must be registered. New clinical laboratories, including entities formed by the merger of preexisting laboratories, must apply for registration on the relevant *Tableau de l'Ordre* as a prerequisite to obtaining administrative authorization. An *Ordre* may withhold or suspend registration due to violation of the relevant professional conduct rules.

Clinical laboratories are subject to ongoing regulatory supervision by each of the *Ordres* and, as a consequence, must submit to the relevant *Ordre* for review any proposed change in their capital ownership or articles of association, any cooperation contracts entered into with other clinical laboratories and, more generally, any agreements relating to their operations or governing the relations between their shareholders. Upon its review, the *Ordre* may inform regional health authorities of any perceived regulatory violations. The regional health authorities are not bound by the findings of the relevant *Ordre* in this respect. As part of its disciplinary powers, each professional association may impose disciplinary sanctions on clinical pathologists, including the temporary or permanent suspension of practicing professionals who have breached professional conduct rules.

It is worth mentioning that, following a complaint lodged by Labco, it has recently been found by the General Court of the European Union that the *Ordre des Pharmaciens* had restricted competition on the clinical biology analysis market by adopting a restrictive interpretation of French regulations in order to prevent groups of laboratories from developing in France (Judgment of 10th December 2014, Case T-90/11, *Ordre national des pharmaciens and Others v Commission*). This decision has been appealed by the *Ordre des Pharmaciens*.

Regional health authorities in France monitor compliance by clinical laboratories with health and safety regulations through on-site inspections. In addition, certain tests or categories of tests are controlled by specialized agencies as part of a yearly quality control program. Regional health authorities may impose administrative sanctions on clinical laboratories and, in certain instances, clinical pathologists, for violations of certain regulatory requirements, including health, safety and quality regulations. These sanctions range from fines to the temporary or permanent closing of the laboratory, in the case of particularly serious or repeated violations.

Certain illegal activities, including the illegal practice of clinical biology (*exercice illégal des fonctions de biologiste médical*) and the misleading use of the title of clinical pathologist by a person without the legal right to do so (*usage sans droit de la qualité de biologiste medical*), carry criminal penalties that range from the prohibition to practice clinical biology or operate a clinical laboratory to imprisonment for individuals.

In addition, clinical laboratories may not advertise their services, directly or indirectly, to the general public. Certain information provided to medical doctors is, however, excluded from this prohibition, notably information of a medical or scientific nature, and upon opening of a new laboratory, the public announcement of the laboratory's existence, location, and test offerings.

Laboratory Ownership and Corporate Structure

French law also contains specific provisions dealing with the corporate form through which a clinical laboratory can be operated and imposes limitations on who can hold the capital stock and exercise the voting rights within such corporations. These provisions and limitations reflect the traditional view in France that clinical laboratories are engaged in medical activity conducted through small, privately owned entities by independent professionals (*profession libérale*).

Owners of a clinical laboratory who do not want to operate their laboratory directly can incorporate their business through a non-profit organization, a *société civile professionnelle* (SCP) or a cooperative undertaking or *société d'exercice libéral* (SEL). SELs can take several forms: *société d'exercice libéral à responsabilité limitée* (SELARL), *société d'exercice libéral à forme anonyme* (SELAFA)*, société d'exercice libéral en commandite par actions* (SELCA) or *société d'exercice libéral par actions simplifiée* (SELAS). Another specific corporate form is the *société de participations financières de professions libérales* (SPFPL), which cannot directly operate a clinical laboratory but may serve as a holding company for SELs. All our French clinical laboratories are incorporated as SELAFA or SELAS.

The following principles apply to SELs in general:

- a clinical pathologist can only act as a responsible clinical pathologist for, and therefore manage, one SEL;

- more than half of the share capital and the voting rights must be held by clinical pathologists practicing within the SEL or by an SPFPL constituted by the clinical pathologists practicing within the SEL. French law used to provide for an exception whereby more than 50% of the share capital of a laboratory company could be held by individuals or legal entities which were external clinical pathologists or laboratory companies if these individuals or entities had an activity within the corporate purpose of the laboratory company considered or were SPFPL. However, law n° 2013-442 dated May 30, 2013 related to the reform of medical biology has removed this exception, such change only affecting laboratory companies set up after its enactment, *i.e.* after May 31, 2013. Consequently, any laboratory company set up after that date is subject to the following limitation regarding its ownership: more than 50% of its share capital and voting rights must be held, directly or indirectly through an SPFPL, by clinical pathologists working within the laboratory company considered. With regards to laboratory companies set up prior to May 31, 2013, which, at that date, did not comply with this requirement, they can still benefit from the former exception regarding ownership by external clinical pathologists and laboratory companies. However, in case of transfer of their shares, priority shall be given to clinical pathologists working within the laboratory company considered. If the latter are unable to buy such shares, said shares can be sold to any external clinical pathologist or laboratory company or SPFPL, or—within the limitations provided by law for the shareholding of laboratory companies by non-biologists—to persons that are not clinical pathologists and legal entities that are not laboratory companies;

- persons that are not clinical pathologists and legal entities that are not laboratory companies cannot directly hold more than 25% of the share capital and voting rights of an SEL (except for SELCAs, for which this proportion shall be more than 25% but must be less than 50%); to prevent conflicts of interest, certain types of professionals or entities (including other health professionals, medical suppliers, pension funds and insurance companies) are prevented from holding shares in an SEL directly or indirectly;

- at least once a year, the company must provide the *Ordre des Pharmaciens* and/or the *Ordre des Médecins* with a statement regarding the composition of its share capital;

- the articles of association of laboratory companies may provide for the inalienability of shares for a period not exceeding ten years; and

- finally, in order to be binding, all arrangements concerning laboratory companies or their shareholders that are not contained in the bylaws must be disclosed to, as the case may be, the *Ordre des Pharmaciens* and/or the *Ordre des Médecins*.

Certain aspects of the legal framework described above have been considered by the European Court of Justice. In March 2009, the European Commission commenced a proceeding against France, challenging two provisions of French law. First, the Commission argued that the 25% ownership limitations placed on third-party non-professionals imposed an undue burden on the freedom of establishment provided for in the Treaty Establishing the European Community. Second, the Commission criticized as overly restrictive the rule by which qualified entities or individuals could not own shares in more than two SELs. In its December 16, 2010 decision, the European Court of Justice found in favor of France on the first count, holding that the ownership limitations placed on non-professionals were reasonable in view of the state's legitimate public health and safety concerns. The Court noted the threat to such independence that might arise from financial pressures placed on clinical pathologists by third-party investors and found that a Member State might validly conclude that the professional independence of clinical pathologists would not be adequately preserved in structures where such professionals would only hold a minority of the share capital, regardless of whether they were granted majority voting rights. The Court found against France on the second count, however, holding that the ownership restriction placed by existing regulations on qualified professionals was unnecessary and disproportionate to the public health objectives sought to be achieved. Pursuant to decree n° 2013-117 dated February 5, 2013 related to the conditions of operation of a laboratory by an SEL, individuals or legal entities who have an activity within the corporate purpose of the SEL are no longer subject to the limitation according to which they could not own shares in more than two SELs.

Belgium

Laboratory Ownership and Corporate Structure

The conditions with respect to ownership and corporate structure which clinical laboratories must comply with are set forth in Royal Decree No. 143 of December 30, 1982. In the case of clinical laboratories operated by individuals, there is an explicit prohibition on the operation of such laboratories by doctors who dispense prescriptions. Such doctors are also barred from acting as directors, associates (*vennoten/associés*), members, managers (*zaakvoerders/gérants*) or designated representatives of clinical laboratory companies.

Legal form of ownership represents the primary regulatory constraint on the establishment and operation of clinical laboratories. These regulatory constraints are provided by the Royal Decree of April 26, 2007. The Royal Decree of April 26, 2007 lists the legal forms that clinical laboratory companies should take in order to eligible for reimbursement by the Belgian public health insurance system. The duration of this Royal Decree, which was initially due to expire on December 31, 2009, has been extended retrospectively until December 31, 2012 by a Royal Decree

of January 27, 2010. To date, no new extension has been enacted. The relevant agencies have not shown any indication that reimbursements would cease. The current legal gap should be filled by a new Decree which, as for March 2017, is still in a draft form and should be submitted to the Belgian government for approval. According to oral sources at the INAMI, this draft Decree (i) will leave unchanged the four legal forms that clinical laboratories should take in order to be eligible for reimbursement by the Belgian public health insurance system and (ii) will provide that these rules are no longer subject to expiration. However, this information has been obtained by unofficial sources at the INAMI. It is currently unclear whether the draft Decree will be adopted and, if so, what its content will be. The absence of any form of extension of the duration of the Royal Decree of April 26, 2007 could have a significant impact on all Belgian laboratories run under the same corporate form as ours, including us. For more information, see "*Risk Factors—Risks Related to Our Business—We are subject to numerous legal and regulatory requirements governing our activities, and we may face substantial fines and penalties, and our business activities may be negatively impacted if we fail to comply*."

The Royal Decree of April 26, 2007, specifies that, in addition to hospitals, universities and other public bodies, only certain legal entities may operate clinical laboratories, namely civil companies incorporated in the form of a BVBA/SPRL (*besloten vennootschap met beperkte aansprakelijkheid/société privée à responsabilité limitée*), a general partnership (*vennootschap onder firma/société en nom collectif*), a cooperative company (*cooperative vennootschap/société coopérative*) or a non-profit organization *(vereniging zonder winstoogmerk/personne morale sans but lucratif*).

The provisions of Belgian company law applicable to Belgian companies that are eligible to operate clinical laboratories in accordance with the Royal Decree impose certain restrictions on the transferability of the shares of such companies. For example, any contemplated transfer of shares in a BVBA/SPRL must be consented to by half of the shareholders holding shares representing 75% of the capital of the company (minus the value of the shares which are being transferred). There are no requirements as to the legal form of an entity purchasing shares of a BVBA/SPRL. Belgian law does not provide for any specific rules with respect to the voting rights attached to the shares of a laboratory company.

In addition to restrictions on corporate form and share transferability, the Royal Decree of December 30, 1982, and the Royal Decree of April 26, 2007, set forth additional general regulations affecting a laboratory company's conduct. Among other things, such rules stipulate that:

- the laboratory company must not have a corporate or statutory purpose other than the operation of clinical laboratories;

- the articles of association of a laboratory company must include a provision to the effect that the company is required to strive for a standard of quality that avoids any act entailing complementary expenses which are not justified by the compulsory healthcare insurer, by the patient or by the persons who insure the payment of these services (to the extent that the Royal Decree of April 26, 2007 remains applicable after January 1, 2013);

- the laboratory company is required to conclude a written agreement (subject to approval by the Ministry of Social Affairs and Health) with any persons performing services on its behalf which should minimally include (i) the financial provisions applicable and (ii) the working conditions, including their free choice to perform such services as they wish and their access to all means necessary to guarantee the quality of the services rendered (in particular the equipment, the personnel and the method to be applied);

- the laboratory company is required to organize a central collection of fees and other compensations paid by patients or third parties; and

- the laboratory company may not accord any benefits, directly or indirectly, to medical professionals who dispense prescriptions, and it may not influence these professionals in any way.

The laboratory company must provide the Ministry of Social Affairs and Health with an annual list of its members or associates (*vennoten/associés*) and must maintain accounting records, prepared in accordance with accounting standards set by the Royal Decree of November 18, 1983.

Pricing and Reimbursement

Prices and reimbursement levels for laboratory tests are set on an annual basis. Reimbursements are only granted to clinical laboratories that have been accredited by the Belgian government (in accordance with the Royal Decree of December 3, 1999 on the accreditation of clinical biology laboratories by the Minister responsible for Public Health and the Royal Decree of December 5, 2011 on the accreditation of pathological anatomy laboratories by the Minister responsible for Public Health). Currently, the pricing system includes a "claw-back" mechanism which allows the Belgian government to recover budgetary overspend in future periods. Reimbursement levels for tests included in the INAMI catalog are set by the Belgium health authorities. In certain cases, laboratories are allowed to bill a small supplemental administrative fee per patient in addition to the set price for a test. Laboratory tests that are prescribed for non-therapeutic reasons may be excluded from INAMI's price regulation and are set freely by individual laboratories.

Quality and Accreditation Standards

INAMI also requires that clinical laboratories operating in Belgium must meet certain operational standards set forth by BELAC, the Belgian national accreditation organization. Laboratories are subject to an inspection every year during the first 3-year period of accreditation. During the third year of the initial 3-year accreditation period, BELAC will conduct an inspection to verify whether the clinical laboratory complies with the requirements for a 5-year renewal period of the accreditation. During each such 5-year renewal period, BELAC will conduct minimum three inspections (every 18 months at the latest) to verify compliance with BELAC's standards.

Luxembourg

Pricing and Reimbursement

According to article 65 of the Luxembourg Social Security Code, prices and reimbursement rules are set by the applicable nomenclature, which is set forth by grand-ducal regulations on the basis of recommendations of the Nomenclature Commission ("*Commission de Nomenclature*"). The list of tests that are reimbursed is set forth by a nomenclature. Other provisions, such as the statutes of the National Health Fund ("*Caisse Nationale de Santé*"), also apply.

For patients who are affiliated to the National Health Fund ("*Caisse Nationale de Santé*"), the Luxembourg social security system covers 100% of the costs of the laboratory tests (except for those performed in a hospital) that are (i) on the nomenclature list, (ii) carried out, subject to certain exceptions, within two months as of the date of the medical prescription related to the tests and (iii) carried out by laboratories authorized or covered by a convention concluded with the National Health Fund ("*Caisse Nationale de Santé*"), at the price set forth by the nomenclature. Laboratory tests performed for research purposes are not reimbursed by the Luxembourg social security system.

Quality and Accreditation Standards

Pursuant to article 3 of the Luxembourg law dated July 16, 1984 regarding clinical laboratories, as modified, (the "1984 Law"), the opening and operation of clinical laboratories are subject to an administrative authorization delivered by the Luxembourg Ministry of Health upon the opinion (*avis*) of the Medical Board (*Collège Médical)* and the Consultative Commission of the Laboratories (*Commission Consultative des Laboratoires*).

This administrative authorization will be delivered (i) if the creation of the laboratory responds to a need on the national, regional or local plan and (ii) if the requirements set forth by the 1984 Law and its implementing regulations are met. Mostly, these requirements are related to the specific qualifications of the person or persons running the clinical laboratory (see "*—Professional Licensing and Ethics*" below), in relation with the field of activity of the laboratory.

Any change in this respect (change of field of activity or change of the responsible person or persons) must be notified to the Ministry of Health. Such a change would require that a new administrative authorization be obtained. The administrative authorization can be revoked at any time by a motivated decision of the Ministry of Health if the legal and regulatory requirements abovementioned are no longer met.

The overall control of the clinical laboratories is provided by doctors, engineers and pharmacist-inspectors of the Health Direction (*Direction de la Santé)*, who act as investigating officers during the execution of their mission. They may be accompanied by experts.

Clinical laboratories must also submit to quality controls which are conducted by public or private organisms accredited by the Ministry of Health upon the opinion (*avis*) of the Consultative Commission of the Laboratories (*Commission Consultative des Laboratoires*).

Besides this administrative authorization, a clinical laboratory is bound to respect certain operational and quality standards set forth by the grand-ducal Regulation dated May 27, 2004 setting the minimum criteria to be met regarding the general activities of clinical laboratories.

Infringements of the abovementioned provisions of the 1984 Law and its implementing regulations are punishable by criminal sanctions set forth by article 15 of the 1984 Law.

In accordance with the law of July 4, 2014, on reorganization of the Luxembourg Institute of Normalization, Accreditation, Safety and Quality of Products and Services ("*Institut luxembourgeois de la normalisation, de l'accréditation, de la sécurité et qualité des produits et services, ILNAS"*) and on organization of the general framework for the supervision of the market in the context of the marketing of products, as modified, which sets out the functions of the Luxembourg Accreditation and Surveillance Office ("*Office Luxembourgeois d'Accréditation et de Surveillance, OLAS*"), and in accordance with the grand-ducal Regulation dated April 12, 2016, implementing Articles 3, 5 and 7 of the modified law of July 4, 2014, on reorganization of the Luxembourg Institute of Normalization, Accreditation, Safety and Quality of Products and Services, a clinical laboratory can apply to obtain a certification of compliance with the standard ISO 15189.

Laboratory Ownership and Corporate Structure

Pursuant to the 1984 Law, operators of a clinical laboratory can be either one or more individuals, or a private or public corporate entity.

Hospitals which are compelled to operate a clinical laboratory under the form of a hospital service can share a common structure in order to operate their services together. The individuals or the entities described above can become partners in this common structure in order to participate in the clinical laboratory's activities which are linked to the hospital sector.

Pursuant to the 1984 Law, the following entities may not become partners in, or own, directly or indirectly, a part of the share capital of, a corporate entity operating a medical laboratory:

- doctors, dentists, and other health professionals authorized to prescribe medical tests, except managers of clinical laboratories as described below;

- hospitals, without prejudice to the possibility to share a common structure as described above; and

- members of the managing body of a hospital or persons who directly or indirectly own a part of the share capital of the managing body of a hospital.

When the laboratory is operated by one or more physical person(s), such person(s) act in the capacity of director(s) of the laboratory and are bound to effectively and personally perform their duties in a responsible manner. Managers of clinical laboratories are not allowed to perform their duties in several clinical laboratories at the same time, or carry out another regular professional activity other than:

- medical treatments and pharmaceutical prescriptions directly related to biology, and

- teaching functions on an ancillary basis.

Exemptions may be exceptionally granted by the Ministry of Health, upon the opinion (*avis*) of the Consultative Commission of the Laboratories ("*Commission Consultative des Laboratoires")*.

Corporate entities operating a clinical laboratory must appoint one or more managers of a laboratory with the same duties as described above.

Professional Licensing and Ethics

Any clinical laboratory must be placed under the supervision of a person (a manager as described above) who acts as the legal representative of the laboratory company and is responsible for its operations.

This manager must either be qualified as a doctor, a pharmacist or a chemist (in this latter case by holding a Master's degree in chemistry, biochemistry or the equivalent).

Pursuant to the grand-ducal Regulation dated December 18, 1998 setting the disciplines of a clinical laboratory and regulating the specialized trainings of laboratories managers, as modified, the doctor, pharmacist or chemist in charge of a laboratory must in addition have relevant qualifications in the field of biomedical analysis (at least five years full time training) and a specialization in the field for which the administrative authorization is to be granted and in which the laboratory will operate (medical chemistry, hematology, microbiology or anatomical pathology). The manager of a clinical laboratory must apply for a prior authorization which is granted by the Ministry of Health. The authorization will be assessed based mainly on the above qualification requirements. The attributions of the laboratory technicians and technical medical assistants are determined by the laws and regulations regarding these professions.

The personnel of the laboratory must be able to reach a manager at any time during the operating hours of the laboratory. A minimal level of staffing of the laboratory may also be required, depending upon the annual activity of the laboratory. Further, a minimum set of facilities are required in the laboratory in order to preserve the dignity and the anonymity of the patients, in particular in relation to facilities used for the collection of patients' samples. All results of tests must be kept on file for ten years.

Regulations Affecting Our Central Lab Business

Although our Central Lab business is global in scope, we conduct testing in the same laboratory facilities that we use for our Routine Lab and Specialized Testing operations. As a result, the regulations described above also affect our Central Lab business.

Additionally, our global footprint in the Central Lab business exposes us to a wide variety of further regulations designed to ensure the quality and integrity of testing processes across many different jurisdictions. We believe that our operating procedures are in accordance with the regulations and guidelines appropriate to each applicable jurisdiction.

We may voluntarily subject ourselves to certain international operating norms or regulatory standards through commercially negotiated provisions in the contracts governing our business relationships with our clients. These may include industry standards for conducting preclinical laboratory testing embodied in Good Laboratory Practice ("GLP") standards and those central laboratory operations standards required by the U.S. Food and Drug Administration (the "FDA"), the Department of Health in the United Kingdom, the European Agency for the Evaluation of Medicinal Products ("EMEA") in Europe and by similar regulatory authorities in other parts of the world. Our clinical testing may also be subject to industry standards for the conduct of clinical research and development studies that are embodied in the regulations for Good Clinical Practice ("GCP"). The FDA, EMEA and other regulatory authorities require that test results submitted to such authorities be based on studies conducted in accordance with GCP. As with GLP and Good Manufacturing Practice, noncompliance with GCP can result in the disqualification of data collected during a clinical trial.

By virtue of the fact that certain of our clients are subject to specific regulations related to the pharmaceutical industry, we are subject to audits that are performed by the relevant regulatory authority tasked with enforcing such regulations, including the FDA and the UK Department of Health.

Management

The Issuer

The Issuer is a *société par actions simplifiée* incorporated in France, with registered office at 3, Boulevard de Sébastopol, 75001 Paris, France, and registered with the *registre du commerce et des sociétés de Paris* under registration number 824 963 045.

The following table sets forth the names, ages and positions of the directors of the Issuer.

Name	Age	Position
Kim Nguyen	42	Director
Simon Marc	43	Director

Kim Nguyen. Kim Nguyen is a Managing Director in the European Private Equity business unit of Partners Group, based in Zug. He has 15 years of industry experience. Prior to joining Partners Group, he worked at Bridgepoint, Nestlé and Bain & Company. He holds an MBA from the IMD Business School in Lausanne, Switzerland and a master's degree in industrial engineering from the Swiss Federal institute of Technology (ETH) in Zurich, Switzerland.

Simon Marc. Mr. Marc serves as a Managing Director and Head of European Private Equity at Public Sector Pension Investment Board since August 2015. Prior to joining Public Sector Pension Investment Board, he was a Principal at Permira Advisers Ltd. from 2009 to 2015. Prior to that, Mr. Marc was a Partner of Candover Investments plc. Mr. Marc holds a Master's degree in Management and graduated from the Hautes Etudes Commerciales Business School (HEC) of Paris.

Management of Cerba HealthCare

The affairs of Cerba HealthCare are managed by a Chief Executive Officer (*Président du Directoire*), with the assistance of a Deputy Chief Executive Officer and Chief Financial Officer. The Chief Executive Officer has full authority to represent and act in all circumstances on behalf of Cerba HealthCare, subject to the limits set by law and to the powers expressly granted by law or by Cerba HealthCare's articles of association (*statuts*).

Executive Board

Cerba HealthCare's articles of association set out the role and composition of the Executive Board. The current members of the Executive Board are as follows:

Name	Age	Title
Catherine Rondot-Courboillet	53	Chief Executive Officer
Jérôme Thill	51	Deputy Chief Executive Officer

The following are brief biographical descriptions of the current members of the Executive Board.

Catherine Rondot-Courboillet. Ms. Rondot-Courboillet has served as Chief Executive Officer of Cerba since 2005. She was previously the Chief Executive Officer of Cefid, from 2002 until 2005, and the general manager of Cerba Selafa from 1999 until 2002. Before joining Cerba, Ms. Rondot-Courboillet was the head of specialized laboratory testing activities at Laboratoire Lévy. She also served at Phadia, a developer and manufacturer of blood test systems. Ms. Rondot-Courboillet received a master's degree from the Faculté d'Orsay at the Université of Paris XI in 1987.

Jérôme Thill. Mr. Thill is the Deputy Chief Executive Officer and Chief Financial Officer of Cerba. He has been the Chief Financial Officer of the Group since joining Cerba in 2004 and was

appointed *Directeur Général* of the Group in 2010. Prior to joining Cerba, Mr. Thill served as Chief Financial Officer of Molecular Engines Laboratories, a biotechnology company focused on the development of anti-cancer drugs from 2003 to 2004. Mr. Thill also served as Finance Director of Dirigeants & Investisseurs from 1998 to 2003 and worked in the structured finance department at Barclays from 1991 to 1995. Mr. Thill received a Masters in Business Administration from the Institut d'Etudes Politiques de Paris in 1988.

Supervisory Board

Following the Acquisition, we will establish a Supervisory Board at the level of Topco. The Supervisory Board will be responsible for overseeing the operations of the Group and for supervising the management team. The Supervisory Board is expected to be composed of eight members, three of whom will be appointed by Partners Group, three of whom will be appointed by PSP Investments and two of whom will be independent members (one designated by Partners Group and one designated by PSP Investments (each with the prior approval of the Executive Board)). The Chairman of the Supervisory Board will be chosen among the Partners Group appointees (including the independent member designated by Partners Group).

Other Consultative Committees

Following the Acquisition, we will establish two consultative committees, a Compensation Committee and an Audit Committee, at the level of TopCo to advise the Executive Board and the Supervisory Board. The Compensation Committee will be tasked with making recommendations as to the compensation and other benefits of the members of the Executive Board (for all of their functions within the Group). The Compensation Committee is expected to be composed of Catherine Rondot-Courboillet and at least two members of the Supervisory Board. The Audit Committee will analyze the quarterly and annual accounts of the companies within the Group and will be tasked with all accounting-related matters. The Audit Committee is expected to be composed of Jérôme Thill and at least two members of the Supervisory Board.

Other Key Members of Our Management Team

Philippe Buhl is the head of our Routine Lab operations in France. Mr. Buhl has 10 years' experience in the laboratory testing industry. Prior to joining Cerba in 2011, Mr. Buhl served as General Manager for the south of France for the Générale de Santé group. Mr. Buhl received a degree from the University of Paris X in 1988.

Sylvie Cado is the head of our Specialized Testing business. Ms. Cado has 21 years' experience in the laboratory testing industry. Prior to joining Cerba in 1991, Ms. Cado served as a hospital practitioner at the Centre Hospitalier of Douai. Ms. Cado received a degree from the University of Lille in 1987.

Cyril Dubreuil is our sales director and the head of our business development group. Mr. Dubreuil has 20 years' experience in the laboratory testing industry. Prior to joining Cerba in 2000, Mr. Dubreuil worked at Laboratoire Lévy. Mr. Dubreuil received a degree from the Ecole Nationale de Chimie et Biologie in 1992.

François Gay is the head of our financial department. He has been our head of Group controlling since joining Cerba in 2008 and was appointed Finance Director of the Group in 2015. Prior to joining Cerba, Mr. Gay held positions at Deloitte, an audit and consulting firm, and Chiltern, a Clinical Research Organization company.

Lionelle Mazoyer is the head of our human resources department. Prior to joining Cerba in 2005, Ms. Mazoyer held positions at Genset, a biotechnology company, and Ethypharm, a pharmaceutical company.

Paul Piersson is the head of our IT department. Prior to joining Cerba in 2012, Mr. Piersson held positions at Motorola, Nortel Networks, a telecommunications company, McDonald's and RLD Group, a business services company. Mr. Piersson received a degree from Supméca in Paris in 1990 and from HEC Paris in 2007.

Compensation

Following the Acquisition, the compensation of the members of management will be determined by the Supervisory Board upon the recommendation of the Compensation Committee described above.

Principal Shareholders and Related Party Transactions

Principal Shareholders

Cefid is a limited liability company (*société anonyme*) incorporated under the laws of France. Following the completion of the Acquisition and the Post-Completion Mergers, Cefid will be fully-owned by BidCo.

BidCo is a *société par actions simplifiée* incorporated under the laws of France and a wholly owned subsidiary of the Issuer, a *société par actions simplifiée* incorporated under the laws of France. The Issuer is a wholly owned subsidiary of HoldCo, a *société par actions simplifiée* incorporated under the laws of France. HoldCo is a wholly owned subsidiary of TopCo, a *société par actions simplifiée* incorporated under the laws of France. UK TopCo, an entity to be incorporated under the laws of England and Wales, and certain managers of the Group, directly or indirectly through one or more investment vehicles will collectively own the entire share capital of TopCo upon consummation of the Acquisition. Upon consummation of the Acquisition, the Sponsors will indirectly hold all of the share capital of UK TopCo.

BidCo, the Issuer, HoldCo, TopCo and UK TopCo were incorporated as holding companies for the purposes of the acquisition of Cerba HealthCare and its subsidiaries by entities controlled by the Sponsors.

As of the Acquisition Completion Date, Partners Group and PSP Investments will hold approximately 60% and 40% of the share capital of UK TopCo, respectively, and Partners Group, PSP Investments and management will hold approximately 56%, 37% and 7% of the share capital of TopCo, respectively.

Management Equity Participation Program

We plan to establish a management equity participation program on or after the Acquisition Completion Date, pursuant to which certain managers who are employees of the Group may indirectly hold, through a management pooling vehicle, a portion of the share capital of TopCo.

Related Party Transactions

In the course of our ordinary business activities, we render services to our affiliates and other related parties. In turn, such related parties may render services to us as part of their business. For example, as a part of the ordinary course of our Specialized Testing business, we conduct specialized laboratory tests for routine laboratories that we operate as part of our Routine Lab business and that are owned and operated directly by our operating subsidiaries. We believe that all transactions with affiliated companies and persons are negotiated and conducted on a basis equivalent to those that would have been achievable on an arm's-length basis and that the terms of these transactions are comparable to those currently contracted with unrelated third parties.

We will also engage in various financing transactions with our shareholders in connection with the Acquisition.

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.

Senior Credit Facilities Agreement

Overview and Structure

In connection with the Financing of the Acquisition, BidCo will, on or prior to the Acquisition Completion Date, enter into the Senior Credit Facilities Agreement with, among others, Natixis as agent, the Security Agent, and Credit Suisse International, BNP Paribas, Deutsche Bank AG, London Branch, J.P. Morgan Limited and Natixis, as mandated lead arrangers. The Senior Credit Facilities Agreement will provide for a Revolving Credit Facility in a principal amount of €175.0 million and a Senior Term Loan in a principal amount of €794.0 million.

The Senior Term Loan may be utilized by BidCo and may be used to finance: (i) the payment directly or indirectly of the consideration for the Acquisition (including purchase price adjustments); (ii) the payment directly or indirectly of certain fees, costs and expenses incurred in connection with the Acquisition; (iii) the refinancing of certain existing indebtedness of the Target and its subsidiaries and payments of related breakage costs and any other costs related to such refinancing; (iv) directly or indirectly financing other amounts including fees, costs and expenses related to or incurred or charged in connection with, amongst other things, the Acquisition and any transaction contemplated by the Senior Credit Facilities Agreement and/or the Notes; and (v) any other purpose contemplated by the funds flow statement relating to the Acquisition.

The Revolving Credit Facility may be utilized by BidCo and certain other members of the TLB Group (for the purposes of the Senior Credit Facilities Agreement, the "TLB Group" consists of BidCo and its subsidiaries from time to time, but excluding unrestricted subsidiaries (under and as defined in the Senior Credit Facilities Agreement)) who accede as borrowers under the Senior Credit Facilities Agreement, in euros, sterling, U.S. dollars, Swiss francs and certain other currencies freely available in the London interbank market (subject to obtaining the consent of all the Revolving Credit Facility lenders) by the drawing of cash advances, the issue of letters of credit and ancillary facilities (on a bilateral and fronted basis). The Revolving Credit Facility may be used for the TLB Group's working capital and general corporate purposes.

In addition to the Revolving Credit Facility and the Senior Term Loan, the Senior Credit Facilities Agreement includes the ability (without double counting against the limitation on indebtedness covenant) to incur additional indebtedness (including under one or more uncommitted additional facilities within the Senior Credit Facilities Agreement and/or any additional Notes and/or other facilities or notes documented outside the Senior Credit Facilities Agreement) up to an aggregate amount the greater of €160.0 million and 100% of LTM EBITDA (as defined in the Senior Credit Facilities Agreement and subject to certain customary additions including the amount of prepayments and buy-backs), plus an unlimited amount, provided that, pro forma for the incurrence of such additional facilities or permitted alternative debt: (i) if such indebtedness is secured on the Collateral, subject to the Intercreditor Agreement such that such liabilities rank *pari passu* with the Senior Term Loan, the consolidated net secured leverage ratio does not exceed 5.50:1; or (ii) if the indebtedness does not fall within paragraph (i), the fixed charge coverage ratio does not exceed 2.00:1, and in each case, subject to certain other conditions being met.

Availability

The Senior Term Loan will be available on and from the date of the Senior Credit Facilities Agreement up to (and including) the earliest to occur of (i) 11:59 p.m. (in London) on the date on which the first utilization of the facilities under the Senior Credit Facilities Agreement occurs (the "Closing Date"); (ii) the earlier of (x) August 31, 2017 and (y) 20 business days following the

longstop dates set out in the Acquisition Agreements, as may be extended by the parties thereto in accordance with their terms; and (iii) the date on which BidCo (or any of its affiliates) determines and notifies the agent under the Senior Credit Facilities Agreement in writing that the Acquisition Agreements have been conclusively terminated prior to the Acquisition Completion Date, by either party thereto in accordance with its terms.

The Revolving Credit Facility may be utilized from (and including) the Closing Date to (and including) the date which is one month prior to the maturity date of the Revolving Credit Facility.

Conditions Precedent

Utilizations of the Senior Credit Facilities are subject to customary conditions precedent.

Interest and Fees

Loans under the Senior Credit Facilities Agreement will initially bear interest at rates per annum equal to LIBOR or, for loans denominated in euro, EURIBOR, plus an applicable margin, which in each case will be subject to a decreasing margin ratchet based on the ratio of consolidated senior secured net debt to consolidated pro forma EBITDA (each as defined in the Senior Credit Facilities Agreement) (the "Senior Secured Net Leverage Ratio").

From the first day following one complete financial quarter following the Closing Date, the margin applicable to the Revolving Credit Facility will be subject to adjustment by reference to the Senior Secured Net Leverage Ratio as shown in the then most recent compliance certificate, to equal the rate per annum set out in the following table:

Senior Secured Net Leverage Ratio:	Revolving Credit Facility Margin (% p.a.)
Greater than 5.00x	3.50
Greater than 4.50x but equal to or less than 5.00x	3.25
Greater than 4.00x but equal to or less than 4.50x	3.00
Greater than 3.50x but equal to or less than 4.00x	2.75
Equal to or less than 3.50x	2.50

From the first day following one complete financial quarter following the Closing Date, the margin applicable to the Senior Term Loans will be subject to adjustment by reference to the Senior Secured Net Leverage Ratio as shown in the then most recent compliance certificate, to equal the rate per annum set out in the following table:

Senior Secured Net Leverage Ratio:	Senior Term Loan Margin (% p.a.)
Greater than 5.00x	
Greater than 4.50x but equal to or less than 5.00x	
Less than 4.50x	

If EURIBOR is less than zero, EURIBOR shall be deemed to be zero in respect of Senior Term Loans. If LIBOR or EURIBOR is less than zero, LIBOR or EURIBOR (as the case may be) shall be deemed to be zero in respect of Revolving Credit Facility Loans.

A commitment fee will be payable on the aggregate undrawn and uncancelled amount of the Revolving Credit Facility from the Closing Date to the end of the availability period applicable of the Revolving Credit Facility at a rate of 35% of the applicable margin for the Revolving Credit Facility. Commitment fees will be payable quarterly in arrears and on the date the Revolving Credit Facility is canceled in full or on the date on which the relevant lender cancels its commitment.

Default interest will be calculated as an additional 1% on the defaulted amount.

Repayments

The Senior Term Loan will be repaid in full on the date that is seven years from the Closing Date. In respect of the Revolving Credit Facility, each advance will be repaid on the last day of the interest period relating thereto, subject to an ability to roll over cash drawings. All outstanding amounts under the Revolving Credit Facility will be repaid on the date falling seventy eight months from the Closing Date. Amounts repaid by the borrowers on loans made under the Revolving Credit Facility may be reborrowed, subject to certain conditions.

Mandatory Prepayment

The Senior Credit Facilities Agreement will permit voluntary prepayments to be made (subject to *de minimis* amounts) and will require mandatory prepayment in full or in part in certain circumstances, including:

- on a change of control of BidCo or disposal of substantially all the business of the TLB Group (in each case such mandatory prepayment shall only apply upon a lender exercising its individual right to be repaid within the prescribed time period);

- on an initial public offering which does not constitute a change of control (subject to the TLB Group's ratio of consolidated senior secured net debt to consolidated pro forma EBITDA (each as defined in the Senior Credit Facilities Agreement)) (a "Listing Prepayment");

- from certain net cash proceeds received by the TLB Group from certain asset disposals, to the extent required to be applied in prepayment of the Senior Credit Facilities and subject to a *de minimis* amount; and

- unless otherwise agreed by the majority lenders under the Senior Credit Facilities Agreement, for each financial year (commencing with the first full financial year following the Closing Date), a percentage of excess cash flow in the event that excess cash flow exceeds a minimum threshold amount, which percentage decreases as the TLB Group's ratio of consolidated senior secured net debt to consolidated pro forma EBITDA (each as defined in the Senior Credit Facilities Agreement) decreases (an "Excess Cash Flow Prepayment").

At the election of BidCo, amounts required to be prepaid pursuant to a Listing Prepayment or an Excess Cash Flow Prepayment may instead be applied in repayment of any other indebtedness of the TLB Group which does not rank junior to the Senior Term Loan.

Guarantees and Security

The Senior Credit Facilities are guaranteed by BidCo, each Guarantor, Cerballiance Réunion and Cerballiance Hauts-de-France (the "Senior Credit Facilities Guarantors") and are secured by first ranking pledges over (i) the share capital of each Senior Credit Facilities Guarantor held by a member of the Group or, in the case of BidCo, held by the Issuer; (ii) the bank accounts of certain of the Senior Credit Facilities Guarantors; (iii) in respect of the Issuer, the structural intra-group receivables owed to the Senior Notes Issuer by BidCo; and (iv) in respect of BidCo, receivables owed to BidCo by the Target and Cerba Selafa.

Subject to certain adjustments and agreed security principles in the Senior Credit Facilities Agreement, the Senior Credit Facilities Agreement will require BidCo to ensure that members of the TLB Group that generate at least 80% of "Consolidated EBITDA" (as defined in the section entitled "*Description of the Notes*") are guarantors under the Senior Credit Facilities Agreement (i) on the date which is 120 days after the Closing Date; and (ii) on the date when the annual financial statements of the Issuer are required to be delivered to the agent under the Senior Credit Facilities Agreement.

The provision and the terms of the security set forth above will in all cases be subject to certain limitations and are at all times and in all cases subject to the requirements of applicable law and

the other matters set forth in the Senior Credit Facilities Agreement. See "*Risk Factors—Risks Related to the Notes—The Note Guarantees and the Security Interests over the Collateral may be limited by applicable laws or subject to certain limitations or defenses that may adversely affect their validity and enforceability.*"

Representations and Warranties

The Senior Credit Facilities Agreement will contain certain representations and warranties (subject to certain agreed qualifications and with certain representations being repeated), including: (i) status, binding obligations, non-conflict with other obligations, power and authority, validity and admissibility in evidence, governing law and enforcement, consents, fillings and laws applicable to operations and *pari passu* ranking; (ii) no insolvency, no litigation, environmental laws, taxation, and filing and stamp taxes; (iii) no default, financial statements, group structure, and no misleading information in relation to the information memorandum and the financial model relating to the Group and certain diligence reports provided; (iv) no liens, guarantees or indebtedness, except as permitted; (v) legal and beneficial ownership and holding company activities; (vi) intellectual property and pension schemes; (vii) acquisition documents contain all material terms and conditions of the Acquisition; and (viii) centre of main interests and compliance with sanctions and anti-corruption laws.

Certain representations and warranties will be made on the Closing Date and repeated on the date of each utilization, on the first day of each interest period and at certain other times.

Covenants

The Senior Credit Facilities Agreement contains certain of the incurrence covenants, information undertakings and related definitions (with, in each case, certain adjustments), including (i) limitations on indebtedness; (ii) limitations on restricted payments; (iii) limitations on liens (which includes a restriction on designating certain credit facilities and/or hedging obligations secured on the Collateral as Super Senior Liabilities (as defined in the section entitled "*Description of Other Indebtedness—Intercreditor Agreement*") unless, prior to such designation, the Senior Term Loan has been refinanced in full (ignoring any participation (x) of a lender which has been rolled over in a refinancing (or otherwise) of the Senior Term Loan and/or (y) in respect of which a lender has declined prepayment)); (iv) limitation on restrictions on distributions from restricted subsidiaries; (v) limitations on sale of assets and subsidiary stock; (vi) limitations on affiliate transactions; (vii) merger and consolidation; (viii) suspension of covenants on achievement of investment grade status; (ix) additional guarantees; and (x) no impairment of security interests.

In addition, the Senior Credit Facilities Agreement also requires the Issuer and certain of its restricted subsidiaries to observe certain other customary positive and negative covenants, subject to certain exceptions and grace periods, including covenants relating to: (i) authorizations and consents; (ii) compliance with laws; (iii) *pari passu* ranking; (iv) insurances; (v) payment of taxes; (vi) pension schemes; (vii) compliance with certain environmental laws; (viii) acquisition documents; (ix) maintenance of centre of main interests; (x) provision of guarantees and security, further assurance and accession to the Intercreditor Agreement; (xi) compliance with sanctions and anti-corruption laws; (xii) maintenance of ratings; (xiii) preservation of assets; and (xiv) conditions subsequent relating to the confirmation of release and repayment of certain existing indebtedness of the Target and Manco and each of their subsidiaries.

Solely for the benefit of the lenders participating in the Revolving Credit Facility, the Senior Credit Facilities Agreement will require that, in the event that the aggregate amount of all cash loans drawn under the Revolving Credit Facility (excluding any utilizations by way of letters of credit (or bank guarantees) or ancillary facilities or any amounts utilized to fund any agreed fees in connection with the syndication of the Senior Credit Facilities) exceeds 40 per cent of the total commitments under the Revolving Credit Facility on the relevant testing date or, if higher, the

total commitments under the Revolving Credit Facility as at the original date of the Senior Credit Facilities Agreement (the "Revolving Test Condition"), the ratio of consolidated senior secured net debt to consolidated pro forma EBITDA does not exceed 10.9 to 1.00. The ratio is based on the definitions in the Senior Credit Facilities Agreement, which may differ from similar definitions in the Indenture and the equivalent definitions described in this Offering Memorandum.

The Senior Facilities Agreement contains an equity cure provision enabling the shareholders of BidCo to make shareholder injections by way of debt and/or equity to BidCo to (i) increase the consolidated pro forma EBITDA under the Senior Credit Facilities Agreement, (ii) decrease consolidated senior secured net debt, or (iii) prepay the Revolving Credit Facility so that the Revolving Test Condition is no longer satisfied. The equity cure right may not be exercised on more than five occasions during the term of the Senior Credit Facilities and may not be utilized in consecutive quarters.

It is intended that certain agreed covenants and other provisions of the Senior Credit Facilities Agreement will fall-away on the satisfaction of certain release conditions, being (i) the occurrence of a listing in respect of which the TLB Group's ratio of consolidated total net debt to consolidated pro forma EBITDA does not exceed an agreed ratio or (ii) BidCo having a long-term corporate credit rating equal to or better than Baa3 according to Moody's Investor Services Limited or BBB- according to Standard & Poor's Rating Services.

Events of Default

The Senior Credit Facilities Agreement provides for substantially the same events of default as under the Notes. In addition, the Senior Credit Facilities Agreement provides for additional events of default, subject to customary materiality qualifications and grace periods, including: (i) breach of the financial covenant, provided that, in the event of such breach, only a majority of the Lenders under the Revolving Credit Facility shall initially be entitled to take enforcement action; (ii) inaccuracy of representation or statement when made; (iii) invalidity and unlawfulness of the Senior Credit Facilities financing documents; (iv) material failure to comply with the Intercreditor Agreement; and (v) cross defaults and cross acceleration in respect of other obligations, including any event of default under the Notes.

Governing Law

The Senior Credit Facilities Agreement and any non-contractual obligations arising out of or in connection with it, are governed by, construed in accordance with and will be enforced in accordance with English law although the information undertakings, restrictive covenants, events of default and related definitions scheduled to the Senior Credit Facilities Agreement will be interpreted in accordance with New York law (without prejudice to the fact that the Senior Credit Facilities Agreement is governed by English law).

Intercreditor Agreement

General

To establish the relative rights of certain of our creditors under our financing arrangements, the Issuer and the Guarantors will enter into an Intercreditor Agreement with, among others, the agent, arrangers and lenders under our Senior Credit Facilities Agreement and the Security Agent. On or about the Issue Date, the Trustee in respect of the Notes will become party to the Intercreditor Agreement. The Issuer will enter into the Intercreditor Agreement as a Debtor, Third Party Security Provider and Topco Subordinated Creditor.

By accepting a Note, holders of the Notes will be deemed to have agreed to, and accepted the terms and conditions of, the Intercreditor Agreement.

The Intercreditor Agreement is governed by English law and sets out various matters governing the relationship of the creditors to our group including the relative ranking of certain debt of the

Issuer, the Guarantors and any other person that becomes party to the Intercreditor Agreement as a Debtor or Third Party Security Provider, when payments can be made in respect of debt of the Debtors or Third Party Security Providers, when enforcement action can be taken in respect of that debt, the terms pursuant to which certain of that debt will be subordinated upon the occurrence of certain insolvency events and turnover provisions.

The following description is a summary of certain provisions 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 discussion that follows, defines certain rights of the holders of the Notes and of the Trustee. Capitalized terms used but not defined herein have the meanings given to them in the Intercreditor Agreement.

For the purposes of this description:

"ICA Group" shall mean BidCo and its subsidiaries.

References to the "Notes" shall include the Notes and any other notes, securities or other debt instruments issued or to be issued by a member of the ICA Group or by holding companies of BidCo which are designated by BidCo as Topco Notes under the Intercreditor Agreement.

The Intercreditor Agreement uses the term "Topco" to refer to the Issuer and "Topco Liabilities" to refer to the Notes and other indebtedness of the Issuer and other holding companies of BidCo. References to Topco Liabilities and related definitions in this description only should be read accordingly and not (unless expressly indicated) as references to "TopCo" as otherwise defined in this Offering Memorandum.

Ranking and Priority

Priority of Debts

The Intercreditor Agreement provides that the liabilities owed by (i) BidCo and each other debtor under the Intercreditor Agreement (together, the "Debtors") (other than any Debtor that is an issuer or borrower of Topco Liabilities (as defined below) and which is designated as a Topco Borrower under the Intercreditor Agreement (a "Topco Borrower")), and (ii) the Issuer and any other holding company of BidCo that has provided security but is not a Debtor (each a "Third Party Security Provider") (other than the Issuer or any other holding company of BidCo which is a Topco Borrower), to the Secured Parties (as defined below) shall rank in right of priority and payment in the following order and are postponed and subordinated to any prior ranking liabilities as follows:

(i) first, liabilities owed to (i) the lenders, issuing banks and ancillary lenders in relation to the Senior Credit Facilities Agreement or future senior secured facilities agreements (each a "Permitted Senior Secured Facilities Agreement" and, together with the Senior Credit Facilities Agreement, the "Senior Lender Liabilities"), (ii) the lenders, issuing banks, and ancillary lenders in relation to any future super senior facilities agreement (a "Permitted Super Senior Facilities Agreement") and any hedge counterparty under a hedging agreement that is designated as super senior (together the "Super Senior Liabilities"), (iii) any senior secured notes trustee (other than certain amounts paid to it in its capacity as trustee), the holders of any future senior secured notes (the "Senior Secured Notes") and the Security Agent in relation to such senior secured notes (the "Senior Secured Notes Liabilities"), (iv) the arrangers, agents, issuing banks and lenders under any cash management facility (a "Cash Management Facility" and the liabilities under a Cash Management Liability being the "Cash Management Facility Liabilities"), (v) the hedge counterparties in relation to any hedging agreement (the "Hedging Liabilities"), (vi) the lenders in relation to any future second lien facility agreement (a "Second Lien Liability" and the liabilities to the lenders under a Second Lien Liability being the "Second Lien Lender Liabilities"), (vii) any second lien notes trustee (other than certain amounts paid to it in its capacity as trustee), the holders of any future second lien notes and the Security Agent in relation to any second lien

notes (such second lien notes being "Second Lien Notes" and the liabilities in respect of such Second Lien Notes being the "Second Lien Notes Liabilities" and together with the Second Lien Lender Liabilities, the "Second Lien Liabilities") and (viii) any agent or trustee under any finance documents relating to any of the aforementioned liabilities, any agent or trustee under the Topco Liabilities (as defined below) and to any agent or trustee in relation to certain other unsecured, subordinated or intra-group liabilities (together the "Agent Liabilities"), *pari passu* and without any preference between them; and

(ii) second, all liabilities owed (i) to the Trustee (other than certain amounts paid to it in its capacity as trustee), the holders of the Notes and the Security Agent in relation to the Notes (the "Notes Liabilities"), (ii) under any loan facility made available to the Issuer or any other holding company of BidCo (the "Topco Facility Liabilities" and together with the Notes Liabilities, the "Topco Liabilities"), and (iii) the liabilities owed by BidCo under any loan (a "Topco Proceeds Loan") made by the Issuer or any other holding company for the purpose of on lending the proceeds of any Notes or Topco Loans (the "Topco Proceeds Loan Liabilities"), *pari passu* and without any preference between them.

The Intercreditor Agreement provides that the liabilities owed by the Topco Borrowers to the Secured Parties (as defined below) shall rank *pari passu* in right and priority of payment and without any preference between them in respect of (i) the Senior Lender Liabilities, (ii) the Super Senior Liabilities, (iii) the Senior Secured Notes Liabilities, (iv) the Cash Management Facility Liabilities, (v) the Hedging Liabilities, (vi) the Second Lien Lender Liabilities, (vii) the Second Lien Notes Liabilities, (viii) the Topco Liabilities, (ix) the Topco Proceeds Loan Liabilities, and (x) the Agent Liabilities.

The Intercreditor Agreement provides that the intra-group liabilities owed by one member of the ICA Group to another member of the ICA Group (the "Intra-Group Liabilities") will be subordinated to the liabilities owed by the Debtors and Third Party Security Providers to the creditors under the Senior Lender Liabilities, Super Senior Liabilities, Senior Secured Notes Liabilities, Cash Management Facility Liabilities, Hedging Liabilities, Second Lien Lender Liabilities, Second Lien Notes Liabilities, Agent Liabilities, Notes Liabilities and Topco Proceeds Loan Liabilities (such creditors together, the "Secured Parties").

The Intercreditor Agreement also provides that the liabilities owed by any member of the ICA Group to the Issuer (other than the Topco Proceeds Loan Liabilities) or to any other person who becomes a subordinated creditor (a "Subordinated Creditor") under the Intercreditor Agreement (the "Subordinated Liabilities") will be subordinated to the liabilities owed by the Debtors and Third Party Security Providers to the Secured Parties and to the Intra-Group Liabilities.

Priority of Security

For the purposes of this description only:

"Debt Documents" means the Intercreditor Agreement and the documents creating or evidencing the Cash Management Facility Liabilities, the Hedging Liabilities, the Second Lien Liabilities, the Senior Secured Liabilities, the Topco Liabilities, the Topco Proceeds Loan Liabilities, the unsecured liabilities of unsecured creditors who are party to the Intercreditor Agreement, the Subordinated Liabilities and the Intra-Group Liabilities (each as defined in this description).

"Secured Creditors" means the Senior Secured Creditors, Second Lien Creditors and the Topco Creditors (each as defined below).

"Transaction Security" refers to security (including in relation to Topco Shared Security, as defined below) which is created, or expressed to be created, in favor of the Security Agent as agent or trustee for the other Secured Parties (or if such trustee arrangements are not legally possible, in favor of all the Secured Parties or in favor of the Security Agent under a parallel debt or similar structure). Transaction Security which is not Topco Shared Security shall secure all

liabilities and present and future obligations of the Debtors and Third Party Security Providers to the Secured Parties (other than the creditors under the Topco Liabilities (the "Topco Secured Parties")) under the Debt Documents (other than the finance documents relating to the Topco Liabilities (the "Topco Finance Documents")).

"Topco Shared Security" refers to security which is created, or expressed to be created, over (i) the shares in BidCo held by the Issuer, and (ii) all receivables owed to the Issuer, to any other lender under a Topco Proceeds Loan or to a Subordinated Creditor by BidCo, in favor of the Security Agent as agent or trustee for the other Secured Parties (or if such trustee arrangements are not legally possible, in favor of all the Secured Parties or in favor of the Security Agent under a parallel debt or similar structure). Topco Shared Security shall secure all liabilities and present and future obligations of each Topco Borrower and its subsidiaries (the "Topco Group"), each Debtor and each Third Party Security Provider to the Secured Parties under the Debt Documents.

"Topco Independent Transaction Security" refers to security (other than Topco Shared Security) which is created, or expressed to be created, by TopCo (as defined in this Offering Memorandum), the Issuer or any other Topco Borrower or their affiliates (other than a member of the ICA Group) (together, the "Topco Independent Obligors") in favor of the Security Agent as agent or trustee for the other Topco Secured Parties (or if such trustee arrangements are not legally possible, in favor of all the Topco Secured Parties or in favor of the Security Agent under a parallel debt or similar structure). Topco Independent Transaction Security shall secure all liabilities and present and future obligations of each Topco Independent Obligor to the Topco Secured Parties under the Topco Finance Documents.

Prior to the first date upon which BidCo designates any liabilities as Super Senior Liabilities in accordance with Clause 18 (New Debt Financings) of the Intercreditor Agreement (the "Designation Date"), the Transaction Security shall rank and secure the following liabilities in the following order:

(i) first, the liabilities owed to the Security Agent and the Agent Liabilities *pari passu* and without any preference between them;

(ii) second, the Senior Lender Liabilities, the Senior Secured Notes Liabilities, the Cash Management Facility Liabilities and the Hedging Liabilities *pari passu* and without any preference between them;

(iii) third, the Second Lien Lender Liabilities and the Second Lien Notes Liabilities *pari passu* and without any preference between them; and

(iv) fourth, (to the extent of the Topco Shared Security), the Topco Liabilities *pari passu* and without any preference between them.

On and from the Designation Date the Transaction Security shall rank and secure the following liabilities in the following order:

(i) first, the liabilities owed to the Security Agent and the Agent Liabilities *pari passu* and without any preference between them;

(ii) second, the Super Senior Liabilities, the Senior Lender Liabilities, the Senior Secured Notes Liabilities, the Cash Management Facility Liabilities and the *Pari Passu* Hedging Liabilities *pari passu* and without any preference between them;

(iii) third, the Second Lien Lender Liabilities and the Second Lien Notes Liabilities *pari passu* and without any preference between them; and

(iv) fourth, (to the extent of the Topco Shared Security), the Topco Liabilities *pari passu* and without any preference between them.

The Topco Independent Transaction Security shall rank and secure the Topco Liabilities *pari passu* and without any preference between them (but only to the extent that such security is expressed to secure the relevant liabilities).

The Notes and the Notes Guarantee will be Notes Liabilities and Topco Liabilities for purposes of the Intercreditor Agreement. On the Issue Date of the Notes, no Senior Secured Notes Liabilities, Second Lien Lender Liabilities or Second Lien Notes Liabilities will be outstanding and no liabilities will have been designated as Super Senior Liabilities. Such liabilities and liabilities in respect of other new debt financings may only be incurred and/or designated if not prohibited under the terms of the Debt Documents, including, without limitation, the covenants applicable to the Notes described under "*Description of the Notes—Certain Covenants*."

Guarantees and Security: Topco Creditors

The creditors in respect of the Topco Liabilities (the "Topco Creditors") have the right to take, accept or receive the benefit of any guarantee, indemnity or other assurance from any member of the ICA Group in respect of the Topco Liabilities in addition to any guarantee, indemnity or assurance (i) in the original form of the Topco Finance Documents or the Intercreditor Agreement, or (ii) given to all the Secured Parties as security for the liabilities of the Topco Group, each Debtor and each Third Party Security Provider to the Secured Parties under the Debt Documents if, subject to any agreed security principles:

(i) at the same time it is also offered to the Secured Parties other than the Topco Creditors (the "Priority Secured Parties") and ranks in the same order of priority as described under "*Priority of Security*" above; and

(ii) all amounts received by any Topco Creditor with respect to such guarantee, indemnity or assurance are paid to the Security Agent for application as set out under "*Application of Proceeds*" below.

No security (other than pursuant to the secured documents relating to Topco Independent Transaction Security or Topco Shared Security) shall be granted by a member of the ICA Group in respect of any Topco Liabilities.

New Debt Financing

The Intercreditor Agreement provides, subject to certain conditions, for the implementation of existing, additional, supplemental or new financing arrangements that will constitute, for the purposes of the Intercreditor Agreement, Senior Lender Liabilities, Senior Secured Notes Liabilities, Cash Management Facility Liabilities, Hedging Liabilities, Second Lien Liabilities, Topco Liabilities, or, following the Designation Date, Super Senior Liabilities or Pari Passu Hedging Liabilities (each a "New Debt Financing"). The conditions include certification by BidCo that such New Debt Financing is not prohibited under the terms of the finance documents relating to the Senior Lender Liabilities, the Senior Secured Notes Liabilities, the Second Lien Liabilities, the Topco Liabilities or any unsecured liabilities whose creditors are party to the Intercreditor Agreement.

Such financing arrangements may be implemented by way of refinancing, replacement, exchange, set-off, discharge or increase of any such new, existing, additional, supplemental or new financing arrangement under the relevant finance documents. In connection with any New Debt Financing, each Debtor or Third Party Security Provider and the Security Agent is authorized to enter into any new security document, amend or waive any term of an existing security document and/or release any asset from the Transaction Security or Topco Independent Transaction Security (as the case may be) subject to certain conditions, including as regards the parties in whose favor such security is granted, and the terms of such security (which shall be, unless otherwise agreed by BidCo, substantially the same as the terms applicable to the existing Transaction Security or Topco Independent Transaction Security over equivalent assets). In addition, the Intercreditor Agreement permits, subject to the terms of the other Debt

Documents, the incurrence of indebtedness which has super priority status in respect of the proceeds from the enforcement of collateral compared with other senior indebtedness.

Permitted Payments

Permitted Payments in Respect of the Senior and Super Senior Debt

The Debtors and Third Party Security Providers may make payment in respect of the Senior Lender Liabilities, Senior Secured Notes Liabilities, Super Senior Liabilities and Cash Management Facility Liabilities (together, the "Senior Secured Creditor Liabilities", the creditors in respect thereof being the "Senior Secured Creditors") at any time, provided that following acceleration events under any Permitted Senior Secured Facilities Agreement or Senior Secured Notes or Permitted Super Senior Secured Facilities Agreement or following certain insolvency events in relation to a member of the ICA Group, payments may only be made by Debtors or Third Party Security Providers and received by creditors in accordance with the provisions described below under "*Application of Proceeds*."

Permitted Payments in Respect of the Second Lien Debt

The Intercreditor Agreement contains customary provisions governing payment of the Second Lien Liabilities and the circumstances in which creditors in respect of the Second Lien Liabilities (the "Second Lien Creditors") may take enforcement action. On the Acquisition Completion Date, no Second Lien Liabilities will have been incurred by the ICA Group.

Prior to the first date on which all of the Senior Liabilities, the Super Senior Liabilities and the Senior Secured Notes Liabilities (together, the "Senior Secured Liabilities" and together with the Second Lien Liabilities and Topco Liabilities being the "Secured Liabilities") have been discharged (the "Senior Secured Discharge Date"), the Debtors may only make scheduled payments in respect of the Second Lien Liabilities, in accordance with the finance documents governing such Second Lien Liabilities, subject to compliance with certain conditions in the Intercreditor Agreement. The principal conditions are that the relevant payment is not prohibited by any prior ranking financing agreement, including any Permitted Senior Secured Facilities Agreement and any Senior Secured Notes Indenture (or if it is so prohibited, that all necessary consents have been obtained to permit it), no payment stop notice has been issued to the agent or trustee for the relevant Second Lien Liabilities and no payment default (subject to a *de minimis* threshold in the case of amounts other than principal, interest or certain fees) is continuing under any Permitted Senior Secured Facilities Agreement, Permitted Super Senior Facilities Agreement, Cash Management Facility document or Senior Secured Notes document.

Permitted Payments in Respect of the Notes/Topco Liabilities

Prior to the date which is the later of the Senior Secured Discharge Date and the first date (the "Second Lien Discharge Date") on which all Second Lien Liabilities have been discharged (the "Priority Discharge Date"), the Debtors, Topco Borrowers and Third Party Security Providers may only make scheduled payments under the Topco Liabilities or under any Topco Proceeds Loan (together the "Topco Group Liabilities") to the Topco Creditors or the Issuer or any other lender in respect of a Topco Proceeds Loan (in respect of the Topco Proceeds Loan Liabilities only) (such payments, collectively, "Permitted Topco Payments"):

(i) if:

(A) the payment is not prohibited by any prior ranking financing agreements (in respect of the Senior Secured Liabilities and the Second Lien Liabilities), or any required consents to permit such payment has been obtained;

(B) no Topco Payment Stop Notice (as defined below) is outstanding;

(C) no payment default (subject to a *de minimis* threshold in the case of amounts other than principal, interest or certain fees) has occurred and is continuing under any Permitted Senior Secured Facilities Agreement, Permitted Super Senior Facilities Agreement, Cash Management Facility document or Senior Secured Notes document (a "Senior Secured Payment Default"), or under the Second Lien Facilities or Second Lien Notes (a "Second Lien Payment Default"); and

(D) the payment is (1) of a principal amount of the Topco Liabilities and made in accordance with either the Intercreditor Agreement regime for non-distressed disposals and the application of related proceeds (as described below) or any provision in a Topco facility document providing for the repayment or replacement of a defaulting or non-consenting lender, (2) of a principal amount equal to the amount of any mandatory prepayment that has been waived by Senior Lenders, Super Senior Lenders or the lenders in respect of any Second Lien Lender Liabilities, (3) of cash interest, (4) made in pursuance of a debt buy-back program approved by the Majority Senior Secured Creditors, Majority Super Senior Creditors and Majority Second Lien Creditors (each as defined below), (5) any other amount permitted to be paid under the prior ranking financing agreements, or (6) amounts due under any fee or syndication strategy letter relating to the Topco Finance Documents.

(ii) if, notwithstanding that a Topco Payment Stop Notice (as defined below) is outstanding and/or a Senior Secured Payment Default and/or Second Lien Payment Default has occurred and is continuing, but provided that no creditors under any prior ranking debt facilities have accelerated their debt, the payment is of (A) a principal amount of the Topco Liabilities and made in accordance with a provision in a Topco Finance Document relating to prepayment upon illegality or in relation to the prepayment of a single lender in the event of a tax gross-up, increased costs or other indemnity becoming payable, or (B) any other amount permitted to be paid in accordance with (iii) below;

(iii) if, notwithstanding that a Topco Payment Stop Notice (as defined below) is outstanding and/or a Senior Secured Payment Default has occurred and is continuing and irrespective of whether any creditors under prior ranking debt facilities have accelerated their debt, the payment is (A) of ongoing fees under any original fee letter relating to the Topco Finance Documents, (B) of commercially reasonable advisory and professional fees for restructuring advice and valuations and a Topco Agent's fees and expenses not exceeding €1,500,000, but excluding the costs of any litigation against a Senior Secured Creditor, (C) of any amounts owed to a Topco Agent (as defined below), (D) of costs necessary to protect, preserve or enforce security, (E) of any costs, fees (including amendment and waiver fees) taxes, premiums and expense incurred in respect of or reasonably incidental to the Topco Finance Documents, (F) of any other amount not exceeding €2,500,000 in any 12 month period, (G) of any amount of the Topco Liabilities which would have been payable but for the issue of a Topco Payment Stop Notice (which has since expired) which has been capitalized and added to the principal amount of the Topco Liabilities, provided that no such payment may be made if certain events of default have occurred under the Senior Secured Liabilities or Second Lien Liabilities or would occur as a result of making such payment, (H) following the occurrence of an event of default under the Senior Secured Liabilities, Second Lien Liabilities or Topco Group Liabilities which is continuing, all or part of the Topco Liabilities being released or otherwise discharged solely in consideration for the issues of shares in any holding company of BidCo (a "Debt for Equity Swap") provided that no cash or cash equivalent payment is made in respect of the Topco Liabilities, that it does not result in a Change of Control as defined in any prior ranking finance agreement or Topco Finance Document and that any Liabilities owed by a member of the ICA Group to another member of the ICA Group, to the Subordinated Creditors or to any other holding company of BidCo that arise as a result of any such Debt for Equity Swap are subordinated to the Senior Secured Liabilities and Second Lien Liabilities pursuant to the Intercreditor Agreement and the Senior Secured Creditors and Second Lien Creditors are granted Transaction Security in respect of any of those Intra-Group Liabilities or Subordinated Liabilities owed by any member of the ICA Group, and (I) of non-cash interest made by way of capitalizing interest or issuing a non cash-pay instrument which is subordinated on the same terms as the Topco Liabilities; or

(iv) if the requisite Senior Secured Creditors and Second Lien Creditors give prior consent to that payment being made.

On or after the Priority Discharge Date, the Debtors, the Topco Borrowers and the Third Party Security Providers may make payments in respect of the Topco Group Liabilities in accordance with the Topco Finance Documents and the Topco Proceeds Loan Agreement (as applicable).

Notes/Topco Liabilities Payment Block Provisions

A Topco Payment Stop Notice (as defined below) is outstanding from the date on which, following the occurrence of an event of default under any Senior Secured Liabilities (a "Senior Secured Event of Default") or an event of default under the Second Lien Liabilities (a "Second Lien Event of Default"), the Security Agent (acting on the instructions of the requisite Senior Secured Creditors or Second Lien Creditors as the case may be) issues a notice (a "Topco Payment Stop Notice") to the agent under any Topco Facility (the "Topco Agent") and the Trustee advising that the Senior Secured Event of Default or Second Lien Event of Default is continuing and suspending payments by the ICA Group of the Topco Group Liabilities, until the first to occur of:

(i) the date falling 179 days after delivery of that Topco Payment Stop Notice;

(ii) the date on which a default occurs for failure to pay principal at the original scheduled maturity of the relevant Topco Liabilities;

(iii) if a Topco Standstill Period (as defined below) commences after delivery of that Topco Payment Stop Notice, the date on which such standstill period expires;

(iv) the date on which the relevant Senior Secured Event of Default or Second Lien Event of Default has been remedied or waived;

(v) the date on which the Security Agent (acting on the instructions of the requisite Senior Secured Creditors or Second Lien Creditors, as applicable) delivers a notice to the Issuer, the Topco Agent and the Trustee cancelling the payment stop notice;

(vi) the Priority Discharge Date; and

(vii) the date on which the Topco Creditors take any enforcement action that is permitted under the Intercreditor Agreement (see "*Permitted Topco Enforcement*" below).

No Topco Payment Stop Notice may be delivered by the Security Agent in reliance on a Senior Secured Event of Default or a Second Lien Event of Default more than 45 days after the occurrence of the relevant event of default. No more than one Topco Payment Stop Notice may be served (i) with respect to the same event or set of circumstances, or (ii) in any period of 360 days.

Any failure to make a payment due in respect of the Topco Group Liabilities as a result of the issue of a Topco Payment Stop Notice or the occurrence of a Senior Secured Payment Default or Second Lien Payment Default shall not prevent (i) the occurrence of an event of default as a consequence of that failure to make a payment in relation to the relevant Topco Group Liabilities, or (ii) the issue of an enforcement notice in respect of an event of default under any Topco Group Liabilities (a "Topco Enforcement Notice") on behalf of the Topco Creditors.

Payment Obligations and Capitalization of Interest Continue

Nothing in the Topco payment block provisions will release any Debtor from the liability to make any payment (including of default interest, which shall continue to accrue) under any Topco Finance Document or Topco Proceeds Loan Agreement even if its obligation to make such payment is restricted at any time by the those provisions. The accrual and capitalization of interest (if any) in accordance with the Topco Finance Documents or Topco Proceeds Loan Agreement shall continue notwithstanding the issue of a Topco Payment Stop Notice.

Cure of Payment Stop

If:

(i) at any time following the issue of a Topco Payment Stop Notice or the occurrence of a Senior Secured Payment Default or Second Lien Payment Default, that Topco Payment Stop Notice ceases to be outstanding and/or (as the case may be) the Senior Secured Payment Default or Second Lien Payment Default ceases to be continuing; and

(ii) the relevant Debtor or Topco Borrower then promptly pays to the Topco Creditors or the Issuer (in respect of the Topco Proceeds Loan Liabilities only) an amount equal to any payments which had accrued under the Topco Finance Documents or the Topco Proceeds Loan Agreement (as applicable) and which would have been Permitted Topco Payments but for that Topco Payment Stop Notice or Senior Secured Payment Default or Second Lien Payment Default (as the case may be),

then any event of default which may have occurred under a Topco Finance Document or Topco Proceeds Loan Agreement and any Topco Enforcement Notice which may have been issued as a result of that suspension of payments shall be deemed automatically waived without any further action being required.

Turnover

Subject to certain exceptions, the Intercreditor Agreement will provide that if, at any time prior to the latest to occur of the Super Senior Discharge Date, the Senior Secured Discharge Date, the Second Lien Discharge Date and the Topco Discharge Date (the "Final Discharge Date") and prior to the Designation Date, any creditor receives or recovers from any member of the ICA Group or Third Party Security Provider:

(i) any payment or distribution of, or on account of or in relation to, any of the liabilities owed to the creditors under the Debt Documents which is not either (x) a payment permitted under the Intercreditor Agreement or (y) made in accordance with the provisions set out below under "*Application of Proceeds*";

(ii) any amount by way of set-off which does not give effect to a payment permitted under the Intercreditor Agreement;

(iii) any amount:

(A) on account of, or in relation to, any of the liabilities owed to the creditors under the Debt Documents (I) after the occurrence of an acceleration event or the enforcement of any security, or (II) as a result of any other litigation or proceedings against a member of the ICA Group or any Third Party Security Provider (other than after the occurrence of an Insolvency Event); or

(B) by way of set-off in respect of any of the liabilities owed to it after the occurrence of an acceleration event or the enforcement of any security;

(iv) any *Soulte* except in accordance with the provisions set out below under "*Application of Proceeds*";

(v) the proceeds of any enforcement of any of the Transaction Security except in accordance with the provisions set out below under "*Application of Proceeds*"; or

(vi) any distribution in cash or in kind or payment of, or on account of or in relation to, any of the liabilities owed by any member of the ICA Group or Third Party Security Provider which is not in accordance with the provisions set out below under "*Application of Proceeds*" and which is made as a result of, or after, the occurrence of an Insolvency Event,

that creditor will:

(i) in relation to receipts and recoveries not received or recovered by way of set-off (x) hold an amount of that receipt or recovery equal to the relevant liabilities (or if less, the amount received or recovered) on trust (or otherwise on behalf and for the account of) for the Security Agent and promptly pay or distribute that amount to the Security Agent for application in accordance with the terms of the Intercreditor Agreement, and (y) promptly pay or distribute an amount equal to the amount (if any) by which the receipt or recovery exceeds the relevant liabilities to the Security Agent for application in accordance with the terms of the Intercreditor Agreement; and

(ii) 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.

A turnover mechanism on substantially the same terms applies in the event that, at any time prior to the Final Discharge Date but after the Designation Date, any creditor receives or recovers from any member of the ICA Group or Third Party Security Provider (x) any proceeds from the enforcement of security or from a Distressed Disposal (as defined below) or following an acceleration event or the enforcement of security, any proceeds arising from any of the charged property or (y) any other amounts which should otherwise be received or recovered by the Security Agent except in accordance with the provisions set out below under "*Application of Proceeds*."

Effect of Insolvency Event

"Insolvency Event" is defined as, in relation to any Debtor, Material Subsidiary (as defined in the Senior Credit Facilities Agreement) or Third Party Security Provider, (a) the passing of any resolution or making of an order for insolvency, bankruptcy, winding up, dissolution, administration or reorganization, (b) a composition, compromise, assignment or arrangement with any class of creditors generally (other than any Secured Party), (c) a moratorium is declared in relation to any of its indebtedness, (d) the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of it or any of its assets , or (e) any analogous procedure or step is taken in any jurisdiction, other than (in each case), frivolous or vexatious proceedings, proceedings or appointments which the Security Agent is satisfied will be withdrawn or unsuccessful or as permitted under the Senior Liabilities, Super Senior Liabilities or Second Lien Liabilities and otherwise not constituting a default.

The Intercreditor Agreement provides that, after the occurrence of an Insolvency Event, any party entitled to receive a distribution out of the assets of a Debtor, Material Subsidiary or Third Party Security Provider (in the case of a Secured Creditor on or after the Designation Date, only to the extent such amounts constitute proceeds of enforcement) shall direct the person responsible for the distribution to pay that distribution to the Security Agent until the liabilities owing to the Secured Parties have been paid in full. The Security Agent shall apply all such distributions paid to it in accordance with the provisions set out under "*Application of Proceeds*" below.

To the extent that any member of the ICA Group or Third Party Security Provider's liabilities to creditors or Topco Proceeds Loan Liabilities are discharged by way of set-off (mandatory or otherwise and in the case of a Secured Creditor on or after the Designation Date, only to the extent such amounts constitute proceeds of enforcement) after the occurrence of an Insolvency Event, any creditor benefiting from such set-off shall pay an amount equal to the amount of the liabilities owed to it which are discharged by that set-off to the Security Agent for application in accordance with the provisions set out under "*Application of Proceeds*" below.

If the Security Agent or any other Secured Party receives a distribution in a form other than in cash in respect of any liabilities, the liabilities will not be reduced by that distribution until and except to the extent that the realization proceeds are actually applied towards such liabilities.

Subject to certain netting and set-off rights under ancillary or cash management facilities, each creditor authorizes the Security Agent to take Enforcement Action (as defined below), make demands, collect distributions, file claims and take other actions necessary to make recovery after the occurrence of an Insolvency Event in relation to a member of the ICA Group or Third Party Security Provider. The creditors agree to do all things the Security Agent reasonably requests in order to give effect to these provisions.

Enforcement Regime

Enforcement of Security

The Intercreditor Agreement provides that the Security Agent may not take any action to enforce the Transaction Security or the Topco Independent Transaction Security without the prior written consent of an Instructing Group or otherwise as specified in the provisions described below.

An "Instructing Group" means:

(i) if the Designation Date has not occurred:

(A) at any time prior to the Senior Secured Discharge Date, Senior Secured Creditors representing more than 50% of the Senior Secured Liabilities (the "Majority Senior Secured Creditors");

(B) on or after the Senior Secured Discharge Date but before the Priority Discharge Date, Second Lien Creditors representing more than 50% of the Second Lien Liabilities (the "Majority Second Lien Creditors"); and

(C) on or after the Priority Discharge Date but before the first date on which the Topco Liabilities have been fully and finally discharged (the "Topco Discharge Date"), Topco Creditors representing more than 50% of the Topco Liabilities (the "Majority Topco Creditors"); and

(ii) at any time on or after the Designation Date:

(A) prior to the later of the Senior Secured Discharge Date and the first date on which the Super Senior Liabilities have been fully and finally discharged (the "Super Senior Discharge Date"), the Majority Senior Secured Creditors and Super Senior Secured Creditors representing more than 50% of the Super Senior Secured Liabilities (the "Majority Super Senior Creditors") save that, for instructions relating to enforcement, it shall mean the group of Secured Creditors entitled to give instructions in accordance with the enforcement regime described under "*Enforcement of Transaction Security on or after the Designation Date*" below;

(B) on or after the Senior Secured Discharge Date but before the Priority Discharge Date, the Majority Second Lien Creditors; and

(C) on or after the Priority Discharge Date but before the Topco Discharge Date, the Majority Topco Creditors.

Enforcement of Transaction Security Prior to the Designation Date

Prior to the Designation Date, the Security Agent may refrain from enforcing the Transaction Security unless instructed otherwise by (i) the Instructing Group, (ii) if, prior to the Senior Secured Discharge Date, the Instructing Group has given no instructions or has instructed the Security Agent neither to enforce nor to make a Distressed Disposal (as defined below), an agent or trustee under the Second Lien Liabilities (acting on the instructions of the Majority Second Lien Creditors) where the rights of the Second Lien Creditors to enforce have arisen under the Intercreditor Agreement, or (iii) if, prior to the Priority Discharge Date, the Instructing Group (or Second Lien Creditors as applicable) have given no instructions or has instructed the Security Agent neither to enforce nor to make a Distressed Disposal, a Topco Agent or the Trustee (acting on the instructions of the Majority Topco Creditors).

Subject to the Transaction Security having become enforceable in accordance with its terms, the Instructing Group or any other persons entitled to give instructions in accordance with the preceding paragraph may give or refrain from giving instructions to the Security Agent to enforce, or refrain from enforcing, the Transaction Security as they see fit.

Notwithstanding the above paragraphs, if at any time the agents or representatives of the Second Lien Creditors or Topco Creditors then entitled to give the Security Agent instructions either gives such instruction or indicates any intention to give such instruction, then the Instructing Group may give instructions to the Security Agent to enforce the Transaction Security as the Instructing Group sees fit and the Security Agent shall act on such instructions received from the Instructing Group.

Enforcement of Transaction Security On or After the Designation Date

On or after the Designation Date, the Security Agent may refrain from enforcing the Transaction Security unless instructed otherwise in accordance with the provisions described in this paragraph. If the Transaction Security has become enforceable, if either the Majority Super Senior Creditors or the Majority Senior Secured Creditors wish to issue enforcement instructions they shall deliver a copy of those instructions (an "Initial Enforcement Notice") to the Security Agent and to the other agents, trustees and hedge counterparties.

The Security Agent will act in accordance with any instructions (provided they are consistent with the Enforcement Principles (as defined below)) received from (i) the Majority Senior Secured Creditors, (ii) if the Majority Senior Secured Creditors have not made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue within three months of the Initial Enforcement Notice or the Super Senior Discharge has not occurred within six months of the Initial Enforcement Notice, the Majority Super Senior Creditors, until the Super Senior Discharge Date has occurred, (iii) if an Insolvency Event (other than an Insolvency Event directly caused by enforcement action taken at the request of a Super Senior Creditor) is continuing, the Super Senior Creditors, until the Super Senior Discharge Date has occurred, (iv) if the Majority Senior Secured Creditors have not made a determination as to the method of enforcement they wish to instruct the Security Agent to pursue and the Majority Super Senior Creditors determine in good faith that a delay could reasonably be expected to have a material adverse effect on the Security Agent's ability to enforce the Transaction Security or on the realization of proceeds and the Majority Super Senior Creditors deliver instructions before the Security Agent has received any instructions from the Majority Senior Secured Creditors, the Majority Super Senior Creditors, until the Super Senior Discharge Date has occurred, (v) if, prior to the later of the Senior Secured Discharge Date and the Super Senior Discharge Date, the Majority Senior Secured Creditors or the Majority Senior Secured Creditors (as applicable) have not given instructions or they have instructed the Security Agent neither to enforce nor to make a Distressed Disposal, any agent or trustee in relation to the Second Lien Liabilities (the "Second Lien Agent") (acting on the instructions of the Majority Second Lien Creditors) where the rights of the Second Lien Creditors to enforce have arisen under the Intercreditor Agreement, or (vi) if, prior to the later of the Senior Secured Discharge Date and the Super Senior Discharge Date, the Majority Senior Secured Creditors or the Majority Senior Secured Creditors or the Majority Second Lien Creditors (as applicable) have not given instructions or they have instructed the Security Agent neither to enforce nor to make a Distressed Disposal an agent or trustee under the Topco Finance Documents (acting on the instructions of the Majority Topco Creditors).

Notwithstanding the preceding paragraph, if at any time the agents or representatives of the Second Lien or Topco Creditors then entitled to give the Security Agent instructions either give such instruction or indicate any intention to give such instruction, then the Majority Senior Secured Creditors or Majority Super Senior Creditors to the extent that such group is entitled to give enforcement instructions as described in the paragraph above may give instructions to the Security Agent to enforce the Transaction Security as they see fit and the Security Agent shall act on such instructions.

"Enforcement Principles" means certain requirements as to the manner of enforcement, including that (i) to the extent consistent with a prompt and expeditious realization of value, the method of enforcement chosen should maximize the value realized from such enforcement, (ii) certain proceeds must be received in cash, and (iii) enforcement in relation to shares or other assets over €5,000,000 must be carried out by way of a public auction or other competitive sales process or with the benefit of a fairness opinion from an investment bank, firm of accountants or third party financial adviser.

Provisions Relating to Enforcement of Transaction Security at any Time

Subject to the Transaction Security having become enforceable in accordance with its terms, the relevant creditors as set out in the paragraphs above may give, or refrain from giving, instructions to the Security Agent to enforce, or refrain from enforcing, the Transaction Security as they see fit.

Enforcement—Topco Independent Transaction Security

Subject to the Topco Independent Transaction Security having become enforceable in accordance with tis terms, an agent or trustee under the Topco Finance Documents (acting on the instructions of the Majority Topco Creditors) may give, or refrain from giving, instructions to the Security Agent to enforce, or refrain from enforcing, the Topco Independent Transaction Security as they see fit.

Manner of Enforcement

If the Transaction Security or Topco Independent Transaction Security is being enforced in accordance with any of the above paragraphs, the Security Agent shall enforce the relevant Transaction Security or Topco Independent Transaction Security in such manner (including, without limitation, the selection of any administrator of any Debtor or Third Party Security Provider to be appointed by the Security Agent) as any persons entitled at any time under the above provisions shall instruct it or, in the absence of any such instructions, as the Security Agent sees fit (which may include taking no action).

No Secured Party shall have any independent power to enforce, or to have recourse to enforce, any Transaction Security or Topco Independent Transaction Security or to exercise any rights or powers arising under the Security Documents except through the Security Agent.

Security Held by Other Creditors

If any Transaction Security or Topco Independent Transaction Security is held by a creditor other than the Security Agent, then creditors may only enforce that Transaction Security or Topco Independent Transaction Security in accordance with instructions given by instructing creditors in accordance with the paragraphs above.

Payment of the Soulte

If in the context of any Enforcement Action (as defined below), *a Soulte* (the amount by which the value of the charged property appropriated or foreclosed exceeds the amount of the relevant secured obligations) is owed by the Secured Parties to any Topco Independent Obligor, Third Party Security Provider or Debtor, such *Soulte* shall be payable only by the relevant creditors participating in the relevant Enforcement Action and only on the earlier of the Final Discharge Date and the date falling 12 months after the date of such Enforcement Action.

Restrictions on Enforcement by Topco Creditors

Until the Priority Discharge Date, except with the prior consent of or as required by an Instructing Group (to the extent such Instructing Group is entitled under the Intercreditor Agreement to direct such action), no Topco Creditor, TopCo (as defined in this Offering Memorandum) or any other person that is party or accedes to the Intercreditor Agreement as a Topco Investor (together with TopCo, the "Topco Investors") shall direct the Security Agent to

enforce, or otherwise require the enforcement of any Transaction Security or take or require the taking of any Enforcement Action (as defined below) against any member of the ICA Group or Third Party Security Provider in relation to the Topco Group Liabilities, except as set out under the heading "*Permitted Topco Enforcement*" below.

Any Topco Creditor may at any time take any Enforcement Action against any Topco Investor, Topco Borrower or guarantor in respect of any Topco Liabilities (a "Topco Guarantor") which is not a member of the ICA Group in accordance with the Topco Finance Documents.

"Enforcement Action" is defined as:

(i) in relation to any liabilities (other than unsecured liabilities) the acceleration, putting on demand, making of a demand, requiring a member of the ICA Group or Third Party Security Provider to acquire such liabilities, exercising of rights of set-off (other than certain netting under hedging agreements or as otherwise permitted under the Debt Documents) or suing or commencing proceedings in relation to such liabilities;

(ii) premature termination or close-out of a hedging agreement, save to the extent permitted by the Intercreditor Agreement;

(iii) the taking of steps to enforce or require the enforcement of the Transaction Security (including the crystallization of any floating charge) as a result of an acceleration event;

(iv) entering into any composition, compromise, assignment or similar arrangement with any Third Party Security Provider or a member of the ICA Group which owes any liabilities or has given security or guarantees in respect of liabilities owed to a creditor under the Intercreditor Agreement (other than any action permitted under the Intercreditor Agreement or any debt buy-backs pursuant to open market debt repurchases, tender offers or exchange offers not undertaken as part of an announced restructuring or turnaround plan or while a default was outstanding under the relevant finance documents); or

(v) petitioning, applying, voting for or taking steps (including the appointment of any liquidator, receiver, administrator or similar officer) in relation to the winding up, dissolution, administration or reorganization of any Third Party Security Provider or a member of the ICA Group which owes any liabilities or has given security or guarantees in respect of liabilities owed to a creditor under the Intercreditor Agreement or any of such Third Party Security Provider or member of the ICA Group's assets or any suspension of payments or moratorium of any indebtedness of any such Third Party Security Provider or member of the ICA Group, or any analogous procedure or step in any jurisdiction,

except that the following shall not constitute Enforcement Action, (A) suing, commencing proceedings or taking any action referred to in this paragraph (v) where necessary to preserve a claim, (B) discussions between or proposals made by the Priority Secured Parties with respect to enforcement of the Transaction Security in accordance with the Intercreditor Agreement, (C) bringing proceedings in connection with a securities violation, securities or listing regulations or common law fraud or to restrain any breach of the Debt Documents or for specific performance with no claims for damages, (D) proceedings brought by a Secured Party to obtain injunctive relief, specific performance with no claim for damages or to request judicial interpretation in relation to a Debt Document to which it is party with no claim for damages, (E) demands made by Intra-Group Creditors or Subordinated Creditors to the extent they relate to payments permitted under the Intercreditor Agreement or the release of the liabilities owed to such creditors in return for the issue of shares in the relevant member of the ICA Group provided that the ownership interest of the member of the ICA Group is not diluted and any relevant shares remain subject to the same Transaction Security as existed prior to the issue, and (F) proceedings brought by an ancillary lender, a lender of Cash Management Facility Liabilities (a

"Cash Management Facility Lender"), hedge counterparty, issuing bank, or agent or trustee in respect of the Second Lien Liabilities or Topco Liabilities to obtain injunctive relief, specific performance with no claim for damages or to request judicial interpretation in relation to a Debt Document to which it is party with no claim for damages or in connection with any securities violation, securities or listing regulations or common law fraud.

Permitted Topco Enforcement

The restrictions set out above under "*Restrictions on Enforcement by Topco Creditors*" will not apply in respect of the Topco Group Liabilities or any Transaction Security securing the Topco Group Liabilities, if:

(i) an event of default under a Topco Finance Document or a Topco Proceeds Loan Agreement (the "Relevant Topco Default") is continuing;

(ii) all agents or trustees in respect of the Senior Lender Liabilities, Senior Secured Notes Liabilities, and Second Lien Liabilities have received a notice of the Relevant Topco Default specifying the event or circumstance in relation to the Relevant Topco Default from the Topco Agent, the Trustee or the Topco Borrower in relation to the relevant Topco Group Liabilities;

(iii) a Topco Standstill Period (as defined below) has elapsed; and

(iv) the Relevant Topco Default is continuing at the end of that Topco Standstill Period.

Promptly upon becoming aware of an event of default under a Topco Finance Document, the Trustee, Topco Agent or Topco (as the case may be) may give a Topco Enforcement Notice notifying the facility agent under the Senior Credit Facilities Agreement (or Permitted Senior Secured Facilities Agreement) (the "Senior Agent"), any senior secured notes trustee, the Second Lien Agent and any second lien notes trustee of the existence of such event of default.

"Topco Standstill Period" means the period beginning on the date (the "Topco Standstill Start Date") a Topco Enforcement Notice is served in respect of such a Relevant Topco Default and ending on the earliest to occur of:

(i) the date falling 179 days after the Topco Note Standstill Start Date (the "Topco Standstill Period");

(ii) the date the Priority Secured Parties take any Enforcement Action in relation to a particular Debtor or Third Party Security Provider, provided that:

> (A) if a Topco Standstill Period ends pursuant to this paragraph (ii), the Topco Creditors or a Topco Investor (in respect of the Topco Proceeds Loan Liabilities only) may only take the same Enforcement Action in relation to a Topco Guarantor as the Enforcement Action taken by the Priority Secured Parties against such Topco Guarantor and not against any other member of the ICA Group or Third Party Security Provider; and
>
> (B) Enforcement Action for the purpose of this paragraph shall not include action taken to preserve or protect any security as opposed to realize it;

(iii) the date of an Insolvency Event (as defined below) in relation to a particular Topco Guarantor against whom Enforcement Action is to be taken; and

(iv) the expiry of any other Topco Standstill Period outstanding at the date such first mentioned Topco Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy).

The Topco Creditors or Topco Investor (in respect of the Topco Proceeds Loan Liabilities only) may take Enforcement Action under the provisions described in this section (*Permitted Topco*

Enforcement) in relation to a Relevant Topco Default even if, at the end of any relevant Topco Standstill Period or at any later time, a further Topco Standstill Period has begun as a result of any other event of default in respect of the Topco Liabilities.

Option to Purchase: Topco Creditors

Following acceleration or the enforcement of Transaction Security upon acceleration under any Senior Secured Creditor Liabilities, Second Lien Liabilities or Topco Liabilities, Topco Creditors may elect to purchase the Senior Lender Liabilities, Super Senior Lender Liabilities, Senior Secured Notes Liabilities, Cash Management Facility Liabilities, Second Lien Lender Liabilities and Second Lien Notes Liabilities for the amount that would have been required to prepay or redeem such liabilities on such date plus certain costs and expenses. Topco Creditors must also elect for the counterparties to hedging obligations to transfer their hedging obligations to holders in exchange for the amount that would have been payable under such hedging obligations had they been terminated on such date plus certain costs and expenses in connection with any such purchase.

Proceeds of Non-Distressed Disposals

If (i) a Debtor or Guarantor resigns in accordance with the Debt Documents, or (ii) BidCo certifies in relation to a disposal of an asset of a Debtor or an asset which is subject to the Transaction Security, that (A) as at the date or completion or (at the election of BidCo) as of the date a definitive agreement is entered into in respect of the relevant disposal, it is not prohibited under the Debt Documents or consent from the relevant agents has been obtained, and (B) the disposal is not a Distressed Disposal (as described below) (each a "Non-Distressed Disposal"), then the Security Agent (and any applicable agent or creditor) is irrevocably authorized, instructed and obliged to:

(i) release the Transaction Security and any other claim (including relating to a Debt Document) over that asset;

(ii) where a Debtor or Guarantor resigns or the asset consists of shares in the capital of a Debtor, Guarantor or Third Party Security Provider, to release the Transaction Security and any other claim including without limitation any guarantee liabilities or other liabilities (relating to a Debt Document) over that Debtor, Guarantor, Third Party Security Provider or its assets and (if any) its subsidiaries and their respective assets; and

(iii) to execute and deliver or enter into any release of the Transaction Security or any claim described in (i) and (ii) above and issue any certificates of non-crystallization of any floating charge, any consent to dealing and take any other action or step that may be requested by the requesting Debtor, Guarantor or Third Party Security Provider in order to complete, implement or facilitate the resignation or disposal.

If the relevant Non-Distressed Disposal is not made, each release of security or any claim described in the paragraph above shall have no effect and the security or claim subject to that release shall continue in such force and effect as if that release had not been effected.

Proceeds of Distressed Disposals

"Distressed Disposal" means a disposal of an asset or shares of, or other financial securities issued by a member of the ICA Group or, in the case of a Third Party Security Provider, Topco Shared Security which is being effected (a) at the request of an Instructing Group in circumstances where the Transaction Security has become enforceable as a result of an acceleration event, (b) by enforcement of the Transaction Security as a result of an acceleration event, or (c) after the occurrence of an acceleration event or the enforcement of security as a result of an acceleration event, by a Debtor or Third Party Security Provider to a person or persons which is not a member of the Topco Group.

If a Distressed Disposal of any asset is being effected, the Security Agent is irrevocably authorized (at the cost of the relevant Debtor, Third Party Security Provider and BidCo and without any consent, sanction, authority or further confirmation from any creditor under the Intercreditor Agreement, Third Party Security Provider or Debtor):

(i) to release the Transaction Security or any other claim over that asset, enter into any release of that Transaction Security or claim and issue any letters of non-crystallization of any floating charge or any consent to dealing that may, in the discretion of the Security Agent, be necessary or desirable;

(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 borrowing, guarantee or other liabilities; (B) any Transaction Security granted by that Debtor or any subsidiary of that Debtor over any of its assets, and (C) any other claim of an intra-group lender, a Topco Investor, Subordinated Creditor or another Debtor over that Debtor's assets or over the assets of any subsidiary of that Debtor, on behalf of the relevant creditors and Debtors;

(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 borrowing, guarantee or other liabilities; (B) any Transaction Security granted by that holding company or any subsidiary of that holding company over any of its assets, and (C) any other claim of an intra-group lender, a Topco Investor, Subordinated Creditor or a Debtor over that holding company's assets or over the assets of any subsidiary of that Debtor, on behalf of the relevant creditors and Debtors;

(iv) if the asset which is disposed of consists of shares in the capital of a Debtor or the holding company of a Debtor and the Security Agent (acting in accordance with the Intercreditor Agreement) decides to dispose of all or any part of the liabilities owed by such Debtor or holding company or any of their subsidiaries to creditors or other Debtors:

(A) if the Security Agent (acting in accordance with the Intercreditor Agreement) does not intend that any transferee of those liabilities (the "Transferee") will be treated as a Secured Party for the purposes of the Intercreditor Agreement, to execute and deliver or enter into any agreement to dispose of all or part of those liabilities, provided that, notwithstanding any other provision of any Debt Document, the Transferee shall not be treated as a Secured Creditor or Secured Party for the purposes of the Intercreditor Agreement; and

(B) if the Security Agent (acting in accordance with the Intercreditor Agreement) does intend that any Transferee will be treated as a Secured Party for the purposes of the Intercreditor Agreement, to execute and deliver or enter into any agreement to dispose of all (and not part only) of the liabilities owed to the Secured Parties and all or part of any other liabilities,

on behalf of, in each case, the relevant creditors, Third Party Security Providers and Debtors; and/or

(v) if the asset which is disposed of consists of shares in the capital of a Debtor or the holding company of a Debtor (the "Disposed Entity") and the Security Agent (acting in accordance with the Intercreditor Agreement) decides to transfer to another Debtor (the "Receiving Entity") all or any part of the Disposed Entity's obligations or any obligations of a subsidiary of that Disposed Entity in respect of the intra-group liabilities or liabilities owed to any Debtor, to execute and deliver or enter into any agreement to:

(A) transfer all or part of the obligations in respect of those intra-group liabilities or liabilities to any Debtor on behalf of the relevant intra-group lenders and Debtors to which those obligations are owed and on behalf of the Debtors which owe those obligations; and

(B) (provided the Receiving Entity is a holding company of the Disposed Entity which is also a Guarantor of the Senior Secured Liabilities, the Second Lien Liabilities or the Topco Liabilities) to accept the transfer of all or part of the obligations in respect of those intra-group liabilities, liabilities owed to Debtors on behalf of the Receiving Entity or Receiving Entities to which the obligations in respect of those intra-group liabilities or liabilities owed to Debtors are to be transferred.

The net proceeds of each Distressed Disposal (and the net proceeds of any disposal of liabilities as described above) shall be paid to the Security Agent for application in accordance with the provisions set out under "*Application of Proceeds*" below as if those proceeds were the proceeds of an enforcement of the Transaction Security and, to the extent that any disposal of liabilities has occurred, as if that disposal of liabilities had not occurred.

In the case of a Distressed Disposal (or a disposal of liabilities) effected by, or at the request of, the Security Agent, the Security Agent shall take reasonable care to obtain a fair market price in the prevailing market conditions (although the Security Agent shall not have any obligation to postpone any such Distressed Disposal or disposal of liabilities in order to achieve a higher price).

If a Distressed Disposal is being effected at a time when the Majority Second Lien Creditors are entitled to give and have given instructions in accordance with the Intercreditor Agreement, the Security Agent is not authorized to release any Debtor, subsidiary or holding company from any borrowing liabilities or guarantee liabilities owed to any Senior Secured Creditor unless those borrowing liabilities or guarantee liabilities and any other Senior Secured Liabilities will be paid (or repaid) in full (or, in the case of any contingent liability relating to a letter of credit, cash management facility or an ancillary facility, made the subject of cash collateral arrangements acceptable to the relevant senior creditor) following that release.

If a Distressed Disposal is being effected at a time when the Majority Topco Creditors are entitled to give, and have given instructions in accordance with the Intercreditor Agreement, the Security Agent is not authorized to release any Debtor, subsidiary or holding company from any borrowing liabilities or guarantee liabilities owed to any Senior Secured Creditor or any Second Lien Creditor unless those borrowing liabilities or guarantee liabilities and any other Senior Secured Liabilities or Second Lien Liabilities will be paid (or repaid) in full (or, in the case of any contingent liability relating to a letter of credit, cash management facility or an ancillary facility, made the subject of cash collateral arrangements acceptable to the relevant senior creditor) following that release.

Where borrowing liabilities in respect of any Senior Secured Liabilities, Second Lien Liabilities, Topco Group Liabilities or unsecured liabilities would otherwise be released pursuant to the Intercreditor Agreement, the creditor concerned may elect to have those borrowing liabilities transferred to a holding company of BidCo, in which case the Security Agent is irrevocably authorized (at the cost of the relevant Debtor or BidCo and without any consent, sanction, authority or further confirmation from any creditor or Debtor) to execute such documents as are required to so transfer those borrowing liabilities.

If before the Second Lien Discharge Date or the Topco Discharge Date, a Distressed Disposal is being effected such that the Second Lien Liabilities or the Topco Liabilities and Transaction Security over shares in a borrower or issuer of, or over assets of a borrower or issuer of, Second Lien Liabilities or Topco Liabilities will be released pursuant to the Intercreditor Agreement, it is a further condition to the release that either:

(i) the Second Lien Agent and Topco Agent (as applicable) have approved the release; or

(ii) where shares or assets of a borrower, issuer or guarantor (a "Second Lien Guarantor") in respect of Second Lien Liabilities or Topco Guarantor are sold:

(A) the proceeds of such sale or disposal are in cash (or substantially in cash) and/or other marketable securities or, if the proceeds of such sale or disposal are not in cash (or substantially in cash) and/or other marketable securities, a valuation opinion has been obtained in accordance with the provisions set out below; and

(B) all claims of the Secured Parties against a member of the ICA Group (if any), all of whose shares are pledged in favor of the Priority Secured Parties are sold or disposed of pursuant to such Enforcement Action, are unconditionally released and discharged or sold or disposed of concurrently with such sale (and are not assumed by the purchaser or one of its affiliates), and all Transaction Security, Topco Independent Transaction Security or other security in favor of the Secured Parties in respect of the assets that are sold or disposed of is simultaneously and unconditionally released and discharged concurrently with such sale, provided that in the event of a sale or disposal of any such claim (instead of a release or discharge):

(I) where the Senior Secured Creditors constitute the Instructing Group, the Senior Agent and any senior secured notes trustee (i) determine, acting reasonably and in good faith, that the Senior Secured Creditors will recover more than if such claim was released or discharged but nevertheless less than the outstanding Senior Secured Liabilities, and (ii) serve a notice on the Security Agent notifying the Security Agent of the same;

(II) where the Second Lien Creditors constitute the Instructing Group, the Second Lien Agent and any second lien notes trustee (i) determine acting reasonably and in good faith that the Priority Secured Parties (collectively) will recover more than if such claim was released or discharged but nevertheless less than the outstanding amount of the liabilities owed to the Priority Secured Parties (the "Priority Secured Liabilities"), and (ii) serve a notice on the Security Agent notifying the Security Agent of the same; and

(III) where the Topco Creditors constitute the Instructing Group, the Topco Agent and the Trustee (i) determine acting reasonably and in good faith that the Priority Secured Parties and the Topco Creditors (collectively) will recover more than if such claim was released or discharged but is nevertheless less than the outstanding Priority Secured Liabilities and the Topco Liabilities (collectively), and (ii) serve a notice on the Security Agent notifying the Security Agent of the same;

in which case the Security Agent shall be entitled immediately to sell and transfer such claim to such purchaser (or an affiliate of such purchaser) and the consideration for such sale or transfer may be in the form of non-cash consideration by way of the Senior Secured Creditors, Second Lien Creditors or Topco Creditors (whichever constitutes the Instructing Group) bidding by an appropriate mechanic the Senior Secured Liabilities, Second Lien Liabilities or Topco Liabilities (as applicable) such that the relevant liabilities would on completion be discharged to the extent of an amount equal to the amount of the offer made by the relevant creditors; and

(C) such sale or disposal (including any sale or disposal of any claim) is made:

(I) pursuant to a public auction or other competitive sale process run in accordance with the advice of a reputable, independent investment bank, firm of accountants or third party professional firm with a view to obtaining the best price reasonably obtainable taking into account all relevant circumstances and in which creditors under the Second Lien Liabilities and Topco Liabilities are entitled to participate as prospective buyers and or/financiers; or

(II) where a reputable, independent investment bank, firm of accountants or third party professional firm which is regularly engaged in providing such valuations has delivered an

opinion (including an enterprise valuation) in respect of such sale or disposal that the amount is fair from a financial point of view, taking into account all relevant circumstances including the method of enforcement, provided that the liability of such investment bank, firm of accountants or third party professional firm in giving such opinion may be limited to the amount of its fees in respect of such engagement.

Application of Proceeds

Order of Application—Transaction Security

Subject to certain provisions set out in the Intercreditor Agreement, all amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Debt Document (other than, for the avoidance of doubt, Topco Independent Transaction Security or any other security which is not Transaction Security or any guarantees provided by any holding company of TopCo (as defined in this Offering Memorandum) or any subsidiary of any holding company of BidCo (other than a member of the ICA Group) in respect of any Topco Liabilities or Topco Proceeds Loan Liabilities) or in connection with the realization or enforcement of all or any part of the Transaction Security shall be applied at any time as the Security Agent sees fit, in the following order of priority:

(i) in discharging, firstly any sums owed to the Security Agent and any receiver or delegate on a *pari passu* basis, and secondly any Agent Liabilities relating to the Senior Secured Liabilities, the Second Lien Liabilities or the Topco Liabilities on a *pari passu* basis;

(ii) in payment of all costs and expenses incurred by any agent or Secured Creditor in connection with any realization or enforcement of the Transaction Security taken in accordance with the terms of the Intercreditor Agreement or any action taken at the request of the Security Agent under the Intercreditor Agreement;

(iii) if the Designation Date has occurred, for application towards the discharge of:

(A) liabilities owed by any Debtor or Third Party Security Provider to the arrangers in relation to any Permitted Super Senior Secured Facilities Agreement and the Super Senior Lender Liabilities; and

(B) the Super Senior Hedging Liabilities (on a *pro rata* basis between the Hedging Liabilities of each hedge counterparty),

on a *pro rata* basis and ranking *pari passu* between paragraphs (A) and (B) above, and, if the Super Senior Discharge Date has occurred, for application towards the discharge of:

(A) liabilities owed by any Debtor or Third Party Security Provider to the arrangers in relation to any Permitted Senior Secured Facilities Agreement and the Senior Lender Liabilities;

(B) the Senior Secured Notes Liabilities;

(C) the Cash Management Facility Liabilities; and

(D) the Pari Passu Hedging Liabilities,

on a *pro rata* basis and ranking *pari passu* between paragraphs (A), (B), (C) and (D) above;

(iv) if the Designation Date has not occurred, for application towards the discharge of:

(A) liabilities owed by any Debtor or Third Party Security Provider to the arrangers in relation to any Permitted Senior Secured Facilities Agreement and the Senior Lender Liabilities;

(B) the Senior Secured Notes Liabilities;

(C) the Cash Management Facility Liabilities; and

(D) the Hedging Liabilities,

on a *pro rata* basis and ranking *pari passu* between paragraphs (A), (B), (C) and (D) above;

(v) for application towards the discharge of (x) liabilities owed by any Debtor or Third Party Security Provider to the arrangers in relation to any Second Lien Facilities and the Second Lien Lender Liabilities, and (y) the Second Lien Notes Liabilities, on a *pro rata* basis and ranking *pari passu* between themselves;

(vi) solely to the extent such proceeds are from the realization or enforcement of the Topco Shared Security and any guarantees provided by a Topco Guarantor that is a member of the ICA Group or Third Party Security Provider in respect of the Topco Liabilities, for application towards the discharge of (A) the Topco Facility Liabilities, and (B) the Notes Liabilities, on a *pro rata* basis and ranking *pari passu* between themselves;

(vii) on a *pro rata* basis and ranking *pari passu* between themselves, to any Third Party Security Provider or Debtor to whom a *Soulte* has been paid or remains payable, in payment of an amount equal to such *Soulte* (and to the extent such *Soulte* has already been paid, only to the extent such Third Party Security Provider or Debtor has turned the *Soulte* over to the Security Agent in accordance with the turnover provisions described above);

(viii) if none of the Debtors or Third Party Security Providers is under any further actual or contingent liability under any Debt Document relating to the Senior Secured Liabilities, the Second Lien Liabilities or the Topco Liabilities, in payment to any other person whom the Security Agent is obliged to pay in priority to any Debtor or Third Party Security Provider; and

(ix) the balance, if any, in payment to the relevant Debtor.

Order of Application—Topco Independent Transaction Security

Subject to certain provisions set out in the Intercreditor Agreement, all amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Topco Finance Document in connection with the realization or enforcement of Topco Independent Transaction Security or any guarantees provided by a Topco Guarantor (other than a member of the ICA Group) (the "Topco Recoveries") shall be applied at any time as the Security Agent sees fit, in the following order of priority:

(i) in discharging, firstly any sums owed to the Security Agent and any receiver or delegate on a *pari passu* basis, and secondly any Agent Liabilities in respect of the Topco Liabilities (to the extent related to such Topco Recoveries) on a *pari passu* basis;

(ii) in payment of all costs and expenses incurred by any agent or Topco Creditor in connection with any realization or enforcement of the Topco Independent Transaction Security taken in accordance with the terms of the Intercreditor Agreement or any action taken at the request of the Security Agent under the Intercreditor Agreement;

(iii) for application towards the discharge of:

(A) the Topco Facility Liabilities; and

(B) the Notes Liabilities,

on a *pro rata* basis and ranking *pari passu* between paragraphs (A) and (B) above;

(iv) on a *pro rata* basis and ranking *pari passu* between themselves, to any Third Party Security Provider or Debtor to whom a *Soulte* has been paid or remains payable, in payment of an amount equal to such *Soulte* (and to the extent such *Soulte* has already been paid, only to the extent such Third Party Security Provider or Debtor has turned the *Soulte* over to the Security Agent in accordance with the turnover provisions described above);

(viii) if none of the Debtors or Third Party Security Providers is under any further actual or contingent liability in respect of the Secured Liabilities, in payment to any other person whom the Security Agent is obliged to pay in priority to any Debtor or Third Party Security Provider; and

(ix) the balance, if any, in payment to the relevant Debtor.

Equalization

The Intercreditor Agreement will provide that if, for any reason, any liabilities relating to Super Senior Liabilities, Senior Secured Liabilities, Second Lien Liabilities or Topco Liabilities remain unpaid after the first date on which certain types of Enforcement Action are taken (the "Enforcement Date") and the resulting losses are not borne by the creditors in any given class in the proportions which their respective exposures at the Enforcement Date bore to the aggregate exposures of all the creditors in that class at the Enforcement Date, the relevant class of creditors will make such payments amongst themselves as the Security Agent shall require to put the relevant creditors in such a position that (after taking into account such payments) those losses are borne in those proportions.

Required Consents

The Intercreditor Agreement will provide that, subject to certain exceptions, its terms may be amended or waived only with the consent of BidCo, the agents and trustees for the Secured Parties, and the Security Agent, provided that, to the extent that an amendment, waiver or consent only affects one class of creditors, and such amendment, waiver or consent could not reasonably be expected materially or adversely to affect the interests of the other classes of creditors, only written agreement from the agent or trustee acting on behalf of the affected class shall be required.

An amendment or waiver of the Intercreditor Agreement that has the effect of changing or which relates to, among other matters, the provisions set out under "*Application of Proceeds*" above and the order of priority or subordination under the Intercreditor Agreement shall not be made without the consent of (i) each of the agents or trustees (acting in accordance with the relevant finance documents) under the Senior Liabilities, the Super Senior Liabilities, the Second Lien Liabilities and the Topco Liabilities, (ii) each Cash Management Facility Lender (only to the extent that the proposed amendment or waiver would materially adversely affect the rights and obligations of such Cash Management Facility Lender under the Intercreditor Agreement and would not adversely affect the rights and obligations of any other creditor or class of creditors), (iii) each Hedge Counterparty (only to the extent that the proposed amendment or waiver would materially adversely affect the rights and obligations of such Hedge Counterparty under the Intercreditor Agreement and would not adversely affect the rights and obligations of any other creditor or class of creditors), and (iv) BidCo.

Each agent or trustee shall, to the extent instructed to consent by the requisite percentage of creditors it represents or as otherwise authorized by the Debt Documents to which it is party, act on such instructions or authorizations in accordance therewith (save to the extent any amendments so consented or authorized to relate to any provision affecting the personal rights and obligations of that agent or trustee in its capacity as such).

Amendments and Waivers: Transaction Security Documents

Subject to certain exceptions under the Intercreditor Agreement (as described below), the Security Agent may, if BidCo consents, amend the terms of, release or waive any of the requirements of or grant consents under, any document creating Transaction Security which shall be binding on each party and the prior consent of the Secured Parties is required to authorize any amendment, release or waiver of, or consent under, any document creating Transaction Security which would adversely affect the nature or scope of the assets subject to Transaction Security or the manner in which the proceeds of enforcement of the Transaction Security are distributed.

Exceptions

Subject to the paragraph below, an amendment, waiver or consent which relates to the rights or obligations which are personal to an agent, an arranger or the Security Agent in its capacity as such (including, without limitation, any ability of that Security Agent to act in its discretion under the Intercreditor Agreement) may not be effected without the consent of that agent, arranger or, as the case may be, Security Agent.

The preceding paragraphs and the first paragraph above under "*Amendments and Waivers: Transaction Security Documents*" are subject to certain exceptions under the Intercreditor Agreement, relating in particular to (i) any release of Transaction Security, claim or liabilities, or (ii) to any amendment waiver or consent, which, in each case, the Security Agent gives in accordance with the provisions of the Intercreditor Agreement relating to the incurrence of additional or refinancing debt or the provisions set out under "*New Debt Financings*," "*Proceeds of Non-Distressed Disposals*" and "*Proceeds of Distressed Disposals*" above. Any release, amendment, waiver or consent effected in accordance with the relevant provisions of the Debt Documents relating to such matters can be effected solely by BidCo and the Security Agent.

Snooze/Lose

If in relation to a request for a consent, to participate in a vote of a class of creditors, to approve any action or to provide any confirmation or notification, in each case, under the Intercreditor Agreement, any creditor fails to respond to the request within 10 Business Days (or any other period of time notified by BidCo, with the agreement of each of the agents or trustee in the case of a shorter period of time) or fails to provide details of its credit participation, such creditor will be disregarded or be deemed to have zero participation in respect of the matter or be deemed to have provided the relevant confirmation or notification, as applicable.

Provisions Following an IPO

Following an initial public offering of a member of the ICA Group (or a holding company thereof) (an "IPO") where the Qualifying IPO Condition (as defined in the Senior Credit Facilities Agreement) has been satisfied (subject to receipt of the required creditor consent from the applicable Secured Creditors), BidCo is entitled to give notice that the terms of the Debt Documents will automatically operate so that the ICA Group (and all related provisions) will now refer to the entity who will issue shares or whose shares are to be sold pursuant to such IPO (the "IPO Pushdown Entity," and if the Notes are not refinanced in full on or before the date of such IPO, the IPO Pushdown Entity shall be the Issuer or any other holding company of BidCo which is the issuer or borrower of any Topco Liabilities) and its subsidiaries and so that certain provisions of the Debt Documents (including representations, undertakings and events of default) will cease to apply to any entity which, consequent on such change, is no longer a member of the ICA Group. Each holding company of the IPO Pushdown Entity shall be released from all obligations under the Debt Documents (including any Transaction Security) and each Subordinated Creditor, Third Party Security Provider, Investor (as defined in the Senior Credit Facilities Agreement) or Topco Independent Obligor will be released from its obligations and restrictions under the Intercreditor Agreement in the appropriate capacity. Subject to the consent of the majority lenders under and as defined in the Senior Lender Liabilities, noteholders representing more than

50% of any Senior Secured Notes Liabilities, the Majority Second Lien Creditors and the Majority Topco Creditors (following the relevant IPO), each subsidiary of the IPO Pushdown Entity shall also be released from all obligations as Debtor and Guarantor under the Debt Documents and from the Transaction Security. Each party to the Intercreditor Agreement shall be required to enter into any amendment, release or replacement of any Debt Document required to facilitate such matters.

Agreement to Override

The Intercreditor Agreement overrides anything in the Debt Documents to the contrary, save that this override will not cure, postpone, waive or negate any default or event of default (however described) under any Debt Document (or any event that would but for the override constitute a breach, default or event of default (however described)) as between any creditor and any Debtor or Third Party Security Provider party to the relevant Debt Document, subject to the exception that any step or action permitted under the Intercreditor Agreement (other than to the extent it would result in any member of the ICA Group contravening any law or regulation, or present a material risk of liability for any member of the ICA Group or its directors or officers or give rise to a material risk of breach of fiduciary or statutory duties) will be deemed permitted under the relevant Debt Document.

Finance Leases

Certain of our subsidiaries are party to finance leases totaling €42.4 million as of December 31, 2016. The finance leases are not subject to the terms of the Intercreditor Agreement.

Bilateral Credit Facilities

Certain subsidiaries of Cerba HealthCare (including certain of the Guarantors) have entered into bilateral credit facilities with a number of banks. As of December 31, 2016, €83.4 million was owed under the bilateral credit facilities, which have maturities ranging from 2017 to 2023 (see also Note 6.22.1 to the audited consolidated financial statements of Cerba HealthCare included elsewhere in this Offering Memorandum) and applicable interest rates ranging from 0.6% to 5.2%. Certain of the bilateral credit facilities are secured, either by the assets financed by the facilities or by the fixed assets of the borrowing entity. The proceeds of the Offering will be used to repay €20.0 million of these bilateral credit facilities on or around the Acquisition Completion Date, and approximately €63.4 million will remain outstanding. The bilateral credit facilities are not subject to the terms of the Intercreditor Agreement.

Hedging Obligations

We enter into interest rate swaps from time to time in order to hedge against interest rate risk associated with our borrowings subject to floating rates of interest, including the Senior Term Loan. As the Notes have a fixed rate of interest, we do not anticipate entering into any interest rate hedges in connection therewith.

Description of the Notes

The following is a description of the €180 million in aggregate principal amount of % Senior Notes due 2025 (the "*Notes*"). The Notes will be issued by NewCo Sab MidCo S.A.S. (the "*Issuer*"). In this "*Description of the Notes*," the "*Issuer*" refers only to NewCo Sab MidCo S.A.S., and any successor obligor to NewCo Sab MidCo S.A.S. under the Indenture and the Notes, and not to any of its Subsidiaries.

Upon satisfaction of the conditions set forth in the Escrow Agreement and release of the Escrowed Property from the Escrow Account (each as defined below), the proceeds of the offering (the "*Offering*") of the Notes sold on the Issue Date will be onlent by the Issuer to Bidco and be used by Bidco, together with the Equity Contribution and drawings under the TLB Facility, to finance the Acquisition, to repay the Existing Notes as well as certain existing Indebtedness of the Target Group and to pay certain fees, costs and expenses incurred in connection with the Transactions, as set forth in this Offering Memorandum under the caption "*Use of Proceeds*."

The Issuer will issue the Notes under an indenture, to be dated as of the Issue Date (the "*Indenture*"), among, *inter alios*, the Issuer, U.S. Bank Trustees Limited, as trustee (the "*Trustee*") and security agent (the "*Security Agent*"). The Notes will be issued in a private transaction that is not subject to the registration requirements of the Securities Act. See "*Transfer Restrictions*." The terms of the Notes include those stated in the Indenture. The Indenture will not be qualified under, be subject to, or include or incorporate by reference terms of, the Trust Indenture Act of 1939, as amended.

The following is a summary of the material provisions of the Indenture, the Notes and refers to the Escrow Agreement, the Intercreditor Agreement and the Security Documents. It does not purport to be complete and is qualified in its entirety by reference to all provisions of the Indenture, the Notes, the Escrow Agreement, the Intercreditor Agreement and the Security Documents, respectively. Because this is a summary, it may not contain all the information that is important to you. You should read the Indenture, the Escrow Agreement, the Intercreditor Agreement and the Security Documents in their entirety. The Intercreditor Agreement overrides any provisions in the Indenture and to the extent that any step or action is permitted under the Intercreditor Agreement, it will be deemed permitted under the Indenture. Copies of the Indenture, the Intercreditor Agreement and the Security Documents are available as described under "*Listing Information*." You can find the definitions of certain terms used in this description under "*—Certain Definitions*."

Pending the satisfaction of certain other conditions as described under the caption "*—Escrow of Proceeds; Special Mandatory Redemption*," the Initial Purchasers (as defined in this Offering Memorandum) will, concurrently with the closing of the Offering on the Issue Date, deposit the gross proceeds of the Notes sold on the Issue Date into a euro-denominated escrow account (the "*Escrow Account*") pursuant to the terms of an escrow agreement (the "*Escrow Agreement*") dated as of the Issue Date, among the Issuer, the Trustee and JPMorgan Chase Bank, N.A., as the escrow agent (the "*Escrow Agent*"). If the conditions to the release of the Escrowed Property (as defined below), as more fully described below under the caption "*—Escrow of Proceeds; Special Mandatory Redemption*," have not been satisfied on the Business Day following September 30, 2016 (the "*Escrow Longstop Date*"), or upon the occurrence of certain other events, the Notes will be redeemed at a price equal to 100% of the issue price of the Notes plus accrued and unpaid interest from the Issue Date to (but excluding) the Special Mandatory Redemption Date (as defined below) and Additional Amounts, if any. See "*—Escrow of Proceeds; Special Mandatory Redemption*."

The registered holder of a Note will be treated as the owner of it for all purposes. In general, only registered holders will have rights under the Indenture.

Brief Description of the Notes

Ranking of the Notes

The Notes will:

- be general, senior obligations of the Issuer, secured as set forth under "*—Security*";
- rank *pari passu* in right of payment with all of the Issuer's existing and future debt that is not subordinated in right of payment to the Notes;
- rank senior in right of payment to all of the Issuer's future debt that is subordinated in right of payment to the Notes;
- be guaranteed on a senior subordinated basis as provided under "*—The Note Guarantees*";
- be effectively subordinated to any existing and future indebtedness or obligation of the Issuer that is secured by property or assets that do not secure the Notes, or that is secured on a first priority basis by property or assets that secure the Notes on a second priority basis, to the extent of the value of the property and assets securing such debt; and
- following the Completion Date, be structurally subordinated to any existing or future indebtedness of subsidiaries of the Issuer that do not guarantee the Notes, including obligations to trade creditors.

The Note Guarantees

The Notes will be guaranteed on a senior subordinated basis by : (i) Bidco, as of the Issue Date and (ii) Cerballiance Côte d'Azur, Cerballiance Paris, Cerballiance Paris Sud, Cerballiance Provence, Cerballiance Rhône Alpes, CERBA Selafa and LLAM SA (together with Bidco, the "Guarantors") within 120 days of the Completion Date. Certain other Restricted Subsidiaries may be required to guarantee the Notes in the future under certain circumstances. Each Note Guarantee of a Guarantor will:

- be general, senior subordinated obligations of that Guarantor;
- be subordinated in right of payment to any existing and future senior indebtedness of that Guarantor, including that Guarantor's guarantee of indebtedness incurred under the Senior Facilities Agreement;
- rank *pari passu* in right of payment with all of such Guarantor's existing and future senior subordinated debt that is not subordinated in right of payment to its Guarantee;
- rank senior in right of payment to all of such Guarantor's future debt that is subordinated in right of payment to its Guarantee;
- be secured by the Collateral;
- be effectively subordinated to any existing and future debt of that Guarantor (including obligations to trade creditors) that is secured on a first-priority basis by property or assets that secure the Notes on a second-priority basis, or by property or assets that do not constitute Collateral, to the extent of the value of the property and assets securing such obligations or indebtedness;
- be structurally subordinated to all existing and future debt of such Guarantor's subsidiaries (including obligations to trade creditors) that do not guarantee the Notes; and
- be subject to limitations described herein and in "Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations," "Risk Factors—Risks Related to the Notes—*In certain jurisdictions, security over the Collateral will be granted to the Security Agent rather than directly to the holders of the Notes. The ability of the Security Agent to enforce the Collateral may be restricted by local law*," "*Risk*

Factors—Additional Risks Related to the Notes—The Notes are structurally subordinated to the liabilities of non-guarantor subsidiaries" and "*Risk Factors—Risks Related to the Notes—The insolvency and administrative laws of France and other applicable jurisdictions may not be as favorable to you as the insolvency laws of the United States or those of another jurisdiction with which you are familiar; other limitations on the Note Guarantees and the Security Interests, including fraudulent conveyance statutes, may adversely affect their validity and enforceability*."

Substantially all the operations of the Issuer are conducted through its Subsidiaries. Claims of creditors of Non-Guarantor Subsidiaries, including trade creditors, secured creditors and creditors holding debt and guarantees issued by those Subsidiaries, and claims of preferred stockholders (if any) of those Subsidiaries, generally will have priority with respect to the assets and earnings of those Subsidiaries over the claims of creditors of the Issuer and the Guarantors, including Holders of the Notes. The Notes therefore will be structurally subordinated to creditors (including trade creditors) and preferred stockholders (if any) of Subsidiaries of the Issuer that do not Guarantee the Notes. Although the Indenture will limit the incurrence of Indebtedness, Disqualified Stock and Preferred Stock of Restricted Subsidiaries, these limitations will be subject to a number of significant exceptions. Moreover, the Indenture does not impose any limitation on the incurrence by Restricted Subsidiaries of liabilities that are not considered Indebtedness, Disqualified Stock or Preferred Stock under the Indenture. See "*—Certain Covenants—Limitation on Indebtedness.*"

The obligations of the Guarantors will be subject to the Agreed Security Principles and be contractually limited under the applicable Note Guarantees to reflect limitations under applicable law with respect to maintenance of share capital, corporate benefit, fraudulent conveyance and other legal restrictions applicable to the Guarantors and their respective shareholders, directors and general partners as further outlined below.

France

To ensure compliance with French law, the Note Guarantees of the French Guarantors will be subject to substantially the following limitation language in the Indenture:

Notwithstanding anything to the contrary, any obligations or liabilities incurred or assumed under or in connection with its Note Guarantee provided by any of the Guarantors incorporated in France (each, a "*French Guarantor*") pursuant to the Indenture and/or pursuant to a Supplemental Indenture shall not include any obligations or liabilities which if incurred would constitute the provision of financial assistance within the meaning of article L.225-216 of the French Commercial Code (*Code de commerce*) and/or would constitute a misuse of corporate assets within the meaning of article L.241-3, L.242-6 or L.244-1 of the French Commercial Code (*Code de commerce*) or any replacement law or regulation having the same effect, as interpreted by French courts.

In any case, the obligations and liabilities incurred by any French Guarantor that is not a holding company of the Issuer (a "*French Subsidiary Guarantor*") under or in connection with its Note Guarantee insofar as required to guarantee the payment obligations of the Issuer under the Notes and the Indenture shall be limited to an amount equal to the aggregate of:

(i) all Indebtedness incurred by the Issuer (in such capacity) and made available by it directly or indirectly by way of intra-group loans, bonds or advances or any similar arrangements to that French Subsidiary Guarantor or its Subsidiaries; and

(ii) all Indebtedness borrowed or incurred under intra-group loans, bonds or advances or any similar arrangements made available directly or indirectly to that French Subsidiary Guarantor or its Subsidiaries with the proceeds of Indebtedness previously incurred by a holding company of such French Subsidiary Guarantor to the extent that such Indebtedness is or has been refinanced directly or indirectly with the proceeds of Indebtedness of the Issuer constituting Secured Liabilities (as defined in the Intercreditor Agreement), which term includes the Notes; *provided* that the aggregate amount guaranteed by such French Subsidiary Guarantor pursuant to this sub-paragraph (ii) shall not exceed the aggregate

amount of then outstanding Intra-Group Debt (as defined below) referred to in this sub-paragraph (ii) or any equivalent provision under any guarantee granted by such French Subsidiary Guarantor under a Secured Debt Document (as defined in the Intercreditor Agreement),

(together, the "*Intra-Group Debt*"),

and which, in each case, are outstanding on the date on which a demand for payment is made to such French Subsidiary Guarantor; it being specified that:

(a) any payment made by such French Subsidiary Guarantor under its Note Guarantee shall reduce *pro tanto* the outstanding amount of the Intra-Group Debt (if any) due by such French Subsidiary Guarantor; and

(b) any Intra-Group Debt made available directly or indirectly to a French Subsidiary Guarantor may not be double counted with the portion of such Intra-Group Debt which has been on-lent by such French Subsidiary Guarantor to its Subsidiaries.

The obligations and liabilities incurred or assumed by any French Guarantor that is a holding company of the Issuer under or in connection with its Note Guarantee insofar as required to guarantee the payment obligations of its direct or indirect Subsidiaries, will not in relation to any amount due under or in connection with its Note Guarantee, be limited and will therefore include all amounts due by the Issuer under the Notes and the Indenture.

It is acknowledged that any payment made by a French Subsidiary Guarantor under its Note Guarantee or of the Intra-Group Debt shall reduce the maximum amount of its Note Guarantee.

The amount secured by any Collateral which is granted by any such French Guarantor (or any other Guarantor that is incorporated in France) will likewise be limited by the amount which it is so able to guarantee.

Luxembourg

To ensure compliance with Luxembourg law, the Note Guarantees of the Luxembourg Guarantors will be subject to substantially the following limitation language in the Indenture:

Notwithstanding any provisions to the contrary contained in the Indenture or in any other Note Document, the maximum liability of any Luxembourg Guarantor under its Note Guarantee together with any similar guarantee or indemnity obligation of the Luxembourg Guarantor under or in connection with any other Note Document (the "*Guarantee*") for the obligations of any obligor under the Notes which is not a direct or indirect Subsidiary of the Luxembourg Guarantor shall be limited to an amount not exceeding the greater of (without double counting):

(i) 95 per cent. of the Luxembourg Guarantor's own funds (*capitaux propres*), as referred to in annex I to the grand-ducal regulation dated December 18, 2015 defining the form and content of the presentation of balance sheet and profit and loss account, and implementing the Luxembourg law dated December 19, 2002 concerning the trade and companies register and the accounting and annual accounts of undertakings (the "*Regulation*") as increased by the amount of any Subordinated Debt (as defined below), each as reflected in the Luxembourg Guarantor's most recent financial statements available as of the Issue Date; or

(ii) 95 per cent. of the Luxembourg Guarantor's own funds (*capitaux propres*), as referred to in the Regulation as increased by the amount of Subordinated Debt (as defined below), each as reflected in the Luxembourg Guarantor's most recent financial statements available to the Trustee at the time the guarantee is called.

For the purposes of this provision, "*Subordinated Debt*" means the Luxembourg Guarantor's debt which is subordinated in right of payment (whether generally or specifically) to any claim of any Holder under any of the Note Document.

The above limitation shall not apply to any amounts borrowed by, or made available to, in any form whatsoever, the Luxembourg Guarantor or any of its direct or indirect present or future Subsidiaries under any Note Document (or any document entered into in connection therewith).

For the purpose of this provision, the aggregate amount payable a Luxembourg Guarantor, in its capacity as a guarantor, shall not include any obligation which, if incurred would constitute a misuse of corporate assets as defined in article 171-1 of the Luxembourg act dated August 10, 1915 concerning commercial companies, as amended (the "*Companies Act 1915*") or, a breach of the provisions of financial assistance as referred to in article 49-6 of the Companies Act 1915.

The amount secured by any Collateral which is granted by any such Luxembourg Guarantor (or any other Guarantor that is incorporated in Luxembourg) will likewise be limited by the amount which it is so able to guarantee.

Note Guarantees Release

The Note Guarantee of a Guarantor will terminate and release upon:

- a sale or other disposition (including by way of consolidation or merger) of the Capital Stock of the relevant Guarantor (whether by direct sale or sale of a holding company), if the sale or other disposition does not violate the Indenture and the Guarantor ceases to be a Restricted Subsidiary of the Issuer as a result of the sale or other disposition;
- the sale or disposition (including by way of consolidation or merger) of all or substantially all the assets of the Guarantor (other than to the Issuer or any of its Restricted Subsidiaries), if the sale or other disposition does not violate the Indenture;
- the designation in accordance with the Indenture of the Guarantor as an Unrestricted Subsidiary;
- upon payment in full of principal, interest and all other obligations in respect of the Notes issued under the Indenture or legal defeasance, covenant defeasance or satisfaction and discharge of the Notes, as provided in "*—Defeasance*" and "*—Satisfaction and Discharge*";
- upon the release of the Guarantor's guarantee of any Indebtedness that triggered such Guarantor's obligation to guarantee the Notes under the covenant described in "*—Certain Covenants—Additional Guarantees*"; *provided* that no other Indebtedness is at that time Guaranteed by the Guarantor that would result in the requirement that the Guarantor provide a Note Guarantee pursuant to the covenant described under the caption "*—Certain Covenants—Additional Guarantees*";
- in accordance with the provisions of the Intercreditor Agreement or any Additional Intercreditor Agreement;
- in connection with a Permitted Reorganization;
- as described under "*—Amendments and Waivers*"; or
- as a result of a transaction permitted by "*—Certain Covenants—Merger and Consolidation.*"

The Trustee and the Security Agent shall take all necessary actions reasonably requested by the Issuer, including the granting of releases or waivers under the Intercreditor Agreement or any Additional Intercreditor Agreement, to effectuate any release of a Note Guarantee in accordance with these provisions, subject to customary protections and indemnifications. Each of the releases set forth above shall be effected by the Trustee and the Security Agent without the consent of or liability to the Holders or any other action or consent on the part of the Trustee or the Security Agent.

Subordination of the Note Guarantees on the Basis of the Intercreditor Agreement

Each of the Note Guarantees is a senior subordinated Note Guarantee, which means that, pursuant to the terms of the Intercreditor Agreement, each such Note Guarantee ranks behind, and is expressly subordinated to, all the existing and future Senior Indebtedness of the relevant

Guarantor, including any obligations owed by the relevant Guarantor under the Senior Facilities Agreement, certain hedging agreements and any other indebtedness ranking *pari passu* therewith incurred after the Issue Date (as well as any future second lien Indebtedness to the extent permitted to be incurred hereunder). The ability to take enforcement action against the Guarantors under their Note Guarantees is subject to significant restrictions imposed by the Intercreditor Agreement and the terms of the Note Guarantees, and potentially any Additional Intercreditor Agreements entered into after the Issue Date.

In addition, the Note Guarantees and the Collateral are subject to release under certain circumstances, including, but not limited to, certain enforcement actions taken by the Security Agent acting at the direction of an instructing group of senior secured creditors. Because of the foregoing subordination provisions, it is likely that holders of Senior Indebtedness of the Guarantors would recover disproportionately more than the holders of the Notes in any insolvency or similar proceeding relating to such entity. In any such case, there may be insufficient assets, or no assets, remaining to pay the principal of or interest on the Notes after the repayment in full of all Senior Indebtedness. The Note Guarantees will also be subject to the terms of the Intercreditor Agreement, including payment blockage upon a senior default (or a second lien default in the event that second lien Indebtedness is incurred in the future) and standstill on enforcement. For a description of the restrictions imposed by the Intercreditor Agreement, see "*Description of Other Indebtedness—Intercreditor Agreement*."

Principal and Maturity

The Issuer will issue €180.0 million in aggregate principal amount of Notes in the Offering on the Issue Date. The Notes will mature on , 2025. The Notes will be issued in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof.

The rights of holders of beneficial interests in the Notes to receive the payments on such Notes are subject to applicable procedures of Euroclear and Clearstream. If the due date for any payment in respect of any Notes is not a Business Day, the Holder thereof will not be entitled to payment of the amount due until the next succeeding Business Day, and will not be entitled to any further interest or other payment as a result of any such delay.

Interest

Interest on the Notes will accrue at the rate of % *per annum* and will be payable, in cash, semi-annually in arrears on and of each year, commencing on , 2017. The Issuer will make each interest payment for so long as the Notes are Global Notes to the holders of record of the Notes at the close of business (in the relevant clearing system) on the Clearing System Business Day immediately before the due date for such payment, where "Clearing System Business Day" means a day on which each clearing system for which the Global Note is being held is open for business, or to the extent Definitive Registered Notes have been issued, to the holders of record of the Notes on the day immediately preceding and . Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of original issuance. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months. Each interest period shall end on (but not include) the relevant interest payment date.

Additional Notes

The Issuer is permitted to issue additional Notes under the Indenture from time to time after the Offering, having identical terms and conditions as the Notes except for the issue price and the amount of such issuance (the "*Additional Notes*"), so long as such issuance is in compliance with the covenants contained in the Indenture, including the covenant restricting the Incurrence of Indebtedness (as described below under "*—Certain Covenants—Limitation on Indebtedness*"). The Notes issued in the Offering and, if issued, any Additional Notes will be treated as a single

class for all purposes under the Indenture, including, without limitation, with respect to waivers, amendments, redemptions and offers to purchase, except as otherwise provided for in the Indenture. The Additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may not be fungible with the original Notes for U.S. federal income tax purposes and will then be allocated a separate ISIN and common code. Unless the context otherwise requires, in this "*Description of the Notes*," references to the "*Notes*" include the Notes and any Additional Notes that are actually issued.

Methods of Receiving Payments on the Notes

Principal, premium, if any, interest and Additional Amounts (as defined below), if any, on the Global Notes (as defined below) will be payable at the specified office or agency of one or more Paying Agents; *provided* that all such payments with respect to Notes represented by one or more Global Notes registered in the name of or held by a nominee of a common depositary for Euroclear or Clearstream, as applicable, will be made by wire transfer of immediately available funds to the account specified by the Holder or Holders thereof.

Principal, premium, if any, interest and Additional Amounts, if any, on any certificated securities ("*Definitive Registered Notes*") will be payable at the specified office or agency of one or more Paying Agents in London, in each case, maintained for such purposes. In addition, interest on the Definitive Registered Notes may be paid by check mailed to the person entitled thereto as shown on the register for the Definitive Registered Notes. See "*—Paying Agent and Registrar for the Notes*."

Paying Agent and Registrar for the Notes

The Issuer will maintain one or more Paying Agents for the Notes, including a Paying Agent in London (the "*Paying Agent*"). The initial Paying Agent for the Notes will be Elavon Financial Services DAC, UK Branch.

The Issuer will also maintain one or more registrars (each, a "*Registrar*") and a transfer agent (the "*Transfer Agent*"). The initial Registrar will be Elavon Financial Services DAC and the initial Transfer Agent will be Elavon Financial Services DAC, UK Branch. The Registrar, Paying Agent and Transfer Agent, respectively, will maintain a register reflecting ownership of Definitive Registered Notes outstanding from time to time, if any, and will make payments on and facilitate transfers of Definitive Registered Notes on behalf of the Issuer. The Transfer Agent shall perform the functions of a transfer agent.

The Issuer may change any Paying Agent, Registrar or Transfer Agent for the Notes without prior notice to the Holders of the Notes. The Issuer or any of its Subsidiaries may act as Paying Agent or Registrar in respect of the Notes. For so long as the Notes are listed on the Official List of the Exchange and admitted for trading on the Exchange and the rules of the Exchange so require, the Issuer will notify the Exchange of any change of Paying Agent, Registrar or transfer agent.

Transfer and Exchange

The Notes will initially be issued in the form of registered notes in global form without interest coupons, as follows:

- the Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act will initially be represented by global notes in registered form without interest coupons attached (the "*144A Global Notes*");
- the Notes sold outside the United States pursuant to Regulation S under the Securities Act will initially be represented by global notes in registered form without interest coupons attached (the "*Regulation S Global Notes*" and, together with the 144A Global Notes, the "*Global Notes*"); and

- the Global Notes will, upon issuance, be deposited with and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

Ownership of interests in the Global Notes ("*Book-Entry Interests*") will be limited to persons that have accounts with Euroclear or Clearstream or persons that may hold interests through such participants. Ownership of interests in the Book-Entry Interests and transfers thereof will be subject to the restrictions on transfer and certification requirements summarized below and described more fully under "*Transfer Restrictions*." In addition, transfers of Book-Entry Interests between participants in Euroclear or participants in Clearstream will be effected by Euroclear or Clearstream, as applicable, pursuant to customary procedures and subject to the applicable rules and procedures established by Euroclear or Clearstream, as applicable, and their respective participants.

Book-Entry Interests in a 144A Global Note (the "*144A Book-Entry Interests*") may be transferred to a person who takes delivery in the form of Book-Entry Interests in a Regulation S Global Note ("*Regulation S Book-Entry Interests*") only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being effected pursuant to and in accordance with Regulation S. Regulation S Book-Entry Interests may be transferred to a person who takes delivery in the form of 144A Book-Entry Interests only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a person that the transferor reasonably believes is purchasing the 144A Book-Entry Interests for its own account, or for one or more accounts with respect to which such person exercises sole investment discretion, and such person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act in a transaction meeting the requirements of Rule 144A, and such transfer is in compliance with any applicable blue sky securities laws of any state of the United States.

Any Book-Entry Interest that is transferred will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and will become a Book-Entry Interest in the Global Note to which it is transferred. Accordingly, from and after such transfer, it will become subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in the Global Note to which it was transferred.

If Definitive Registered Notes are issued, they will be issued only in minimum denominations of €100,000 aggregate principal amount and integral multiples of €1,000 in excess thereof, upon receipt by the Registrar of instructions relating thereto and any certificates, opinions and other documentation required by the Indenture. It is expected that such instructions will be based upon directions received by Euroclear or Clearstream, as applicable, from the participant that owns the relevant Book-Entry Interests. Definitive Registered Notes issued in exchange for a Book-Entry Interest will, except as set forth in the Indenture or as otherwise determined by the Issuer to be in compliance with applicable law, be subject to, and will have a legend with respect to, the restrictions on transfer summarized below and described more fully under "*Transfer Restrictions*."

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 aggregate principal amount and integral multiples of €1,000 in excess thereof. In connection with any such transfer or exchange, the Indenture will require the transferring or exchanging holder to, among other things, furnish appropriate endorsements and transfer documents, to furnish information regarding the account of the transferee at Euroclear or Clearstream, as applicable, to furnish certain certificates and opinions, and to pay any taxes, duties and governmental charges in connection with such transfer or exchange. Any such transfer or exchange will be made without charge to the Holder, other than any taxes, duties and governmental charges payable in connection with such transfer.

The Issuer, the Trustee, the Registrar, the Transfer Agent and the Paying Agent will be entitled to treat the Holder of a Note as the owner of it for all purposes.

Escrow of Proceeds; Special Mandatory Redemption

Concurrently with the closing of the Offering on the Issue Date, the Issuer will enter into the Escrow Agreement with, *inter alios*, the Trustee and the Escrow Agent, pursuant to which the Initial Purchasers will deposit with the Escrow Agent an amount equal to the gross proceeds of the Notes sold on the Issue Date into the Escrow Account. The Escrow Account will be pledged on a first-priority basis in favor of the Trustee for the benefit of the Holders of the Notes pursuant to an escrow charge dated the Issue Date between the Issuer and the Trustee (the "*Escrow Charge*"). The initial funds deposited in the Escrow Account, and all other funds, securities, interest, dividends, distributions and other property and payments credited to the Escrow Account (less any property and/or funds paid in accordance with the Escrow Agreement) are referred to, collectively, as the "*Escrowed Property*."

In order to cause the Escrow Agent to release the Escrowed Property to the Issuer (the "*Escrow Release*"), the Escrow Agent and the Trustee shall have received from the Issuer on or prior to the Escrow Longstop Date, an Officer's Certificate, upon which both the Escrow Agent and the Trustee shall be able to rely without further investigation, to the effect that all of the following conditions have been met or will be satisfied on or prior to the Business Day immediately following the Escrow Longstop Date:

- the Acquisition is required to be completed on the terms set forth in the FG Acquisition Agreement promptly following the Escrow Release, except for any changes, waivers or other modifications that are not, individually or when taken as whole, materially adverse to the interests of the Holders of the Notes;
- immediately after consummation of the Acquisition, Bidco will own, directly or indirectly, 99% or more of the issued and outstanding share capital of the Target; and
- as of the delivery date of such Officer's Certificate, there is no Default or Event of Default with respect to the Issuer under clauses (6) or (10)(a) of the first paragraph under the heading titled "*Events of Default*" below.

The Escrow Release shall occur promptly following receipt of such Officer's Certificate. Upon the Escrow Release, the Escrow Account shall be reduced to zero, and the Escrowed Property shall be paid out in accordance with the Escrow Agreement.

In the event that (a) the Completion Date does not take place on or prior to the Business Day immediately following the Escrow Longstop Date, (b) the Issuer notifies the Trustee and the Escrow Agent that in its reasonable judgment the Acquisition will not be completed by the Business Day immediately following the Escrow Longstop Date, (c) the FG Acquisition Agreement terminates at any time prior to the Escrow Longstop Date, (d) the Equity Investors cease to beneficially own and control a majority of the issued and outstanding Capital Stock of the Issuer or (e) a Default or Event of Default arises with respect to the Issuer under clause (6) of the first paragraph under the heading titled "Events of Default" on or prior to the Escrow Longstop Date (the date of any such event being the "*Special Termination Date*"), the Issuer will redeem all of the Notes (the "*Special Mandatory Redemption*") at a price (the "*Special Mandatory Redemption Price*") equal to 100% of the aggregate issue price of the Notes, plus accrued but unpaid interest and Additional Amounts, if any, from the Issue Date to the Special Mandatory Redemption Date (as defined below) (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date).

Written notice of the Special Mandatory Redemption will be delivered by the Issuer, no later than one Business Day following the Special Termination Date, to the Trustee, the Paying Agent and the Escrow Agent, and the Escrow Agreement and the Indenture will provide that the Notes shall be redeemed on a date that is no later than the fifth Business Day after such notice is given by the Issuer in accordance with the terms of the Escrow Agreement (the "*Special Mandatory Redemption Date*"). On the Special Mandatory Redemption Date, the Escrow Agent shall pay, on

behalf of the Issuer, to the Paying Agent for payment to each holder of Notes the Special Mandatory Redemption Price for such Holder's Notes and, concurrently with the payment to such Holders, deliver any excess Escrowed Property (if any) to the Issuer.

In the event that the Special Mandatory Redemption Price payable upon such Special Mandatory Redemption exceeds the amount of the Escrowed Property, the Public Sector Pension Investment Board (directly or indirectly through a wholly owned subsidiary thereof) and one or more investment funds advised or managed by Partners Group AG will be required, on a several, *pro rata* basis in relation to their respective total equity commitments in UK TopCo, to fund the Issuer with an amount sufficient to cover interest accrued and Additional Amounts (if any) due with respect to the Notes from the Issue Date to the Special Mandatory Redemption Date pursuant to a funding commitment letter delivered to the Issuer by such funds (the "*Shortfall Agreement*").

The rights of the Issuer under the Shortfall Agreement will be pledged on a first-ranking basis in favor of the Trustee on behalf of the holders of the Notes.

The holders of the Notes will not have any direct right to enforce the Shortfall Agreement, and must rely on the Issuer's sole right to enforcement under the Shortfall Agreement.

Receipt by the Trustee from the Issuer of either an Officer's Certificate for the Escrow Release or a notice of Special Mandatory Redemption shall constitute deemed consent by the Trustee for the release of the Escrowed Property from the Escrow Charge.

If at the time of such Special Mandatory Redemption, the Notes are listed on the Official List of the Exchange and the rules of the Exchange so require, the Issuer will notify the Exchange that the Special Mandatory Redemption has occurred and any relevant details relating to such special mandatory redemption.

Restricted Subsidiaries and Unrestricted Subsidiaries

As of the Issue Date, the Issuer's sole subsidiary will be Bidco. As of the Issue Date and as of the Completion Date, all of the Issuer's Subsidiaries will be Restricted Subsidiaries. In the circumstances described below under "*—Certain Definitions—Unrestricted Subsidiary*," the Issuer will be permitted to designate Restricted Subsidiaries as Unrestricted Subsidiaries. Unrestricted Subsidiaries will not be subject to any of the restrictive covenants in the Indenture.

The Proceeds Loans

On the Completion Date, the Issuer will lend, pursuant to a proceeds loan in an amount of approximately €180.0 million (the "*Bidco Proceeds Loan*"), the gross proceeds of the issuance of the Notes offered hereby to Bidco, and Bidco will lend, pursuant to a proceeds loan in an equivalent aggregate principal amount (the "*Cerba Proceeds Loan*" and, together with the Bidco Proceeds Loan, the "*Proceeds Loans*") such proceeds to Cerba Healthcare S.A.S. ("*Cerba*") for the purpose of redeeming the Existing Notes, repaying certain existing debt of the Target Group and paying associated costs and expenses. It is anticipated that funds received by the Issuer and Bidco as payments of interest under the Proceeds Loans will be used to service a portion of the interest payments under the Notes (in the case of the Cerba Proceeds Loan, until Cerba is merged with Bidco, as described in this Offering Memorandum). In addition, Subsidiaries of the Issuer may upstream further funds as needed by means of dividends or loans.

Security

The Collateral

On the Issue Date, the Notes and the obligations under the Indenture will be secured by a first-priority security interest over the Escrowed Property deposited in the Escrow Account and the rights of the Issuer under the Shortfall Agreement (collectively the "*Escrow Collateral*"). See "*—Escrow of Proceeds; Special Mandatory Redemption*." The Escrowed Property that is deposited in the Escrow Account and the rights of the Issuer under the Shortfall Agreement will not be charged to secure any obligations other than the Issuer's obligations under the Notes and the

Indenture. Upon the definitive release of the Escrowed Property, the first-priority security interests over the Escrowed Property will be released. In addition, on the Issue Date, the Notes will be secured by a first-ranking pledge over the shares of the Issuer held by TopCo and a second-ranking pledge over the shares in Bidco held by the Issuer.

On the Completion Date, the Notes will be secured by a second-ranking pledge over the receivables owed to the Issuer by Bidco in respect of the Bidco Proceeds Loan.

Notwithstanding anything else to the contrary therein, the Indenture will provide that any obligation to accede a Restricted Subsidiary to the Indenture as a Guarantor or to pledge assets as Collateral will be limited pursuant to the Agreed Security Principles, which refer to the following considerations, among others:

- if providing such security or guarantee would be prohibited by general legal or statutory limitations, regulatory restrictions, financial assistance, corporate benefit, fraudulent preference, equitable subordination, "transfer pricing," "thin capitalisation," "earnings stripping," "controlled foreign corporation" and other tax restrictions, "exchange control restrictions," "capital maintenance" rules and "liquidity impairment" rules, tax restrictions, retention of title claims, employee consultation or approval requirements and similar principles may limit the ability of the Issuer or a Restricted Subsidiary to provide a guarantee or security or may require that the guarantee or security be limited as to amount or otherwise and, if so, the guarantee or security will be limited accordingly, *provided* that, to the extent requested by the Security Agent before signing any applicable security or accession document, the relevant Restricted Subsidiary shall use reasonable endeavours (but without incurring material cost and without adverse impact on relationships with third parties) to overcome any such obstacle or otherwise such guarantee or security document shall be subject to such limit;
- if the time and cost of providing the guarantee or security is not proportionate to the benefit accruing to the holders of the Notes, then such guarantee or security shall not be given or taken;
- Restricted Subsidiaries will not be required to give guarantees or enter into security documents if they are not wholly owned by the Issuer or another Restricted Subsidiary (as relevant) or if such guarantee or security would be outside the legal capacity of the Issuer or another Restricted Subsidiary (as relevant) or conflict with the fiduciary or statutory duties of directors or contravene any applicable legal, regulatory or contractual prohibition or restriction or have the potential to result in material risk of personal or criminal liability of any director or officer of the Issuer or any Restricted Subsidiary after the use of reasonable endeavours (but without incurring material cost and without adverse impact on relationships with third parties) to overcome such obstacles;
- if the aggregate of notarial costs and all registration and like taxes relating to the provision of security exceeds an amount to be agreed between the Issuer and Natixis as agent under the Senior Facilities Agreement, then such security shall not be taken;
- if a class of assets includes material and immaterial assets and the cost involved in creating security over the immaterial assets is disproportionate to the benefit, only the material assets in that category will be subject to security;
- if it may be either impossible or impractical to create security over certain categories of assets, security will not be taken over such assets;
- if providing such security requires consent before such assets may be secured, or where providing such security would give a third party the right to terminate or otherwise amend any rights, benefits and/or obligations with respect to the Issuer or any Restricted Subsidiary in respect of those assets or require any of them to take any action materially adverse to the interests of the Issuer, any Restricted Subsidiary or any member thereof and where (subject to certain conditions being met) such consent cannot be obtained after the use of reasonable endeavors, security will not be taken over such assets;

- if providing such security or granting such guarantee would have a material adverse effect on the ability of the Issuer or Restricted Subsidiary (as relevant) to conduct its operations and business in the ordinary course as otherwise permitted by the Indenture, then such guarantee or security shall not be given or taken and any requirement under the Agreed Security Principles to seek consent of any person or take or not take any other action shall be subject to this principle;
- if security over such assets or guarantee from such person is required to support acquired indebtedness to the extent such indebtedness is permitted by the Indenture to remain outstanding after an acquisition or if the terms of the documentation governing such acquired indebtedness prevents the granting of such security or guarantee, then such guarantee or security shall not be given or taken;
- if the assets are located outside the security jurisdictions, which are Belgium, France, Luxembourg and any member of the European Economic Area or Switzerland (the "*Security Jurisdictions*"), security will not be taken over such assets;
- no perfection action will be required in jurisdictions which are not Security Jurisdictions;
- in the case of security from or guarantees over, or over assets of, any joint venture or similar arrangement, any minority interest or any Restricted Subsidiary that is not wholly owned by another Restricted Subsidiary, then such guarantee or security shall not be given or taken;
- certain notifications, deliverables and other notices will only be provided at the request of the Security Agent and at intervals no more frequent than annually (unless required more frequently under local law); and
- in the case of assets subject to security which is a Permitted Lien, unless specifically required by the Indenture to the contrary, security will not be taken.

Subject to certain conditions, including compliance with the covenant described under "*—Certain Covenants—No Impairment of Security Interest*" and "*—Certain Covenants—Limitation on Liens*," the Issuer is permitted to grant security over the Collateral in connection with future issuances of its Indebtedness or Indebtedness of its Restricted Subsidiaries, including any Additional Notes, in each case, as permitted under the Indenture and the Intercreditor Agreement. See "*Risk Factors—Risks Related to Our Indebtedness*."

Priority

The relative priority with regard to the security interest in the Collateral (other than the Escrow Collateral) as between (a) the creditors under the Senior Facilities Agreement and the creditors of certain future indebtedness that is *pari passu* with the Senior Facilities Agreement, (b) the counterparties under certain hedging obligations, (c) the holders of the Notes, (d) the Issuer, Bidco, and the Guarantors and (e) the Trustee and the Security Agent and (f) future second lien Indebtedness (to the extent permitted to be incurred hereunder) is established by the terms of the Intercreditor Agreement, the Indenture, the Security Documents, the security documents relating to the Senior Facilities Agreement and certain hedging obligations, which provide, among other things, that the obligations under the Notes and the Indenture will receive proceeds on enforcement of security over the Collateral (other than the Escrow Collateral) only after the claims of the Senior Facilities Agreement, certain hedging counterparties and creditors under any future Indebtedness permitted to be secured on a first-ranking basis in accordance with the terms of the Indenture and the Intercreditor Agreement are satisfied (and creditors under future second lien indebtedness (to the extent permitted to be incurred)). See "*Description of Other Indebtedness—Intercreditor Agreement*." In addition, pursuant to the Intercreditor Agreement entered into on the Issue Date (and any Additional Intercreditor Agreement entered into after the Issue Date), the Collateral (other than the Escrow Collateral) may be pledged to secure other Indebtedness. See "*—Release of Liens,*" "*—Certain Covenants—Impairment of Security Interest*" and "*—Certain Definitions—Permitted Collateral Liens.*"

Administration of Security and Enforcement of Liens

The Security Documents and the Collateral will be administered by the Security Agent, in each case pursuant to the Intercreditor Agreement and any Additional Intercreditor Agreement for the benefit of all holders of secured obligations. The enforcement of the Security Documents will be subject to the procedures set forth in the Intercreditor Agreement and any Additional Intercreditor Agreement. For a description of the Intercreditor Agreement, see "*Description of Other Indebtedness—Intercreditor Agreement*."

The ability of holders of the Notes to realize upon the Collateral will be subject to various bankruptcy law limitations in the event of the Issuer's bankruptcy. See "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations*" and "*Risk Factors—Risks Related to the Notes—In certain jurisdictions, security over the Collateral will be granted to the Security Agent rather than directly to the holders of the Notes. The ability of the Security Agent to enforce the Collateral may be restricted by local law*," "*Risk Factors—Risks Related to the Notes—The insolvency and administrative laws of France and other applicable jurisdictions may not be as favorable to you as the insolvency laws of the United States or those of another jurisdiction with which you are familiar; other limitations on the Note Guarantees and the Security Interests, including fraudulent conveyance statutes, may adversely affect their validity and enforceability.*" In addition, the enforcement of the Collateral will be limited to the maximum amount required under the Agreed Security Principles to comply with corporate benefit, financial assistance and other laws. As a result of these limitations, the enforceable amounts of the Issuer's obligation under the Notes could be significantly less than the total amounts payable with respect to the Notes. See "*Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations*" and "*Risk Factors—Risks Related to the Notes—In certain jurisdictions, security over the Collateral will be granted to the Security Agent rather than directly to the holders of the Notes. The ability of the Security Agent to enforce the Collateral may be restricted by local law.*"

Subject to the terms of the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, the Issuer and the Guarantors will have the right to remain in possession and retain exclusive control of the Collateral, to freely operate the Collateral and to collect, invest and dispose of any income therefrom.

The rights of the Security Agent (acting on its behalf or on behalf of the holders of the Notes) to take enforcement action under the Security Documents in respect of the Collateral are subject to certain standstill provisions and other limitations on enforcement pursuant to the terms of the Intercreditor Agreement.

No appraisals of any of the Collateral have been prepared by or on behalf of the Issuer in connection with the issuance of the Notes. There can be no assurance that the proceeds from the sale of the Collateral would be sufficient to satisfy the obligations owed to the holders of the Notes and the Senior Facilities Agreement. 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 can be sold in a short period of time, if at all.

In addition, the Intercreditor Agreement places limitations on the ability of the Security Agent to cause the sale of some of the Collateral. These limitations may include requirements that some or all of the Collateral be disposed of only pursuant to public auctions or certain other competitive sales processes or only at a price confirmed by a valuation, subject to certain exceptions. See "*Description of Other Indebtedness—Intercreditor Agreement*."

The Trustee has, and by accepting a Note, each Holder will be deemed to have:

- irrevocably appointed U.S. Bank Trustees Limited, as Security Agent, to act as its agent under the Intercreditor Agreement and the other relevant documents to which it is a party (including, without limitation, the Security Documents);

- irrevocably authorized the Security Agent to (i) perform the duties and exercise the rights, powers and discretions that are specifically given to it under the Intercreditor Agreement or other documents to which it is a party (including, without limitation, the Security Documents), together with any other incidental rights, power and discretions; and (ii) execute each document, waiver, modification, amendment, renewal or replacement expressed to be executed by the Security Agent on its behalf; and
- accepted the terms and conditions of the Intercreditor Agreement and any Additional Intercreditor Agreement and each Holder will also be deemed to have authorized the Trustee to enter into any such Additional Intercreditor Agreement. The Intercreditor Agreement overrides any provisions in the Indenture and to the extent that any step or action is permitted under the Intercreditor Agreement, it will be deemed permitted under the Indenture.

Release of Liens

The Security Agent will take any action required to effectuate any release of Collateral required by a Security Document under any one or more of the following circumstances:

(1) upon payment in full of principal, interest and all other obligations in respect of the Notes issued under the Indenture or discharge or defeasance thereof as provided in "*—Defeasance*" and "*—Satisfaction and Discharge*";

(2) in the case of a Guarantor that is released from its Note Guarantee in accordance with the Indenture, the release of the property and assets and Capital Stock of such Guarantor;

(3) in connection with any disposition of Collateral (other than dispositions of Collateral consisting of the issued share capital of the Issuer), directly or indirectly, to (a) any Person other than the Issuer or any of its Restricted Subsidiaries if such disposition is permitted by the Indenture or (b) the Issuer or any Restricted Subsidiary, *provided* that in the case of this clause (b) subject to the Agreed Security Principles, the relevant Collateral becomes reasonably promptly subject to a substantially equivalent Lien over the same Collateral securing the Notes;

(4) as described under "*—Amendments and Waivers*" and "*—Certain Covenants—No Impairment of Security Interest*";

(5) automatically without any action by the Trustee, if the Lien granted in favor of the Indebtedness that gave rise to the obligation to grant the Lien over such Collateral is released;

(6) in a transaction that complies with the provisions described in "*—Certain Covenants—Merger and Consolidation*"; *provided* that in such a transaction where the Issuer or any Guarantor ceases to exist, the Lien on the Capital Stock of the Issuer or such Guarantor will be released and, subject to the Agreed Security Principles, will reattach (or a new Lien will be created) over the Capital Stock of the successor entity pursuant to a new share pledge (on terms substantially equivalent to the existing Lien on the Capital Stock of the Issuer or such Guarantor, as applicable) granted by the holder of such Capital Stock;

(7) 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;

(8) as otherwise provided in the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement; and

(9) in connection with a Permitted Reorganization.

Each of these releases shall be effected by the Security Agent and, to the extent it is necessary, the Trustee without the consent of the Holders.

Amendments to the Intercreditor Agreement and Additional Intercreditor Agreements

In connection with the (1) Incurrence of any Senior Indebtedness, any Indebtedness by the Issuer or any of its Restricted Subsidiaries that is permitted to share in the Collateral or permitted to be

Incurred under the first paragraph or clause (1), (2), (4), (5), (6), (7), (11) (12), or (16) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" or (2) any Indebtedness the proceeds of which are used, in whole or in part, to refinance Indebtedness referred to in the foregoing clause (1), the Trustee and the Security Agent shall, at the request of the Issuer, enter into with the Issuer, the relevant Restricted Subsidiaries and the holders of such Indebtedness (or their duly authorized representatives) one or more intercreditor agreements or deeds (including a restatement, replacement, amendment or other modification of the Intercreditor Agreement) (an "*Additional Intercreditor Agreement*"), on substantially similar terms as the Intercreditor Agreement (or terms that are not materially less favorable to the Holders) with respect to sharing of the proceeds of security and enforcement of security, priority, release of security, turnover, limitation on enforcement and other rights contained in the Intercreditor Agreement; *provided* that such Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or Security Agent or adversely affect the personal rights, duties, liabilities, indemnification or immunities of the Trustee or the Security Agent under the Indenture or the Intercreditor Agreement. In connection with the foregoing, the Issuer shall furnish to the Trustee and Security Agent such documentation in relation thereto as it may reasonably require.

In relation to the Intercreditor Agreement or any Additional Intercreditor Agreement, the Trustee shall consent on behalf of the Holders to the payment, repayment, purchase, repurchase, defeasance, acquisition, retirement or redemption of any obligations subordinated to the Notes thereby; *provided, however*, that such transaction would comply with the covenant described herein under "*—Certain Covenants—Limitation on Restricted Payments*."

The Indenture will also provide that, at the written direction of the Issuer and without the consent of Holders, the Trustee and the Security Agent or any other relevant creditor representative or collateral agent 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 Indebtedness covered by the Intercreditor Agreement or any Additional Intercreditor Agreement that may be Incurred by the Issuer or its Restricted Subsidiaries that is subject to the Intercreditor Agreement or Additional Intercreditor Agreement, including the addition of provisions relating to new Indebtedness ranking junior in right of payment to the Notes (*provided* that such Indebtedness 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 Additional Notes), (5) make provision for equal and ratable pledges of the Collateral to secure Additional Notes or to implement any Permitted Collateral Liens, (6) to facilitate a Permitted Reorganization otherwise permitted by the Indenture or (7) make any other change to any such agreement that does not adversely affect the Holders of Notes in any material respect. The Issuer shall not otherwise direct the Trustee or Security Agent or any other relevant creditor representative or collateral agent 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 any Additional Intercreditor Agreement, and the Issuer may only direct the Trustee or Security Agent to enter into any amendment to the extent such amendment does not impose any personal obligations on the Trustee or Security Agent or, in the opinion of the Trustee or Security Agent, adversely affect their respective rights, duties, liabilities or immunities under the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement.

The Indenture will also provide that each Holder, by accepting a Note, shall be deemed to have agreed to and accepted the terms and conditions of the Intercreditor Agreement or any Additional Intercreditor Agreement (whether then entered into or entered into in the future pursuant to the provisions described herein) and to have authorized the Trustee and the Security Agent and any other relevant creditor representative or collateral agent to enter into the

Intercreditor Agreement, any Additional Intercreditor Agreement or any restatement, replacement, amendment or other modification to reflect the above on each Holder's behalf and neither the Trustee nor the Security Agent will be required to seek the consent of the Holders to perform its obligations under and in accordance with the above provisions. The Intercreditor Agreement overrides any provisions in the Indenture and to the extent that any step or action is permitted under the Intercreditor Agreement, it will be deemed permitted under the Indenture.

A copy of the Intercreditor Agreement and/or any Additional Intercreditor Agreement shall be made available to the Holders upon request and will be made available for inspection during normal business hours on any Business Day upon prior written request at the office of the Issuer and, for so long as any Notes are admitted for trading on the Exchange, at the offices of the Listing Sponsor for the Notes.

Optional Redemption

Except as set forth herein and under "*—Redemption for Taxation Reasons*," the Notes are not redeemable at the option of the Issuer.

At any time prior to , 2020, the Issuer may redeem the Notes in whole or in part, at its option, upon not less than 10 nor more than 60 days' prior notice at a redemption price equal to 100% of the principal amount of such Notes plus the Applicable Premium as of, and accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date (subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date).

At any time and from time to time on or after , 2020, the Issuer may redeem the Notes in whole or in part, upon not less than 10 nor more than 60 days' prior notice at a redemption price equal to the percentage of principal amount set forth below plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date (subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date) if redeemed during the twelve-month period beginning on of the years indicated below:

Year	Percentage
2020	%
2021	%
2022 and thereafter	100.000%

At any time and from time to time prior to , 2020, the Issuer may redeem the Notes upon not less than 10 nor more than 60 days' prior notice with the net cash proceeds received by the Issuer from any Equity Offering at a redemption price equal to % plus accrued and unpaid interest and Additional Amounts, if any, to, but excluding, the redemption date (subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date), in an aggregate principal amount for all such redemptions not to exceed 40% of the original aggregate principal amount of the Notes (including Additional Notes), *provided* that:

(1) in each case the redemption takes place not later than 180 days after the closing of the related Equity Offering; and

(2) not less than 60% of the original aggregate principal amount of the Notes being redeemed (including the principal amount of any Additional Notes) remains outstanding immediately thereafter.

Notice of any redemption upon any Equity Offering may be given prior to the completion thereof.

General

Any redemption and notice of redemption may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent (including, without limitation, in the case of a

redemption related to an Equity Offering, the consummation of such Equity Offering and, in the case of a redemption of the Notes, the incurrence of Indebtedness the proceeds of which will be used to redeem the Notes). In addition, if such redemption or notice is subject to satisfaction of one or more conditions precedent, such notice shall state that, in the Issuer's discretion, the redemption date may be delayed until such time as any or all such conditions shall be satisfied, or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied by the redemption date, or by the redemption date so delayed; *provided*, *however*, that in no case shall the notice have been delivered less than 10 days or more than 60 days prior to the date on which such redemption (if any) occurs.

If the Issuer effects an optional redemption of the Notes, it will, for so long as the Notes are listed on the Official List of the Exchange and admitted for trading on the Exchange and the rules of the Exchange so require, inform the Exchange of such optional redemption and confirm the aggregate principal amount of the Notes that will remain outstanding immediately after such redemption.

If the optional redemption date is on or after an interest record date and on or before the related interest payment date, the accrued and unpaid interest will be paid to the Person in whose name the Note is registered at the close of business on such record date, and no additional interest will be payable to Holders whose Notes will be subject to redemption by the Issuer.

Subject to compliance with the covenants contained herein, and provided that no Default is triggered thereby, the Issuer and its Affiliates may at any time and from time to time purchase Notes. Any such purchases may be made through open market or privately negotiated transactions with third parties or pursuant to one or more tender or exchange offers or otherwise, upon such terms and at such prices as well as with such consideration as the Issuer or any such Affiliates may determine.

In connection with any tender offer for the Notes at a price of at least 100.000% of the principal amount of the Notes tendered, plus accrued and unpaid interest thereon to, but excluding, the applicable tender settlement date, if Holders of Notes of not less than 90% in aggregate principal amount of the applicable outstanding Notes validly tender and do not withdraw such Notes in such tender offer and the Issuer, or any third party making such a tender offer in lieu of the Issuer, purchases, all of the Notes validly tendered and not withdrawn by such Holders, the Issuer or such third party will have the right upon not less than 10 nor more than 60 days' prior notice, given not more than 30 days following such tender offer expiration date, to redeem the Notes that remain outstanding in whole, but not in part, following such purchase at a price equal to the price offered to each other Holder of Notes in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest, if any, thereon, to, but excluding, such redemption date.

Sinking Fund

Other than a Special Mandatory Redemption, the Issuer will not be required to make mandatory redemption payments or sinking fund payments with respect to the Notes.

Selection and Notice

If less than all of the Notes are to be redeemed at any time, the Notes will be selected on a *pro rata* basis for redemption in compliance with the requirements of the principal securities exchange, if any, on which the Notes are listed, as certified to the Trustee or the Registrar, as applicable, by the Issuer, and in compliance with the requirements of Euroclear or Clearstream, or if the Notes are not so listed or such exchange prescribes no method of selection and the Notes are not held through Euroclear or Clearstream or Euroclear or Clearstream prescribe no method of selection, on a *pro rata* basis in respect of the Notes; *provided*, *however*, that no Note

of €100,000 in aggregate principal amount or less shall be redeemed in part and only in integral multiples of €1,000 will be redeemed. Neither the Trustee nor the Registrar will be liable for any selections made in accordance with this paragraph.

So long as any Notes are listed on the Official List of the Exchange and admitted for trading on the Exchange and the rules of the Exchange so require, any such notice to the Holders of the relevant Notes shall to the extent and in the manner permitted by such rules be posted on the official website of the Exchange and in addition to such release, not less than 10 days nor more than 60 days prior to the redemption date, the Issuer will mail, or at the expense of the Issuer, cause to be mailed, such notice to Holders by first-class mail, postage prepaid, at their respective addresses as they appear on the registration books of the Registrar. Such notice of redemption may instead be posted on the website of the Exchange.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note shall state the portion of the principal amount thereof to be redeemed, in which case a portion of the original Note will be issued in the name of the Holder thereof upon cancellation of the original Note. In the case of a Global Note, an appropriate notation will be made on such Note to decrease the principal amount thereof to an amount equal to the unredeemed portion thereof. Subject to the terms of the applicable redemption notice (including any conditions contained therein), Notes called for redemption become due on the date fixed for redemption (as delayed from time to time pursuant to such notice). On and after the redemption date, interest ceases to accrue on Notes or portions of them called for redemption.

Redemption for Taxation Reasons

The Issuer or Successor Issuer, as defined below, may redeem the Notes in whole, but not in part, at any time upon giving not less than 10 nor more than 60 days' notice to the Holders of the Notes (which notice will be irrevocable) at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest, if any, to, but excluding, the date fixed for redemption (a "*Tax Redemption Date*") (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date that is prior to the Tax Redemption Date) and all Additional Amounts (see "*—Withholding Taxes*"), then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise, if any, if the Issuer, Successor Issuer or relevant Guarantor determine in good faith that, as a result of:

(1) any change in, or amendment to, the laws or treaties (or any regulations, protocols or rulings promulgated thereunder) of a Relevant Taxing Jurisdiction (as defined below); or

(2) any change in, or amendment to, or the introduction of, an official position regarding the application, administration or interpretation of such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction) of a Relevant Taxing Jurisdiction (each of the foregoing in clauses (1) and (2), a "*Change in Tax Law*"),

the Issuer, Successor Issuer or relevant Guarantor are, or on the next interest payment date in respect of the Notes would be, required to pay any Additional Amounts, and such obligation cannot be avoided by taking reasonable measures available to the Issuer, Successor Issuer or relevant Guarantor (including, for the avoidance of doubt, the appointment of a new Paying Agent where this would be reasonable and not result in any material legal or regulatory burden or any significant additional costs but not including assignment of the obligation to make payment with respect to the Notes). In the case of redemption due to withholding as a result of a Change in Tax Law in a jurisdiction that is a Relevant Taxing Jurisdiction at the date of this Offering Memorandum, such Change in Tax Law must become effective on or after the date of this Offering Memorandum. In the case of redemption due to withholding as a result of a Change in Tax Law in a jurisdiction that becomes a Relevant Taxing Jurisdiction after the date of this Offering Memorandum, such Change in Tax Law must become effective on or after the date the jurisdiction becomes a Relevant Taxing Jurisdiction, unless the Change in Tax Law would have applied to the predecessor of the Successor Issuer. Notice of redemption for taxation reasons will

be published in accordance with the procedures described under "*—Selection and Notice*." Notwithstanding the foregoing, no such notice of redemption will be given (a) earlier than 60 days prior to the earliest date on which the Payor (as defined below) would be obligated to make such payment of Additional Amounts if a payment in respect of the Notes were then due and (b) unless at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. Prior to the publication or mailing of any notice of redemption of the Notes pursuant to the foregoing, the Issuer or Successor Issuer will deliver to the Trustee (a) an Officer's Certificate stating that it is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to its right so to redeem have been satisfied and that it would not be able to avoid the obligation to pay Additional Amounts by taking reasonable measures available to it and (b) an opinion of an independent tax counsel of recognized standing to the effect that the Issuer, Successor Issuer or relevant Guarantor has or have been or will become obligated to pay Additional Amounts as a result of a Change in Tax Law. The Trustee will accept such Officer's Certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent described above, without further inquiry, in which event it will be conclusive and binding on the Holders.

The foregoing will apply *mutatis mutandis* to any jurisdiction in which any Successor Issuer is incorporated or organized or any political subdivision or taxing authority or agency thereof or therein.

Withholding Taxes

All payments made by the Issuer, a Successor Issuer or relevant Guarantor (a "*Payor*") on the Notes or any Note Guarantees will be made free and clear of and without withholding or deduction for, or on account of, any Taxes unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of:

(1) any jurisdiction from or through which payment on any such Note or any Note Guarantee is made by a Payor or the Paying Agent, or any political subdivision or Governmental Authority thereof or therein having the power to tax; or

(2) any other jurisdiction in which the Payor is incorporated or organized, engaged in business for tax purposes or otherwise resident for tax purposes, or any political subdivision or Governmental Authority thereof or therein having the power to tax (each of clause (1) and (2), a "*Relevant Taxing Jurisdiction*"),

will at any time be required from any payments made by a Payor with respect to any Note or any Note Guarantee, including payments of principal, redemption price, premium, if any, or interest, the Payor will pay (together with such payments) such additional amounts (the "*Additional Amounts*") as may be necessary in order that the net amounts received in respect of such payments by the Holders after such withholding or deduction (including any such deduction or withholding from such Additional Amounts), will equal the amounts which would have been received by each Holder in respect of such payments on any such Note or any Note Guarantee in the absence of such withholding or deduction; *provided*, *however*, that no such Additional Amounts will be payable for or on account of:

(1) any Taxes that would not have been so imposed but for the existence of any present or former connection between the relevant Holder or the beneficial owner of a Note (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of power over the relevant Holder or beneficial owner, if the relevant Holder or beneficial owner is an estate, nominee, trust, partnership, limited liability company or corporation) and the Relevant Taxing Jurisdiction (including being a citizen or resident or national of, or carrying on a business or maintaining a permanent establishment in, or being physically present in, the Relevant Taxing Jurisdiction) but excluding, in each case, any connection arising solely from the acquisition, ownership or holding of such Note or the receipt of any payment in respect thereof;

(2) any Taxes to the extent that they are imposed or withheld by reason of the failure by the Holder or the beneficial owner of the Note to comply with a written request of the Payor addressed to the Holder, after reasonable notice, to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the Holder or such beneficial owner or to make any declaration or similar claim or satisfy any other reporting requirement relating to such matters, which is required by a statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction as a precondition to exemption from, or reduction in the rate of withholding or deduction of, all or part of such Taxes;

(3) any Taxes that are payable otherwise than by deduction or withholding from a payment of the principal of, premium, if any, or interest, if any, on the Notes or any Note Guarantees;

(4) any estate, inheritance, gift, sales, value added, use, excise, transfer, personal property or similar tax, assessment or other governmental charge;

(5) any Taxes imposed on or with respect to a payment made to a Holder or beneficial owner who would have been able to avoid such Tax by presenting the relevant Note to, or otherwise accepting payment from, another paying agent;

(6) any Taxes imposed pursuant to Sections 1471 through 1474 of the Code (or any amended or successor version of such Sections), any U.S. Treasury regulations or other official guidance promulgated thereunder, any intergovernmental agreement entered into in connection therewith, any similar law or regulation adopted pursuant to an intergovernmental agreement between a non-U.S. jurisdiction and the United States with respect to any of the foregoing or any agreements entered into pursuant to section 1471(b)(1) of the Code; or

(7) any combination of the above.

Such Additional Amounts will also not be payable (x) if the payment could have been made without such deduction or withholding if the beneficiary of the payment had presented the Note for payment (where presentation is permitted or required for payment) within 30 days after the relevant payment was first made available for payment to the Holder or (y) where, had the beneficial owner of the Note been the Holder, such beneficial owner would not have been entitled to payment of Additional Amounts by reason of any of clauses (1) to (7) inclusive above.

In addition, no Additional Amounts shall be paid with respect to any Taxes imposed on or with respect to a payment to any Holder who is a fiduciary or a partnership or other than the sole beneficial owner of such Notes to the extent that Taxes would not have been imposed on such payment had such Holder been the sole beneficial owner of such Note.

The Payor will (i) make any withholding or deduction it is required to make under applicable law and (ii) remit the full amount deducted or withheld to the relevant taxing authority in the Relevant Taxing Jurisdiction in accordance with applicable law. The Payor will use all reasonable efforts to obtain certified copies of tax receipts evidencing the payment of any Taxes so deducted or withheld from each Relevant Taxing Jurisdiction imposing such Taxes, in such form as provided in the ordinary course by the Relevant Taxing Jurisdiction and as is reasonably available to the Issuer and will provide such certified copies to the Trustee and the Paying Agent. Such copies shall be made available by the Issuer to the Holders upon request.

If any Payor will be obligated to pay Additional Amounts under or with respect to any payment made on any Note or any Note Guarantee, at least 30 days prior to the date of such payment, the Payor will deliver to the Trustee, with a copy to the Paying Agent, an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount so payable and such other information necessary to enable the Paying Agent to pay Additional Amounts to Holders on the relevant payment date (unless such obligation to pay Additional Amounts arises less than 45 days prior to the relevant payment date, in which case the Payor may deliver such Officer's Certificate as promptly as practicable after the date that is 30 days prior to the payment date). The Trustee and Paying Agent will be entitled to rely solely on such Officer's Certificate as conclusive proof that such payments are necessary.

Wherever in either the Indenture, any Note Guarantees or this "*Description of the Notes*" there are mentioned, in any context:

(1) the payment of principal;

(2) purchase prices in connection with a purchase of Notes;

(3) interest; or

(4) any other amount payable on or with respect to any of the Notes,

such reference shall be deemed to include payment of Additional Amounts as described under this heading to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The Payor will pay any present or future stamp, court or documentary taxes, or any other property or similar taxes, charges or levies that arise in any Relevant Taxing Jurisdiction from the execution, delivery, registration or enforcement of any Notes, the Indenture, the Security Documents or any other document or instrument in relation thereto (other than a transfer of the Notes), and the Payor agrees to reimburse the Holders for any such taxes paid by such Holders, except where Luxembourg registration duties (*droits d'enregistrement*) arise or are due in relation to the registration of any Notes, the Indenture, the Security Documents or any other document or instrument in relation thereto with the *Administration de l'enregistrement et des domaines* in Luxembourg, where such registration is made on a purely voluntary basis by the Holders (i.e. where such registration is not necessary for the perfection, protection or enforcement of their rights in respect of the Notes, the Indenture, the Security Documents or any other document or instrument in relation thereto). The foregoing obligations of this paragraph will survive any termination, defeasance or discharge of the Indenture and will apply *mutatis mutandis* to any jurisdiction in which any Successor Issuer is organized or any political subdivision or taxing authority or agency thereof or therein.

Change of Control

If a Change of Control occurs, subject to the terms hereof, each Holder will have the right to require the Issuer to repurchase all or part (in integral multiples of €1,000; *provided* that Notes of €100,000 or less may only be redeemed in whole and not in part) of such Holder's Notes at a purchase price in cash equal to 101% of the principal amount of the Notes, plus accrued and unpaid interest to the date of purchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, *however*, that the Issuer shall not be obligated to repurchase Notes as described under this "*Change of Control*" section in the event and to the extent that it has unconditionally exercised its right to redeem all of the Notes as described under "*—Optional Redemption*" or all conditions to such redemption have been satisfied or waived.

Unless the Issuer has unconditionally exercised its right to redeem all the Notes as described under "*—Optional Redemption*" or all conditions to such redemption have been satisfied or waived, no later than the date that is 60 days after any Change of Control, the Issuer will mail a notice (the "*Change of Control Offer*") to each Holder of any such Notes, with a copy to the Trustee:

(1) stating that a Change of Control has occurred or may occur and that such Holder has the right to require the Issuer to purchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount of such Notes plus accrued and unpaid interest to, but not including, the date of purchase (subject to the right of Holders of record on a record date to receive interest on the relevant interest payment date) (the "*Change of Control Payment*");

(2) stating the repurchase date (which shall be no earlier than 10 days nor later than 60 days from the date such notice is mailed) (the "*Change of Control Payment Date*");

(3) describing the circumstances and relevant facts regarding the transaction or transactions that constitute the Change of Control;

(4) describing the procedures determined by the Issuer, consistent with the Indenture, that a Holder must follow in order to have its Notes repurchased; and

(5) if such notice is mailed prior to the occurrence of a Change of Control, stating that the Change of Control Offer is conditional on the occurrence of such Change of Control.

On the Change of Control Payment Date, if the Change of Control shall have occurred, the Issuer will, to the extent lawful:

(1) accept for payment all Notes properly tendered pursuant to the Change of Control Offer;

(2) deposit with the Paying Agent an amount equal to the Change of Control Payment in respect of all Notes so tendered;

(3) deliver or cause to be delivered to the Trustee an Officer's Certificate stating the aggregate principal amount of Notes or portions thereof being purchased by the Issuer in the Change of Control Offer;

(4) in the case of Global Notes, deliver, or cause to be delivered, to the Paying Agent the Global Notes in order to reflect thereon the portion of such Notes or portions thereof that have been tendered to and purchased by the Issuer; and

(5) in the case of Definitive Registered Notes, deliver, or cause to be delivered, to the relevant Registrar for cancellation all Definitive Registered Notes accepted for purchase by the Issuer.

If any Definitive Registered Notes have been issued, the Paying Agent will promptly mail to each Holder of Definitive Registered Notes so tendered the Change of Control Payment for such Notes, and the Trustee will promptly authenticate (or cause to be authenticated) and mail (or cause to be transferred by book entry) to each Holder of Definitive Registered Notes a new Note equal in aggregate principal amount to the unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in an aggregate principal amount that is at least €100,000 and integral multiples of €1,000 in excess thereof.

If and for so long as the Notes are listed on the Official List of the Exchange and admitted for trading on the Exchange, and if and to the extent that the rules of the Exchange so require, the Issuer will notify the Exchange of any Change of Control Offer.

The Change of Control provisions described above will be applicable whether or not any other provisions of the Indenture are applicable. Except as described above with respect to a Change of Control, the Indenture will not contain provisions that permit the Holders to require that the Issuer repurchase or redeem the Notes in the event of a takeover, recapitalization or similar transaction. The existence of a Holder's right to require the Issuer to repurchase such Holder's Notes upon the occurrence of a Change of Control may deter a third party from seeking to acquire the Issuer or its Subsidiaries in a transaction that would constitute a Change of Control.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

Notwithstanding anything to the contrary contained herein, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control, or an offer or other transaction that if consummated would result in a Change of Control has been publicly announced and, if applicable, not withdrawn, at the time the Change of Control Offer is made.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other applicable securities laws or regulations (or rules of any exchange on

which the Notes are then listed) in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations (or exchange rules) conflict with provisions of the Indenture, the Issuer will comply with the applicable securities laws and regulations (or exchange rules) and will not be deemed to have breached its obligations under the Change of Control provisions of the Indenture by virtue of the conflict.

The occurrence of a change of control would entitle each lender under the Senior Facilities Agreement (individually) to cancel its commitments and require prepayment of amounts outstanding to it under the Senior Facilities Agreement. Future debt of the Issuer or its Subsidiaries may prohibit the Issuer from purchasing Notes in the event of a Change of Control or provide that a Change of Control is a default or requires repurchase upon a Change of Control. Moreover, the exercise by the Holders of their right to require the Issuer to purchase the Notes could cause a default under, or require a repurchase of, other debt, even if the Change of Control itself does not, due to the financial effect of the purchase on the Issuer.

If Holders of not less than 90% in aggregate principal amount of the outstanding Notes validly tender and do not withdraw such Notes in a Change of Control Offer and the Issuer, or any third party making a Change of Control Offer in lieu of the Issuer as described above, purchases all of the Notes validly tendered and not withdrawn by such Holders, the Issuer or such third party will have the right, upon not less than 10 days nor more than 60 days' prior notice (*provided* that such notice is given not more than 30 days following such purchase pursuant to the Change of Control Offer described above) to redeem all Notes that remain outstanding following such purchase at a redemption price in cash equal to the applicable Change of Control Payment plus, to the extent not included in the Change of Control Payment, accrued and unpaid interest, if any, to, but excluding, the date of redemption.

Finally, the Issuer's ability to pay cash to the Holders following the occurrence of a Change of Control may be limited by the Issuer's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make the required purchase of the Notes. See "*Risk Factors—Risks Related to the Notes—We may not be able to finance a change of control offer.*"

The definition of "*Change of Control*" includes a disposition of all or substantially all of the property and assets of the Issuer and its Restricted Subsidiaries taken as a whole to specified other Persons. Although there is limited case law interpreting the phrase "substantially all," there is no precise established definition of the phrase "substantially all" 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 property or assets of a Person. As a result, it may be unclear as to whether a Change of Control has occurred and whether a Holder may require the Issuer to make an offer to repurchase the Notes as described above. In addition, the definitions of "*Change of Control*" and "*Permitted Holders*" expressly permit a third party to obtain control of the Issuer in a transaction which is a Specified Change of Control Event without any obligation to make a Change of Control Offer.

The provisions of the Indenture relating to the Issuer's obligation to make an offer to repurchase the Notes as a result of a Change of Control may be waived or modified with the written consent of Holders of a majority in outstanding aggregate principal amount of the Notes under the Indenture.

Certain Covenants

Limitation on Indebtedness

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, Incur any Indebtedness (including Acquired Indebtedness); *provided*, *however*, that the Issuer and any Restricted Subsidiary may Incur Indebtedness (including Acquired Indebtedness) if, on the date of such Incurrence after giving *pro forma* effect thereto (including *pro forma* application of the

proceeds thereof) as if the additional Indebtedness had been Incurred at the beginning of such four quarter period, the Consolidated Fixed Charge Coverage Ratio for the Issuer's most recently ended four fiscal quarters for which internal consolidated financial statements of the Issuer are available immediately preceding the date on which such additional Indebtedness is Incurred is at least 2.0 to 1.0.

The first paragraph of this covenant will not prohibit the Incurrence of the following Indebtedness:

(1) Indebtedness Incurred pursuant to any Credit Facility (including letters of credit or bankers' acceptances issued or created under any Credit Facility), and any Refinancing Indebtedness in respect thereof and Guarantees in respect of such Indebtedness in a maximum aggregate principal amount at any time outstanding not exceeding (a) the sum of (i) €1,075.0 million and (ii) the greater of €160.0 million and 100.0% of Consolidated EBITDA, *plus* (b) the maximum amount of Indebtedness such that after giving pro forma effect to such Incurrence, the Consolidated Net Secured Leverage Ratio of Bidco does not exceed 5.50 to 1.00 (with any Indebtedness Incurred under clause (a)(ii) hereof on the date of determination of the Consolidated Net Secured Leverage Ratio (other than Indebtedness Incurred under the revolving portion of such Credit Facility on such date) not being included in the calculation of Consolidated Net Secured Leverage Ratio under this clause (b) on such date (but not, for the avoidance of doubt, excluded from any such calculation made on any subsequent date)) *plus* (c) in the case of any refinancing of any Indebtedness permitted under this clause (1) or any portion thereof, including the aggregate amount of fees, accrued and unpaid interest, underwriting discounts, premiums and other costs (including redemption premia and defeasance costs) and expenses Incurred in connection with such refinancing; *provided* that any Indebtedness Incurred and outstanding pursuant to this clause (1) shall be deemed to be Secured Indebtedness (whether or not so secured) solely for the purposes of calculating the Consolidated Net Secured Leverage Ratio pursuant to clause (1)(b) above;

(2) (a) Guarantees by the Issuer or any Restricted Subsidiary of Indebtedness of the Issuer or any Restricted Subsidiary so long as the Incurrence of such Indebtedness being Guaranteed is permitted under the terms of the Indenture; or

(b) without limiting the covenant described under "*—Limitation on Liens*," Indebtedness arising by reason of any Lien granted by or applicable to such Person securing Indebtedness of the Issuer or any Restricted Subsidiary so long as the Incurrence of such Indebtedness is permitted under the terms of the Indenture;

(3) Indebtedness of the Issuer owing to and held by any Restricted Subsidiary or Indebtedness of a Restricted Subsidiary owing to and held by the Issuer or any Restricted Subsidiary; *provided*, *however*, that:

(a) if the Issuer or any Guarantor is the obligor under such Indebtedness and the obligee is not the Issuer or a Guarantor, such Indebtedness is unsecured and, if the aggregate principal amount of such Indebtedness (other than Indebtedness that is outstanding for a period of less than 90 days) of the Issuer or such Guarantor to a Restricted Subsidiary that is not a Guarantor exceeds the greater of (i) €20.0 million and (ii) 12.5% of Consolidated EBITDA, ((i) except in respect of the intercompany current liabilities Incurred in connection with the cash management operations of the Issuer and its Restricted Subsidiaries and (ii) only to the extent legally permitted (the Issuer and its Restricted Subsidiaries having completed all procedures required in the reasonable judgment of directors or officers of the obligee or obligor to protect such Persons from any penalty or civil or criminal liability in connection with the subordination of such Indebtedness)) expressly subordinated in right of payment (including as provided under the Intercreditor Agreement or any Additional Intercreditor Agreement) to the prior payment in full in cash of the Notes (whether upon Stated Maturity, acceleration or otherwise); and

(b) (i) any subsequent issuance or transfer of Capital Stock or any other event which results in any such Indebtedness being beneficially held by a Person other than the Issuer or a Restricted Subsidiary of the Issuer and (ii) any sale or other transfer of any such Indebtedness to a Person other than the Issuer or a Restricted Subsidiary of the Issuer, shall be deemed, in each case, to constitute an Incurrence of such Indebtedness by the Issuer or such Restricted Subsidiary, as the case may be;

(4) Indebtedness represented by (a) the Notes (other than any Additional Notes) and any Guarantee thereof, (b) any Indebtedness (other than Indebtedness described in the first paragraph of this covenant or in clauses (1) and (3) of this paragraph) existing (i) on the Issue Date, in the case of the Issuer and Bidco, and (ii) on the Completion Date, in the case of the Target Group, after giving effect to the Transactions, (c) Refinancing Indebtedness Incurred in respect of any Indebtedness described in this clause (4) or clause (5) of this paragraph or Incurred pursuant to the first paragraph of this covenant, (d) the Guarantees of and Liens granted with respect to the Notes from time to time and any "parallel debt" obligations created under the Intercreditor Agreement, any Additional Intercreditor Agreement or the applicable security documents with respect to the Notes or any other Indebtedness the Incurrence of which is permitted under the terms of the Indenture, and (e) Management Advances;

(5) Indebtedness of any Person (a) Incurred and outstanding on the date on which such Person becomes a Restricted Subsidiary of the Issuer or another Restricted Subsidiary of the Issuer or is merged, consolidated, amalgamated or otherwise combined with (including pursuant to any acquisition of assets and assumption of related liabilities) the Issuer or any Restricted Subsidiary or (b) Incurred to provide all or any portion of the funds utilized to consummate any such acquisition, merger, amalgamation or combination (including any such acquisition of assets and assumption of related liabilities); *provided, however*, with respect to each of clause (5)(a) and (5)(b), that at the time of such acquisition, merger, consolidation, amalgamation or other transaction either (i) the Issuer would have been able to Incur €1.00 of additional Indebtedness pursuant to the first paragraph of this covenant after giving effect to the Incurrence of such Indebtedness (including application of the proceeds thereof) pursuant to this clause (5) or (ii) the Consolidated Fixed Charge Coverage Ratio of the Issuer after giving effect to the Incurrence of such Indebtedness (including application of the proceeds thereof) pursuant to this clause (5) would not be less than it was immediately prior to giving effect to such acquisition or other transaction and the Incurrence of such Indebtedness;

(6) Indebtedness under Currency Agreements, Interest Rate Agreements and Commodity Hedging Agreements entered into for *bona fide* hedging purposes of the Issuer or its Restricted Subsidiaries and not for speculative purposes (as determined in good faith by an Officer or the Board of Directors of the Issuer);

(7) Indebtedness of the Issuer and any of its Restricted Subsidiaries represented by Capitalized Lease Obligations, Purchase Money Obligations, or other financings, Incurred for the purpose of financing all or any part of the purchase price or cost of construction or improvement of property, plant or equipment used in a Similar Business or Indebtedness otherwise Incurred to finance the purchase, lease, rental or cost of design, construction, installation or improvement of property (real or personal) or equipment that is used or useful in a Similar Business, whether through the direct purchase of assets or the Capital Stock of any Person owning such assets and in each case any Refinancing Indebtedness in respect thereof, in an aggregate outstanding principal amount which, when taken together with the principal amount of all other Indebtedness Incurred pursuant to this clause (7) and then outstanding, will not exceed at any time the greater of (i) € 60.0 million and (ii) 38% of Consolidated EBITDA;

(8) Indebtedness in respect of (a) workers' compensation claims, 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 or in respect of any governmental requirement, (b) letters of credit, bankers' acceptances, guarantees or other similar instruments or obligations supporting trade payables or issued or relating to other liabilities or obligations Incurred in the ordinary course of business (including, without limitation, in connection with commercial leases) or in respect of any governmental requirement; *provided, however*, that upon the drawing of such letters of credit or similar instruments, the obligations are reimbursed within 30 days following such drawing, (c) the financing of insurance premiums in the ordinary course of business, (d) any customary netting or setting off arrangements in the ordinary course of business, (e) manufacturer, vendor financing, customer and supply arrangements in the ordinary course of business, or (f) obligations to reacquire assets or inventory in connection with customer financing arrangements in the ordinary course of business;

(9) Indebtedness arising from agreements providing for customary guarantees, indemnification, obligations in respect of earn-outs or other adjustments of purchase price or, in each case, similar obligations, in each case, Incurred or assumed in connection with the acquisition or disposition of any business or assets or Person or any Capital Stock of a Subsidiary (other than Guarantees of Indebtedness Incurred by any Person acquiring or disposing of such business or assets or such Subsidiary for the purpose of financing such acquisition); *provided* that, in the case of a disposition, the maximum liability of the Issuer and its Restricted Subsidiaries in respect of all such Indebtedness shall at no time exceed the gross proceeds, including the fair market value of non-cash proceeds (measured at the time received and without giving effect to any subsequent changes in value), actually received by the Issuer and its Restricted Subsidiaries in connection with such disposition;

(10) (a) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument drawn against insufficient funds in the ordinary course of business; *provided, however*, that such Indebtedness is extinguished within 30 Business Days of Incurrence;

(b) take-or-pay obligations, customer deposits and advance payments received in the ordinary course of business from customers for goods or services purchased in the ordinary course of business;

(c) Indebtedness owed on a short-term basis of no longer than 30 days to banks and other financial institutions Incurred in the ordinary course of business of the Issuer and its Restricted Subsidiaries with such banks or financial institutions that arises in connection with ordinary banking arrangements to manage cash balances of the Issuer and its Restricted Subsidiaries;

(d) Indebtedness Incurred by a Restricted Subsidiary in connection with bankers acceptances, discounted bills of exchange or the discounting or factoring of receivables for credit management of bad debt purposes, in each case Incurred or undertaken in the ordinary course of business on arm's-length commercial terms on a recourse basis;

(e) Indebtedness arising from Bank Products; and

(f) Guarantees Incurred in the ordinary course of business in respect of obligations of (or to) suppliers, customers, franchisees, lessors and licensees that, in each case, are non-Affiliates;

(11) Indebtedness of the Issuer or any Restricted Subsidiary in an aggregate outstanding principal amount which, when taken together with any Refinancing Indebtedness in respect thereof and the aggregate principal amount of all other Indebtedness Incurred pursuant to this clause (11) and then outstanding, will not exceed the greater of (i) €60.0 million and (ii) 38.0% of Consolidated EBITDA;

(12) Indebtedness in an aggregate outstanding principal amount which, when taken together with any Refinancing Indebtedness in respect thereof and the principal amount of all other

Indebtedness Incurred pursuant to this clause (12) and then outstanding, 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 Disqualified Stock, Designated Preference Shares, an Excluded Contribution or Excluded Amounts) or otherwise contributed to the equity (other than through the issuance of Disqualified Stock, Designated Preference Shares, an Excluded Contribution or Excluded Amounts) 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 first paragraph and clauses (1), (6) and (10) of the third paragraph of the covenant described below under "*—Limitation on Restricted Payments*" to the extent the Issuer and its Restricted Subsidiaries incur Indebtedness in reliance thereon and (ii) any Net Cash Proceeds that are received or contributed shall be excluded for purposes of Incurring Indebtedness pursuant to this clause (12) to the extent the Issuer or any of its Restricted Subsidiaries makes a Restricted Payment under the first paragraph and clauses (1), (6) and (10) of the third paragraph of the covenant described below under *"—Limitation on Restricted Payments*" in reliance thereon;

(13) Indebtedness Incurred pursuant to factoring, securitizations, receivables financings or similar arrangements, including by a Receivables Subsidiary in a Qualified Receivables Financing, that is either (i) not recourse to the Issuer or any Restricted Subsidiary other than a Receivables Subsidiary (except to the extent customary for such type of factoring or similar arrangements and for Standard Securitization Undertakings) or (ii) does not exceed the greater of (x) €30.0 million and (y) 20% of Consolidated EBITDA;

(14) Indebtedness under daylight borrowing facilities Incurred in connection with any refinancing of Indebtedness (including by way of set-off or exchange) so long as any such Indebtedness is repaid within three days of the date on which such Indebtedness is Incurred;

(15) Indebtedness consisting of guarantees of Indebtedness incurred by joint ventures of the Issuer or any of its Restricted Subsidiaries that, together with the outstanding aggregate amount of Investments made pursuant to clause (19) of the definition of "*Permitted Investment*," does not exceed the greater of €30.0 million and 20.0% of Consolidated EBITDA in the aggregate outstanding at any one time; and

(16) Indebtedness consisting of local lines of credit, bilateral facilities, working capital or overdraft facilities or other operating facilities in an amount not to exceed the greater of (x) €40.0 million and (y) 25.0% of Consolidated EBITDA.

Notwithstanding anything to the contrary contained herein, the aggregate principal amount of Indebtedness that is permitted to be Incurred by Non-Guarantor Subsidiaries pursuant to the first paragraph of this covenant and clause (1)(b) and (11) of the second paragraph of this covenant shall not exceed at any time outstanding an amount equal to the greater of € 75.0 million and 50.0% of Consolidated EBITDA.

For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness Incurred pursuant to and in compliance with, this covenant:

(1) subject to clause (2) below, in the event that Indebtedness (or any portion thereof) meets the criteria of more than one of the types of Indebtedness described in the first and second paragraphs of this covenant, the Issuer, in its sole discretion, will classify, and may from time to time reclassify, such item of Indebtedness and only be required to include the amount and type of such Indebtedness in one of the clauses of the second paragraph or the first paragraph of this covenant. With respect to clauses (7), (11), (13)(ii) and (16) of the second paragraph of this covenant, if at any time that the Issuer or a Restricted Subsidiary would be entitled to have Incurred any then outstanding item of Indebtedness as pursuant to the first paragraph of this covenant, such item of Indebtedness shall be automatically reclassified into an item of Indebtedness Incurred pursuant to the first paragraph of this covenant;

(2) all Indebtedness Incurred on the Completion Date under the Senior Facilities Agreement shall be deemed Incurred under clause (1) of the second paragraph of the description of this covenant and may not be reclassified and all Indebtedness of the Target Group existing on the Completion Date after giving effect to the Transactions (which is expected to be in an aggregate principal amount of approximately €107.3 million) shall be deemed Incurred under clause (1) of the second paragraph of this covenant;

(3) Guarantees of, or obligations in respect of letters of credit, bankers' acceptances or other similar instruments or any "parallel debt" obligation (including any parallel debt obligation under the Intercreditor Agreement or any Additional Intercreditor Agreement) relating to, or Liens securing, Indebtedness that is otherwise included in the determination of a particular amount of Indebtedness shall not be included;

(4) if obligations in respect of letters of credit, bankers' acceptances or other similar instruments are Incurred pursuant to any Credit Facility and are being treated as Incurred pursuant to clause (1), (7), (11), (12) or (16) of the second paragraph above or the first paragraph above and the letters of credit, bankers' acceptances or other similar instruments relate to other Indebtedness, then such other Indebtedness shall not be included;

(5) the principal amount of any Disqualified Stock of the Issuer or a Restricted Subsidiary, or Preferred Stock of a Restricted Subsidiary, will be equal to the greater of the maximum mandatory redemption or repurchase price (not including, in either case, any redemption or repurchase premium) or the liquidation preference thereof;

(6) Indebtedness permitted by this covenant need not be permitted solely by reference to one provision permitting such Indebtedness but may be permitted in part by one such provision and in part by one or more other provisions of this covenant permitting such Indebtedness;

(7) the amount of Indebtedness issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined on the basis of IFRS;

(8) for purposes of determining compliance with this covenant, with respect to Indebtedness Incurred under a Credit Facility, reborrowings of amounts previously repaid pursuant to "cash sweep" or "clean down" provisions or any similar provisions under any such Credit Facility that provide that Indebtedness is to be repaid periodically shall only be deemed for purposes of this covenant, at the option of the Issuer, to have been Incurred on the date such Indebtedness was first Incurred and not on the date of any subsequent reborrowing thereof and shall be deemed if such option is exercised to remain Incurred and outstanding as Indebtedness under the first or second paragraph of this covenant, as applicable;

(9) in the case of any Refinancing Indebtedness, when measuring the outstanding amount of such Indebtedness, such amount shall not include any amounts necessary to pay accrued and unpaid interest and any fees and expenses, including any premium and defeasance costs, indemnity fees, discounts, premiums and other costs and expenses Incurred in connection with such refinancing;

(10) in the event that the Issuer or a Restricted Subsidiary enters into or increases commitments under a revolving Credit Facility, obtains any commitment for Indebtedness or commits to Incur any Lien pursuant to clause (25) of the definition of "Permitted Liens," the incurrence or issuance thereof for all purposes under the Indenture, including without limitation for purposes of calculating the Fixed Charge Coverage Ratio, the Consolidated Net Secured Leverage Ratio or the Consolidated Net Leverage Ratio, as applicable, or usage of clauses (1) through (16) of the preceding paragraph (if any) for borrowings and reborrowings thereunder (and including issuance and creation of letters of credit and bankers' acceptances thereunder) will, at the Issuer's option, either (a) be determined on the date of such revolving Credit Facility or such entry into or increase in commitments (assuming that the full amount thereof has been Incurred as Indebtedness as of such date) or other Indebtedness, and, if such Fixed Charge Coverage Ratio, the Consolidated Net Secured Leverage Ratio or the Consolidated Net Leverage Ratio, as

applicable, test or other provision of the Indenture is satisfied with respect thereto at such time, any borrowing or reborrowing thereunder (and the issuance and creation of letters of credit and bankers' acceptances thereunder) will be permitted under this covenant irrespective of the Fixed Charge Coverage Ratio, the Consolidated Net Secured Leverage Ratio or the Consolidated Net Leverage Ratio, as applicable, or other provision of the Indenture at the time of any borrowing or reborrowing (or issuance or creation of letters of credit or bankers' acceptances thereunder) (the committed amount permitted to be borrowed or reborrowed on a date pursuant to the operation of this clause (a) shall be the "*Reserved Indebtedness Amount*" as of such date for purposes of calculating the Fixed Charge Coverage Ratio, the Consolidated Secured Leverage Ratio, the Consolidated Net Secured Leverage Ratio, the Consolidated Leverage Ratio or the Consolidated Net Leverage Ratio, as applicable, shall be deemed to be Incurred and outstanding as Indebtedness under the first or second paragraph of this covenant, as applicable) or (b) be determined on the date such amount is borrowed pursuant to any such facility or increased commitment, and in each case, the Issuer may revoke such determination at any time and from time to time; and

(11) notwithstanding anything in this covenant to the contrary, in the case of any Indebtedness incurred to refinance Indebtedness initially incurred in reliance on a clause of the second paragraph of this covenant measured by reference to a percentage of Consolidated EBITDA at the time of Incurrence, if such refinancing would cause the percentage of Consolidated EBITDA restriction to be exceeded if calculated based on the percentage of Consolidated EBITDA on the date of such refinancing, such percentage of Consolidated EBITDA restriction shall not be deemed to be exceeded so long as the principal amount of such refinancing Indebtedness does not exceed the principal amount of such Indebtedness being refinanced, plus premiums (including tender premiums), defeasance, costs and fees in connection with such refinancing.

Accrual of interest, accrual of dividends, the accretion of accreted value, the accretion or amortization of original issue discount, the payment of interest in the form of additional Indebtedness, the payment of dividends in the form of additional shares of Preferred Stock or Disqualified Stock or the reclassification of commitments or obligations not treated as Indebtedness due to a change in IFRS will not be deemed to be an Incurrence of Indebtedness for purposes of the covenant described under this caption "*—Limitation on Indebtedness*." The amount of any Indebtedness outstanding as of any date shall be calculated as specified under the definition of "*Indebtedness*."

If at any time an Unrestricted Subsidiary becomes a Restricted Subsidiary, any Indebtedness of such Subsidiary shall be deemed to be Incurred by a Restricted Subsidiary of the Issuer as of such date.

For purposes of determining compliance with any euro-denominated restriction on the Incurrence of Indebtedness, the euro equivalent of the aggregate principal amount of Indebtedness denominated in another currency shall be calculated based on the relevant currency exchange rate in effect on the date such Indebtedness was Incurred, in the case of term Indebtedness, or, at the option of the Issuer, first committed, in the case of Indebtedness Incurred under a revolving credit facility; *provided* that (a) if such Indebtedness is Incurred to refinance other Indebtedness 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 shall be deemed not to have been exceeded so long as the aggregate principal amount of such Refinancing Indebtedness does not exceed the aggregate principal amount of such Indebtedness being refinanced; (b) the euro equivalent of the aggregate principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date; and (c) if and for so long as any such Indebtedness is subject to a Currency Agreement with respect to the currency in which such Indebtedness is denominated covering principal and interest on such Indebtedness, the amount of such Indebtedness, if denominated in euro, will be the amount of the principal

payment required to be made under such Currency Agreement and, otherwise, the euro equivalent of such amount plus the euro equivalent of any premium which is at such time due and payable but is not covered by such Currency Agreement.

For purposes of determining "Consolidated EBITDA" under this covenant, Consolidated EBITDA shall be measured for the Issuer's most recently ended four fiscal quarters for which internal consolidated financial statements are available as at the time that the Issuer or any of its Restricted Subsidiaries obtains new commitments (in the case of revolving facilities) or Incurs new Indebtedness (in the case of term facilities or other Indebtedness).

Notwithstanding any other provision of this covenant, the maximum amount of Indebtedness that the Issuer or a Restricted Subsidiary may Incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rate of currencies. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such Refinancing Indebtedness is denominated that is in effect on the date of such refinancing.

Financial Calculations

When calculating the availability under any basket or ratio under the Indenture, in each case in connection with any acquisition, disposition, merger, joint venture, investment or other similar transaction where there is a time difference between commitment and closing or Incurrence (including in respect of Incurrence of Indebtedness, Restricted Payments and Permitted Investments), the date of determination of such basket or ratio and of any Default or Event of Default shall, at the option of the Issuer, be the date the definitive agreements for such acquisition, disposition, merger, joint venture, investment or similar transaction are entered into and such baskets or ratios shall be calculated on a pro forma basis after giving effect to such acquisition, disposition, merger, joint venture, investment, or similar transaction and the other transactions to be entered into in connection therewith (including any Incurrence of Indebtedness and the use of proceeds thereof) as if they occurred at the beginning of the applicable reference period for purposes of determining the ability to consummate any such transaction (and not for purposes of any subsequent availability of any basket or ratio), and, for the avoidance of doubt, (x) if any of such baskets or ratios are exceeded as a result of fluctuations in such basket or ratio (including due to fluctuations in Consolidated EBITDA of the Issuer or the target company) subsequent to such date of determination and at or prior to the consummation of the relevant transaction, such baskets or ratios will not be deemed to have been exceeded as a result of such fluctuations solely for purposes of determining whether the transaction is permitted hereunder and (y) such baskets or ratios shall not be tested at the time of consummation of such transaction or related transactions; *provided*, *further*, that if the Issuer elects to have such determinations occur at the time of entry into such definitive agreement, any such transactions (including any Incurrence of Indebtedness and the use of proceeds thereof) shall be deemed to have occurred on the date the definitive agreements are entered and outstanding thereafter for purposes of calculating any baskets or ratios under the Indenture after the date of such agreement and before the consummation of such transaction.

Limitation on Restricted Payments

The Issuer will not, and will not permit any of its Restricted Subsidiaries, directly or indirectly, to:

(1) declare or pay any dividend or make any distribution on or in respect of the Issuer's or any Restricted Subsidiary's Capital Stock (including any payment in connection with any merger or consolidation involving the Issuer or any of its Restricted Subsidiaries) except:

(a) dividends or distributions payable in Capital Stock of the Issuer (other than Disqualified Stock) or in options, warrants or other rights to purchase such Capital Stock of the Issuer or in Subordinated Shareholder Funding; and

(b) dividends or distributions payable to the Issuer or a Restricted Subsidiary (and, in the case of any such Restricted Subsidiary making such dividend or distribution, to holders of its Capital Stock other than the Issuer or another Restricted Subsidiary on no more than a *pro rata* basis, measured by value);

(2) purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Issuer or any direct or indirect Parent of the Issuer held by Persons other than the Issuer or a Restricted Subsidiary of the Issuer (other than in exchange for Subordinated Shareholder Funding or Capital Stock of the Issuer (other than Disqualified Stock));

(3) make any principal payment on, or purchase, repurchase, redeem, defease or otherwise acquire or retire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Indebtedness (other than (a) any such payment, purchase, repurchase, redemption, defeasance or other acquisition or retirement or in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case, due within one year of the date of purchase, repurchase, redemption, defeasance or other acquisition or retirement and (b) any Indebtedness Incurred pursuant to clause (3) of the second paragraph of the covenant described under "*—Limitation on Indebtedness*");

(4) make any payment on or with respect to, or purchase, repurchase, redeem, defease or otherwise acquire or retire for value, any Subordinated Shareholder Funding (other than any payment of interest or premium thereon in the form of additional Subordinated Shareholder Funding); or

(5) make any Restricted Investment in any Person,

(any such dividend, distribution, payment, purchase, redemption, repurchase, defeasance, other acquisition, retirement or Restricted Investment referred to in clauses (1) through (5) are referred to herein as a "*Restricted Payment*"), if at the time the Issuer or such Restricted Subsidiary makes such Restricted Payment:

(a) a Default shall have occurred and be continuing (or would result immediately thereafter therefrom);

(b) the Issuer is not able to Incur an additional €1.00 of Indebtedness pursuant to clause (1) of the first paragraph under the "*—Limitation on Indebtedness*" covenant after giving effect, on a *pro forma* basis, to such Restricted Payment; or

(c) the aggregate amount of such Restricted Payment and all other Restricted Payments made subsequent to the Issue Date (and not returned or rescinded) (including Permitted Payments permitted below by clauses (5), (10) and (17) of the third paragraph of this covenant, but excluding all other Restricted Payments permitted by the third paragraph of this covenant) would exceed the sum of (without duplication):

(i) 50% of Consolidated Net Income for the period (treated as one accounting period) from the first day of the first fiscal quarter commencing after the Issue Date to the end of the most recent fiscal quarter ending prior to the date of such Restricted Payment for which internal consolidated financial statements of the Issuer are available (or, in the case such Consolidated Net Income is a deficit, minus 100% of such deficit);

(ii) 100% of the aggregate Net Cash Proceeds, and the fair market value (as determined in accordance with the next paragraph) of property or assets or marketable securities, received by the Issuer from the issue or sale of its Capital Stock (other than the Equity Contribution, Disqualified Stock or Designated Preference Shares) or Subordinated Shareholder Funding subsequent to the Issue Date or otherwise contributed to the equity (other than through the Equity Contribution or the issuance of Disqualified Stock or Designated Preference Shares) of the Issuer subsequent to the Issue Date (other than (x) Net Cash Proceeds or property or assets or marketable securities received from an issuance or sale of such Capital Stock 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, (y) Net Cash Proceeds or property or assets or marketable securities to the extent that any Restricted Payment has been made from such proceeds in reliance on clause (6) of the third paragraph of this covenant and (z) Excluded Contributions);

(iii) 100% of the aggregate Net Cash Proceeds, and the fair market value (as determined in accordance with the second succeeding paragraph) of property or assets or marketable securities, received by the Issuer or any Restricted Subsidiary from the issuance or sale (other than to the Issuer or a Restricted Subsidiary of the Issuer 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) by the Issuer or any Restricted Subsidiary subsequent to the Issue Date of any Indebtedness that has been converted into or exchanged for Capital Stock of the Issuer (other than Disqualified Stock or Designated Preference Shares) or Subordinated Shareholder Funding (plus the amount of any cash, and the fair market value (as determined in accordance with the next succeeding paragraph) of property or assets or marketable securities, received by the Issuer or any Restricted Subsidiary upon such conversion or exchange);

(iv) the amount equal to the net reduction in Restricted Investments made by the Issuer or any of its Restricted Subsidiaries resulting from:

(A) repurchases, redemptions or other acquisitions or retirements of any such Restricted Investment by the Issuer or any Restricted Subsidiary and the Net Cash Proceeds realized upon (or the fair market value, as determined in accordance with the next paragraph, of property, assets or marketable securities received in connection with) the sale or other disposition to a Person other than the Issuer or a Restricted Subsidiary of any such Restricted Investment, repayments of loans or advances or other transfers of assets (including by way of dividend, distribution, interest payments or returns of capital) to the Issuer or any Restricted Subsidiary; or

(B) the redesignation of Unrestricted Subsidiaries as Restricted Subsidiaries or the merger or consolidation of an Unrestricted Subsidiary into the Issuer or any Restricted Subsidiary (valued at the fair market value of the Issuer's Restricted Investment in such Subsidiary) or the transfer of all of the assets of such Unrestricted Subsidiary to the Issuer or a Restricted Subsidiary (valued at the fair market value of the property received by the Issuer or any Restricted Subsidiary), which amount, in each case under this clause (c)(iv), was included in the calculation of the amount of Restricted Payments referred to in the first sentence of this clause (c); *provided*, *however*, that no amount will be included in Consolidated Net Income for purposes of the preceding clause (c)(i) to the extent that it is (at the Issuer's option) included under this clause (c)(iv); plus

(v) the amount of the cash and the fair market value (as determined in accordance with the next paragraph) of property or assets or of marketable securities received by the Issuer or any of its Restricted Subsidiaries in connection with:

(A) the sale or other disposition (other than to the Issuer or 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 of an Unrestricted Subsidiary of the Issuer; and

(B) any dividend or distribution made by an Unrestricted Subsidiary or Affiliate to the Issuer or a Restricted Subsidiary; plus

(vi) €25.0 million;

provided, *however*, that no amount will be included in Consolidated Net Income for purposes of the preceding clause (c)(i) to the extent that it is (at the Issuer's option) included under the foregoing clause (c)(v).

Notwithstanding the foregoing, any amounts (such amounts, the "*Excluded Amounts*") that would otherwise be included in the calculation of the amount available for Restricted Payments pursuant to sub-clauses (ii) or (iii) of the preceding clause (c) will be excluded to the extent (1) such amounts result from the receipt of Net Cash Proceeds, property or assets or marketable securities received in contemplation of, or in connection with, an event that would otherwise constitute a Change of Control pursuant to the definition thereof were it not a Specified Change of Control Event, (2) the purpose of, or the effect of, the receipt of such Net Cash Proceeds, property or assets or marketable securities was to reduce the Consolidated Net Leverage Ratio of the Issuer so that there would be an occurrence of a Specified Change of Control Event that would not have been achieved without the receipt of such Net Cash Proceeds, property or assets or marketable securities and (3) no Change of Control Offer is made in connection with such event in accordance with the requirements of the Indenture.

The fair market value of property or assets other than cash covered by the preceding sentence shall be the fair market value thereof as determined in good faith by an Officer or the Board of Directors of the Issuer.

The foregoing provisions will not prohibit any of the following (collectively, "*Permitted Payments*"):

(1) the making of any Restricted Payment in exchange for, or out of the proceeds of the substantially concurrent sale or issuance of, Capital Stock of the Issuer (other than the Equity Contribution, Disqualified Stock, Designated Preference Shares or Excluded Amounts), Subordinated Shareholder Funding or a substantially concurrent contribution to the equity (in each case, other than (i) 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, (ii) through the Equity Contribution or the issuance of Disqualified Stock or Designated Preference Shares or through an Excluded Contribution or Excluded Amounts and (iii) to the extent that any Restricted Payment has been made from such proceeds in reliance on clause (6) below) of the Issuer; *provided*, *however*, that to the extent so applied, the Net Cash Proceeds, or fair market value (as determined in accordance with the preceding sentence) of property or assets or of marketable securities, from such sale of Capital Stock, Subordinated Shareholder Funding or such contribution will be excluded from clause (c)(ii) of the preceding paragraph;

(2) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Indebtedness made by exchange for, or out of the proceeds of the substantially concurrent sale of, Refinancing Indebtedness permitted to be Incurred pursuant to the covenant described under "*—Limitation on Indebtedness*" above;

(3) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Preferred Stock of the Issuer or a Restricted Subsidiary made by exchange for or out of the proceeds of the substantially concurrent sale of Preferred Stock of the Issuer or a Restricted Subsidiary, as the case may be, that, in each case, is permitted to be Incurred pursuant to the covenant described under "*—Limitation on Indebtedness*" above, and that in each case, constitutes Refinancing Indebtedness;

(4) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Indebtedness:

> (a) from Net Available Cash to the extent permitted under *"—Limitation on Sales of Assets and Subsidiary Stock*" below, but only if (i) the Issuer shall have first complied with the terms described under "*—Limitation on Sales of Assets and Subsidiary Stock*" and purchased all Notes tendered pursuant to any offer to repurchase all the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such

Subordinated Indebtedness and (ii) at a purchase price not greater than 100% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest;

(b) to the extent required by the agreement governing such Subordinated Indebtedness, following the occurrence of a Change of Control (or other similar event described therein as a "change of control"), but only (i) if the Issuer shall have first complied with the terms described under "*—Change of Control*" and purchased all Notes tendered pursuant to the offer to repurchase all the Notes required thereby, prior to purchasing, repurchasing, redeeming, defeasing or otherwise acquiring or retiring such Subordinated Indebtedness and (ii) at a purchase price not greater than 101% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest; or

(c) (i) consisting of Acquired Indebtedness (other than Indebtedness Incurred (A) 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 or (B) otherwise in connection with or contemplation of such acquisition) and (ii) at a purchase price not greater than 100% of the principal amount of such Subordinated Indebtedness plus accrued and unpaid interest and any premium required by the terms of any Acquired Indebtedness;

(5) any dividends paid within, or redemption or repurchase consummated within, 60 days after the date of declaration or the giving of the redemption or repayment notice if at such date of declaration or notice such dividend or redemption or repayment, as the case may be, would have complied with this covenant;

(6) the purchase, repurchase, redemption, defeasance or other acquisition, cancellation or retirement for value of Capital Stock, convertible preferred equity certificates, debt securities or loans of any Parent, the Issuer or any Restricted Subsidiary (including any options, warrants or other rights in respect thereof) and loans, advances, dividends or distributions by the Issuer to any Parent to permit any Parent to purchase, repurchase, redeem, defease or otherwise acquire, cancel or retire for value Capital Stock, convertible preferred equity certificates, debt securities or loans of any Parent, the Issuer or any Restricted Subsidiary (including any options, warrants or other rights in respect thereof), or payments to purchase, repurchase, redeem, defease or otherwise acquire, cancel or retire for value Capital Stock, convertible preferred equity certificates, debt securities or loans of any Parent, the Issuer or any Restricted Subsidiary (including any options, warrants or other rights in respect thereof), in each case from Management Investors; *provided* that such payments, loans, advances, dividends or distributions do not exceed an amount (net of repayments of any such loans or advances) equal to (i) the greater of (a) €3.0 million and (b) 2.5% of Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of calculation in any calendar year (with unused amounts in any calendar year being carried over to the next two succeeding calendar years) plus (ii) the Net Cash Proceeds received by the Issuer or its Restricted Subsidiaries since the Issue Date (including through receipt of proceeds from the issuance or sale of its Capital Stock or Subordinated Shareholder Funding to a Parent) from, or as a contribution to the equity (in each case under this clause (6), other than through the Equity Contribution, the issuance of Disqualified Stock or Designated Preference Shares or through an Excluded Contribution or Excluded Amounts) of the Issuer from, the issuance or sale to Management Investors of Capital Stock (including any options, warrants or other rights in respect thereof), to the extent such Net Cash Proceeds are not included in any calculation under clause (c)(ii) of the first paragraph describing this covenant plus (iii) the cash proceeds of key man life insurance policies received by the Issuer or its Restricted Subsidiaries;

(7) the declaration and payment of dividends to holders of any class or series of Disqualified Stock, or of any Preferred Stock of a Restricted Subsidiary, Incurred in accordance with the terms of the covenant described under "*—Limitation on Indebtedness*" above;

(8) purchases, repurchases, redemptions, defeasances or other acquisitions or retirements of Capital Stock deemed to occur upon the exercise of stock options, warrants or other rights in respect thereof if such Capital Stock represents a portion of the exercise price thereof;

(9) dividends, loans, advances or distributions to any Parent or other payments by the Issuer or any Restricted Subsidiary in amounts equal to (without duplication):

(a) the amounts required for any Parent to pay any Parent Expenses or any Related Taxes; or

(b) the amounts constituting or to be used for purposes of making payments (i) of fees and expenses Incurred in connection with the Transactions, or (ii) to the extent specified in clauses (2), (3), (5), (7) (only to the extent that such payments do not exceed the amount of tax that the Issuer and its Restricted Subsidiaries would owe without taking into account the Tax Sharing Agreement with such Parent or Unrestricted Subsidiary and provided that the related tax liabilities of the Issuer and its Restricted Subsidiaries are relieved thereby), (11) (only so long as no Default or Event of Default has occurred and is continuing or would result therefrom) and (12) of the second paragraph under "*—Limitation on Affiliate Transactions*";

(10) so long as no Default or Event of Default has occurred and is continuing (or would result therefrom), the declaration and payment by the Issuer of, or loans, advances, dividends or distributions to any Parent to pay, dividends on the common stock or common equity interests of the Issuer or any Parent following a Public Offering of such common stock or common equity interests, in an amount not to exceed in any fiscal year the greater of (a) 6% of the Net Cash Proceeds received by the Issuer from such Public Offering or contributed to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares or through an Excluded Contribution or Excluded Amounts) of the Issuer or loaned as Subordinated Shareholder Funding to the Issuer and (b) following the Initial Public Offering, an amount equal to the greater of (A) 7% of the Market Capitalization and (B) 7% of the IPO Market Capitalization; *provided* that (in the case of this sub-clause (b)) after giving *pro forma* effect to such loans, advances, dividends or distributions, the Consolidated Net Leverage Ratio shall be equal to or less than 4.75 to 1.00;

(11) so long as no Default or Event of Default has occurred and is continuing (or would result therefrom), Restricted Payments (including loans or advances) in an aggregate amount outstanding at any time not to exceed the greater of €40.0 million and 25% of Consolidated EBITDA;

(12) payments by the Issuer, or loans, advances, dividends or distributions to any Parent to make payments, to holders of Capital Stock of the Issuer or any Parent in lieu of the issuance of fractional shares of such Capital Stock, *provided*, *however*, that any such payment, loan, advance, dividend or distribution shall not be for the purpose of evading any limitation of this covenant or otherwise to facilitate any dividend or other return of capital to the holders of such Capital Stock (as determined in good faith by an Officer or the Board of Directors of the Issuer);

(13) Investments in an aggregate amount outstanding at any time not to exceed the aggregate cash amount of Excluded Contributions, or consisting of non-cash Excluded Contributions, or Investments to the extent made in exchange for or using as consideration Investments previously made under this clause (13);

(14) (i) the declaration and payment of dividends to holders of any class or series of Designated Preference Shares of the Issuer issued after the Issue Date and (ii) the declaration and payment of dividends to any Parent or any Affiliate thereof, the proceeds of which will be used to fund the payment of dividends to holders of any class or series of Designated Preference Shares of such Parent or Affiliate issued after the Issue Date; *provided*, *however*, that, in the case of clauses (i) and (ii), the amount of all dividends declared or paid pursuant to this clause (14) shall not exceed the Net Cash Proceeds received by the Issuer or the aggregate amount contributed in cash

to the equity (other than through the issuance of Disqualified Stock or an Excluded Contribution or Excluded Amounts or, in the case of Designated Preference Shares by Parent or an Affiliate, the issuance of Designated Preference Shares) of the Issuer or loaned as Subordinated Shareholder Funding to the Issuer, from the issuance or sale of such Designated Preference Shares;

(15) dividends or other distributions of Capital Stock, Indebtedness or other securities of Unrestricted Subsidiaries;

(16) payment of any Receivables Fees and purchases of Receivables Assets pursuant to a Receivables Repurchase Obligation in connection with a Qualified Receivables Financing;

(17) so long as no Default or Event of Default has occurred and is continuing (or would result therefrom), any dividend, distribution, loan or other payment to any Parent; *provided* that the Consolidated Net Leverage Ratio of the Issuer on a *pro forma* basis after giving effect to any such dividend, distribution, loan or other payment does not exceed 4.50 to 1.0 or, if such dividend, distribution, loan or other payment is funded from the "retained excess cash" of the Issuer (or any substantially equivalent definition), as set forth pursuant to any term loan Credit Facility outstanding at the time of such dividend, distribution, loan or other payment, 4.75 to 1.0;

(18) Permitted Biologist Payments; and

(19) the redemption, repurchase, defeasance, exchange or other acquisition or retirement of Subordinated Indebtedness of the Issuer or any Restricted Subsidiary or any direct or indirect parent of the Issuer in an aggregate amount not to exceed the greater of €15.0 million and 9.0% of Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of calculation.

The amount of all Restricted Payments (other than cash) shall be the fair market value on the date of such Restricted Payment of the asset(s) or securities proposed to be paid, transferred or issued by the Issuer or such Restricted Subsidiary, as the case may be, pursuant to such Restricted Payment. The fair market value of any cash Restricted Payment shall be its face amount, and the fair market value of any non-cash Restricted Payment shall be determined conclusively by an Officer or the Board of Directors of the Issuer acting in good faith. For purposes hereof, unsecured Indebtedness shall not be deemed to be subordinate or junior to Indebtedness that is secured by virtue of it not being secured.

For purposes of the covenant described above, if any Investment or Restricted Payment would be permitted pursuant to one or more provisions described above and/or one or more of the exceptions contained in the definition of "*Permitted Investments*," the Issuer may divide and classify such Investment or Restricted Payment in any manner that complies with this covenant and, except for clause (17) of the second paragraph of this covenant, may later divide and reclassify any such Investment or Restricted Payment so long as the Investment or Restricted Payment (as so divided and/or reclassified) would be permitted to be made in reliance on the applicable exception as of the date of such reclassification. For the avoidance of doubt, the Issuer or its Restricted Subsidiaries may not reclassify any other Restricted Payment or Permitted Investment as having been permitted under clause (17) of the second paragraph of this covenant.

Limitation on Liens

The Issuer will not, and will not permit any Restricted Subsidiary to, directly or indirectly, create, Incur or suffer to exist any Lien upon any of its property or assets (including Capital Stock of a Restricted Subsidiary of the Issuer), whether owned on the Issue Date or acquired after that date, or any interest therein or any income or profits therefrom, which Lien is securing any Indebtedness (such Lien, the "*Initial Lien*"), except (a) in the case of any property or asset that does not constitute Collateral, (1) Permitted Liens or (2) Liens on property or assets that are not Permitted Liens if the Notes and the Indenture are directly secured (subject to the Agreed Security Principles) equally and ratably with, or prior or senior to, in the case of Liens with respect to Subordinated Indebtedness, or junior to, in the case of Liens in respect of Senior Indebtedness

(*provided* that such Liens rank equal with all other Liens on such property or assets securing Senior Indebtedness), the Indebtedness secured by such Initial Lien for so long as such Indebtedness is so secured and (b) in the case of any property or asset that constitutes Collateral, Permitted Collateral Liens.

Any such Lien created in favor of the Notes pursuant to clause (a)(2) of the preceding paragraph will be automatically and unconditionally released and discharged upon (i) the release and discharge of the Initial Lien to which it relates and (ii) otherwise as set forth under "— *Administration of Security and Enforcement of Liens—Release of Liens*."

With respect to any Lien securing Indebtedness that was permitted to secure such Indebtedness at the time of the Incurrence of such Indebtedness, such Lien shall also be permitted to secure any Increased Amount of such Indebtedness. The "*Increased Amount*" of any Indebtedness shall mean any increase in the amount of such Indebtedness in connection with any accrual of interest, the accretion of accreted value, the amortization of original issue discount, the payment of interest in the form of additional Indebtedness with the same terms, accretion of original issue discount or liquidation preference, in each case with respect to such Indebtedness, and increases in the amount of Indebtedness resulting solely from fluctuations in the exchange rate of currencies.

Limitation on Layered Debt

The Issuer will not incur, create, issue, assume, guarantee or otherwise become liable for any Indebtedness that is or purports by its terms (or by the terms of any agreement governing such Indebtedness) to be contractually subordinated in right of payment to any other Indebtedness of the Issuer unless such Indebtedness is also contractually subordinated in right of payment to the Notes on substantially identical terms.

The Issuer will not permit any Guarantor to, and no Guarantor will, incur, create, issue, assume, guarantee or otherwise become liable for any Indebtedness that is or purports by its terms (or by the terms of any agreement governing such Indebtedness) to be contractually subordinated or junior in right of payment to Senior Indebtedness of such Guarantor and senior in right of payment to such Guarantor's Note Guarantee. No such Indebtedness will be considered to be contractually subordinated or junior in right of payment to any Senior Indebtedness of any Guarantor by virtue of being unsecured or by virtue of being secured on a junior priority basis or by virtue of the application of waterfall or other payment ordering provisions affecting different tranches of Indebtedness under Credit Facilities.

Limitation on Restrictions on Distributions from Restricted Subsidiaries

The Issuer will not, and will not permit any Restricted Subsidiary to, create or otherwise cause or permit to exist or become effective any consensual encumbrance or consensual restriction on the ability of any Restricted Subsidiary to:

(A) pay dividends or make any other distributions in cash or otherwise on its Capital Stock held by the Issuer or any Restricted Subsidiary or pay any Indebtedness or other obligations owed to the Issuer;

(B) make any loans or advances to the Issuer; or

(C) sell, lease or transfer any of its property or assets to the Issuer,

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 requirements to) loans or advances made to the Issuer or any Restricted Subsidiary to other Indebtedness Incurred by the Issuer or any Restricted Subsidiary shall not be deemed to constitute such an encumbrance or restriction.

The provisions of the preceding paragraph will not prohibit:

(1) any encumbrance or restriction pursuant to (a) any Credit Facility (including the Senior Facilities Agreement), (b) the Indenture, the Notes, the Intercreditor Agreement, any Additional Intercreditor Agreement and related security documents and the Security Documents or (c) any other agreement in effect on (i) the Issue Date, in the case of the Issuer and (ii) the Completion Date, in the case of the Target Group after giving effect to the Transactions;

(2) any encumbrance or restriction pursuant to an agreement or instrument of a Person or relating to any Capital Stock or Indebtedness of a Person, entered into on or before the date on which such Person was acquired by or merged, consolidated or otherwise combined with or into the Issuer or any Restricted Subsidiary, or was designated as a Restricted Subsidiary or on which such agreement or instrument is assumed by the Issuer or any Restricted Subsidiary in connection with an acquisition of assets (other than Capital Stock or Indebtedness Incurred as consideration in, or 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 acquired by the Issuer or was merged, consolidated or otherwise combined with or into the Issuer or any Restricted Subsidiary entered into or in connection with such transaction) and outstanding on such date;

(3) any encumbrance or restriction pursuant to an agreement or instrument effecting a refinancing of Indebtedness Incurred pursuant to, or that otherwise refinances, an agreement or instrument referred to in clause (1) or (2) of this paragraph or this clause (3) (an "*Initial Agreement*") or contained in any amendment, supplement or other modification to an agreement referred to in clause (1) or (2) of this paragraph or this clause (3); *provided*, *however*, that the encumbrances and restrictions with respect to such Restricted Subsidiary contained in any such agreement or instrument are no less favorable in any material respect to the Holders taken as a whole than the encumbrances and restrictions contained in the Initial Agreement or Initial Agreements to which such refinancing or amendment, supplement or other modification relates (as determined in good faith by an Officer or the Board of Directors of the Issuer);

(4) any encumbrance or restriction:

(a) that restricts in a customary manner the subletting, assignment or transfer of any property or asset that is subject to a lease, license or similar contract, or the assignment or transfer of any lease, license or other contract;

(b) contained in mortgages, pledges, charges or other security agreements permitted under the Indenture or securing Indebtedness of the Issuer or a Restricted Subsidiary permitted under the Indenture to the extent such encumbrances or restrictions restrict the transfer of the property or assets subject to such mortgages, pledges, charges or other security agreements; or

(c) pursuant to customary provisions restricting dispositions of real property interests set forth in any reciprocal easement agreements of the Issuer or any Restricted Subsidiary;

(5) any encumbrance or restriction pursuant to Purchase Money Obligations and Capitalized Lease Obligations permitted under the Indenture, in each case, that impose encumbrances or restrictions on the property so acquired in the nature of clause (c) of the preceding paragraph or any encumbrance or restriction pursuant to a joint venture agreement that imposes restrictions on the transfer or distribution of the assets or Capital Stock of the joint venture;

(6) any encumbrance or restriction with respect to a Restricted Subsidiary (or any of its property or assets) imposed pursuant to an agreement entered into for the direct or indirect sale or disposition to a Person of all or substantially all the Capital Stock or assets of such Restricted Subsidiary (or the property or assets that are subject to such restriction) pending the closing of such sale or disposition;

(7) customary provisions in leases, licenses, joint venture agreements and other similar agreements and instruments entered into in the ordinary course of business;

(8) encumbrances or restrictions arising or existing by reason of applicable law or any applicable rule, regulation or order, or required by any regulatory authority or any governmental licenses, concessions, franchises or permits, including restrictions or encumbrances on cash or deposits (including assets in escrow accounts);

(9) any encumbrance or restriction on cash or other deposits or net worth imposed by customers or suppliers, or as required by insurance, surety or bonding companies or indemnities, in each case, under agreements or policies entered into in the ordinary course of business;

(10) any encumbrance or restriction pursuant to Currency Agreements, Interest Rate Agreements or Commodity Hedging Agreements;

(11) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Indebtedness permitted to be Incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under "*—Limitation on Indebtedness*" if (A) the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Holders than (i) the encumbrances and restrictions contained in the Senior Facilities Agreement, the Intercreditor Agreement and any Additional Intercreditor Agreement, together with the security documents associated therewith as in effect on the Completion Date or (ii) in comparable financings (as determined in good faith by the Issuer or an Officer thereof) or (B) the Issuer determines at the time of the Incurrence of such Indebtedness that such encumbrances or restrictions will not adversely affect, in any material respect, the Issuer's ability to make principal or interest payments on the Notes;

(12) any encumbrance or restriction existing by reason of any lien permitted under "*—Limitation on Liens*";

(13) restrictions effected in connection with a Qualified Receivables Financing, that, in the good faith determination of an Officer or the Board of Directors of the Issuer, are necessary or advisable to effect such Qualified Receivables Financing; or

(14) customary restrictions included in shareholder agreements relating to non-Wholly Owned Subsidiaries.

Limitation on Sales of Assets and Subsidiary Stock

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, make any Asset Disposition unless:

(1) the Issuer or such Restricted Subsidiary, as the case may be, receives consideration (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise) at least equal to the fair market value (such fair market value to be determined on the date of contractually agreeing to such Asset Disposition), as determined in good faith by an Officer or the Board of Directors of the Issuer, of the shares and assets subject to such Asset Disposition (including, for the avoidance of doubt, if such Asset Disposition is a Permitted Asset Swap);

(2) in any such Asset Disposition, or series of related Asset Dispositions (except to the extent the Asset Disposition is a Permitted Asset Swap), at least 75% of the consideration from such Asset Disposition (excluding any consideration by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise, other than Indebtedness) received by the Issuer or such Restricted Subsidiary, as the case may be, is in the form of cash, Cash Equivalents or Temporary Cash Investments; and

(3) an amount equal to 100% of the Net Available Cash from such Asset Disposition is applied by the Issuer or such Restricted Subsidiary within 395 days from the later of (A) the date of such Asset Disposition and (B) the receipt of such Net Available Cash, as the case may be:

(a) to the extent the Issuer or any Restricted Subsidiary, as the case may be, elects (or is required by the terms of any Indebtedness of a Restricted Subsidiary),

(i) to prepay, repay or purchase any Senior Indebtedness, or any Indebtedness of a Restricted Subsidiary that is not a Guarantor (in each case, other than Indebtedness owed to the Issuer or any Restricted Subsidiary);

(ii) to redeem, prepay, repay or purchase Pari Passu Indebtedness at a price of no more than 100% of the principal amount of such Pari Passu Indebtedness plus accrued and unpaid interest to the date of such redemption, prepayment, repayment or purchase plus a premium over par no greater than the premium offered to the Holders of Notes in the *pro rata* offer described in the following proviso, if applicable; *provided* that the Issuer shall redeem, repay or purchase Pari Passu Indebtedness that is Public Debt pursuant to this clause (ii) only if the Issuer makes (at such time or subsequently in compliance with this covenant) an offer to all Holders of the Notes to purchase their Notes at a purchase price equal to or greater than 100% of the principal amount thereof, plus accrued and unpaid interest to (but not including) the date of purchase and/or pursuant to the redemption provisions set forth above under the caption "—*Optional Redemption*" on a *pro rata* basis with any such other Pari Passu Indebtedness that is purchased; or

(iii) to redeem, prepay, repay or purchase any Indebtedness of the Issuer or any Restricted Subsidiary that is secured by a Lien on property or assets of the Issuer or its Restricted Subsidiaries (other than a Permitted Collateral Lien);

(b) to 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) and/or pursuant to the redemption provisions set forth above under the caption "—*Optional Redemption*";

(c) to the extent the Issuer or such Restricted Subsidiary elects, to invest in or commit to invest in Additional Assets (including by means of an investment in Additional Assets by a Restricted Subsidiary with Net Available Cash received by the Issuer or another Restricted Subsidiary); *provided*, *however*, that any such reinvestment in Additional Assets made pursuant to a definitive binding agreement or a commitment that is executed within such time will satisfy this requirement so long as such investment is consummated within 180 days following the expiration of the aforementioned 395-day period; or

(d) any combination of the foregoing;

provided that, pending the final application of any such Net Available Cash in accordance with clause (a), (b), (c) or (d) above, the Issuer and its Restricted Subsidiaries may temporarily reduce Indebtedness (including revolving Indebtedness) or otherwise invest such Net Available Cash in any manner not prohibited by the Indenture.

Any Net Available Cash from Asset Dispositions that is not applied or invested or committed to be applied or invested as provided in the preceding paragraph within the applicable time period will be deemed to constitute "*Excess Proceeds*" under the Indenture. Within 10 Business Days after the expiration of the applicable time period, or at such earlier date that the Issuer elects, if the aggregate amount of Excess Proceeds under the Indenture exceeds €30.0 million, the Issuer will be required to make an offer ("*Asset Disposition Offer*") to all Holders of Notes issued under the Indenture and, to the extent the Issuer elects, to all holders of other outstanding Pari Passu Indebtedness, to purchase (or, if applicable, repay or prepay) the maximum aggregate principal amount of Notes and any such Pari Passu Indebtedness to which the Asset Disposition Offer applies that may be purchased (or, if applicable, repaid or prepaid) out of the Excess Proceeds, at an offer price in respect of the Notes equal to or greater than 100% of the principal amount of the Notes and at an offer price in respect of such Pari Passu Indebtedness of no more than 100% of the principal amount of such Pari Passu Indebtedness plus a premium over par no greater than the premium offered to the Holders of Notes in the Asset Disposition Offer, in each case plus

accrued and unpaid interest, if any, to, but not including, the date of purchase (or, if applicable, repayment or prepayment), in accordance with the procedures set forth in the Indenture or the agreements governing such Pari Passu Indebtedness. For the avoidance of doubt, the Issuer or any Restricted Subsidiary may make an Asset Disposition Offer prior to the expiration of the applicable time period referred to above.

To the extent that the aggregate amount of Notes and Pari Passu Indebtedness so validly tendered and not properly withdrawn pursuant to an Asset Disposition Offer is less than the Excess Proceeds, the Issuer may use any remaining Excess Proceeds for general corporate purposes, subject to other covenants contained in the Indenture. If the aggregate principal amount of the Notes surrendered in any Asset Disposition Offer by Holders and other Pari Passu Indebtedness surrendered by holders or lenders, collectively, exceeds the amount of Excess Proceeds, the Excess Proceeds shall be allocated among the Notes and Pari Passu Indebtedness to be purchased (or, if applicable, repaid or prepaid) on a *pro rata* basis on the basis of the aggregate principal amount of tendered Notes and Pari Passu Indebtedness. For the purposes of calculating the aggregate principal amount of any such Indebtedness not denominated in euro, such Indebtedness shall be calculated by converting any such aggregate principal amounts into their euro equivalent determined as of a date selected by the Issuer that is within the Asset Disposition Offer Period (as defined below). Upon completion of any Asset Disposition Offer, the amount of Excess Proceeds shall be reset at zero.

To the extent that any portion of Net Available Cash payable in respect of the Notes is denominated in a currency other than the currency in which the relevant Notes are denominated, the amount thereof payable in respect of such Notes shall not exceed the net amount of funds in the currency in which such Notes are denominated that is actually received by the Issuer upon converting such portion into such currency.

The Asset Disposition Offer, in so far as it relates to the Notes, will remain open for a period of not less than 20 Business Days following its commencement (the "*Asset Disposition Offer Period*"). No later than five Business Days after the termination of the Asset Disposition Offer Period (the *"Asset Disposition Purchase Date*"), the Issuer will purchase (or, if applicable, repay or prepay) the aggregate principal amount of Notes and, to the extent it elects, Pari Passu Indebtedness required to be purchased (or, if applicable, repaid or prepaid) pursuant to this covenant (the "*Asset Disposition Offer Amount*") or, if less than the Asset Disposition Offer Amount has been so validly tendered, all Notes and Pari Passu Indebtedness validly tendered in response to the Asset Disposition Offer.

On or before the Asset Disposition Purchase Date, the Issuer will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Asset Disposition Offer Amount of Notes and Pari Passu Indebtedness or portions of Notes and such Pari Passu Indebtedness so validly tendered and not properly withdrawn pursuant to the Asset Disposition Offer, or if less than the Asset Disposition Offer Amount has been validly tendered and not properly withdrawn, all Notes and Pari Passu Indebtedness so validly tendered and not properly withdrawn and in minimum denominations of €100,000 and in integral multiples of €1,000 in excess thereof. The Issuer will deliver to the Trustee an Officer's Certificate stating that such Notes or portions thereof were accepted for payment by the Issuer in accordance with the terms of this covenant. The Issuer or the Paying Agent, as the case may be, will promptly (but in any case not later than five Business Days after termination of the Asset Disposition Offer Period) mail or deliver to each tendering Holder of Notes an amount equal to the purchase price of the Notes so validly tendered and not properly withdrawn by such Holder, and accepted by the Issuer for purchase, and the Issuer will promptly issue a new Note (or amend the Global Note), and the Trustee, upon delivery of an Officer's Certificate from the Issuer, will authenticate (via an authenticating agent) and mail or deliver (or cause to be transferred by book entry) such new Note to such Holder, in an aggregate principal amount equal to any unpurchased portion of the Note surrendered; *provided* that each such new Note will be in an aggregate principal amount with a minimum

denomination of € 100,000. Any Note not so accepted will be promptly mailed or delivered (or transferred by book entry) by the Issuer to the Holder thereof.

For the purposes of clause (2) of the first paragraph of this covenant, the following will be deemed to be cash:

(1) the assumption by the transferee of Indebtedness of the Issuer or Indebtedness of a Restricted Subsidiary (other than Subordinated Indebtedness of the Issuer or a Guarantor) and the release of the Issuer or such Restricted Subsidiary from all liability on such Indebtedness in connection with such Asset Disposition;

(2) securities, notes or other obligations received by the Issuer or any Restricted Subsidiary of the Issuer from the transferee that are converted by the Issuer or such Restricted Subsidiary into cash or Cash Equivalents within 180 days following the closing of such Asset Disposition;

(3) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Disposition, to the extent that the Issuer and each other Restricted Subsidiary are released from any Guarantee of payment of such Indebtedness in connection with such Asset Disposition; *provided* that such Indebtedness is not, directly or indirectly, secured by any Lien on any of the assets or property of the Issuer and its Restricted Subsidiaries (including Capital Stock of a Restricted Subsidiary of the Issuer);

(4) consideration consisting of Indebtedness of the Issuer or a Restricted Subsidiary (other than Subordinated Indebtedness of the Issuer or a Guarantor) received after the Issue Date from Persons who are not the Issuer or any Restricted Subsidiary;

(5) any Designated Non-Cash Consideration received by the Issuer or any Restricted Subsidiary in such Asset Dispositions having an aggregate fair market value, taken together with all other Designated Non-Cash Consideration received pursuant to this covenant that is at that time outstanding, not to exceed the greater of (i) €20.0 million and (ii) 12.5% of Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of calculation (with the fair market value of each item of Designated Non-Cash Consideration being measured at the time received and without giving effect to subsequent changes in value); and

(6) any Capital Stock or assets of a kind referred to in clause (3)(c) of the first paragraph of this covenant.

The Issuer will comply, to the extent applicable, with the requirements of Rule 14e-1 under the Exchange Act and any other applicable securities laws or regulations (or rules of any exchange on which the Notes are then listed) in connection with the repurchase of Notes pursuant to the Indenture. To the extent that the provisions of any securities laws or regulations (or exchange rules) conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations (or exchange rules) and will not be deemed to have breached its obligations under the Indenture by virtue of such compliance.

Limitation on Affiliate Transactions

The Issuer will not, and will not permit any of its Restricted Subsidiaries to, directly or indirectly, enter into or conduct any transaction or series of related transactions (including the purchase, sale, lease or exchange of any property or the rendering of any service) with, or for the benefit of, any Affiliate of the Issuer (any such transaction or series of related transactions, "*Affiliate Transaction*") involving aggregate value in excess of the greater of €7.5 million and 5.0% of Consolidated EBITDA unless:

(1) the terms of such Affiliate Transaction 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 be obtained in a comparable transaction at the time of such transaction or the execution of the agreement providing for such transaction in arm's-length dealings with a Person who is not such an Affiliate;

(2) in the event such Affiliate Transaction involves an aggregate value in excess of the greater of €25.0 million and 16% of Consolidated EBITDA, the terms of such transaction have been approved by a majority of the members of the Board of Directors of the Issuer; and

(3) in the event such Affiliate Transaction involves an aggregate value in excess of the greater of €50.0 million and 32% of Consolidated EBITDA, the Issuer has received a written opinion (a "*Fairness Opinion*") from an Independent Financial Advisor that such Affiliate Transaction is fair, from a financial standpoint, to the Issuer and its Restricted Subsidiaries or that the terms are not materially less favorable than those that could reasonably have been obtained in a comparable transaction at such time on an arm's-length basis from a Person that is not an Affiliate.

The provisions of the preceding paragraph will not apply to:

(1) any Restricted Payment permitted to be made pursuant to the covenant described under "*—Limitation on Restricted Payments*," any Permitted Payments (other than pursuant to clause (9)(b)(ii) of the third paragraph of the covenant described under "*—Limitation on Restricted Payments*") or any Permitted Investment (other than Permitted Investments as defined in clauses (1)(b), (2) and (11) of the definition thereof);

(2) any issuance or sale of Capital Stock, options, other equity-related interests or other securities, or other payments, awards or grants in cash, securities or otherwise pursuant to, or the funding of, or entering into, or maintenance of, any employment, consulting, collective bargaining or benefit plan, program, agreement or arrangement, related trust or other similar agreement and other compensation arrangements, options, warrants or other rights to purchase Capital Stock of the Issuer, any Restricted Subsidiary or any Parent, restricted stock plans, long-term incentive plans, stock appreciation rights plans, participation plans or similar employee benefits or consultants' plans (including valuation, health, insurance, deferred compensation, severance, retirement, savings or similar plans, programs or arrangements) or indemnities provided on behalf of officers, employees, directors or consultants approved by the Board of Directors of the Issuer, in each case in the ordinary course of business;

(3) any Management Advances and any waiver or transaction with respect thereto;

(4) any transaction between or among the Issuer and any Restricted Subsidiary (or entity that becomes a Restricted Subsidiary as a result of such transaction), or between or among Restricted Subsidiaries;

(5) the payment of reasonable fees and reimbursement of expenses to, and customary indemnities (including under customary insurance policies) and employee benefit and pension expenses provided on behalf of, directors, officers, consultants or employees of the Issuer, any Restricted Subsidiary of the Issuer or any Parent (whether directly or indirectly and including through any Person owned or controlled by any of such directors, officers or employees);

(6) the Transactions and the entry into and performance of obligations of the Issuer or any of its Restricted Subsidiaries under the terms of any transaction arising out of, and any payments pursuant to or for purposes of funding, any agreement or instrument in effect as of or on the Completion Date after giving effect to the Transactions (including, without limitation, any transactions described under the caption "*Principal Shareholders and Related Party Transactions*" in this Offering Memorandum), as these agreements and instruments may be amended, modified, supplemented, extended, renewed or refinanced from time to time in accordance with the other terms of this covenant or to the extent not more disadvantageous to the Holders in any material respect and the entry into and performance of any registration rights or other listing agreement in connection with any Public Offering;

(7) the execution, delivery and performance of any Tax Sharing Agreement or the formation and maintenance of any consolidated group for tax, accounting or cash pooling or management purposes in the ordinary course of business;

(8) transactions with customers, clients, suppliers or purchasers or sellers of goods or services, in each case, in the ordinary course of business, which are fair to the Issuer or the relevant Restricted Subsidiary in the reasonable determination of the Board of Directors or the Senior Management of the Issuer or the relevant Restricted Subsidiary, or are on terms no less favorable than those that could reasonably have been obtained at such time from an unaffiliated party;

(9) any transaction between or among the Issuer or any Restricted Subsidiary and any Affiliate of the Issuer or an Associate or similar entity that would constitute an Affiliate Transaction solely because the Issuer or a Restricted Subsidiary owns an equity interest in or otherwise controls such Affiliate, Associate or similar entity;

(10) (a) issuances or sales of Capital Stock (other than Disqualified Stock or Designated Preference Shares) of the Issuer or options, warrants or other rights to acquire such Capital Stock or Subordinated Shareholder Funding; *provided* that the interest rate and other financial terms of such Subordinated Shareholder Funding are approved by a majority of the members of the Board of Directors of the Issuer in their reasonable determination and (b) any amendment, waiver or other transaction with respect to any Subordinated Shareholder Funding in compliance with the other provisions of the Indenture;

(11) without duplication in respect of payments made pursuant to clause (12) hereof and so long as no Default or Event of Default has occurred and is continuing (or would result from), (a) payments by the Issuer or any Restricted Subsidiary to any Permitted Holder (whether directly or indirectly, including through any Parent) of annual customary management, consulting, monitoring or advisory fees and related expenses in an aggregate amount not to exceed €3.0 million per year and (b) customary payments by the Issuer or any Restricted Subsidiary to any Permitted Holder (whether directly or indirectly, including through any Parent) for financial advisory, financing, underwriting or placement services or in respect of other investment banking activities, including in connection with loans, capital market transactions, acquisitions or divestitures, which payments (or agreements providing for such payments) in respect of this clause (b) are approved by a majority of the Board of Directors of the Issuer in good faith;

(12) so long as no Default or Event of Default has occurred and is continuing (or would result from), payment to any Permitted Holder of all reasonable out-of-pocket expenses Incurred by such Permitted Holder in connection with its direct or indirect investment in the Issuer and its Subsidiaries;

(13) any transaction effected as part of a Qualified Receivables Financing;

(14) the performance of any transactions or obligations of any Person or any of its Subsidiaries under the terms of any transaction arising out of, or payments made pursuant to or for the purposes of funding, any agreement or instrument in effect at the time such Person is acquired by the Issuer or any Restricted Subsidiary, including by way of a merger, amalgamation or consolidation with or into the Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by the Indenture; *provided* that such agreements or instruments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on, or made pursuant to binding commitments existing on, the date of such acquisition, merger, amalgamation or consolidation;

(15) transactions in which the Issuer or any Restricted Subsidiary, as the case may be, delivers to the Trustee a letter or opinion from an Independent Financial Advisor stating that (i) the terms are not materially less favorable to the Issuer or its relevant Restricted Subsidiary, as the case may be, than those that would have been obtained in a comparable transaction by the Issuer or such Restricted Subsidiary with an unrelated Person on an arm's-length basis or (ii) that the transaction is fair to the Issuer or such Restricted Subsidiary from a financial point of view;

(16) pledges of Capital Stock of an Unrestricted Subsidiary that secure Indebtedness of such Unrestricted Subsidiary; and

(17) Investments by any of the Equity Investors in securities of any of the Issuer's Restricted Subsidiaries so long as (i) each such investment has been approved by a resolution of the majority of the disinterested members of the Board of Directors of the Issuer resolving that such investment complies with clause (1) of the preceding paragraph, (ii) the investment is being offered generally to other investors in a bona fide capital markets offering on the same or more favorable terms and (iii) the investment constitutes less than 5% of the issue amount of such securities.

Reports

For so long as any Notes are outstanding, the Issuer shall provide to the Trustee the following reports:

(1) within 120 days after (i) December 31, 2017, an annual report containing the audited interim condensed consolidated financial statements of the Issuer as of and for the ten months ending on December 31, 2017, including the report of the independent auditors on such financial statements, together with the audited consolidated income statements and statements of cash flow of Cerba for the two most recent fiscal years, including complete footnotes to such financial statements and the report of the independent auditors on such financial statements and to the extent applicable the information set forth under sub-clauses (b) to (e) below and (ii) the end of the Issuer's fiscal year beginning with the fiscal year ending December 31, 2018, annual reports containing, to the extent applicable, the following information: (a) audited consolidated balance sheets of the Issuer as of the end of the two most recent fiscal years and audited consolidated income statements and statements of cash flow of the Issuer for the two most recent fiscal years, including complete footnotes to such financial statements and the report of the independent auditors on the financial statements; (b) unaudited *pro forma* income statement information and balance sheet information of the Issuer (which, for the avoidance of doubt, shall not include the provision of a full income statement or balance sheet to the extent not reasonably available), together with explanatory footnotes, for any material acquisitions (other than the Acquisition), dispositions or recapitalizations that have occurred since the beginning of the most recently completed fiscal year; *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 (other than the Acquisition), acquired company financials; (c) an operating and financial review of the audited financial statements, including a discussion of the results of operations, financial condition, and liquidity and capital resources of the Issuer, and a discussion of material commitments and contingencies and critical accounting policies, with a similar scope to that included in this Offering Memorandum; (d) a description of the business, management and shareholders of the Issuer, all material affiliate transactions and a description of all material contractual arrangements, including material debt instruments; and (e) a description of material risk factors and material recent developments (which, for the avoidance of doubt, does not require disclosure of confidential negotiations (as determined in good faith by the Issuer)); *provided further*, that, if and for so long as the Issuer's shares or the shares of any Parent would be listed on the Euronext Paris Stock Exchange or any stock exchange established in a Member State of the European Union and there is a Public Market for such shares, any item of disclosure that complies in all material respects with the requirements applicable to such item in connection with an annual report (*rapport financier annuel* or *document de référence*) filed with the French *Autorité des Marchés Financiers* (AMF) or the relevant authority of any Member State of the European Union will be deemed to satisfy the Issuer's obligations under this clause (1) with respect to such item;

(2) within 60 days following the end of the first and third fiscal quarters in each fiscal year of the Issuer and within 75 days (or in the case of the four months ending June 30, 2017 only, within 90 days) following the end of the second fiscal quarter in each fiscal year of the Issuer, beginning with the period ending June 30, 2017, all quarterly reports of the Issuer containing the following information: (a) an unaudited condensed consolidated balance sheet as of 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 year periods, together with condensed footnote disclosure; (b) unaudited *pro forma* income statement information and balance sheet information of the Issuer (which, for the avoidance of doubt, shall not include the provision of a full income statement or balance sheet to the extent not reasonably available), together with explanatory footnotes, for any material acquisitions (other than the Acquisition), dispositions or recapitalizations that have occurred since the beginning of the relevant quarter; *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 (other than the Acquisition), acquired company financials; (c) an operating and financial review of the unaudited financial statements, including a discussion of the results of operations, financial condition, EBITDA and material changes in liquidity and capital resources of the Issuer, and a discussion of material changes not in the ordinary course of business in commitments and contingencies since the most recent report; and (d) material recent developments (which, for the avoidance of doubt, does not require disclosure of confidential negotiations (as determined in good faith by the Issuer)); *provided further*, that such quarterly reports for the four months ending June 30, 2017 and the fiscal quarter ending September 30, 2017 shall include corresponding quarterly reports for Cerba for the fiscal quarters ending on such dates; and *provided further*, that, if and for so long as the Issuer's shares or the shares of any Parent would be listed on the Euronext Paris Stock Exchange or any stock exchange established in a Member State of the European Union and there is a Public Market for such shares, any item of disclosure that complies in all material respects with the requirements applicable to such item in connection with a semi-annual report (*rapport financier semestriel*) filed with the French *Autorité des Marchés Financiers* (AMF) or the relevant authority of any Member State of the European Union will be deemed to satisfy the Issuer's obligations under this clause (2) with respect to such item; and

(3) promptly after the occurrence of any material acquisition, disposition or restructuring or any senior executive officer changes at the Issuer or change in auditors of the Issuer or any other material event that the Issuer or any of its Restricted Subsidiaries announces publicly, a report containing a description of such event *provided*, that, if and for so long as the Issuer's shares or the shares of any Parent would be listed on the Euronext Paris Stock Exchange or any stock exchange established in a Member State of the European Union and there is a Public Market for such shares, any item of disclosure that complies in all material respects with the requirements applicable to such item in connection with ongoing disclosures (*information permanent*) filed with the French *Autorité des Marchés Financiers* (AMF) or the relevant authority of any Member State of the European Union will be deemed to satisfy the Issuer's obligations under this clause (3) with respect to such item.

All financial statement shall be prepared in accordance with IFRS as in effect on the date of such report or financial statement (or otherwise on the basis of IFRS as then in effect) and on a consistent basis for the periods presented; *provided*, *however*, that the reports set forth in clauses (1), (2) and (3) above may, in the event of a change in applicable IFRS, present earlier periods on a basis that applied to such periods. All pro forma financial information shall be prepared on a basis consistent with the accounting policies of the Issuer (or other reporting entity, as applicable). Except as provided for above, no report need include separate financial statements for any Subsidiaries of the Issuer. The filing of an Annual Report on Form 20-F within the time period specified in clause (1) will satisfy such provision.

At any time that any of the Issuer's Subsidiaries are Unrestricted Subsidiaries and any such Unrestricted Subsidiary or group of Unrestricted Subsidiaries, if taken together as one Subsidiary, constitutes a Significant Subsidiary of the Issuer, then the annual and quarterly financial information required by clauses (1) and (2) of the first paragraph of this covenant shall include either (i) 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 or (ii) stand-alone audited or unaudited financial

statements, as the case may be, of such Unrestricted Subsidiary or Unrestricted Subsidiaries (as a group or otherwise) together with an unaudited reconciliation to the financial information of the Issuer and its Subsidiaries, which reconciliation shall include the following items: revenues, EBITDA, net income, cash, total assets, total debt, shareholders equity, capital expenditures and interest expense.

All reports provided pursuant to this covenant shall be made in the English language or with a free English translation.

Substantially concurrently with the issuance to the Trustee of the reports specified in clauses (1), (2) and (3) of the first paragraph of this covenant, the Issuer shall also (a) use its commercially reasonable efforts (i) to post copies of such reports on such website as may be then maintained by the Issuer and its Subsidiaries or (ii) otherwise to provide substantially comparable availability of such reports (as determined by the Issuer in good faith) or (b) to the extent the Issuer determines in good faith that it cannot make such reports available in the manner described in the preceding clause (a) owing to applicable law or after the use of its commercially reasonable efforts, furnish such reports to the Holders and, upon request, prospective purchasers of the Notes. The Issuer will also make available copies of all reports required by clauses (1) through (3) of the first paragraph of this covenant, if and so long as the Notes are listed on the Official List of the Exchange and admitted for trading on the Exchange and the rules of the Exchange so require, at the offices of the Listing Sponsor.

The Issuer may satisfy its obligations and the requirements of this covenant with respect to financial information relating to the Issuer by furnishing financial information relating to any Parent consolidating reporting at its level in a manner consistent with that described in this covenant or (but only for periods prior to January 1, 2019), by furnishing financial information relating to Cerba; *provided* that such financial information is accompanied by consolidating information that explains in reasonable detail the differences between the information relating to such Parent (or, if applicable, Cerba) and its Subsidiaries, on the one hand, and the information relating to the Issuer and its Subsidiaries, on the other hand.

In addition, so long as the Notes remain outstanding and during any period during which the Issuer is not subject to Section 13 or 15(d) of the Exchange Act nor exempt therefrom pursuant to Rule 12g3-2(b), the Issuer shall furnish to the Holders and, upon their request, prospective purchasers of the Notes, the information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act.

Delivery of any information, documents and reports to the Trustee pursuant to this "Reports" covenant is for information purposes only and the Trustee's receipt of such shall not constitute actual or constructive notice of any information contained therein, include the Issuer's compliance with any of its covenants under the Indenture.

Merger and Consolidation

The Issuer

The Issuer will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all its assets to, any Person, unless:

(1) either the Issuer is the surviving entity or the resulting, surviving or transferee Person (the "*Successor Issuer*") will be a Person organized and existing under the laws of any member state of the European Union or the United States of America, any State of the United States or the District of Columbia, Canada or any province of Canada, Norway or Switzerland and the Successor Issuer (if not the Issuer) will expressly assume (a) by supplemental indenture, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, all the obligations of the Issuer under the Notes and the Indenture and (b) all obligations of the Issuer under the Security Documents (and, to the extent required by the Intercreditor Agreement or any Additional Intercreditor Agreement, the Intercreditor Agreement or such Additional Intercreditor Agreement);

(2) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Successor Issuer or any Subsidiary of the Successor Issuer as a result of such transaction as having been Incurred by the Successor Issuer or such Subsidiary at the time of such transaction), no Default or Event of Default shall have occurred and be continuing;

(3) immediately after giving effect to such transaction, either (a) the Successor Issuer would be able to Incur at least an additional €1.00 of Indebtedness pursuant to the first paragraph of the covenant described under "— *Limitation on Indebtedness*" or (b) the Consolidated Fixed Charge Coverage Ratio of the Issuer or the Successor Issuer for the most recently ended four full fiscal quarters for which financial statements are available immediately preceding the date on which the transaction is consummated would not be less than the Consolidated Fixed Charge Coverage Ratio was immediately prior to giving effect to such transaction; and

(4) the Issuer shall have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer and such supplemental indenture (if any are required in connection with such transaction) comply with the Indenture and an Opinion of Counsel to the effect that such supplemental indenture (if any) has been duly authorized, executed and delivered and is a legal, valid and binding agreement enforceable against the Successor Issuer (in each case, in form and substance reasonably satisfactory to the Trustee), *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 (2) and (3) above.

For purposes of this covenant, the sale, lease, conveyance, assignment, transfer, or other disposition of all or substantially all of the properties and assets of one or more Subsidiaries of the Issuer, which properties and assets, if held by the Issuer instead of such Subsidiaries, would constitute all or substantially all of the properties and assets of the Issuer on a consolidated basis, shall be deemed to be the transfer of all or substantially all of the properties and assets of the Issuer.

The Successor Issuer will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Indenture (with the release of the Issuer from any and all obligations thereunder) but in the case of a lease of all or substantially all its assets, the predecessor company will not be released from its obligations under such Indenture or the Notes.

Notwithstanding the preceding clauses (2) and (3) and the provisions described below under "— *Guarantors*" (which do not apply to transactions referred to in this sentence) and, other than with respect to the second preceding paragraph, clause (4) of the first paragraph of this covenant, any Restricted Subsidiary of the Issuer may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to the Issuer.

Notwithstanding the preceding clauses (2), (3) and (4) (which do not apply to the transactions referred to in this sentence), the Issuer may consolidate or otherwise combine with, merge into or transfer all or a portion of its assets to an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Issuer, reincorporating the Issuer in another jurisdiction, or changing the legal form of the Issuer. Notwithstanding the preceding clauses (2) and (3) (which do not apply to the transactions referred to in this sentence), the Issuer may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to any Guarantor.

There is no precise established definition of the phrase "substantially all" 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.

The foregoing provisions (other than the requirements of clause (2) of the first paragraph of this covenant) will not apply to the creation of a new subsidiary of the Issuer that becomes a parent of one or more of the Issuer's Subsidiaries.

Guarantors

No Guarantor may:

(1) consolidate with or merge with or into any Person;

(2) sell, convey, transfer or dispose of, all or substantially all its assets as an entirety or substantially as an entirety, in one transaction or a series of related transactions, to any Person; or

(3) permit any Person to merge with or into such Guarantor, unless

(a) the other Person is the Issuer or any Restricted Subsidiary that is a Guarantor or becomes a Guarantor substantially concurrently with the transaction;

(b) the resulting, surviving or transferee Person expressly assumes all of the obligations of the Guarantor under its Note Guarantee and the Security Documents (and, to the extent required by the Intercreditor Agreement or any Additional Intercreditor Agreement, the Intercreditor Agreement or such Additional Intercreditor Agreement); and immediately after giving effect to the transaction, no Default or Event of Default has occurred and is continuing; or

(c) the transaction constitutes a sale or other disposition (including by way of consolidation or merger) of the Guarantor or the sale or disposition of all or substantially all the assets of the Guarantor (in each case other than to the Issuer or a Restricted Subsidiary) otherwise permitted by the Indenture.

Notwithstanding anything else to the contrary under this "*—Merger and Consolidation*" covenant, (a) any Restricted Subsidiary may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to a Guarantor or the Issuer and (b) any Guarantor may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to any other Guarantor or the Issuer. Notwithstanding anything else to the contrary under this "*—Merger and Consolidation*" covenant, a Guarantor may consolidate or otherwise combine with or merge into an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Guarantor, reincorporating the Guarantor in another jurisdiction, or changing the legal form of the Guarantor. For the avoidance of doubt, any Restricted Subsidiary (other than the Issuer or a Guarantor) may consolidate or otherwise combine with, merge into or transfer all or part of its properties and assets to any other such Restricted Subsidiary.

There is no precise established definition of the phrase "substantially all" 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.

This "*—Merger and Consolidation*" covenant will not apply to any transaction or arrangement pursuant to (i) any Permitted Reorganization or (ii) a Restricted Subsidiary of the Issuer transferring all or part of its properties and assets to the Issuer or another Restricted Subsidiary of the Issuer in order to comply with any law, rule, regulation or order, recommendation or direction of, or agreement with, any regulatory authority having jurisdiction over the Issuer and/or any of its Restricted Subsidiaries.

Limitations to Holding Company Activities

The Indenture will provide that, prior to the Completion Date, the Issuer will not engage in any business activities or undertake any other activity, except that for activities (i) reasonably relating to the Transactions, the Notes, the Indenture, the Senior Facilities Agreement, the Intercreditor

Agreement, the Security Documents, the Escrow Agreement, the Shortfall Agreement, any other Note Documents, the Escrow Charge or any related proceeds loans, including the Proceeds Loans; (ii) undertaken with the purpose of fulfilling any other obligations relating to the Transactions under the Notes, the Indenture, the Senior Facilities Agreement, the Intercreditor Agreement, the Security Documents, the Escrow Agreement, any other Note Documents, the Escrow Charge, the Shortfall Agreement or the Proceeds Loans; and (iii) relating to the establishment of the Issuer or other activities not specifically enumerated above that are *de minimis* in nature.

The Indenture will provide that, on and after the Completion Date, the Issuer may not carry on any business or own any assets, other than certain limited transactions, including, without limitation:

- the Transactions, the issuance of the Notes, and entering into and exercising its rights and performing its obligations under the Indenture, the Senior Facilities Agreement, the Intercreditor Agreement, the Security Documents, any other Note Documents and any related proceeds loans, including the Proceeds Loans, in each case to the extent not prohibited by the Indenture;

- entering into and exercising its rights and performing its obligations under any Proceeds Loans, in each case to the extent not prohibited by the Indenture;

- the ownership of the Capital Stock of Bidco and Finance Subsidiaries only;

- subject to the immediately preceding item, subscribing for, holding and voting shares or other debt and equity securities of any Subsidiaries of the Issuer, holding credit balances in bank accounts and any other assets or property the Issuer owns on the Issue Date; and to sell, issue, convey, transfer, lease or otherwise dispose of all of the foregoing, in each case to the extent not prohibited by the Indenture;

- listing debt securities of the Issuer and the issuance, offering and sale of its Capital Stock, other equity securities or other debt instruments and any purchase, repurchase, redemption, or the performance of the terms and conditions of, or any exercise of rights in respect of, such Capital Stock, in each case to the extent not prohibited by the Indenture and the Intercreditor Agreement or any Additional Intercreditor Agreement;

- the granting of any Permitted Lien, any Permitted Collateral Liens and any other Lien, and the extension, renewal, refinancing, release or replacement, in whole or in part, of any such Lien, in each case to the extent not prohibited by the Indenture;

- ownership of cash, Cash Equivalents, Investment Grade Securities and Designated Non-Cash Consideration;

- making Investments in the Notes or any other debt or other obligations or securities, in each case to the extent not prohibited by the Indenture;

- the performance of obligations and exercise of rights under contracts or arrangements with any Management Investor and any Person who directly or indirectly holds Capital Stock of the Issuer or any of its Affiliates;

- the entry into and performance of its rights and obligations in respect of (i) contracts and agreements with its officers, directors, employees, consultants and independent directors, (ii) subscription or purchase agreements for securities and/or preferred equity certificates, public offering rights agreements, voting and other stockholder agreements, engagement letters, underwriting agreements, dealer manager agreements, solicitation agency agreements, agreements with rating agencies and other agreements in respect of its securities or any offering, issuance or sale thereof and (iii) engagement letters and reliance letters in respect of legal, accounting and other advice and/or reports received and/or commissioned by it;

- the performance of any contract, agreement or other transaction existing on the Completion Date after giving effect to the Transactions or with its Restricted Subsidiaries, in each case to the extent not prohibited by the Indenture;
- the provision of administration services, treasury services and management services to its Subsidiaries of a type customarily provided by a holding company to its Subsidiaries, including, without limitation, those relating to overhead costs and paying filing fees and other ordinary course expenses (such as audit fees and Taxes), periodic reporting requirements, those directly related or reasonably incidental to the establishment and/or maintenance of its Subsidiaries' corporate existence and the ownership, holding or disposition of assets, as well as
- other transactions of a type customarily entered into by holding companies, in each case to the extent not prohibited by the Indenture (including, without limitation, operating and making filings as the parent entity of a tax consolidation group);
- paying dividends, making distributions and other payments or Investments not prohibited under the Indenture and the Intercreditor Agreement or any Additional Intercreditor Agreement;
- Incurring Subordinated Shareholder Funding;
- Incurring any other Indebtedness not prohibited by the Indenture and the Intercreditor Agreement or any Additional Intercreditor Agreement;
- carrying out any transaction permitted or not prohibited by the covenant described under "*— Merger and Consolidation*" or under "*— Limitation on Sales of Assets and Subsidiary Stock*" or pursuant to any Permitted Reorganization;
- the making and receipt of Parent Expenses;
- the sale or disposal of any assets not prohibited under the Indenture and the Intercreditor Agreement or any Additional Intercreditor Agreement; and
- activities reasonably incidental to the foregoing, activities undertaken on the Issue Date and subsequent activities substantially consistent with activities undertaken as of the Issue Date and other activities that are *de minimis* in nature,

provided that the Issuer is required to own 100% of the Capital Stock of Bidco except for any Capital Stock required by law to be held by third parties.

Suspension of Covenants on Achievement of Investment Grade Status

If on any date following the Issue Date, the Notes have achieved Investment Grade Status and no Default or Event of Default has occurred and is continuing (a "*Suspension Event*"), then, beginning on that day and continuing until the Reversion Date, the provisions of the Indenture summarized under the following captions will not apply to such Notes: "*—Limitation on Restricted Payments*," "*—Limitation on Indebtedness*," "*—Limitation on Restrictions on Distributions from Restricted Subsidiaries*," "*—Limitation on Affiliate Transactions*," "*—Limitation on Sales of Assets and Subsidiary Stock*," "*—Additional Guarantees*," "*—Limitations to Holding Company Activities*" and the provisions of clause (3) of the first paragraph of the covenant described under "*—Merger and Consolidation—The Issuer*," and, in each case, any related default provision of the Indenture will cease to be effective and will not be applicable to the Issuer and its Restricted Subsidiaries. Such covenants and any related default provisions will again apply according to their terms from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of the Issuer properly taken during the continuance of the Suspension Event, and the "*—Limitation on Restricted Payments*" covenant will be interpreted as if it has been in effect since the date of such Indenture except that no Default will be deemed to have occurred solely by reason

of a Restricted Payment made while that covenant was suspended. On the Reversion Date, all Indebtedness Incurred during the continuance of the Suspension Event will be classified, at the Issuer's option, as having been Incurred pursuant to the first paragraph of the covenant described under "*—Limitation on Indebtedness*" or one of the clauses set forth in the second paragraph of such covenant (to the extent such Indebtedness would be permitted to be Incurred thereunder as of the Reversion Date and after giving effect to Indebtedness Incurred prior to the Suspension Event and outstanding on the Reversion Date). To the extent such Indebtedness would not be so permitted to be Incurred under the first two paragraphs of the covenant described under "—Limitation on Indebtedness," such Indebtedness will be deemed to have been outstanding on the Completion Date, so that it is classified as permitted under clause (4)(c) of the second paragraph of the covenant described under "*—Limitation on Indebtedness*." In addition, the Indenture will also permit, 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 have an Investment Grade Status as long as the contractual commitments were entered into during the Suspension Event and not in anticipation of the Notes no longer having an Investment Grade Status.

The Issuer shall notify the Trustee and the Holders 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 obligated to notify Holders of such event.

There can be no assurance that the Notes will ever achieve or maintain an investment grade rating.

Additional Guarantees

The Issuer will not cause or permit any of its Non-Guarantor Subsidiaries, directly or indirectly, to (x) Guarantee any Indebtedness of the Issuer or any Guarantor under any Credit Facilities, or (y) Guarantee any Public Debt of the Issuer or any Guarantor, and, in each case, any refinancing thereof incurred by the Issuer or a Guarantor in whole or in part (which refinancing in turn consists of Credit Facilities or Public Debt, as applicable), unless (subject to the Agreed Security Principles) such Non-Guarantor Subsidiary becomes a Guarantor on the date on which such other Guarantee or other Indebtedness, as applicable, is Incurred and, if applicable, executes and delivers to the Trustee a supplemental indenture in the form attached to the Indenture pursuant to which such Restricted Subsidiary will provide a Note Guarantee of the Notes, which Note Guarantee will be subordinated to any Senior Indebtedness of such Restricted Subsidiary.

A Non-Guarantor Subsidiary may become a Guarantor if it executes and delivers to the Trustee a supplemental indenture in the form attached to the Indenture pursuant to which such Restricted Subsidiary will provide a Note Guarantee of the Notes.

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, thin capitalization, distributable reserves, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law.

Notwithstanding the foregoing, the Issuer shall not be obligated to cause such Restricted Subsidiary to Guarantee the Notes to the extent the Agreed Security Principles so provide or to the extent and for so long as the Incurrence of such Note Guarantee could reasonably be expected to give rise to or result in: (1) any violation of applicable law or regulation; (2) any liability for the officers, directors or (except in the case of a Restricted Subsidiary that is a partnership) shareholders of such Restricted Subsidiary (or, in the case of a Restricted Subsidiary that is a partnership, directors or shareholders of the partners of such partnership); (3) any cost, expense, liability or obligation (including with respect to any Taxes) other than reasonable out-of-pocket expenses and other than reasonable expenses Incurred in connection with any

governmental or regulatory filings required as a result of, or any measures pursuant to clause (1) of this paragraph undertaken in connection with, such Note Guarantee, which in any case under any of clauses (1), (2) and (3) of this paragraph cannot be avoided through measures reasonably available to the Issuer or a Restricted Subsidiary; or (4) an inconsistency with the Intercreditor Agreement or any Additional Intercreditor Agreement.

No Impairment of Security Interest

The Issuer shall not, and shall not permit any Restricted Subsidiary to, take or omit to take any action that would have the result of materially impairing any security interest with respect to the Collateral (it being understood that the Incurrence of Permitted Collateral Liens, the implementation of any Permitted Reorganization and the repayment or amendment of intragroup Indebtedness of the Issuer, Bidco and their respective Subsidiaries in accordance with the provisions of the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement shall under no circumstances be deemed to materially impair any security interest with respect to the Collateral) for the benefit of the Trustee and the Holders, and the Issuer shall not, and shall not permit any Restricted Subsidiary to, and Bidco shall not grant to any Person other than the Security Agent, for the benefit of the Trustee and the Holders and the other beneficiaries described in the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, any Lien over any of the Collateral that is prohibited by the covenant entitled "*—Limitation on Liens*"; *provided* that the Issuer, Bidco and their respective Restricted Subsidiaries may Incur Permitted Collateral Liens and the Collateral may be discharged, transferred or released in accordance with the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the applicable Security Documents.

Notwithstanding the above, nothing in this covenant shall restrict the discharge and release of any security interest in accordance with the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents. Subject to the foregoing, the Security Documents may be amended, extended, renewed, restated, supplemented or otherwise modified or released (followed by a substantially concurrent retaking of a Lien of at least equivalent ranking over the same assets or, in the case of a Permitted Reorganization, assets with substantially similar value (as determined in good faith by the Board of Directors or Senior Management of the Issuer) to the Lien that was in place immediately prior to such release) to (i) cure any ambiguity, omission, defect or inconsistency therein; (ii) provide for Permitted Collateral Liens; (iii) add to the Collateral; or (iv) make any other change thereto that does not adversely affect the Holders in any material respect; *provided, however*, that, except where permitted by the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement, no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or released (followed by a substantially concurrent retaking of a Lien of at least equivalent ranking over the same assets), unless contemporaneously with such amendment, extension, renewal, restatement, supplement or modification or release (followed by a substantially concurrent retaking of a Lien of at least equivalent ranking over the same assets), the Issuer delivers to the Security Agent and the Trustee, any of (1) a solvency opinion from an Independent Financial Advisor which confirms 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, modification or release (followed by a substantially concurrent retaking of a lien of at least equivalent ranking over the same assets), (2) a certificate from the chief financial officer or the Board of Directors of the relevant Person which confirms the solvency of the Person granting such security interest after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or release (followed by a substantially concurrent retaking of a lien of at least equivalent ranking over the same assets) or (3) an Opinion of Counsel (subject to any qualifications customary for this type of Opinion of Counsel) confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or release (followed by a substantially concurrent retaking of a lien of at least

equivalent ranking over the same assets), the Lien or Liens created under the Security Document, so amended, extended, renewed, restated, supplemented, modified or released and replaced are 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, modification or release and to which the new Indebtedness secured by the Permitted Collateral Lien is not subject.

In the event that the Issuer, Bidco and their respective Restricted Subsidiaries comply with the requirements of this covenant, the Trustee and the Security Agent shall (subject to customary protections and indemnifications) consent to such amendments without the need for instructions from the Holders.

Limitation on Actions with respect to the Bidco Proceeds Loan

The Indenture will provide that:

(1) the Issuer may not sell, assign or otherwise transfer or forgive or waive any principal amount of the Bidco Proceeds Loan (other than to secure the Notes, any Note Guarantees or the Indenture, or to grant Permitted Collateral Liens, in each case as permitted under the Indenture or in connection with a transaction permitted by "*—Merger and Consolidation*");

(2) the Issuer may not amend the Bidco Proceeds Loan in a manner adverse in any material respect to the Holders of the Notes (as determined in good faith by the Issuer), other than any amendment to the interest terms including the interest rate payable thereunder; and

(3) any principal repayments received by the Issuer in respect of the Bidco Proceeds Loan prior to its maturity shall be applied promptly to redeem the Notes; *provided* that the Issuer shall be entitled to convert the Bidco Proceeds Loan into equity of Bidco and that the Bidco Proceeds Loan may be prepaid or reduced, in each case, to facilitate or otherwise accommodate or reflect a prior or substantially contemporaneous repayment, redemption or repurchase of outstanding Notes.

Notwithstanding the foregoing, the Bidco Proceeds Loan may be cancelled forgiven or otherwise repaid, released or discharged upon:

- a sale or other disposition (including by way of consolidation or merger) of the Capital Stock of Bidco (whether by direct sale or sale of a holding company), if the sale or other disposition does not violate the Indenture and Bidco ceases to be a Restricted Subsidiary of the Issuer as a result of the sale or other disposition;
- the sale or disposition (including by way of consolidation or merger) of all or substantially all the assets of Bidco (other than to the Issuer or any of its Restricted Subsidiaries), if the sale or other disposition does not violate the Indenture;
- legal defeasance, covenant defeasance or satisfaction and discharge of the Notes, as provided in "*—Defeasance*" and "*—Satisfaction and Discharge*";
- in accordance with the provisions of the Intercreditor Agreement or any Additional Intercreditor Agreement;
- as described under "*—Amendments and Waivers*";
- the conversion of the Bidco Proceeds Loan into Capital Stock of Bidco;
- as a result of a transaction permitted by "*—Merger and Consolidation*" other than a transaction where Bidco would merge into, be combined with or transfer all or substantially all of its assets to a Non-Guarantor Subsidiary of the Issuer; or
- to the extent of such repayments, one or more repayments of principal of the Bidco Proceeds Loan, up to an aggregate of 20% of the original principal amount of the Bidco Proceeds Loan,

made upon the Issuer's reasonable determination that such repayments are required or expedient to optimize the Issuer's or any Restricted Subsidiary's tax position or liabilities (including, without limitation, to mitigate any potential restrictions under French law on the deductibility of interest accruing on Indebtedness or other obligations).

The Trustee and the Security Agent shall take all necessary actions reasonably requested by the Issuer, including the granting of releases or waivers under the Intercreditor Agreement or any Additional Intercreditor Agreement, to effectuate any release of the Bidco Proceeds Loan in accordance with these provisions, subject to customary protections and indemnifications. Each of the releases set forth above shall be effected by the Trustee and the Security Agent without the consent of or liability to the Holders or any other action or consent on the part of the Trustee or the Security Agent.

Events of Default

Each of the following is an "*Event of Default*" under the Indenture:

(1) default in any payment of interest or Additional Amounts, if any, on any Note when due and payable, continued for 30 days;

(2) default in the payment of the principal amount of or premium, if any, on any Note issued under the Indenture when due at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration or otherwise;

(3) failure to comply with the provisions of the covenant described under "*—Certain Covenants—Merger and Consolidation*";

(4) failure by the Issuer or any of its Restricted Subsidiaries to comply for 60 days after written notice by the Trustee on behalf of the Holders or by the Holders of at least 30% in aggregate principal amount of the outstanding Notes with its other agreements contained in the Indenture;

(5) default under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced by any Indebtedness for money borrowed by the Issuer or any of its Restricted Subsidiaries (or the payment of which is Guaranteed by the Issuer or any of its Restricted Subsidiaries), other than Indebtedness owed to the Issuer or a Restricted Subsidiary whether such Indebtedness or Guarantee now exists, or is created after the Issue Date, which default:

(a) is caused by a failure to pay principal at stated maturity on such Indebtedness, immediately upon the expiration of any grace period provided in such Indebtedness ("*payment default*"); or

(b) results in the acceleration of such Indebtedness prior to its maturity (the "*cross acceleration provision*"),

and, in each case, the aggregate principal amount of any such Indebtedness, together with the aggregate principal amount of any other such Indebtedness under which there has been a payment default or the maturity of which has been so accelerated, aggregates €30.0 million or more;

(6) certain events of bankruptcy, insolvency or court protection of the Issuer, Bidco or a Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements of the Issuer), would constitute a Significant Subsidiary of the Issuer (the "*bankruptcy provisions*");

(7) failure by the Issuer or any Significant Subsidiary or group of Restricted Subsidiaries that, taken together (as of the latest audited consolidated financial statements of the Issuer), would constitute a Significant Subsidiary of the Issuer to pay final judgments aggregating in excess of

€30.0 million (exclusive of any amounts that a solvent insurance company has acknowledged liability for), which judgments are not paid, discharged or stayed for a period of 60 days after the judgment becomes final (the "*judgment default provision*");

(8) any security interest under the Security Documents on any Collateral shall, at any time, cease to be in full force and effect (other than in accordance with the terms of the relevant Security Document, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Indenture and except through the gross negligence or willful misconduct of the Trustee or Security Agent) with respect to Collateral having a fair market value in excess of €5.0 million for any reason other than the satisfaction in full of all obligations under the Indenture or the release or amendment of any such security interest in accordance with the terms of the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or such Security Document or any such security interest created thereunder shall be declared invalid or unenforceable or the Issuer or any Restricted Subsidiary shall assert in writing that any such security interest is invalid or unenforceable and any such Default continues for 10 days (the "*security default provisions*");

(9) any Guarantee of a Significant Subsidiary or a group of Guarantors that when taken together (as of the end of the most recently completed fiscal year), would constitute a Significant Subsidiary, ceases to be in full force and effect (other than in accordance with the terms of such Guarantee, the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement) or is declared invalid or unenforceable in a judicial proceeding or any Guarantor denies or disaffirms in writing its obligations under its Guarantee and any such Default continues for 10 days (the "*guarantee provisions*"); and

(10) (a) failure by the Issuer to consummate a Special Mandatory Redemption on the Special Mandatory Redemption Date as described above under *"—Escrow of Proceeds; Special Mandatory Redemption*" or (b) the Lien purported to be granted over the Notes Escrow Account in favor of the Trustee for the benefit of the Holders of the Notes pursuant to the Escrow Charge being held in any non-appealable judicial proceeding to be unenforceable or invalid.

However, a default under clauses (4), (5), (7), (8) or (9) of this paragraph will not constitute an Event of Default until the Trustee or the Holders of 30% in aggregate principal amount of the outstanding Notes notify the Issuer of the default and, with respect to clauses (4), (5), (7), (8) or (9) the Issuer does not cure such default within the time specified in clauses (4), (5), (7), (8) or (9) as applicable, of this paragraph after receipt of such notice.

If an Event of Default (other than an Event of Default described in clause (6) or (10)(a) above) occurs and is continuing, the Trustee by notice to the Issuer or the Holders of at least 30% in aggregate principal amount of the outstanding Notes by written notice to the Issuer and the Trustee, may, and the Trustee at the request of such Holders shall, declare the principal of, premium, if any, and accrued and unpaid interest, including Additional Amounts, if any, on all the Notes to be due and payable. Upon such a declaration, such principal, premium and accrued and unpaid interest, including Additional Amounts, if any, will be due and payable immediately. In the event of a declaration of acceleration of the Notes because an Event of Default described in clause (5) above has occurred and is continuing, the declaration of acceleration of the Notes shall be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to clause (5) shall have been remedied or cured, or waived by the holders of the Indebtedness, or the Indebtedness that gave rise to such Event of Default shall have been discharged in full, within 30 days after the declaration of acceleration with respect thereto and if (1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction and (2) all existing Events of Default, except nonpayment of principal, premium or interest, including Additional Amounts, if any, on the Notes that became due solely because of the acceleration of the Notes, have been cured or waived.

If an Event of Default described in clause (6) or (10)(a) above occurs and is continuing, the principal of, premium, if any, and accrued and unpaid interest, including Additional Amounts, if any, on all the Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holders.

The Holders of a majority in aggregate principal amount of the outstanding Notes under the Indenture may waive all past or existing Defaults or Events of Default (except with respect to nonpayment of principal, premium or interest, or Additional Amounts, if any) and rescind any such acceleration with respect to such Notes and its consequences if rescission would not conflict with any judgment or decree of a court of competent jurisdiction.

Subject to the provisions of the Indenture relating to the duties of the Trustee, if an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity and/or security (including by way of pre-funding) satisfactory to the Trustee against any loss, liability or expense. Except to enforce the right to receive payment of principal or interest when due, no Holder may pursue any remedy with respect to the Indenture or the Notes unless:

(1) such Holder has previously given the Trustee written notice that an Event of Default is continuing;

(2) Holders of at least 30% in aggregate principal amount of the outstanding Notes have requested in writing the Trustee to pursue the remedy;

(3) such Holders have offered in writing the Trustee security and/or indemnity (including by way of pre-funding) satisfactory to the Trustee against any loss, liability or expense;

(4) the Trustee has not complied with such request within 60 days after the receipt of the written request and the offer of such security and/or indemnity; and

(5) the Holders of a majority in aggregate principal amount of the outstanding Notes have not given the Trustee a written direction that, in the opinion of the Trustee, is inconsistent with such request within such 60-day period.

Subject to certain restrictions, the Holders of a majority in aggregate principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Indenture will provide that, in the event an Event of Default, of which a responsible officer of the Trustee has received written notice, has occurred and is continuing, the Trustee will be required in the exercise of its powers to use the degree of care that a prudent person would use in the conduct of its own affairs. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification and/or security (including by way of pre-funding) reasonably satisfactory to it against all losses and expenses caused by taking or not taking such action.

The Indenture will provide that if a Default occurs and is continuing and a responsible officer of the Trustee is informed of such occurrence by the Issuer, the Trustee must give notice of the Default to the Holders within 60 days after being notified by the Issuer. Except in the case of a Default in the payment of principal of, or premium, if any, or interest on any Note, the Trustee may withhold notice if and so long as a committee of trust officers of the Trustee in good faith determines that withholding notice is in the interests of the Holders. The Issuer is required to deliver to the Trustee, within 120 days after the end of each fiscal year, an Officer's Certificate indicating whether the signers thereof know of any Default that occurred during the previous year. The Issuer is required to deliver to the Trustee, within 30 days after the occurrence of a Default or an Event of Default, written notice of any events of which it is aware which would

constitute a Default or an Event of Default, their status and what action the Issuer is taking or proposes to take in respect thereof. The Indenture will provide that (i) if a Default occurs for a failure to 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 "*— Certain Covenants—Reports*" 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.

The Notes provide for the Trustee to take action on behalf of the Holders in certain circumstances, but only if the Trustee is indemnified and/or secured (including by way of pre-funding) to its satisfaction. It may not be possible for the Trustee to take certain actions in relation to the Notes and, accordingly, in such circumstances the Trustee will be unable to take action, notwithstanding the provision of an indemnity to it, and it will be for Holders to take action directly.

Holders of the Notes may not enforce the Indenture or the Notes except as provided in the Indenture and may not enforce the Security Documents except as provided in such Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement.

Amendments and Waivers

Subject to certain exceptions, the Note Documents may be amended, supplemented or otherwise modified and amendments to the Bidco Proceeds Loan, the Escrow Agreement, the Escrow Charge or the Shortfall Agreement that would be adverse to the Holders of Notes in material respects may be approved with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, such Notes) and, subject to certain exceptions, any default or compliance with any provisions thereof may be waived with the consent of the Holders of a majority in aggregate principal amount of the Notes then outstanding (including consents obtained in connection with a purchase of, or tender offer or exchange offer for, such Notes). However, without the consent of Holders holding not less than 90% (or, in the case of clause (8), 80%) of the then outstanding aggregate principal amount of Notes affected, an amendment or waiver may not, with respect to any such series of the Notes held by a non-consenting Holder:

(1) reduce the principal amount of such Notes whose Holders must consent to an amendment;

(2) reduce the stated rate of or extend the stated time for payment of interest on any such Note;

(3) reduce the principal of, or extend the Stated Maturity of, any such Note;

(4) reduce the premium payable upon the redemption of any such Note or change the time at which any such Note may be redeemed, in each case as described above under "*—Optional Redemption*";

(5) make any such Note payable in money other than that stated in such Note;

(6) impair the right of any Holder to receive payment of principal of, and interest on, such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any such payment on or with respect to such Holder's Notes (other than, for the avoidance of doubt, a payment required by the provisions described above under "*Change of Control*" or "*Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*");

(7) make any change in the provision of the Indenture described under "*—Withholding Taxes*" that adversely affects the right of any Holder of such Notes in any material respect or amends the

terms of such Notes in a way that would result in a loss of an exemption from any of the Taxes described thereunder or an exemption from any obligation to withhold or deduct Taxes so described thereunder unless the Payor agrees to pay Additional Amounts, if any, in respect thereof;

(8) release (i) all or substantially all of the Collateral granted for the benefit of the Holders or (ii) any Note Guarantee, in each case, other than pursuant to the terms of the Security Documents and the Indenture or except as permitted by the Intercreditor Agreement or any Additional Intercreditor Agreement;

(9) waive a Default or Event of Default with respect to the nonpayment of principal, premium or interest (except pursuant to a rescission of acceleration of the Notes by the Holders of at least a majority in aggregate principal amount of such Notes and a waiver of the payment default that resulted from such acceleration); or

(10) make any change in the amendment or waiver provisions which require the Holders' consent described in this sentence.

Notwithstanding the foregoing, without the consent of any Holder, the Issuer, the Trustee, the Security Agent and the other parties thereto, as applicable, may amend or supplement any Note Document, the Escrow Charge, the Shortfall Agreement and the Bidco Proceeds Loan to:

(1) cure any ambiguity, omission, defect, error or inconsistency, conform any provision to this "*Description of the Notes*," or reduce the minimum denomination of the Notes;

(2) provide for the assumption by a successor Person of the obligations of the Issuer or any Guarantor under any of the documents referenced above;

(3) provide for uncertificated Notes in addition to or in place of certificated Notes (*provided* that the uncertificated Notes are issued in registered form for purposes of Section 163(f) of the Code);

(4) add to the covenants or provide for a Guarantee for the benefit of the Holders or surrender any right or power conferred upon the Issuer or any Restricted Subsidiary;

(5) make any change that does not adversely affect the legal rights of any Holder in any material respect;

(6) make such provisions as necessary (as determined in good faith by the Issuer) for the issuance of Additional Notes;

(7) provide for any Restricted Subsidiary to provide a Guarantee in accordance with the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" and "*—Certain Covenants—Additional Guarantees*," to add Guarantees with respect to the Notes, to add Collateral for the benefit of the Notes, to allow any Guarantor to execute a supplemental indenture and/or a Guarantee with respect to the Notes, or to confirm and evidence the release, termination, discharge or retaking of any Guarantee or Lien (including the Collateral and the Security Documents) with respect to or securing the Notes when such release, termination, discharge or retaking is provided for under the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement or the Security Documents;

(8) to evidence and provide for the acceptance and appointment under the Note Documents of a successor Trustee and/or Security Agent pursuant to the requirements thereof or to provide for the accession by the Trustee and/or Security Agent to any Note Document;

(9) in the case of the Security Documents, to mortgage, pledge, hypothecate or grant a security interest in favor of the Security Agent for the benefit of parties to the Senior Facilities Agreement, in any property which is required by the Senior Facilities Agreement (as in effect on the Completion Date) to be mortgaged, pledged or hypothecated, or in which a security interest is required to be granted to the Security Agent, or to the extent necessary to grant a security interest for the benefit of any Person; *provided* that the granting of such security interest is not prohibited by the Indenture and the covenant described under "*—Certain Covenants—No Impairment of Security Interest*" is complied with;

(10) to make any amendment to the provisions of the Indenture relating to the transfer and legending of Notes as permitted by the Indenture, including, without limitation to facilitate the issuance and administration of the Notes; *provided, however*, that (i) compliance with the Indenture as so amended would not result in Notes being transferred in violation of the Securities Act or any applicable securities law and (ii) such amendment does not materially and adversely affect the rights of Holders to transfer Notes;

(11) to release the security interests created by the Security Documents or any Guarantees as provided by the terms of the Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement; or

(12) to amend, supplement or otherwise modify the Escrow Agreement, the Escrow Charge, the Shortfall Agreement or the Proceeds Loans in ways that would not be adverse to the Holders of Notes in any material respect.

In formulating its decisions on such matters, the Trustee shall be entitled to rely on such evidence as it deems appropriate including Officer's Certificates and Opinions of Counsel.

The consent of the Holders is not necessary under the Indenture to approve the particular form of any proposed amendment of any Note Document. It is sufficient if such consent approves the substance of the proposed amendment. A consent to any amendment or waiver under the Indenture by any Holder of Notes given in connection with a tender of such Holder's Notes will not be rendered invalid by such tender.

Notwithstanding the foregoing, in order to effect an amendment authorized by clause (4) above in respect of providing for a Guarantee for the benefit of Holders, the supplemental indenture providing for the accession of such Guarantor shall be duly authorized and executed by the Issuer, such additional Guarantor and the Trustee (and no other party).

For the avoidance of doubt, no amendment to, or deletion of any of the covenants described under "*—Certain Covenants*," shall be deemed to impair or affect any rights of holders of the Notes to receive payment of principal of, or premium, if any, or interest on, the Notes.

Acts by Holders

In determining whether the Holders of the required aggregate principal amount of the Notes have concurred in any direction, waiver or consent, any Notes owned by the Issuer or by any Person directly or indirectly controlled, or controlled by, or under direct or indirect common control with, the Issuer will be disregarded and deemed not to be outstanding.

Defeasance

The Issuer at any time may terminate all its and any Guarantor's obligations under the Notes and the Indenture ("*legal defeasance*") and cure all then existing Defaults and Events of Default, except for certain obligations, including those respecting the defeasance trust, the rights, powers, trusts, duties, immunities and indemnities of the Trustee and the obligations of the Issuer in connection therewith and obligations concerning issuing temporary Notes, registrations of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust. Subject to the foregoing, if the Issuer exercises its legal defeasance option, the Security Documents in effect at such time will terminate (other than with respect to the defeasance trust).

The Issuer at any time may terminate its and the Guarantor's obligations under the covenants described under "*—Certain Covenants*" (other than with respect to clauses (1) and (2) of the covenant described under "*—Certain Covenants—Merger and Consolidation—The Issuer*") and "*—Change of Control*" and the default provisions relating to such covenants described under "*—Events of Default*" above, the operation of the cross-default upon a payment default, the cross

acceleration provisions, the bankruptcy provisions with respect to the Issuer and its Significant Subsidiaries, the judgment default provision, the guarantee provisions and the security default provisions described under "*—Events of Default*" above ("*covenant defeasance*").

The Issuer at its option at any time may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect to the Notes. If the Issuer exercises its covenant defeasance option with respect to the Notes, payment of the Notes may not be accelerated because of an Event of Default specified in clause (3) (other than with respect to clauses (1) and (2) of the covenant described under "*—Certain Covenants—Merger and Consolidation—The Issuer*"), (4), (5), (6) (other than with respect to the Issuer), (7), (8) or (9) under "*—Events of Default*" above.

In order to exercise either defeasance option, the Issuer must irrevocably deposit in trust (the "*defeasance trust*") with the Trustee (or such entity designated or appointed (as agent) by the Trustee for this purpose) cash in euros or euro-denominated European Government Obligations or a combination thereof for the payment of principal, premium, if any, and interest on the Notes to redemption or maturity, as the case may be, and must comply with certain other conditions, including delivery to the Trustee of:

(1) an Opinion of Counsel in the United States to the effect that Holders of the Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred (and in the case of legal defeasance only, such Opinion of Counsel in the United States must be based on a ruling of the U.S. Internal Revenue Service or other change in applicable U.S. federal income tax law since the issuance of the Notes);

(2) an Officer's Certificate stating that the deposit was not made by the Issuer with the intent of defeating, hindering, delaying, defrauding or preferring any creditors of the Issuer;

(3) an Officer's Certificate and an Opinion of Counsel (which Opinion of Counsel may be subject to customary assumptions and exclusions), each stating that all conditions precedent provided for or relating to legal defeasance or covenant defeasance, as the case may be, have been complied with;

(4) an Opinion of Counsel to the effect that the trust resulting from the deposit does not constitute, or is qualified as, a regulated investment company under the U.S. Investment Company Act of 1940; and

(5) the Issuer delivers to the Trustee all other documents or other information that the Trustee may reasonably require in connection with either defeasance option.

Satisfaction and Discharge

The Indenture, and the rights of the Trustee and the Holders under the Security Documents will be discharged and cease to be of further effect (except as to surviving rights of conversion or transfer or exchange of the Notes, as expressly provided for in the Indenture) as to all outstanding Notes when (1) either (a) all the Notes previously authenticated and delivered (other than certain lost, stolen or destroyed Notes and certain Notes for which provision for payment was previously made and thereafter the funds have been released to the Issuer) have been delivered to the Trustee for cancellation or (b) all Notes not previously delivered to the Trustee for cancellation (i) have become due and payable, (ii) will become due and payable at their Stated Maturity within one year or (iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer; (2) the Issuer has deposited or caused to be deposited with the Trustee (or such entity designated or appointed (as agent) by the Trustee for

this purpose), euros or euro-denominated European Government Obligations or a combination thereof in an amount sufficient to pay and discharge without consideration of reinvestment the entire indebtedness on the Notes not previously delivered to the Trustee for cancellation, for principal, premium, if any, and interest to the date of deposit (in the case of Notes that have become due and payable), or to the Stated Maturity or redemption date, as the case may be; (3) the Issuer has paid or caused to be paid all other sums payable under the Indenture; (4) the Issuer has delivered irrevocable instructions to the Trustee under the Indenture to apply the deposited money towards payment of the Notes at maturity or on the redemption date, as the case may be; and (5) the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each to the effect that all conditions precedent under the "*—Satisfaction and Discharge*" section of the Indenture relating to the satisfaction and discharge of the Indenture have been complied with, *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 (1), (2), (3) and (4)).

No Personal Liability of Directors, Officers, Employees and Shareholders

No director, officer, employee, incorporator or shareholder of the Issuer or any of its Subsidiaries or Affiliates, as such, shall have any liability for any obligations of the Issuer under the Note Documents, the Shortfall Agreement, the Escrow Charge or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes. Such waiver may not be effective to waive liabilities under the U.S. federal securities laws and it is the view of the SEC that such a waiver is against public policy.

Concerning the Trustee and Certain Agents

U.S. Bank Trustees Limited is to be appointed as Trustee under the Indenture. The Indenture will provide that, except during the continuance of an Event of Default, of which a responsible officer of the Trustee has received written notice, the Trustee will perform only such duties as are set forth specifically in such Indenture. During the existence of an Event of Default, the Trustee will exercise such of the rights and powers vested in it under the Indenture and use the same degree of care that a prudent Person would use in conducting its own affairs. The permissive rights of the Trustee to take or refrain from taking any action enumerated in the Indenture will not be construed as an obligation or duty.

The Trustee will be permitted to engage in other transactions with the Issuer and its Affiliates and Subsidiaries.

The Indenture will set out the terms under which the Trustee may retire or be removed, and replaced. Such terms will include, among others, (1) that the Trustee may be removed at any time by the Holders of a majority in principal amount of the then outstanding Notes, or may resign at any time by giving written notice to the Issuer and (2) that if the Trustee at any time (a) has or acquires a conflict of interest that is not eliminated or (b) becomes incapable of acting as Trustee or becomes insolvent or bankrupt, then the Issuer may remove the Trustee, or any Holder who has been a *bona fide* Holder for not less than six months may petition any court for removal of the Trustee and appointment of a successor Trustee.

Any removal or resignation of the Trustee shall not become effective until the acceptance of appointment by the successor Trustee.

The Indenture will contain provisions for the indemnification of the Trustee for any loss, liability and expenses incurred without gross negligence, willful misconduct or fraud on its part, arising out of or in connection with the acceptance or administration of the Indenture.

Notices

All notices to Holders of Notes will be validly given if mailed to them at their respective addresses in the register of the Holders of the Notes, if any, maintained by the Registrar. Alternatively, all

notices to Holders of Notes will be validly given if disseminated through the newswire service of Bloomberg (or if Bloomberg does not operate, any similar agency) or published in a leading English language daily newspaper published in London or, if such publication is not reasonably practicable, in such other English language daily newspaper with general circulation in Europe as the Trustee may approve. It is expected that any such publication will normally be made in the *Financial Times*.

In addition, for so long as any of the Notes are listed on the Official List of the Exchange and if and to the extent the rules of the Exchange shall so require, notices with respect to the Notes will be posted on the official website of the Exchange. In addition, for so long as any Notes are represented by Global Notes, all notices to Holders of the Notes will be delivered to Euroclear and Clearstream, each of which will give such notices to the holders of Book-Entry Interests. Such notices may also be published on the website of the Exchange, to the extent and in the manner permitted by the rules of the Exchange.

Each such notice, including without limitation through the newswire service of Bloomberg (or if Bloomberg does not operate, any similar agency) shall be deemed to have been given on the date of such publication or, if published more than once on different dates, on the first date on which publication is made; *provided* that, if notices are mailed, such notice shall be deemed to have been given on the later of such publication and the seventh day after being so mailed. Any notice or communication mailed to a Holder shall be mailed to such Person by first-class mail or other equivalent means and shall be sufficiently given to such Holder if so mailed within the time prescribed. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it. If a notice or communication is given via Euroclear or Clearstream, it is duly given on the day the notice is given to Euroclear or Clearstream.

Prescription

Claims against the Issuer or any Guarantor for the payment of principal, or premium, if any, on the Notes will be prescribed 10 years after the applicable due date for payment thereof. Claims against the Issuer or any Guarantor for the payment of interest on the Notes will be prescribed five years after the applicable due date for payment of interest.

Currency Indemnity and Calculation of Euro-Denominated Restrictions

The euro is the sole currency of account and payment for all sums payable by the Issuer and the Guarantors, if any, under or in connection with the Notes and the relevant Note Guarantees, if any, as the case may be, including damages. Any amount received or recovered in a currency other than euro, whether as a result of, or the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer, any Guarantor or otherwise by any Holder or by the Trustee, in respect of any sum expressed to be due to it from the Issuer or a Guarantor will only constitute a discharge of the obligations of the Issuer or such Guarantor, as applicable, to the extent of the euro amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

If that euro amount is less than the euro amount expressed to be due to the recipient or the Trustee under any Note, the Issuer and the Guarantors will indemnify them against any loss sustained by such recipient or the Trustee as a result. In any event, the Issuer and the Guarantors will indemnify the recipient or the Trustee on a joint or several basis against the cost of making any such purchase.

For the purposes of this currency indemnity provision, it will be *prima facie* evidence of the matter stated therein for the Holder of a Note or the Trustee to certify in a manner reasonably

satisfactory to the Issuer (indicating the sources of information used) the loss it Incurred in making any such purchase. These indemnities constitute a separate and independent obligation from the Issuer's and the Guarantors' other obligations, will give rise to a separate and independent cause of action, will apply irrespective of any waiver granted by any Holder of a Note or the Trustee (other than a waiver of the indemnities set out herein) and 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, any Note Guarantee or to the Trustee.

Except as otherwise specifically set forth herein, for purposes of determining compliance with any euro-denominated restriction herein, the euro equivalent amount for purposes hereof that is denominated in a non-euro currency shall be calculated based on the relevant currency exchange rate in effect on the date such non-euro amount is Incurred or made, as the case may be.

Enforceability of Judgments

Since substantially all the assets of the Issuer are held outside the United States, and any judgment obtained in the United States against the Issuer, including judgments with respect to the payment of principal, premium, if any, interest, Additional Amounts, if any, and any redemption price and any purchase price with respect to the Notes or the Note Guarantees, may not be collectable within the United States.

Consent to Jurisdiction and Service

In relation to any legal action or proceedings arising out of or in connection with the Indenture and the Notes and the Note Guarantees, the Issuer and any Guarantor will in the Indenture irrevocably submit to the jurisdiction of the federal and state courts in the Borough of Manhattan in the City of New York, County and State of New York, United States.

Governing Law

The Indenture and the Notes, including any Note Guarantees, and the rights and duties of the parties thereunder will be governed by and construed in accordance with the laws of the State of New York. The Intercreditor Agreement and any Additional Intercreditor Agreements will be governed by English law.

Certain Definitions

"*Acquired Indebtedness*" means Indebtedness (1) of a Person or any of its Subsidiaries existing at the time such Person becomes a Restricted Subsidiary, or (2) assumed in connection with the acquisition of assets from such Person, in each case, whether or not Incurred by such Person in connection with such Person becoming a Restricted Subsidiary of the Issuer or such acquisition or (3) of a Person at the time such Person merges with or into or consolidates or otherwise combines with the Issuer or any Restricted Subsidiary. Acquired Indebtedness shall be deemed to have been Incurred, with respect to clause (1) of the preceding sentence, on the date such Person becomes a Restricted Subsidiary and, with respect to clause (2) of the preceding sentence, on the date of consummation of such acquisition of assets and, with respect to clause (3) of the preceding sentence, on the date of the relevant merger, consolidation or other combination.

"*Acquisition*" means the acquisition from the Sellers (as defined in this Offering Memorandum), directly or indirectly, of substantially all of the issued and outstanding share capital of the Target and the Sellers' Bonds by the Issuer pursuant to the Acquisition Agreements.

"*Acquisition Agreements*" refers to the FG Acquisition Agreement and the Manco Acquisition Agreement, as such terms are defined in this Offering Memorandum;

"*Additional Assets*" means:

(1) any property or assets (other than Indebtedness and Capital Stock) used or to be used by the Issuer, a Restricted Subsidiary or otherwise useful in a Similar Business (it being understood that capital expenditures shall be deemed an investment in Additional Assets);

(2) the Capital Stock of a Person that is engaged in a Similar Business and becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Issuer or a Restricted Subsidiary of the Issuer; or

(3) Capital Stock constituting a minority interest in any Person that at such time is a Restricted Subsidiary of the Issuer.

"*Affiliate*" of any specified Person means 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 Person means the power to direct 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*" and "*controlled*" have meanings correlative to the foregoing.

"*Agreed Security Principles*" means the Agreed Security Principles as set out in an annex to the Senior Facilities Agreement as in effect on the Completion Date, as applied *mutatis mutandis* with respect to the Notes in good faith by the Issuer.

"*Applicable Premium*" means, with respect to any Note, the greater of:

(1) 1% of the principal amount of such Note; and

(2) on any redemption date, the excess (to the extent positive) of:

(a) the present value at such redemption date of (i) the redemption price of such Note at , 2020 (such redemption price (expressed in percentage of principal amount) being set forth in the table under "*—Optional Redemption*" (excluding accrued but unpaid interest)), plus (ii) all required interest payments due on such Note through , 2020 (excluding accrued but unpaid interest), computed upon the redemption date using a discount rate equal to the Bund Rate at such redemption date plus 50 basis points; over

(b) the outstanding principal amount of such Note,

as calculated by the Issuer or on behalf of the Issuer by such Person as the Issuer shall designate. For the avoidance of doubt, calculation of the Applicable Premium shall not be a duty or obligation of the Trustee or Paying Agent.

"*Asset Disposition*" means any direct or indirect sale, lease (other than an operating lease entered into in the ordinary course of business), transfer, issuance or other disposition, or a series of related sales, leases (other than operating leases entered into in the ordinary course of business), transfers, issuances or dispositions that are part of a common plan, of shares of Capital Stock of a Subsidiary (other than directors' qualifying shares), property or other assets (each referred to for the purposes of this definition as a "*disposition*") by the Issuer or any of its Restricted Subsidiaries, including any disposition by means of a merger, consolidation or similar transaction. Notwithstanding the preceding provisions of this definition, the following items shall not be deemed to be Asset Dispositions:

(1) a disposition by a Restricted Subsidiary to the Issuer or by the Issuer or a Restricted Subsidiary to a Restricted Subsidiary;

(2) a disposition of cash, Cash Equivalents, Temporary Cash Investments or Investment Grade Securities;

(3) a disposition of inventory or other assets in the ordinary course of business;

(4) a disposition of obsolete, surplus or worn out equipment or other assets or equipment, facilities or inventory or other assets that are no longer useful in the conduct of the business of the Issuer and its Restricted Subsidiaries;

(5) transactions permitted under "*—Certain Covenants—Merger and Consolidation—The Issuer*" or a transaction that constitutes a Change of Control;

(6) an issuance or transfer of Capital Stock by a Restricted Subsidiary to the Issuer or to another Restricted Subsidiary or as part of, or pursuant to, an equity incentive or compensation plan approved by the Board of Directors of the Issuer or an issuance or sale by a Restricted Subsidiary of Preferred Stock that is permitted by the covenant described above under "*—Certain Covenants—Limitation on Indebtedness*";

(7) any dispositions of Capital Stock, properties or assets in a single transaction or series of related transactions with a fair market value (as determined in good faith by an Officer or the Board of Directors of the Issuer) of less than (i) €10.0 million or, if greater, (ii) 7.5% of Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of calculation;

(8) any Restricted Payment that is permitted to be made, under and in compliance with the covenant described above under "*—Certain Covenants—Limitation on Restricted Payments*" and the making of any Permitted Payment or Permitted Investment or, solely for purposes of clause (3) of the first paragraph under "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*," asset sales, the proceeds of which are used to make such Restricted Payments or Permitted Investments;

(9) dispositions in connection with the granting of Liens permitted by the covenant described above under the caption "*—Certain Covenants—Limitation on Liens";*

(10) dispositions 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 or any sale of assets received by the Issuer or a Restricted Subsidiary upon the foreclosure of a Lien granted in favor of the Issuer or any Restricted Subsidiary;

(11) the licensing, sub-licensing, lease or assignment of intellectual property or other general intangibles and licenses, sub-licenses, leases, subleases, assignments or other dispositions of other property, in each case, in the ordinary course of business;

(12) foreclosure, condemnation, taking by eminent domain or any similar action with respect to any property or other assets;

(13) the sale or discount (with or without recourse, and on customary or commercially reasonable terms) of accounts receivable or notes receivable arising in the ordinary course of business, or the conversion or exchange of accounts receivable for notes receivable;

(14) any issuance, sale or other disposition of Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary;

(15) any disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Issuer or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired, or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), made as part of such acquisition and in each case comprising all or a portion of the consideration in respect of such sale or acquisition;

(16) any surrender or waiver of contract rights or the settlement, release, recovery on or surrender of contract, tort or other claims of any kind;

(17) any disposition of assets to a Person who is providing services related to such assets, the provision of which have been or are to be outsourced by the Issuer or any Restricted Subsidiary to

such Person in relation to information technology, accounting and other clerical or ancillary functions; *provided*, *however*, that the Board of Directors of the Issuer shall certify that in the opinion of the Board of Directors, the outsourcing transaction will be economically beneficial to the Issuer and its Restricted Subsidiaries (considered as a whole);

(18) any disposition with respect to property built, owned or otherwise acquired by the Issuer or any Restricted Subsidiary pursuant to customary sale and lease-back transactions, asset securitizations and other similar financings permitted by the Indenture;

(19) sales or dispositions of receivables in connection with any Qualified Receivables Financing or any factoring transaction or in the ordinary course of business; and

(20) any transfer, termination, unwinding or other disposition of Hedging Agreements not for speculative purposes.

"*Associate*" means (1) any Person engaged in a Similar Business of which the Issuer or its Restricted Subsidiaries are the legal and beneficial owners of between 20% and 50% of all outstanding Voting Stock and (2) any joint venture entered into by the Issuer or any Restricted Subsidiary of the Issuer.

"*Bank Products*" means any facilities or services related to, treasury, depository, overdraft, credit or debit card, purchase card, automated clearinghouse, returned check concentration, electronic funds transfer, account reconciliation and reporting or other cash management and cash pooling arrangements, in each case entered into in the ordinary course of business.

"*Bidco*" means NewCo Sab BidCo S.A.S., a *société par actions simplifiée* incorporated under the laws of France, and the direct Subsidiary of the Issuer.

"*Biologist Shareholders*" means holders of Capital Stock of the Issuer or any of its Restricted Subsidiaries that (i) devote their professional activity to the development of the business of the Issuer or any of its Restricted Subsidiaries and (ii) are subject to restrictions on their ability to carry out professional activities other than in respect of the business of the Issuer or any of its Restricted Subsidiaries, as determined by the Board of Directors of the Issuer in good faith.

"*Board of Directors*" means (1) with respect to the Issuer or any corporation, the board of directors or managers, as applicable, 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; (2) with respect to any partnership, the board of directors or other governing body of the general partner of the partnership or any duly authorized committee thereof; (3) 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 (4) with respect to any other Person, the board or any duly authorized committee of such Person serving a similar function. Whenever any provision requires any action or determination to be made by, or any approval of, a Board of Directors, such action, determination or approval shall be deemed to have been taken or made if approved by a majority of the directors (excluding employee representatives, if any) on any such Board of Directors (whether or not such action or approval is taken as part of a formal board meeting or as a formal board approval). References to "Board of Directors of the Issuer" shall be construed to mean "Board of Directors" of Bidco or "Board of Directors" of the Issuer, as determined by the Issuer.

"*Bund Rate*" means, as of any redemption date, the rate per annum equal to the equivalent yield to maturity as of 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 relevant date where:

(1) "*Comparable German Bund Issue*" 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 , 2020, and that would be used, 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 Notes and of a maturity most nearly equal to , 2020; *provided, however*, that, if the period from such redemption date to , 2020 is less than on year, a fixed maturity of one year shall be used;

(2) "*Comparable German Bund Price*" means, with respect to any relevant date, the average of all Reference German Bund Dealer Quotations for such date (which, in any event, must include at least two such quotations), 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;

(3) "*Reference German Bund Dealer*" means any dealer of German Bundesanleihe securities appointed by the Issuer in good faith; and

(4) "*Reference German Bund Dealer Quotations*" means, with respect to each Reference German Bund Dealer and any relevant 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 the relevant date;

and provided that "Bund Rate" shall be at least 0.00%.

"*Business Day*" means each day that is not a Saturday, Sunday or other day on which banking institutions in Paris, France, London, United Kingdom, or New York, New York, United States are authorized or required by law to close; *provided*, *however*, that for any payments to be made under the Indenture, such day shall also be a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer ("*TARGET*") payment system is open for the settlement of payments.

"*Capital Stock*" of any Person means any and all shares of, rights to purchase, warrants or options for, or other equivalents of or partnership or other interests in (however designated), equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"*Capitalized Lease Obligations*" means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes on the basis of IFRS (as in effect on the Issue Date for purposes of determining whether a lease is a capital lease). The amount of Indebtedness represented by such obligation will be the capitalized amount of such obligation at the time any determination thereof is to be made as determined on the basis of 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:

(1) securities issued or directly and fully Guaranteed or insured by the United States or Canadian governments, a Permissible Jurisdiction, Switzerland or Norway or, in each case, any agency or instrumentality of thereof (*provided* that the full faith and credit of such country or such member state is pledged in support thereof), having maturities of not more than two years from the date of acquisition;

(2) certificates of deposit, time deposits, eurodollar time deposits, overnight bank deposits or bankers' acceptances having maturities of not more than one year from the date of acquisition thereof issued by any lender or by any bank or trust company (a) whose commercial paper is rated at least "A-1" or the equivalent thereof by S&P or at least "P-1" or the equivalent thereof by Moody's (or if at the time neither is issuing comparable ratings, then a comparable rating of

another Nationally Recognized Statistical Rating Organization) or (b) (in the event that the bank or trust company does not have commercial paper which is rated) having combined capital and surplus in excess of €250 million;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clauses (1) and (2) entered into with any bank meeting the qualifications specified in clause (2) above;

(4) commercial paper rated at the time of acquisition thereof at least "A-2" or the equivalent thereof by S&P or "P-2" or the equivalent thereof by Moody's or carrying an equivalent rating by a Nationally Recognized Statistical Rating Organization, if both of the two named rating agencies cease publishing ratings of investments or, if no rating is available in respect of the commercial paper, the issuer of which has an equivalent rating in respect of its long-term debt, and in any case maturing within one year after the date of acquisition thereof;

(5) readily marketable direct obligations issued by any state of the United States of America, any province of Canada, any Permissible Jurisdiction, Switzerland or Norway or any political subdivision thereof, in each case, having one of the two highest rating categories obtainable from either Moody's or S&P (or, if at the time, neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) with maturities of not more than two years from the date of acquisition;

(6) Indebtedness or preferred stock issued by Persons with a rating of "BBB-" or higher from S&P or "Baa3" or higher from Moody's (or, if at the time, neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization) with maturities of 12 months or less from the date of acquisition;

(7) bills of exchange issued in the United States, Canada, a Permissible Jurisdiction, Switzerland, Norway or Japan eligible for rediscount at the relevant central bank and accepted by a bank (or any dematerialized equivalent);

(8) interests in any investment company, money market or enhanced high yield fund which invests 95% or more of its assets in instruments of the type specified in clauses (1) through (7) above; and

(9) the marketable securities, money market funds, bank deposits and bank accounts portfolio owned by the Issuer and its Subsidiaries on the Issue Date, and by the Target and its Subsidiaries on the Completion Date.

"*Change of Control*" means:

(1) the Issuer becomes aware of (by way of a report or any other filing pursuant to Section 13(d) of the Exchange Act, proxy, vote, written notice or otherwise) any "person" or "group" of related persons (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act as in effect on the Issue Date), other than one or more Permitted Holders, being or becoming the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act as in effect on the Issue Date), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Issuer; *provided* that for the purposes of this clause, (x) no Change of Control shall be deemed to occur by reason of the Issuer becoming a Subsidiary of a Successor Parent and (y) any Voting Stock of which any Permitted Holder is the "beneficial owner" (as so defined) shall not be included in any Voting Stock of which any such person or group is the "beneficial owner" (as so defined), unless that person or group is not an Affiliate of a Permitted Holder and has greater voting power with respect to that Voting Stock; or

(2) the sale, lease, transfer, conveyance or other disposition (other than by way of merger, consolidation or other business combination transaction), 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 a Person, other than a Restricted Subsidiary or one or more Permitted Holders;

provided that, in each case, a Change of Control shall not be deemed to have occurred if such a Change of Control is also a Specified Change of Control Event.

"*Clearstream*" means Clearstream Banking, *société anonyme,* as currently in effect or any successor securities clearing agency.

"*Code*" means the United States Internal Revenue Code of 1986, as amended.

"*Collateral*" means any and all assets from time to time in which a security interest has been or will be granted on the Issue Date or thereafter pursuant to any Security Document to secure the obligations under the Indenture, the Notes or any Note Guarantee.

"*Commodity Hedging Agreements*" means, in respect of a Person, any commodity purchase contract, commodity futures or forward contract, commodities option contract or other similar contract (including commodities derivative agreements or arrangements), to which such Person is a party or a beneficiary.

"*Completion Date*" means the date on which the Acquisition is consummated.

"*Consolidated EBITDA*" for any period means, without duplication, the Consolidated Net Income for such period, *plus* the following to the extent deducted in calculating such Consolidated Net Income:

(1) Consolidated Interest Expense;

(2) Consolidated Income Taxes;

(3) consolidated depreciation expense;

(4) consolidated amortization or impairment expense;

(5) any expenses, charges or other costs related to any Equity Offering, Investment, acquisition (including one-time amounts paid in connection with the acquisition or retention of one or more individuals comprising part of a management team retained to manage the acquired business; *provided* that such payments are made in connection with such acquisition and are consistent with the customary practice in the industry at the time of such acquisition), disposition, recapitalization or the Incurrence of any Indebtedness permitted by the Indenture (in each case whether or not successful), including any such fees, expenses or charges related to the Transactions (including any expenses in connection with related due diligence activities), in each case, as determined in good faith by an Officer of the Issuer;

(6) any minority interest expense (whether paid or not) consisting of income attributable to minority equity interests of third parties in such period;

(7) the amount of management, monitoring, consulting and advisory fees and related expenses paid in such period to the Permitted Holders to the extent permitted by the covenant described under "*—Certain Covenants—Limitation on Affiliate Transactions*";

(8) other non-cash charges, write-downs or items reducing Consolidated Net Income (excluding any such non-cash charge, write-down or item to the extent it represents an accrual of or reserve for cash charges in any future period) or other items classified by the Issuer as extraordinary, exceptional, unusual or nonrecurring items less other non-cash items of income increasing Consolidated Net Income (excluding any such non-cash item of income to the extent it represents a receipt of cash in any future period);

(9) the proceeds of any business interruption insurance received or that become receivable 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;

(10) payments received or that become receivable with respect to, 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;

(11) any Receivables Fees and discounts on the sale of accounts receivables in connection with any Qualified Receivables Financing representing, in the Issuer's reasonable determination, the implied interest component of such discount for such period;

(12) costs or expenses incurred pursuant to any management equity plan or stock option plan or any other management or employee benefit plan, agreement or any stock subscription or shareholder agreement, to the extent that such costs or expenses are funded with cash proceeds contributed to the capital of the Issuer or net cash proceeds of an issuance of Capital Stock of the Issuer solely to the extent that such net cash proceeds are excluded from the calculation set forth in clause (5)(c) under "*—Certain Covenants—Limitation on Restricted Payments*";

(13) any charge (or minus any income) attributable to a post- employment benefit scheme other than the current service costs and any past service costs and curtailments and settlements attributable to the scheme;

(14) any losses due to outsourcing contracts under which the Issuer or its Restricted Subsidiaries provide services within the 24-month period following the signing of such outsourcing contracts (as calculated in good faith by a responsible financial or chief accounting officer of the Issuer); *provided* that such losses will be limited to 5% of Consolidated EBITDA;

(15) all adjustments of the nature used in connection with the calculation of "Adjusted EBITDA" and "Pro Forma Adjusted EBITDA" as set forth in footnote 6 of "*Summary Consolidated Financial and Other Information—Other Financial and Operating Data*" contained in this Offering Memorandum applied in good faith to the extent such adjustments continue to be applicable during the period in which Consolidated EBITDA is being calculated; and

(16) the amount of cost savings, operating expense reductions, restructuring charges and expenses and cost synergies that are expected (in good faith) to be realized as a result of actions taken or expected to be taken after the date of any acquisition, disposition, divestiture, restructuring or the implementation of a cost savings or other similar initiative, as applicable (calculated on a pro forma basis as though such cost savings, operating expense reductions, restructuring charges and expenses and cost synergies had been realized on the first day of such period as if such cost savings, operating expense reductions, restructuring charges and expenses and cost synergies were realized during the entirety of such period), net of the amount of actual benefits realized during such period from such actions; *provided* that (A) such actions are expected to be taken within 24 months after the consummation of the acquisition, disposition, restructuring or the implementation of an initiative, as applicable, which is expected to result in cost savings, operating expense reductions, restructuring charges and expenses or cost synergies and (B) no cost savings, operating expenses, reductions, restructuring charges and expenses or cost synergies shall be added pursuant to this paragraph to the extent duplicative of any expenses or charges otherwise added to Consolidated EBITDA, whether through a pro forma adjustment or otherwise, for such period (which adjustments may be incremental to pro forma adjustments made pursuant to (i) the first paragraph of the definition of "*Consolidated Fixed Charge Coverage Ratio*" and (ii) the first paragraph of the definition of "*Consolidated Leverage Ratio*").

When Consolidated EBITDA is being calculated for the purpose of any grower basket set forth hereunder, it shall be calculated on a *pro forma* basis consistent with the calculation of Consolidated EBITDA for purposes of the Consolidated Fixed Charge Coverage Ratio.

"*Consolidated Fixed Charge Coverage Ratio*" means, as of any date of determination, the ratio of (x) the Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding such date to (y) the Consolidated Interest Expense of the Issuer for such period; *provided* that, in calculating Consolidated Fixed Charge Coverage Ratio or any element thereof for any period, cost reduction, cost savings and cost synergies plans or programs in connection with any transaction, investment,

acquisition, disposition, restructuring, corporate reorganization or otherwise (as determined in good faith by a responsible financial or accounting officer) may be given *pro forma* effect (regardless of whether these cost savings and cost reduction synergies could then be reflected in *pro forma* financial statements to the extent prepared).

In the event that the Issuer or any of its Restricted Subsidiaries Incurs, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) or has caused any Reserved Indebtedness Amount to be deemed to be Incurred 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 (for the purpose of this definition, the "*Calculation Date*") (but not giving effect to (i) any Indebtedness Incurred on the Calculation Date pursuant to the second paragraph under the caption "*—Certain Covenants—Limitation on Indebtedness*" (other than for the purpose of the calculation of the Consolidated Fixed Charge Coverage Ratio under clause (5) of such second paragraph) or (ii) the repayment, repurchase, redemption, defeasance or other discharge of any Indebtedness on the Calculation Date, to the extent that such repayment, repurchase, redemption, defeasance or other discharge is made with the proceeds of Indebtedness Incurred pursuant to the second paragraph under the caption "*—Certain Covenants—Limitation on Indebtedness*"), then the Consolidated Fixed Charge Coverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible financial or accounting Officer of the Issuer) to such Incurrence, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, and the use of the proceeds therefrom, as if the same had occurred on the first day of the four fiscal quarter reference period.

In addition, for purposes of calculating the Consolidated Fixed Charge Coverage Ratio:

(1) Purchases, including all related financing transactions and including increases in ownership of any Restricted Subsidiary, during the four fiscal quarter reference period or subsequent to such reference period and on or prior to the Calculation Date will be given *pro forma* effect (as determined in good faith by a responsible financial or accounting Officer of the Issuer and may include anticipated expense, cost reduction and cost saving synergies) as if the same had occurred on the first day of the four fiscal quarter reference period; *provided* that, if definitive documentation has been entered into with respect to any Purchase that is part of the transaction causing a calculation to be made hereunder, Consolidated EBITDA for such period will be calculated after giving pro forma effect to such Purchase (including anticipated cost synergies and cost savings) as if such Purchase had occurred on the first day of such period, even if the Purchase has not yet been consummated as of the date of determination;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations, businesses or groups of assets that constitute an operating unit or division of a business (and ownership interests therein) disposed of on or prior to the Calculation Date, will be excluded on a *pro forma* basis as if the same had occurred on the first day of the four fiscal quarter reference period;

(3) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with IFRS, and operations, businesses or groups of assets that constitute an operating unit or division of a business (and ownership interests therein) disposed of on or prior to the Calculation Date, will be excluded on a *pro forma* basis as if the same had occurred on the first day of the four fiscal quarter reference 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;

(4) any Person that is a Restricted Subsidiary of the Issuer on the Calculation Date will be deemed to have been a Restricted Subsidiary of the Issuer at all times during the four fiscal quarter reference period;

(5) any Person that is not a Restricted Subsidiary of the Issuer on the Calculation Date will be deemed not to have been a Restricted Subsidiary of the Issuer at any time during the four fiscal quarter reference period;

(6) if any Indebtedness bears a floating rate of interest and such Indebtedness is to be given *pro forma* effect, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire four fiscal quarter reference period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months, or, if shorter, at least equal to the remaining term of such Indebtedness); and

(7) interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting Officer of the Issuer to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with IFRS.

For the purposes of this definition and the definitions of Consolidated EBITDA, Consolidated Income Taxes, Consolidated Interest Expense and Consolidated Net Income, calculations will be as determined in good faith by a responsible financial or accounting Officer of the Issuer.

"*Consolidated Income Taxes*" means taxes or other payments, including deferred Taxes, based on income, profits or capital, including pursuant to the *Cotisation sur la valeur ajoutée des entreprises*, regardless of the accounting treatment of such taxes or payments (including without limitation withholding taxes) and franchise taxes of any of the Issuer and its Restricted Subsidiaries whether or not paid, estimated, accrued or required to be remitted to any Governmental Authority.

"*Consolidated Interest Expense*" means, for any period (in each case, determined on the basis of IFRS), the consolidated net interest income/expense of the Issuer and its Restricted Subsidiaries, whether paid or accrued, including any pension liability interest cost and expected return on pension plan assets, plus or including (without duplication) any interest, costs and charges consisting of:

(1) interest expense attributable to Capitalized Lease Obligations;

(2) amortization of debt discount, but excluding amortization of debt issuance costs, fees and expenses and the expensing of any financing fees;

(3) non-cash interest expense (but excluding any non-cash interest expense attributable to the movement in the mark to market valuation of Hedging Obligations or other derivative instruments);

(4) the net payments (if any) on Interest Rate Agreements and Currency Agreements (excluding amortization of fees and discounts and unrealized gains and losses);

(5) dividends on other distributions in respect of all Disqualified Stock of the Issuer and all Preferred Stock of any Restricted Subsidiary, to the extent held by Persons other than the Issuer or a subsidiary of the Issuer;

(6) the consolidated interest expense that was capitalized during such period; and

(7) interest actually paid by the Issuer or any Restricted Subsidiary under any Guarantee of Indebtedness or other obligation of any other Person (other than Guarantees of Notes).

Notwithstanding any of the foregoing, Consolidated Interest Expense shall not include (i) any interest accrued, capitalized or paid in respect of Subordinated Shareholder Funding, (ii) any commissions, discounts, yield and other fees and charges related to Qualified Receivables Financing, and (iii) any payments on any operating leases, including without limitation any payment on any lease, sublease, rental or license of property (or guarantee thereof) which would be considered an operating lease under IFRS in effect as of the Issue Date.

"*Consolidated Leverage*" means the sum of the aggregate outstanding Indebtedness of the Issuer and its Restricted Subsidiaries (excluding Hedging Obligations permitted by clause (6) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*").

"*Consolidated Leverage Ratio*" means, as of any date of determination, the ratio of (x)(i) the Consolidated Leverage of the Issuer on such date and (ii) the Reserved Indebtedness Amount as of such date to (y) the Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding such date; *provided* that, in calculating Consolidated Leverage Ratio or any element thereof for any period, cost reduction, cost savings and cost synergies plans or programs in connection with any transaction, investment, acquisition, disposition, restructuring, corporate reorganization or otherwise (as determined in good faith by a responsible financial or accounting officer) may be given *pro forma* effect (regardless of whether these cost savings and cost reduction synergies could then be reflected in *pro forma* financial statements to the extent prepared).

In the event that the Issuer or any Subsidiary Incurs, repays, repurchases, redeems, defeases or otherwise discharges any Indebtedness (other than ordinary working capital borrowings) subsequent to the commencement of the period for which the Consolidated Leverage Ratio is being calculated and on or prior to the date on which the event for which the calculation of the Consolidated Leverage Ratio is made (for the purpose of this definition, the "*Calculation Date*") (but not giving effect to (i) any Indebtedness Incurred on the Calculation Date pursuant to the second paragraph under the caption "*—Certain Covenants—Limitation on Indebtedness*" other than clauses (1)(b) and (5)(b) of such second paragraph or (ii) the repayment, repurchase, redemption, defeasance or other discharge of any Indebtedness on the Calculation Date, to the extent that such repayment, repurchase, redemption, defeasance or other discharge is made with the proceeds of Indebtedness Incurred pursuant to the second paragraph under the caption "*—Certain Covenants—Limitation on Indebtedness*"), then the Consolidated Leverage Ratio will be calculated giving *pro forma* effect (as determined in good faith by a responsible financial or accounting Officer of the Issuer) to such Incurrence, repayment, repurchase, redemption, defeasance or other discharge of Indebtedness, and the use of the proceeds therefrom, as if the same had occurred on the first day of the four fiscal quarter reference period.

For purposes of calculating the Consolidated EBITDA for such period:

(1) Purchases, including all related financing transactions and including increases in ownership of any Restricted Subsidiary, during the four fiscal quarter reference period or subsequent to such reference period and on or prior to the Calculation Date (including transactions giving rise to the need to calculate such Consolidated Leverage Ratio) will be given *pro forma* effect (as determined in good faith by a responsible financial or accounting Officer of the Issuer and may include anticipated expense, cost reduction and cost saving synergies) as if the same had occurred on the first day of the four fiscal quarter reference period; *provided* that, if definitive documentation has been entered into with respect to any Purchase that is part of the transaction causing a calculation to be made hereunder, Consolidated EBITDA for such period will be calculated after giving *pro forma* effect to such Purchase (including anticipated cost synergies and cost savings) as if such Purchase had occurred on the first day of such period, even if the Purchase has not yet been consummated as of the date of determination;

(2) the Consolidated EBITDA attributable to discontinued operations, as determined in accordance with IFRS, and operations, businesses or groups of assets that constitute an operating unit or division of a business (and ownership interests therein) disposed of on or prior to the Calculation Date, will be excluded on a pro forma basis as if the same had occurred on the first day of the four fiscal quarter reference period;

(3) the Consolidated Interest Expense attributable to discontinued operations, as determined in accordance with IFRS, and operations, businesses or groups of assets that constitute an operating unit or division of a business (and ownership interests therein) disposed of on or prior to the

Calculation Date, will be excluded on a pro forma basis as if the same had occurred on the first day of the four fiscal quarter reference 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;

(4) any Person that is a Restricted Subsidiary of the Issuer on the Calculation Date will be deemed to have been a Restricted Subsidiary of the Issuer at all times during the four fiscal quarter reference period;

(5) any Person that is not a Restricted Subsidiary of the Issuer on the Calculation Date will be deemed not to have been a Restricted Subsidiary at any time during the four fiscal quarter reference period;

(6) if any Indebtedness bears a floating rate of interest and such Indebtedness is to be given *pro forma* effect, the interest expense on such Indebtedness will be calculated as if the rate in effect on the Calculation Date had been the applicable rate for the entire four fiscal quarter reference period (taking into account any Hedging Obligation applicable to such Indebtedness if such Hedging Obligation has a remaining term as at the Calculation Date in excess of 12 months, or, if shorter, at least equal to the remaining term of such Indebtedness); and

(7) interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by a responsible financial or accounting Officer of the Issuer to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with IFRS.

For the purposes of this definition and the definitions of Consolidated EBITDA, Consolidated Income Taxes, Consolidated Interest Expense and Consolidated Net Income, calculations will be as determined in good faith by a responsible financial or chief accounting officer of the Issuer.

"*Consolidated Net Income*" means, for any period, the net income (loss) of the Issuer and its Restricted Subsidiaries determined on a consolidated basis on the basis of IFRS; *provided*, *however*, that there will not be included in such Consolidated Net Income:

(1) subject to the limitations contained in clause (2) below, any net income (loss) of any Person if such Person is not a Restricted Subsidiary, except that the Issuer's equity in the net income of any such Person for such period will be included in such Consolidated Net Income up to the aggregate amount of cash or Cash Equivalents actually distributed by such Person during such period to the Issuer or a Restricted Subsidiary as a dividend or other distribution or return on investment or could have been distributed, as reasonably determined by an Officer of the Issuer (subject, in the case of a dividend or other distribution or return on investment to a Restricted Subsidiary, to the limitations contained in clause (2) below);

(2) solely for the purpose of determining the amount available for Restricted Payments under clause (c)(i) of the first paragraph of the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*," any net income (loss) of any Restricted Subsidiary (other than Guarantors) if such Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of distributions by such Restricted Subsidiary, directly or indirectly, to the Issuer or a Guarantor by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to such Restricted Subsidiary or its shareholders, other than (a) restrictions that have been waived or otherwise released, (b) restrictions pursuant to the Notes, the Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement, (c) contractual restrictions in effect on the Completion Date with respect to such Restricted Subsidiary (including pursuant to the Senior Facilities Agreement and the Intercreditor Agreement), and other restrictions with respect to such Restricted Subsidiary that, taken as a whole, are not materially less favorable to the Holders than such restrictions in effect on the Issue Date and (d) restrictions specified in the covenant described under "*—Certain Covenants—Limitation on Restrictions on Distributions from Restricted Subsidiaries*," except that the Issuer's equity in the net income of any such Restricted Subsidiary for such period will be included in such Consolidated Net Income up to the aggregate

amount of cash or Cash Equivalents or non-cash distributions to the extent converted into cash or Cash Equivalents actually distributed or that could have been distributed (including by way of a loan) by such Restricted Subsidiary during such period to the Issuer or another Restricted Subsidiary as a loan, dividend or other distribution (subject, in the case of a loan, dividend or distribution to another Restricted Subsidiary, to the limitation contained in this clause);

(3) any net gain (or loss) realized upon the sale, abandonment or other disposition of any asset or disposed operations of the Issuer or any Restricted Subsidiaries (including pursuant to any sale/ leaseback transaction) which is not sold, abandoned or otherwise disposed of in the ordinary course of business (as determined in good faith by an Officer or the Board of Directors of the Issuer);

(4) any extraordinary, exceptional, unusual or nonrecurring gain, loss, charge or expense or any charges, expenses or reserves in respect of any restructuring, redundancy or severance expense or other costs related to the Transactions, in each case, as determined in good faith by the Issuer;

(5) the cumulative effect of a change in accounting principles;

(6) (i) any non-cash compensation charge or expense arising from any grant of stock, stock options, free shares or other equity based awards (including any such charge or expense incurred by, or award made by, any Parent that is re-charged to the Issuer or its Restricted Subsidiaries) and (ii) any non-cash deemed finance charges in respect of any pension liabilities or other provisions;

(7) all deferred financing costs written off and premiums paid or other expenses incurred directly in connection with any early extinguishment of Indebtedness and any net gain (loss) from any write-off or forgiveness of Indebtedness;

(8) any unrealized gains or losses in respect of Hedging Obligations or any ineffectiveness recognized in earnings related to qualifying hedge transactions or the fair value of changes therein recognized in earnings for derivatives that do not qualify as hedge transactions, in each case, in respect of Hedging Obligations;

(9) any unrealized foreign currency transaction gains or losses in respect of Indebtedness of any Person denominated in a currency other than the functional currency of such Person and any unrealized foreign exchange gains or losses relating to translation of assets and liabilities denominated in foreign currencies;

(10) any unrealized foreign currency translation or transaction gains or losses in respect of Indebtedness or other obligations of the Issuer or any Restricted Subsidiary owing to the Issuer or any Restricted Subsidiary;

(11) any purchase accounting effects including, but not limited to, adjustments to inventory, property and equipment, software and other intangible assets and deferred revenues in component amounts required or permitted by IFRS and related authoritative pronouncements (including the effects of such adjustments pushed down to the Issuer and the Restricted Subsidiaries), as a result of any consummated acquisition or the amortization or write-off of any amounts thereof (including any write-off of in process research and development);

(12) any goodwill or other intangible asset impairment charge, amortization or write-off;

(13) Consolidated Income Taxes to the extent in excess of cash payments made in respect of such Consolidated Income Taxes;

(14) the impact of capitalized, accrued or accreting or pay-in- kind interest or principal on Subordinated Shareholder Funding; and

(15) to the extent covered by insurance and actually reimbursed, or, so long as the Issuer has made a determination that there exists reasonable evidence that such amount will in fact be reimbursed by the insurer and only to the extent that such amount is (a) not denied by the

applicable carrier in writing within 180 days and (b) in fact reimbursed within 365 days of the date of such evidence (with a deduction for any amount so added back to the extent not so reimbursed within 365 days), losses with respect to business interruption.

"*Consolidated Net Leverage Ratio*" means, as of any date of determination, the ratio of (x) (i) Consolidated Leverage minus cash and Cash Equivalents at such date and (ii) the Reserved Indebtedness Amount as of such date to (y) the Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal consolidated financial statements are available, in each case calculated with such *pro forma* and other adjustments as are permitted or required when determining the Consolidated Leverage Ratio pursuant to the definition of Consolidated Leverage Ratio.

For the avoidance of doubt, in determining the Consolidated Net Leverage Ratio, no cash or Cash Equivalents shall be included that are the proceeds of Indebtedness in respect of the Incurrence of which the calculation of the Consolidated Net Leverage Ratio is to be made.

"*Consolidated Net Secured Leverage Ratio*" means, as of any date of determination, the ratio of (x)(i) Consolidated Secured Leverage minus cash and Cash Equivalents at such date and (ii) the Reserved Indebtedness Amount secured by a Lien on the Collateral that rank senior to the Lien securing the Notes to (y) the Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal consolidated financial statements are available, in each case calculated with such *pro forma* and other adjustments as are permitted or required when determining the Consolidated Secured Leverage Ratio pursuant to the definition of Consolidated Secured Leverage Ratio.

For the avoidance of doubt, in determining the Consolidated Net Secured Leverage Ratio, no cash or Cash Equivalents shall be included that are the proceeds of Indebtedness in respect of the Incurrence of which the calculation of the Consolidated Net Secured Leverage Ratio is to be made.

"*Consolidated Secured Leverage*" means the sum of the aggregate outstanding Secured Indebtedness of Bidco and its Restricted Subsidiaries (excluding Hedging Obligations permitted by clause (6) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*").

"*Consolidated Secured Leverage Ratio*" means, as of any date of determination, the ratio of (x)(i) Consolidated Secured Leverage at such date and (ii) the Reserved Indebtedness Amount secured by a Lien on the Collateral that rank senior to the Lien securing the Notes to (y) the Consolidated EBITDA of Bidco for the most recently ended four full fiscal quarters for which internal consolidated financial statements are available, in each case calculated with such *pro forma* and other adjustments as are permitted or required when determining the Consolidated Leverage Ratio pursuant to the definition of Consolidated Leverage Ratio.

"*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 Indebtedness ("*primary obligations*") of any other Person (the "*primary obligor*"), including any obligation of such Person, whether or not contingent:

(1) to purchase any such primary obligation or any property constituting direct or indirect security therefor;

(2) to advance or supply funds:

(a) for the purchase or payment of any such primary obligation; or

(b) 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

(3) 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*" means, with respect to the Issuer or any of its Subsidiaries, one or more debt facilities, indentures or other arrangements (including the Senior Facilities Agreement or commercial paper facilities and overdraft facilities) with banks, other financial institutions or investors providing for revolving credit loans, term loans, notes, 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 or other Indebtedness, 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 other banks or institutions and whether provided under the original Senior Facilities Agreement or one or more other credit or other agreements, indentures, 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 Facility" shall include any agreement or instrument (1) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (2) adding Subsidiaries of the Issuer as additional borrowers or guarantors thereunder, (3) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (4) otherwise altering the terms and conditions thereof.

"*Currency Agreement*" means in respect of a Person any foreign exchange contract, currency swap agreement, currency futures contract, currency option contract, currency derivative or other similar agreement to which such Person is a party or beneficiary.

"*Default*" means any event which is, or after notice or passage of time or both would be, an Event of Default.

"*Designated Non-Cash Consideration*" means the fair market value (as determined in good faith by the Board of Directors or an Officer of the Issuer) of non-cash consideration received by the Issuer or one of its Restricted Subsidiaries in connection with an Asset Disposition 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, Cash Equivalents or Temporary Cash Investments 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 covenant described under "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*."

"*Designated Preference Shares*" means, with respect to the Issuer or any Parent, Preferred Stock (other than Disqualified Stock) (1) that is issued for cash (other than to the Issuer or a Subsidiary of the Issuer or an employee stock ownership plan or trust established by the Issuer or any such Subsidiary for the benefit of their employees to the extent funded by the Issuer or such Subsidiary) and (2) that is designated as "Designated Preference Shares" pursuant to an Officer's Certificate of the Issuer at or prior to the issuance thereof, the Net Cash Proceeds of which are excluded from the calculation set forth in clause (c)(ii) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*."

"*Disqualified Stock*" means, with respect to any Person, any Capital Stock of such Person which by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable) or upon the happening of any event:

(1) matures or is mandatorily redeemable for cash or in exchange for Indebtedness pursuant to a sinking fund obligation or otherwise;

(2) is convertible or exchangeable for Indebtedness or Disqualified Stock (excluding Capital Stock which is convertible or exchangeable solely at the option of the Issuer or a Restricted Subsidiary); or

(3) is or may become (in accordance with its terms) upon the occurrence of certain events or otherwise redeemable or repurchasable for cash or in exchange for Indebtedness at the option of the holder of the Capital Stock in whole or in part,

in each case, on or prior to the earlier of (a) the Stated Maturity of the Notes or (b) the date on which there are no Notes outstanding; *provided*, *however*, that (i) only the portion of Capital Stock which so matures or is mandatorily redeemable, is so convertible or exchangeable or is so redeemable at the option of the holder thereof prior to such date will be deemed to be Disqualified Stock and (ii) any Capital Stock that would constitute Disqualified Stock solely because the holders thereof have the right to require the Issuer to repurchase such Capital Stock upon the occurrence of a change of control or asset sale (howsoever defined or referred to) shall not constitute Disqualified Stock if any such redemption or repurchase obligation is subject to compliance by the relevant Person with the covenant described under "*—Certain Covenants—Limitation on Restricted Payments*."

"*Equity Contribution*" means the contribution of approximately €787.3 million expected to be made in cash or in kind by the Equity Investors and certain managers of the Target Group, directly or indirectly, to the Issuer in exchange for a combination of ordinary shares and preference shares.

"*Equity Investors*" means the Sponsors and any funds, co-investment vehicles or partnerships owned, managed, sponsored or advised, directly or indirectly by the Sponsors or an Affiliate thereof, and solely in their capacity as such, any limited partner of any such partnership, co-investment vehicle or fund.

"*Equity Offering*" means a sale of either (1) Capital Stock of the Issuer (other than Disqualified Stock) other than offerings registered on Form S-8 (or any successor form) under the Securities Act or any similar offering in other jurisdictions, or (2) Capital Stock or other securities, the proceeds of which are contributed to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares or through an Excluded Contribution or Excluded Amounts) of, or as Subordinated Shareholder Funding to, the Issuer or any of its Restricted Subsidiaries.

"*Escrowed Proceeds*" means the proceeds from the offering of any debt securities or other Indebtedness 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 currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community, as amended by the Treaty on European Union.

"*Euroclear*" means Euroclear Bank SA/NV, or any successor securities clearing agency.

"*European Government Obligations*" means any security that is (1) a direct obligation of Belgium, The Netherlands, France, Germany or any Permissible Jurisdiction, for the payment of which the full faith and credit of such country is pledged or (2) an obligation of a person

controlled or supervised by and acting as an agency or instrumentality of any such country the payment of which is unconditionally Guaranteed as a full faith and credit obligation by such country, which, in either case under the preceding clause (1) or (2), is not callable or redeemable at the option of the Issuer thereof.

"*European Union*" means the European Union as in effect on the Issue Date, including, for the avoidance of doubt, the United Kingdom.

"*Exchange*" means the Channel Islands Securities Exchange Authority Limited.

"*Exchange Act*" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations of the SEC promulgated thereunder, as amended.

"*Excluded Contribution*" means Net Cash Proceeds or property or assets received by the Issuer after the Issue Date (other than Excluded Amounts) as capital contributions to the equity (other than through the issuance of Disqualified Stock or Designated Preference Shares) of the Issuer 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 Disqualified Stock or Designated Preference Shares) of the Issuer, in each case, to the extent designated as an Excluded Contribution pursuant to an Officer's Certificate of the Issuer.

"*Existing Notes*" are to the (i) €570,000,000 aggregate principal amount of 7.00% senior secured notes due 2020 issued by Cerba on January 31, 2013, May 23, 2014, March 10, 2015 and October 4, 2016 pursuant to an indenture dated as of January 31, 2013, as amended by the supplemental indentures dated as of April 23, 2014 and March 10, 2015 and (ii) € 145,000,000 aggregate principal amount of 8.25% senior notes due 2020 issued by Cerberus Nightingale 1 on March 10, 2015.

"*fair market value*" means the value that would be paid by a willing buyer to an unaffiliated willing seller in a transaction not involving distress of either party, and may be conclusively established by means of an Officer's Certificate or a resolution of the Board of Directors of the Issuer setting out such fair market value as determined by such Officer or such Board of Directors, as applicable, in good faith.

"*Finance Subsidiary*" means a wholly owned subsidiary of a Person that is formed for the purpose of borrowing funds or issuing securities and lending the proceeds to such Person and that conducts no business other than as may be reasonably incidental to, or related to, the foregoing.

"*Financing*" means the Equity Contribution, the offering of the Notes offered hereby and the entering into the Senior Facilities Agreement, collectively.

"*Governmental Authority*" means any nation, sovereign or government, any state, province, territory or other political subdivision thereof, and any entity or authority exercising executive, legislative, judicial, regulatory, self-regulatory or administrative functions of or pertaining to government, including a central bank or stock exchange.

"*Guarantee*" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness of any other Person, including any such obligation, direct or indirect, contingent or otherwise, of such Person:

(1) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness of such other Person (whether arising by virtue of partnership arrangements, or by agreements to keep-well, to purchase assets, goods, securities or services, to take-or-pay or to maintain financial statement conditions or otherwise); or

(2) entered into primarily for purposes of assuring in any other manner the obligee of such Indebtedness of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part),

provided, *however*, that the term "Guarantee" will not include endorsements for collection or deposit in the ordinary course of business. The term "Guarantee" used as a verb has a corresponding meaning.

"*Guarantor*" means any Subsidiary of the Issuer that executes a Guarantee subsequent to the Issue Date in accordance with the provisions of the Indenture, and its successors and assigns, in each case, until the Guarantee of such Person has been released in accordance with the provisions of the Indenture.

"*Hedging Obligations*" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodity Hedging Agreement (each, a "*Hedging Agreement*").

"*Holder*" means each Person in whose name the Notes are registered on the Registrar's books, which shall initially be the respective nominee of Clearstream and Euroclear.

"*IFRS*" means the International Financial Reporting Standards promulgated by the International Accounting Standards Board or any successor board or agency as endorsed by the European Union and in effect on the date hereof, or, with respect to the covenant entitled "*—Certain Covenants—Reports*" as in effect from time to time; *provided* that at any date after the Issue Date, the Issuer may make an irrevocable election to establish that "IFRS" shall mean IFRS as in effect from time to time. The Issuer shall give notice of any such election to the Holders. Notwithstanding the foregoing, the impact of IFRS 16 Leases and any successor standard thereto shall be disregarded with respect to all ratios, calculations and determinations based upon IFRS to be calculated or made, as the case may be, pursuant to the Indenture and (without limitation) any lease, concession or license of property that would be considered an operating lease under IFRS as of the Issue Date and any guarantee given by the Issuer or any Restricted Subsidiary in the ordinary course of business solely in connection with, and in respect of, the obligations of the Issuer or any Restricted Subsidiary under any such operating lease shall be accounted for in accordance with IFRS as in effect on the Issue Date (as determined in good faith by a responsible accounting or financial Officer of the Issuer).

"*Incur*" means issue, create, assume, enter into any Guarantee of, incur, extend or otherwise become liable for; *provided*, *however*, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Restricted Subsidiary (whether by merger, consolidation, acquisition or otherwise) will be deemed to be Incurred by such Restricted Subsidiary at the time it becomes a Restricted Subsidiary and the terms "Incurred" and "Incurrence" have meanings correlative to the foregoing and any Indebtedness pursuant to any revolving credit or similar facility shall only be "Incurred" at the time any funds are borrowed thereunder, subject to the definition of Reserved Indebtedness Amount and related provisions.

"*Indebtedness"* means, with respect to any Person on any date of determination (without duplication):

(1) the principal of indebtedness of such Person for borrowed money;

(2) the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments;

(3) all reimbursement obligations of such Person in respect of 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 or other obligations not constituting Indebtedness 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 instrument was issued would be treated as Indebtedness;

(4) the principal component of all obligations of such Person to pay the deferred and unpaid purchase price of property (except trade payables), where the deferred payment is arranged primarily as a means of raising finance, which purchase price is due more than one year after the date of placing such property in service or taking final delivery and title thereto;

(5) Capitalized Lease Obligations of such Person;

(6) the principal component of all obligations, or liquidation preference, of such Person with respect to any Disqualified Stock or, with respect to any Restricted Subsidiary, any Preferred Stock (but excluding, in each case, any accrued dividends);

(7) the principal component of all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; *provided*, *however*, that the amount of such Indebtedness will be the lesser of (a) the fair market value of such asset at such date of determination (as determined in good faith by the Board of Directors or an Officer of the Issuer) and (b) the amount of such Indebtedness of such other Persons;

(8) Guarantees by such Person of the principal component of Indebtedness of other Persons to the extent Guaranteed by such Person; and

(9) to the extent not otherwise included in this definition, net obligations of such Person under Currency Agreements and Interest Rate Agreements (the amount of any such obligations to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time).

The term "Indebtedness" shall not include (a) Subordinated Shareholder Funding, (b) any lease, concession or license of property (or Guarantee thereof) which would be considered an operating lease under IFRS as in effect on the Issue Date, (c) any asset retirement obligations, (d) any prepayments of deposits received from clients or customers in the ordinary course of business, (e) any obligations under any license, permit or other approval (or Guarantees given in respect of such obligations) Incurred prior to the Completion Date or in the ordinary course of business or (f) any amounts payable to Oséo, Bpifrance Financement or other French governmental entities for CICE subsidies received. For the avoidance of doubt and notwithstanding the foregoing, the term "Indebtedness" excludes any accrued expenses and trade payables.

The amount of Indebtedness of any Person at any time in the case of a revolving credit or similar facility shall be the total amounts of funds borrowed and then outstanding. The amount of Indebtedness of any Person at any date shall be determined as set forth above or otherwise provided in the Indenture, and (other than with respect to letters of credit or Guarantees or Indebtedness specified in clause (7), (8) or (9) above) shall equal the amount thereof that would appear on a balance sheet of such Person (excluding any notes thereto) prepared on the basis of IFRS. Indebtedness represented by loans, notes or other debt instruments shall not be included to the extent funded with the proceeds of Indebtedness which the Issuer or any Restricted Subsidiary has guaranteed or for which any of them is otherwise liable and which is otherwise included.

Notwithstanding the above provisions, in no event shall the following constitute Indebtedness:

(1) Contingent Obligations Incurred in the ordinary course of business and obligations under or in respect of Qualified Receivables Financings;

(2) 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 within 30 days thereafter; or

(3) for the avoidance of doubt, any obligations in respect of workers' compensation claims, early retirement or termination obligations, pension fund obligations or contributions or similar claims, obligations, jubilee obligations or contributions or social security or wage Taxes or under any Tax Sharing Agreement.

"*Independent Financial Advisor*" means an investment banking or accounting firm of international standing or any third-party appraiser of international standing; *provided*, *however*, that such firm or appraiser is not an Affiliate of the Issuer.

"*Initial Public Offering*" means an Equity Offering of common stock or other common equity interests of the Issuer or any Parent or any successor of the Issuer or any Parent (the "*IPO Entity*") following which there is a Public Market and, as a result of which, the shares of common stock or other common equity interests of the IPO Entity in such offering are listed on an internationally recognized exchange or traded on an internationally recognized market.

"*Intercreditor Agreement*" means the intercreditor agreement to be dated on or prior to the Issue Date and as may be amended from time to time and made between, among others, the Issuer, the Trustee and the Security Agent.

"*Interest Rate Agreement*" means, with respect to any Person, any interest rate protection agreement, interest rate future agreement, interest rate option agreement, interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedge agreement or other similar agreement or arrangement to which such Person is party or a beneficiary.

"*Investment*" means, with respect to any Person, all investments by such Person in other Persons (including Affiliates) in the form of any direct or indirect advance, loan or other extensions of credit (other than advances or extensions of credit to customers, suppliers, directors, officers or employees of any Person in the ordinary course of business, and excluding any debt or extension of credit represented by a bank deposit other than a time deposit) or capital contribution to (by means of any transfer of cash or other property to others or any payment for property or services for the account or use of others), or the Incurrence of a Guarantee of any obligation of, or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such other Persons and all other items that are or would be classified as investments on a balance sheet prepared on the basis of IFRS; *provided*, *however*, that endorsements 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 issues, sells or otherwise disposes of any Capital Stock of a Person that is a Restricted Subsidiary such that, after giving effect thereto, such Person is no longer a Restricted Subsidiary, any Investment by the Issuer or any Restricted Subsidiary in such Person remaining after giving effect thereto will be deemed to be a new Investment at such time.

For purposes of "*—Certain Covenants—Limitation on Restricted Payments*:"

(1) "Investment" will include the portion (proportionate to the Issuer's equity interest in a Restricted Subsidiary to be designated as an Unrestricted Subsidiary) of the fair market value of the net assets of such Restricted Subsidiary of the Issuer at the time that such Restricted Subsidiary is designated an Unrestricted Subsidiary; *provided*, *however*, that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Issuer will be deemed to continue to have a permanent "Investment" in an Unrestricted Subsidiary in an amount (if positive) equal to (a) the Issuer's "Investment" in such Subsidiary at the time of the designation of such Subsidiary as an Unrestricted Subsidiary less (b) the portion (proportionate to the Issuer's equity interest in such Subsidiary) of the fair market value of the net assets (as conclusively determined by the Board of Directors of the Issuer in good faith) of such Subsidiary at the time that such Subsidiary is so re-designated a Restricted Subsidiary; and

(2) any property transferred to or from an Unrestricted Subsidiary will be valued at its fair market value at the time of such transfer, in each case as determined in good faith by the Board of Directors of the Issuer.

The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Issuer's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment.

"*Investment Grade Securities*" means:

(1) securities issued or directly and fully Guaranteed or insured by the United States or Canadian government or any agency or instrumentality thereof (other than Cash Equivalents);

(2) securities issued or directly and fully guaranteed or insured by a Permissible Jurisdiction or Switzerland, Norway or any agency or instrumentality thereof (other than Cash Equivalents);

(3) debt securities or debt instruments with a rating of "A-" or higher from S&P or "A3" or higher by Moody's or the equivalent of such rating by such rating organization or, if no rating of Moody's or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Ratings Organization, but excluding any debt securities or instruments constituting loans or advances among the Issuer and its Subsidiaries;

(4) investments in any fund that invests exclusively in investments of the type described in clauses (1), (2) and (3) above which fund may also hold cash and Cash Equivalents pending investment or distribution; and

(5) any investment in repurchase obligations with respect to any securities of the type described in clauses (1), (2) and (3) above which are collateralized at par or over.

"*Investment Grade Status*" shall occur when the Notes receive both of the following:

(1) a rating of "BBB-" or higher from S&P; and

(2) a rating of "Baa3" or higher from Moody's;

or the equivalent of such rating by either such rating organization or, if no rating of Moody's or S&P then exists, the equivalent of such rating by any other Nationally Recognized Statistical Ratings Organization.

"*IPO Market Capitalization*" means an amount equal to (1) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity at the time of closing of the Initial Public Offering multiplied by (2) the price per share at which such shares of common stock or common equity interests are sold in such Initial Public Offering.

"*Issue Date*" means , 2017.

"*Lien*" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"*Listing Sponsor*" means the sponsor for the Issuer in respect of the listing of the Notes on the Exchange as the Issuer may appoint, which will initially be Carey Olsen Corporate Finance Limited.

"*Management Advances*" means loans or advances made to, or Guarantees with respect to loans or advances made to, directors, officers, employees or consultants of any Parent, the Issuer or any Restricted Subsidiary:

(1) (a) in respect of travel, entertainment or moving related expenses Incurred in the ordinary course of business or (b) for purposes of funding any such person's purchase of Capital Stock or Subordinated Shareholder Funding (or similar obligations) of the Issuer, its Subsidiaries or any Parent with (in the case of this sub-clause (b)) the approval of the Board of Directors of the Issuer;

(2) in respect of moving related expenses Incurred in connection with any closing or consolidation of any facility or office; or

(3) (in the case of this clause (3)) not exceeding the greater of € 10.0 million and 7.5% of Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of calculation in the aggregate outstanding at any time.

"*Management Investors*" means the current Senior Management or, to the extent any Voting Stock held by them were received in their capacity as such, former, officers, directors, employees and other members of the management of or consultants to any Parent, the Issuer or any of their respective Subsidiaries, or spouses, family members or relatives thereof, or any trust, partnership or other entity for the benefit of or the beneficial owner of which (directly or indirectly) is any of the foregoing, or any of their heirs, executors, successors and legal representatives, who at any date beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Issuer, any Restricted Subsidiary or any Parent.

"*Market Capitalization*" means an amount equal to (1) the total number of issued and outstanding shares of common stock or common equity interests of the IPO Entity on the date of the declaration of the relevant dividend multiplied by (2) 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 of declaration of such dividend.

"*Moody's*" means Moody's Investors Service, Inc. or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*Nationally Recognized Statistical Rating Organization*" means a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act.

"*Net Available Cash*" from an Asset Disposition means cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise and net proceeds from the sale or other disposition of any securities received as consideration, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or received in any other non-cash form) therefrom, in each case net of:

(1) all legal, accounting, investment banking, title and recording tax expenses, commissions and other fees and expenses Incurred, and all Taxes paid or required to be paid or accrued as a liability under IFRS (after taking into account any available tax credits or deductions and any tax sharing agreements), as a consequence of such Asset Disposition;

(2) all payments made on any Indebtedness which is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon such assets, or which by its terms or by applicable law are required to be repaid out of the proceeds from such Asset Disposition;

(3) all distributions and other payments required to be made to minority interest holders (other than any Parent, the Issuer or any of their respective Subsidiaries) in Subsidiaries or joint ventures as a result of such Asset Disposition; and

(4) the deduction of appropriate amounts required to be provided by the seller as a reserve, on the basis of IFRS, against any liabilities associated with the assets disposed of in such Asset Disposition and retained by the Issuer or any Restricted Subsidiary after such Asset Disposition.

"*Net Cash Proceeds*," with respect to any issuance or sale of Capital Stock or Subordinated Shareholder Funding or Incurrence of Indebtedness, means the cash proceeds of such issuance or sale net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, listing fees, discounts or commissions and brokerage, consultant and other fees and charges actually

Incurred in connection with such issuance or sale and net of taxes paid or payable as a result of such issuance or sale (after taking into account any available tax credit or deductions and any tax sharing arrangements).

"*Non-Guarantor Subsidiary*" means any Restricted Subsidiary of the Issuer that is not a Guarantor.

"*Note Documents*" means the Notes (including Additional Notes), the Escrow Agreement, the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the Security Documents.

"*Note Guarantee*" means the guarantee by any Guarantor of the obligations of the Issuer under the Notes and the Indenture.

"*Officer*" means, with respect to any Person, (1) the Chairman of the Board of Directors, the Chief Executive Officer, the President, the Chief Financial Officer, any Vice President, the Treasurer, any Managing Director, or the Secretary (a) of such Person or (b) if such Person is owned or managed by a single entity, of such entity, or (2) any other individual designated as an "Officer" for the purposes of the Indenture by the Board of Directors of such Person. References to "Officer of the Issuer" shall be construed to mean "Officer" of the Issuer or "Officer" of Bidco, as determined by the Issuer.

"*Officer's Certificate*" means, with respect to any Person, a certificate signed by one Officer of such Person.

"*Opinion of Counsel*" means a written opinion from legal counsel reasonably satisfactory to the Trustee. The counsel may be an employee of or counsel to the Issuer or its Subsidiaries.

"*Parent*" means any Person of which the Issuer at any time is or becomes a Subsidiary after the Issue Date and any holding companies established by any Permitted Holder for purposes of holding its investment in any Parent.

"*Parent Expenses*" means:

(1) costs (including all professional fees and expenses) Incurred by any Parent 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 Indebtedness of the Issuer or any Restricted Subsidiary, including in respect of any reports filed with respect to the Securities Act, Exchange Act or the respective rules and regulations promulgated thereunder;

(2) customary indemnification obligations of any Parent owing to directors, officers, employees or other Persons under its charter or by-laws or pursuant to written agreements with any such Person to the extent relating to the Issuer and its Subsidiaries;

(3) obligations of any Parent in respect of director and officer insurance (including premiums therefor) to the extent relating to the Issuer and its Subsidiaries;

(4) fees and expenses payable by any Parent in connection with the Transactions;

(5) general corporate overhead expenses, including (a) professional fees (including salaries and other customary compensation paid to directors or administrative personnel) and expenses and other administrative, general corporate and operational expenses of any Parent related to the ownership or operation of the business of the Issuer or any of its Restricted Subsidiaries (including any such expenses related to the exploration of strategic transactions involving the Issuer and its Subsidiaries), (b) any taxes and other fees and expenses required to maintain any Parent's corporate existence and to provide for other ordinary course operating costs, including customary salary, bonus and other benefits payable to officers and employees of such Parent and to pay reasonable directors' fees and to reimburse reasonable out of pocket expenses of the Board of Directors of such Parent and to pay fees and expenses, as incurred, of an acquisition,

where the proceeds of such acquisition were contributed to or combined with the Issuer or its Restricted Subsidiaries, and (c) costs and expenses with respect to any litigation or other dispute relating to the Transactions or the ownership, directly or indirectly, by any Parent;

(6) other fees, expenses and costs relating directly or indirectly to activities of the Issuer and its Subsidiaries or any Parent or any other Person established for purposes of or in connection with the Transactions or which holds directly or indirectly any Capital Stock or Subordinated Shareholder Funding of the Issuer, in an amount not to exceed € 3.0 million in any fiscal year; and

(7) expenses Incurred by any Parent in connection with any Public Offering or other sale of Capital Stock or Indebtedness:

(a) where the net proceeds of such offering or sale are intended to be received by or contributed to the Issuer or a Restricted Subsidiary;

(b) in a pro-rated amount of such expenses in proportion to the amount of such net proceeds intended to be so received or contributed; or

(c) otherwise on an interim basis prior to completion of such offering so long as any Parent shall cause the amount of such expenses to be repaid to the Issuer or the relevant Restricted Subsidiary out of the proceeds of such offering promptly if completed.

"*Pari Passu Indebtedness*" means Indebtedness of the Issuer or any Guarantor if such Indebtedness or Guarantee ranks equally in right of payment to the Notes or the applicable Guarantee and is secured by a Lien on all or a portion of the Collateral.

"*Paying Agent*" means any Person authorized by the Issuer to pay the principal of (and premium, if any) or interest on any Note on behalf of the Issuer.

"*Permissible Jurisdiction*" means any member state of the European Union (other than Greece, Portugal, Italy and Spain so long as European Government Obligations issued, or unconditionally guaranteed, by the governments of such jurisdictions do not have a rating of "BBB-" or higher from S&P and "Baa3" or higher from Moody's (or, if at the time, neither is issuing comparable ratings, then a comparable rating of another Nationally Recognized Statistical Rating Organization)).

"*Permitted Asset Swap*" means the substantially concurrent purchase and sale or exchange of assets used or useful in a Similar Business or a combination of such assets and cash, Cash Equivalents or Temporary Cash Investments between the Issuer or any of its Restricted Subsidiaries and another Person; *provided* that any cash or Cash Equivalents received in excess of the value of any cash or Cash Equivalents sold or exchanged must be applied in accordance with the covenant described under "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*."

"*Permitted Biologist Payments"* means the amount of dividends paid in cash in respect of the relevant period to Biologist Shareholders.

"*Permitted Collateral Liens*" means:

(1) Liens on the Collateral (a) arising by operation of law that are described in one or more of clauses (2), (3), (4), (5), (6), (8), (9), (10), (11), (12), (18), (20), (23) and (24) of the definition of "*Permitted Liens*" or (b) that are Liens in secured accounts equally and ratably granted to cash management banks securing cash management obligations;

(2) Liens on the Collateral to secure Indebtedness of the Issuer or a Restricted Subsidiary that is permitted to be Incurred under clauses (1), (2) (to the extent such Guarantee is in respect of Indebtedness otherwise permitted to be secured and specified in this definition of Permitted Collateral Liens), (4)(a), (4)(d) (if the original Indebtedness was so secured), (4)(e), (5)(a), (5)(b) (only to the extent Indebtedness Incurred under clause (5)(b) is Incurred by the Issuer or a

Guarantor), (6), (7), (11) or (12) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" and any Refinancing Indebtedness in respect of any such Indebtedness;

(3) Liens on the Collateral that secure Subordinated Indebtedness of the Issuer or a Guarantor on a basis junior to the Notes or the Note Guarantees; and

(4) Liens that secure obligations that 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 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 such Lien will not give an entitlement to be repaid with proceeds of enforcement of the Collateral in a manner which is inconsistent with the Intercreditor Agreement and any Additional Intercreditor Agreement; *provided further*, however, that such Lien (or the right to receive proceeds pursuant to the Intercreditor Agreement) ranks, as applicable, (a) equal to all other Liens on such Collateral securing Senior Indebtedness of such Guarantor if such Indebtedness is Senior Indebtedness of such Guarantor, (b) equal to or junior to the Liens securing the Notes or the Note Guarantees, or (c) junior to Liens securing the Notes or the Note Guarantees if the Lien secures Subordinated Indebtedness of the Issuer or the relevant Guarantor, except, in each case, that lenders under any Credit Facilities may provide for any ordering of payments under the various tranches of such Credit Facilities; *provided further* that each of the parties to Indebtedness secured by Permitted Collateral Liens pursuant to clauses (2) or (3) hereof or their agent, representative or trustee will have entered into, or acceded to, the Intercreditor Agreement or an Additional Intercreditor Agreement.

For purposes of determining compliance with this definition, in the event that a Lien meets the criteria of more than one of the categories of Permitted Collateral Liens described in clauses (1) through (4) above, the Issuer will be permitted to classify such Lien on the date of its incurrence and reclassify such Lien at any time and in any manner that complies with this definition.

Permitted Collateral Liens shall include any extension, renewal or replacement, in whole or in part, of any pre-existing Permitted Collateral Lien; *provided* that any such extension, renewal or replacement will be no more restrictive in any material respect than the Permitted Collateral Lien so extended, renewed or replaced and will not extend in any material respect to any additional property or assets.

"*Permitted Holders*" means, collectively, (1) the Equity Investors, (2) Senior Management, (3) any Related Person of any of the foregoing, (4) any Person who is acting as an underwriter in connection with a public or private offering of Capital Stock of any Parent or the Issuer, acting in such capacity and (5) any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act, or any successor provision) the members of which include any of the Permitted Holders specified in clauses (1), (2) and (3) above and that, directly or indirectly, hold or acquire beneficial ownership of the Voting Stock of the Issuer, so long as no Person or other "group" (other than Permitted Holders specified in clauses (1), (2), and (3) above) beneficially owns more than 50% on a fully diluted basis of the Voting Stock held by such group, without giving effect to the existence of such group or any other group. Any person or group whose acquisition of beneficial ownership constitutes (1) a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture or (2) a Change of Control which is also a Specified Change of Control Event, will thereafter, together with its Affiliates, constitute an additional Permitted Holder.

"*Permitted Investment*" means (in each case, by the Issuer or any of its Restricted Subsidiaries):

(1) Investments in (a) a Restricted Subsidiary (including the Capital Stock of a Restricted Subsidiary) or the Issuer or (b) a Person (including the Capital Stock of any such Person) that is engaged in any Similar Business and such Person will, upon the making of such Investment, become a Restricted Subsidiary;

(2) Investments in another Person if such Person is engaged in any Similar Business and as a result of such Investment such other Person is merged, consolidated or otherwise combined with or into, or transfers or conveys all or substantially all its assets to, the Issuer or a Restricted Subsidiary;

(3) Investments in cash, Cash Equivalents, Temporary Cash Investments or Investment Grade Securities;

(4) Investments in receivables owing to the Issuer or any Restricted Subsidiary created or acquired in the ordinary course of business;

(5) Investments in payroll, travel and similar advances to cover matters that are expected at the time of such advances ultimately to be treated as expenses for accounting purposes and that are made in the ordinary course of business, including Investments in connection with any Qualified Receivables Financing;

(6) Management Advances;

(7) Investments received in settlement of debts created in the ordinary course of business and owing to the Issuer or any Restricted Subsidiary, or as a result of foreclosure, perfection or enforcement of any Lien, or in satisfaction of disputes or judgments or pursuant to any plan of reorganization or similar arrangement including upon the bankruptcy or insolvency of a debtor;

(8) Investments made as a result of the receipt of non-cash consideration from a sale or other disposition of property or assets, including an Asset Disposition, in each case, that was made in compliance with "*—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock*";

(9) Investments in existence on, or made pursuant to legally binding commitments in existence on (i) the Issue Date, in the case of the Issuer and (ii) the Completion Date, in the case of the Target Group after giving effect to the Transactions, and any extension, modification or renewal of any Investment existing on, or made pursuant to a binding commitment existing on the Issue Date or the Completion Date, as applicable;

(10) Currency Agreements, Interest Rate Agreements, Commodity Hedging Agreements and related Hedging Obligations, which transactions or obligations are Incurred in compliance with "*—Certain Covenants—Limitation on Indebtedness*";

(11) Investments, taken together with all other Investments made pursuant to this clause (11) and at any time outstanding, in an aggregate amount at the time of such Investment not to exceed the greater of (i) €65.0 million and (ii) 40.0% of Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of calculation; *provided* that, if an Investment is made pursuant to this clause 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 under "*—Certain Covenants—Limitation on Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) or (2) of the definition of "*Permitted Investments*" and not this clause;

(12) pledges or deposits with respect to leases or utilities provided to third parties in the ordinary course of business or Liens otherwise described in the definition of "*Permitted Liens*" or made in connection with Liens permitted under the covenant described under "*—Certain Covenants—Limitation on Liens*";

(13) any Investment to the extent made using Capital Stock of the Issuer (other than Disqualified Stock), Subordinated Shareholder Funding or Capital Stock of any Parent as consideration;

(14) any transaction to the extent constituting an Investment that is permitted by and made in accordance with the provisions of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Affiliate Transactions*" (except those described in clauses (1), (3), (6), (8), (9) and (12) of that paragraph);

(15) Investments consisting of purchases and acquisitions of inventory, supplies, materials and equipment or licenses or leases of intellectual property, in any case, in the ordinary course of business and in accordance with the Indenture;

(16) guarantees, keepwells and similar arrangements not prohibited by the covenant described under "*—Certain Covenants—Limitation on Indebtedness*" and guarantees issued in the ordinary course of business in connection with the development or construction of assets;

(17) Investments (including, without limitation, repurchases, tenders and other transactions) in the Notes, the Senior Facilities Agreement and any other Indebtedness of the Issuer or any Restricted Subsidiary;

(18) Investments acquired after the Issue Date as a result of the acquisition by the Issuer or any Restricted Subsidiary of another Person, including by way of a merger, amalgamation or consolidation with or into the Issuer or any of its Restricted Subsidiaries in a transaction that is not prohibited by the Indenture to the extent that such Investments were not made in contemplation of such acquisition, merger, amalgamation or consolidation and were in existence on, or made pursuant to binding commitments existing on, the date of such acquisition, merger, amalgamation or consolidation;

(19) Investments in joint ventures of the Issuer or any of its Restricted Subsidiaries not to exceed at any one time in the aggregate outstanding, the greater of € 50.0 million and 30.0% of Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of calculation; *provided* that, if an Investment is made pursuant to this clause 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 under "*—Certain Covenants—Limitation on Restricted Payments*," such Investment shall thereafter be deemed to have been made pursuant to clause (1) of the definition of "*Permitted Investments*" and not this clause; and

(20) Investments in or constituting Bank Products.

"*Permitted Liens*" means, with respect to any Person:

(1) (i) Liens on assets or property of the Issuer or any Restricted Subsidiary securing any Senior Indebtedness of any Guarantor or any Pari Passu Indebtedness of the Issuer that is Guaranteed by a Guarantor for as long as such Guarantee constitutes Senior Indebtedness; *provided* that such Liens rank equal with all other Liens on such property or assets securing Senior Indebtedness (including, for the avoidance of doubt, the Senior Facilities Agreement) or (ii) Liens on assets or property of a Restricted Subsidiary that is not a Guarantor securing Indebtedness of any Restricted Subsidiary that is not a Guarantor, in each case as permitted by the covenant described under "*—Certain Covenants—Limitation on Indebtedness*";

(2) pledges, deposits or Liens under workmen's compensation laws, unemployment insurance laws, social security laws or similar legislation, or insurance related obligations (including pledges or deposits securing liability to insurance carriers under insurance or self-insurance arrangements), or in connection with bids, tenders, completion guarantees, contracts (other than for borrowed money) or leases, or to secure utilities, licenses, public or statutory obligations, or to secure surety, indemnity, judgment, appeal or performance bonds, guarantees of government contracts (or other similar bonds, instruments or obligations), or as security for contested taxes or import or customs duties or for the payment of rent, or other obligations of like nature, in each case Incurred in the ordinary course of business;

(3) Liens imposed by law, including carriers', warehousemen's, mechanics', landlords', materialmen's and repairmen's or other like Liens, in each case for sums not yet overdue for a period of more than 60 days or that are bonded or being contested in good faith by appropriate proceedings;

(4) Liens for taxes, assessments or other governmental charges not yet delinquent or which are being contested in good faith by appropriate proceedings; *provided* that appropriate reserves required pursuant to IFRS have been made in respect thereof;

(5) Liens in favor of the issuers of surety, performance or other bonds, guarantees or letters of credit or bankers' acceptances (not issued to support Indebtedness for borrowed money) issued pursuant to the request of and for the account of the Issuer or any Restricted Subsidiary in the ordinary course of its business;

(6) encumbrances, ground leases, easements (including reciprocal easement agreements), survey exceptions, or reservations of, or rights of others for, licenses, rights of way, sewers, electric lines, telegraph and telephone lines and other similar purposes, or zoning, building codes or other restrictions (including minor defects or irregularities in title and similar encumbrances) as to the use of real properties or Liens incidental to the conduct of the business of the Issuer and its Restricted Subsidiaries or to the ownership of its properties which do not in the aggregate materially adversely affect the value of said properties or materially impair their use in the operation of the business of the Issuer and its Restricted Subsidiaries;

(7) Liens on assets or property of the Issuer or any Restricted Subsidiary securing Hedging Obligations permitted under the Indenture;

(8) 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;

(9) Liens arising out of judgments, decrees, orders or awards not giving rise to an Event of Default so long as any appropriate legal proceedings which may have been duly initiated for the review of such judgment, decree, order or award have not been finally terminated or the period within which such proceedings may be initiated has not expired;

(10) Liens on assets or property of the Issuer or any Restricted Subsidiary for the purpose of securing Capitalized Lease Obligations or Purchase Money Obligations, or securing the payment of all or a part of the purchase price of, or securing other Indebtedness Incurred to finance or refinance the acquisition, improvement or construction of, assets or property acquired or constructed in the ordinary course of business; *provided* that (a) the aggregate principal amount of Indebtedness secured by such Liens is otherwise permitted to be Incurred under the Indenture and (b) any such Lien may not extend to any assets or property of the Issuer or any Restricted Subsidiary other than assets or property acquired, improved, constructed or leased with the proceeds of such Indebtedness and any improvements or accessions to such assets and property;

(11) Liens arising by virtue of any statutory or common law provisions or customary standard terms relating to banker's Liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a depositary or financial institution;

(12) Liens arising from Uniform Commercial Code financing statement filings (or similar filings in other applicable jurisdictions) regarding operating leases entered into by the Issuer and its Restricted Subsidiaries in the ordinary course of business;

(13) Liens existing on, or required to be granted under written agreements existing on (i) the Issue Date, in the case of the Issuer and (ii) on the Completion Date, in the case of the Target Group after giving effect to the Transactions;

(14) Liens on property, other assets or shares of stock of a Person at the time such Person becomes a Restricted Subsidiary (or at the time the Issuer or a Restricted Subsidiary acquires such property, other assets or shares of stock, including any acquisition by means of a merger, consolidation or other business combination transaction with or into the Issuer or any Restricted Subsidiary), including such Liens created, Incurred or assumed in anticipation of or in connection with such other Person becoming a Restricted Subsidiary or such acquisition of property, other assets or stock; *provided*, *however*, that, if the Indebtedness secured by such Liens is or later

becomes secured by the Collateral, the property, other assets or stock subject to such Liens shall also be pledged as Collateral to secure the Notes or Note Guarantees on a first priority basis, subject to the Agreed Security Principles;

(15) Liens on assets or property of the Issuer or any Restricted Subsidiary securing Indebtedness or other obligations of the Issuer or such Restricted Subsidiary owing to the Issuer or another Restricted Subsidiary, or Liens in favor of the Issuer or any Restricted Subsidiary;

(16) Liens (other than Permitted Collateral Liens) securing Refinancing Indebtedness (in an amount including the aggregate amount of fees, accrued and unpaid interest, underwriting discounts, premiums and other costs (including redemption premia and defeasance costs) and expenses Incurred in connection with the refinancing) Incurred to refinance Indebtedness that was previously so secured, and permitted to be secured under the Indenture; *provided* that any such Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the Indebtedness being refinanced or is in respect of property that is or could be the security for or subject to a Permitted Lien hereunder;

(17) any interest or title of a lessor under any Capitalized Lease Obligation or operating lease;

(18) (a) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any government, statutory or regulatory authority, developer, landlord or other third party on property over which the Issuer or any Restricted Subsidiary of the Issuer has easement rights or on any leased property and subordination or similar arrangements relating thereto and (b) any condemnation or eminent domain proceedings affecting any real property;

(19) any encumbrance or restriction (including put and call arrangements) with respect to Capital Stock of, or assets owned by, any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(20) 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;

(21) Liens on any proceeds loan made by the Issuer or any Restricted Subsidiary in connection with any future Incurrence of Indebtedness permitted under the Indenture and securing that Indebtedness;

(22) Liens on Escrowed Proceeds and the rights of the Issuer under the Shortfall Agreement or any similar arrangement for the benefit of the related holders of debt securities or other Indebtedness (or the underwriters or arrangers thereof) or on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case, to the extent such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose;

(23) Liens securing or arising in respect of Bank Products or by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities, or liens over cash accounts and receivables securing cash pooling or cash management arrangements;

(24) Liens arising out of conditional sale, title retention, hire purchase, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business;

(25) Liens with respect to obligations which do not exceed the greater of (x) € 40.0 million and (y) 25.0% of Consolidated EBITDA of the Issuer for the most recently ended four full fiscal quarters for which internal financial statements are available immediately preceding the date of calculation at any one time outstanding;

(26) Permitted Collateral Liens;

(27) Liens on Capital Stock or other securities or assets of any Unrestricted Subsidiary that secure Indebtedness of such Unrestricted Subsidiary;

(28) Liens on Receivables Assets Incurred in connection with any Qualified Receivables Financing and Liens Incurred to secure obligations in respect of Indebtedness of the type permitted to be Incurred pursuant to clause (13)(ii) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*," and Standard Securitization Undertakings;

(29) Liens on cash, Cash Equivalents or other property arising in connection with the defeasance, discharge or redemption of Indebtedness;

(30) Liens Incurred to secure obligations in respect of Indebtedness Incurred pursuant to clause (16) of the second paragraph of the covenant described under "*—Certain Covenants—Limitation on Indebtedness*"; and

(31) any extension, renewal or replacement, in whole or in part, of any Lien described in the foregoing clauses (1) through (30) (other than clause (25)); *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.

"*Permitted Reorganization*" means one or more amalgamations, combinations, mergers, demergers, liquidations, corporate dissolutions, reconstructions or other reorganizations on a solvent basis of any Restricted Subsidiary of the Issuer where:

(1) all the business and assets of such Restricted Subsidiary continue to be owned or held by Restricted Subsidiaries of the Issuer;

(2) the Security Agent and the Trustee shall take any action necessary to effect any releases of Collateral requested by the Issuer in connection with the reorganization (other than Collateral pledged by any Parent or the Issuer); *provided* that, reasonably promptly after completion of the reorganization, Liens securing the Notes or the Note Guarantees are retaken over assets, Capital Stock and other property such that the Liens over the new Collateral will (taken as a whole together with any pre-existing Liens on Collateral that were not released in connection with the reorganization) have substantially similar value (as determined in good faith by the Board of Directors or Senior Management of the Issuer) to the Liens that were in place immediately prior to the reorganization;

(3) the Security Agent and the Trustee shall take any action necessary to effect any releases of Note Guarantees requested by the Issuer in connection with the re-organization; *provided* that, reasonably promptly after completion of the reorganization, Note Guarantees are provided by such Restricted Subsidiaries of the Issuer as is necessary to procure that such new Note Guarantees will (taken as a whole together with any pre-existing Note Guarantees that were not released in connection with the reorganization) have substantially similar value (as determined in good faith by the Board of Directors or Senior Management of the Issuer) to the Note Guarantees existing prior to the reorganization; and

(4) prior to the reorganization, the Issuer will provide to the Trustee and the Security Agent an Officer's Certificate confirming (i) that no Default is continuing or would arise as a result of such reorganization and (ii) that such reorganization complies with the requirements set out in this definition.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, limited liability company, government or any agency or political subdivision thereof or any other entity.

"*Preferred Stock*," as applied to the Capital Stock of any Person, means Capital Stock of any class or classes (however designated) which is preferred as to the payment of dividends or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over shares of Capital Stock of any other class of such Person.

"*Public Debt*" means any Indebtedness consisting of bonds, debentures, notes or other similar debt securities issued in (1) a public offering registered under the Securities Act or (2) a private placement to institutional investors that is underwritten for resale in accordance with Rule 144A or Regulation S under the Securities Act, whether or not it includes registration rights entitling the holders of such debt securities to registration thereof with the SEC for public resale.

"*Public Market*" means any time after:

(1) an Equity Offering has been consummated; and

(2) shares of common stock or other common equity interests of the IPO Entity having a market value in excess of € 50.0 million on the date of such Equity Offering have been distributed pursuant to such Equity Offering.

"*Public Offering*" means any offering, including an Initial Public Offering, of shares of common stock or other common equity interests that are listed on an exchange or publicly offered (which shall include an offering pursuant to Rule 144A and/or Regulation S under the Securities Act to professional market investors or similar persons).

"*Purchase Money Obligations*" means any Indebtedness Incurred or assumed to finance or refinance the acquisition, leasing, construction, development or improvement of property (real or personal, moveable or immovable) or assets (including Capital Stock), and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets, or otherwise.

"*Purchases*" means any acquisitions of business entities or property and assets constituting a division or line of business that have been made by the Issuer or any of its Restricted Subsidiaries, including through mergers or consolidations, of any or by any Person.

"*Qualified Receivables Financing*" means any Receivables Financing of a Receivables Subsidiary that meets the following conditions: (1) an Officer or the Board of Directors of the Issuer shall have determined in good faith that such Qualified Receivables Financing (including financing terms, covenants, termination events and other provisions) is in the aggregate economically fair and reasonable to the Issuer and the Receivables Subsidiary, (2) all sales of accounts receivable and related assets to the Receivables Subsidiary are made at fair market value (as determined in good faith by the Issuer), and (3) the financing terms, covenants, termination events and other provisions thereof shall be on market terms (as determined in good faith by the Issuer) and may include Standard Securitization Undertakings.

The grant of a security interest in any accounts receivable of the Issuer or any of its Restricted Subsidiaries (other than a Receivables Subsidiary) to secure Indebtedness under a Credit Facility or Indebtedness in respect of the Notes shall not be deemed a Qualified Receivables Financing.

"*RCF*" means the € 175,000,000 multicurrency revolving credit facility made available under the Senior Facilities Agreement.

"*Receivables Assets*" means any assets that are or will be the subject of a Qualified Receivables Financing.

"*Receivables Fees*" means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Receivables Financing.

"*Receivables Financing*" means any transaction or series of transactions that may be entered into by the Issuer or any of its Subsidiaries pursuant to which the Issuer or any of its Subsidiaries may sell, convey or otherwise transfer to (1) a Receivables Subsidiary (in the case of a transfer by the

Issuer or any of its Subsidiaries), or (2) any other Person (in the case of a transfer by a Receivables Subsidiary), or may grant a security interest in, any accounts receivable (whether now existing or arising in the future) of the Issuer or any of its Subsidiaries, and any assets related thereto, including all collateral securing such accounts receivable, all contracts and all guarantees or other obligations in respect of such accounts receivable, proceeds of such accounts receivable and other assets which are customarily transferred or in respect of which security interest are customarily granted in connection with asset securitization transactions involving accounts receivable and any Hedging Obligations entered into by the Issuer or any such Subsidiary in connection with such accounts receivable.

"*Receivables Repurchase Obligation*" means any obligation of a seller of receivables in a Qualified Receivables Financing to repurchase receivables arising as a result of a breach of a representation, warranty or covenant or otherwise, including as a result of a receivable or portion thereof becoming subject to any asserted defense, dispute, off-set or counterclaim of any kind as a result of any action taken by, any failure to take action by or any other event relating to the seller.

"*Receivables Subsidiary*" means a Wholly Owned Subsidiary of the Issuer (or another Person formed for the purposes of engaging in a Qualified Receivables Financing with the Issuer in which the Issuer or any Subsidiary of the Issuer makes an Investment and to which the Issuer or any Subsidiary of the Issuer transfers accounts receivable and related assets) which engages in no activities other than in connection with the financing of accounts receivable of the Issuer and its Subsidiaries, all proceeds thereof and all rights (contractual or other), collateral and other assets relating thereto, and any business or activities incidental or related to such business, and which is designated by the Board of Directors of the Issuer (as provided below) as a Receivables Subsidiary and:

(1) no portion of the Indebtedness or any other obligations (contingent or otherwise) of which (i) is guaranteed by the Issuer or any other Restricted Subsidiary of the Issuer (excluding guarantees of obligations (other than the principal of, and interest on, Indebtedness) pursuant to Standard Securitization Undertakings), (ii) is subject to terms that are substantially equivalent in effect to a guarantee of any losses on securitized or sold receivables by the Issuer or any other Restricted Subsidiary of the Issuer, (iii) is recourse to or obligates the Issuer or any other Restricted Subsidiary of the Issuer in any way other than pursuant to Standard Securitization Undertakings or (iv) subjects any property or asset of the Issuer or any other Restricted Subsidiary of the Issuer, directly or indirectly, contingently or otherwise, to the satisfaction thereof, other than pursuant to Standard Securitization Undertakings;

(2) with which neither the Issuer nor any other Restricted Subsidiary of the Issuer has any contract, agreement, arrangement or understanding other than on terms which the Issuer reasonably believes to be no less favorable to the Issuer or such Restricted Subsidiary than those that might be obtained at the time from Persons that are not Affiliates of the Issuer; and

(3) to which neither the Issuer nor any other Restricted Subsidiary of the Issuer has any obligation to maintain or preserve such entity's financial condition or cause such entity to achieve certain levels of operating results.

Any such designation by the Board of Directors of the Issuer shall be evidenced to the Trustee by filing with the Trustee a copy of the resolution of the Board of Directors of the Issuer giving effect to such designation and an Officer's Certificate certifying that such designation complied with the foregoing conditions.

"*refinance*" means refinance, refund, replace, renew, repay, modify, restate, defer, substitute, supplement, reissue, resell, extend or increase (including pursuant to any defeasance or discharge mechanism) and the terms "refinances," "refinanced" and "refinancing" as used for any purpose in the Indenture shall have a correlative meaning.

"*Refinancing Indebtedness*" means Indebtedness that is Incurred to refund, refinance, replace, exchange, renew, repay or extend (including pursuant to any defeasance or discharge mechanism) any Indebtedness existing on the date of the Indenture or Incurred in compliance with the Indenture (including Indebtedness of the Issuer that refinances Indebtedness of any Restricted Subsidiary and Indebtedness of any Restricted Subsidiary that refinances Indebtedness of the Issuer or another Restricted Subsidiary) including Indebtedness that refinances Refinancing Indebtedness; *provided*, *however*, that:

(1) if the Indebtedness being refinanced constitutes Subordinated Indebtedness, the Refinancing Indebtedness has a final Stated Maturity at the time such Refinancing Indebtedness is Incurred that is the same as or later than the final Stated Maturity of the Indebtedness being refinanced or, if shorter, the Notes;

(2) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the sum of the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being refinanced (plus, without duplication, any additional Indebtedness Incurred to pay interest or premiums required by the instruments governing such existing Indebtedness and costs, expenses and fees Incurred in connection therewith); and

(3) if the Indebtedness being refinanced is expressly subordinated to the Notes, such Refinancing Indebtedness is subordinated to the Notes on terms at least as favorable to the Holders as those contained in the documentation governing the Indebtedness being refinanced,

provided, *however*, that Refinancing Indebtedness shall not include Indebtedness of the Issuer or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary.

"*Related Person*" with respect to any Permitted Holder means:

(1) any controlling equity holder or Subsidiary of such Person; or

(2) in the case of an individual, any spouse, family member or relative of such individual, any trust or partnership for the benefit of one or more of such individual and any such spouse, family member or relative, or the estate, executor, administrator, committee or beneficiaries of any thereof; or

(3) any trust, corporation, partnership or other Person for which one or more of the Permitted Holders and other Related Persons of any thereof constitute the beneficiaries, stockholders, partners or owners thereof, or Persons beneficially holding in the aggregate a majority (or more) controlling interest therein; or

(4) in the case of the Equity Investors any investment fund or vehicle managed, sponsored or advised by such Person or any successor thereto, or by any Affiliate of such Person or any such successor.

"*Related Taxes*" means:

(1) any Taxes, including sales, use, transfer, rental, ad valorem, value added, stamp, property, consumption, franchise, license, capital, registration, business, customs, net worth, gross receipts, excise, occupancy, intangibles or similar Taxes (other than (x) Taxes measured by income and (y) withholding imposed on payments made by any Parent), required to be paid (provided such Taxes are in fact paid) by any Parent by virtue of its:

(a) being organized or having Capital Stock outstanding (but not by virtue of owning stock or other equity interests of any corporation or other entity other than, directly or indirectly, the Issuer or any of the Issuer's Subsidiaries);

(b) issuing or holding Subordinated Shareholder Funding;

(c) being a holding company parent, directly or indirectly, of the Issuer or any of the Issuer's Subsidiaries;

(d) receiving dividends from or other distributions in respect of the Capital Stock of, directly or indirectly, the Issuer or any of the Issuer's Subsidiaries; or

(e) having made any payment in respect to any of the items for which the Issuer is permitted to make payments to any Parent pursuant to "*—Certain Covenants—Limitation on Restricted Payments*"; or

(2) if and for so long as the Issuer is a member of a group filing a consolidated or combined tax return with any Parent, any Taxes measured by income for which such Parent is liable up to an amount not to exceed with respect to such Taxes the amount of any such Taxes that the Issuer and its Subsidiaries would have been required to pay on a separate company basis or on a consolidated basis if the Issuer and its Subsidiaries had paid tax on a consolidated, combined, group, affiliated or unitary basis on behalf of an affiliated group consisting only of the Issuer and its Subsidiaries.

"*Restricted Investment*" means any Investment other than a Permitted Investment.

"*Restricted Subsidiary*" means any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

"*Reversion Date*" means, after the Notes have achieved Investment Grade Status, the date, if any, that such Notes shall cease to have such Investment Grade Status.

"*S&P*" means Standard & Poor's Investors Ratings Services or any of its successors or assigns that is a Nationally Recognized Statistical Rating Organization.

"*SEC*" means the U.S. Securities and Exchange Commission or any successor thereto.

"*Secured Indebtedness*" means any Indebtedness of the Issuer or any of its Restricted Subsidiaries secured by a Lien on the Collateral on a basis senior to the Liens on the Collateral in favor of the Indenture, the Notes or the Note Guarantees.

"*Securities Act*" means the U.S. Securities Act of 1933, as amended, and the rules and regulations of the SEC promulgated thereunder, as amended.

"*Security Documents*" means the Intercreditor Agreement, any Additional Intercreditor Agreement and each collateral pledge agreement, security assignment agreement or other document under which collateral is pledged to secure the Indenture, the Notes or any Note Guarantee.

"*Sellers' Bonds*" means the 364,145,489 convertible bonds with a par value of € 0.01 each issued by the Target and owned by the Sellers (as defined in this Offering Memorandum).

"*Senior Facilities Agreement*" means (1) that certain senior facilities agreement to be entered into on or about the Issue Date by, among others, Bidco and certain Subsidiaries of Bidco as borrowers and guarantors, the financial institutions named therein and Natixis, as administrative agent, prior to or in connection with the Transactions, including any related notes, mortgages, guarantees, collateral documents, instruments and agreements executed in connection therewith, and in each case, as amended, supplemented, modified, extended, replaced, renewed, restated, refunded, restructured, increased or refinanced in whole or in part from time to time, including any replacement, refunding or refinancing facility, agreement, indenture or debt facility that increases the amount borrowable or issuable thereunder or alters the maturity thereof or adds entities as additional borrowers, issuers or guarantors thereunder and whether by the same or any other agent, lender, group of lenders, or otherwise and (2) whether or not the senior facilities agreement referred to in clause (1) remains outstanding, if designated by the Senior Secures Notes Issuer to be included in the definition of Senior Facilities Agreement, one or more additional Credit Facilities.

"*Senior Indebtedness*" means, whether outstanding on the Issue Date or thereafter incurred, all amounts payable by, under or in respect of all other Indebtedness of any Guarantor, including premiums and accrued and unpaid interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to such Guarantor at the rate specified in the documentation with respect thereto whether or not a claim for post filing interest is allowed in such proceeding) and fees relating thereto; *provided,* that Senior Indebtedness will not include:

(1) any Indebtedness incurred in violation of the Indenture;

(2) any obligation of any Guarantor to any Restricted Subsidiary;

(3) any liability for taxes owed or owing by any Guarantor;

(4) Pari Passu Indebtedness, any Indebtedness expressly junior in right of payment to any other Indebtedness of such Guarantor and any Capital Stock; or

(5) any accounts payable or other liability to trade creditors arising in the ordinary course of business (including guarantees thereof or instruments evidencing such liabilities).

"*Senior Management*" means the officers, directors, and other members of senior management of the Issuer or any of its Subsidiaries, who at any date beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Issuer or any Parent.

"*Significant Subsidiary*" means any Restricted Subsidiary that meets any of the following conditions:

(1) the Issuer's and its Restricted Subsidiaries' investments in and advances to the Restricted Subsidiary exceed 10% of the total assets of the Issuer and its Restricted Subsidiaries on a consolidated basis as of the end of the most recently completed fiscal year;

(2) the Issuer's and its Restricted Subsidiaries' proportionate share of the total assets (after intercompany eliminations) of the Restricted Subsidiary exceeds 10% of the total assets of the Issuer and its Restricted Subsidiaries on a consolidated basis as of the end of the most recently completed fiscal year; or

(3) the Issuer's and its Restricted Subsidiaries' equity in the income from continuing operations before income taxes, extraordinary items and cumulative effect of a change in accounting principle of the Restricted Subsidiary exceeds 10% of such income of the Issuer and its Restricted Subsidiaries on a consolidated basis for the most recently completed fiscal year.

"*Similar Business*" means (1) any businesses, services or activities engaged in by the Target Group or any of its Subsidiaries or any of its Associates on the Issue Date and (2) any businesses, services and activities engaged in by the Issuer or any of its Subsidiaries or any Associates that are related, complementary, incidental, ancillary or similar to any of the foregoing or are extensions or developments of any thereof.

"*Specified Change of Control Event*" means the occurrence of any event that would constitute a Change of Control pursuant to the definition thereof; *provided that*, immediately after the occurrence of such event and giving pro forma effect thereto, the Consolidated Net Leverage Ratio of the Issuer and its Subsidiaries would have been less than 6.50 to 1.0. Notwithstanding the foregoing, only one Specified Change of Control Event shall be permitted under the Indenture after the Issue Date.

"*Sponsors*" means the Public Sector Pension Investment Board (directly or indirectly through a wholly owned subsidiary thereof) and one or more investment funds advised or managed by Partners Group AG and (whether individually or as a group) Affiliates of the foregoing (but excluding any operating portfolio companies of the foregoing).

"*Standard Securitization Undertakings*" means representations, warranties, covenants, indemnities and guarantees of performance entered into by the Issuer or any Subsidiary of the Issuer which the Issuer has determined in good faith to be customary in a Receivables Financing,

including those relating to the servicing of the assets of a Receivables Subsidiary, it being understood that any Receivables Repurchase Obligation shall be deemed to be a Standard Securitization Undertaking.

"*Stated Maturity*" means, with respect to any security, the date specified in such security as the fixed date on which the payment of principal of such security is due and payable, including pursuant to any mandatory redemption provision, but shall not include any contingent obligations to repay, redeem or repurchase any such principal prior to the date originally scheduled for the payment thereof.

"*Subordinated Indebtedness*" means, with respect to any person, any Indebtedness (whether outstanding on the Issue Date or thereafter Incurred) which is expressly subordinated in right of payment to the Notes or its Note Guarantees pursuant to a written agreement.

"*Subordinated Shareholder Funding*" means, collectively, any funds provided to the Issuer by a Parent, any Affiliate of a Parent, a Permitted Holder or any Affiliate of a Permitted Holder in exchange for or pursuant to any security, instrument or agreement other than Capital Stock, in each case issued to and held by any of the foregoing Persons, 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*, *however*, that such Subordinated Shareholder Funding:

(1) does not mature or require any amortization, redemption or other repayment of principal or any sinking fund payment prior to the date that is six months after the Stated Maturity of the Notes (other than through conversion or exchange of such funding into Capital Stock (other than Disqualified Stock) of the Issuer or any funding meeting the requirements of this definition) or the making of any such payment prior to the date that is six months after the Stated Maturity of the Notes is restricted by the Intercreditor Agreement, an Additional Intercreditor Agreement or another intercreditor agreement;

(2) does not require, prior to the date that is six months after the Stated Maturity of the Notes, payment of cash interest, cash withholding amounts or other cash gross-ups, or any similar cash amounts or the payment of any amount as a result of any such action or provision, in each case, prior to the date that is six months after the Stated Maturity of the Notes is restricted by the Intercreditor Agreement or an Additional Intercreditor Agreement;

(3) contains no change of control or similar provisions (other than Subordinated Shareholder Funding outstanding on the Issue Date) and does not accelerate and has no right to declare a default or event of default or take any enforcement action or otherwise require any cash payment, in each case, prior to the date that is six months after the Stated Maturity of the Notes;

(4) does not provide for or require any security interest or encumbrance over any asset of the Issuer or any of its Subsidiaries; and

(5) pursuant to its terms or to the Intercreditor Agreement, an Additional Intercreditor Agreement or another intercreditor agreement, is fully subordinated and junior in right of payment to the Notes pursuant to subordination, payment blockage and enforcement limitation terms which are customary in all material respects for similar funding or are no less favorable in any material respect to Holders than those contained in the Intercreditor Agreement as in effect on the Issue Date with respect to the "Investor Liabilities" (as defined therein).

"*Subsidiary*" means, with respect to any specified Person:

(1) any corporation, association, *société d'exercice libéral* or other business entity of which more than 50% of the total voting power of Voting Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity is at the time owned or controlled,

directly or indirectly, by that Person or one or more of the other Subsidiaries of that Person (or a combination thereof); *provided that* any corporation, association or other business entity shall also be considered a Subsidiary if either (i)(A) such corporation, association or other business entity is organized under the laws of the Republic of France and is subject to limitations on the amount of total voting power of Voting Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of the corporation, association or other business entity that may be held by persons other than laboratory doctors and (B) such Person owns an amount equal to at least the lesser of 45% and the maximum percentage that such Person is permitted to hold under applicable law of the total voting power of Voting Stock entitled (without regard to the occurrence of any contingency and after giving effect to any voting agreement or stockholders' agreement that effectively transfers voting power) to vote in the election of directors, managers or trustees of such corporation, association or other business entity, or (ii) such corporation, association or other business entity is consolidated in the financial statements of such Person according to the full consolidation method in accordance with IFRS; and

(2) any partnership or limited liability company (other than entities covered by clause (1) of this definition) of which (i) more than 50% of the capital accounts, distribution rights, total equity and voting interests or general and limited partnership interests, as applicable, are owned or controlled, directly or indirectly, by such Person or one or more of the other Subsidiaries of that Person or a combination thereof, whether in the form of membership, general, special or limited partnership interests or otherwise, and (ii) such Person or any Subsidiary of such Person is a controlling general partner or otherwise controls such entity.

"*Successor Parent*" with respect to any Person means any other Person with more than 50% of the total voting power of the Voting Stock of which is, at the time the first Person becomes a Subsidiary of such other Person, "beneficially owned" (as defined below) by one or more Persons that "beneficially owned" (as defined below) more than 50% of the total voting power of the Voting Stock of the first Person immediately prior to the first Person becoming a Subsidiary of such other Person. For purposes hereof, "beneficially own" has the meaning correlative to the term "beneficial owner," as such term is defined in Rules 13d-3 and 13d-5 under the Exchange Act (as in effect on the Issue Date).

"*Target*" means Financière Gaillon 0, a *société par actions simplifiée* organized under the laws of France, registered with the *registre du commerce et des sociétés de Pontoise* under registration number 807 870 910.

"*Target Group*" means the Target and its consolidated subsidiaries.

"*Taxes*" means all present and future taxes, levies, imposts, deductions, charges, duties and withholdings (including interest and penalties with respect thereto) that are imposed by any government or other taxing authority.

"*Tax Sharing Agreement*" means any tax sharing or profit and loss pooling or similar agreement with customary or arm's-length terms entered into with any Parent or Subsidiary, as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof and of the Indenture.

"*Temporary Cash Investments*" means any of the following:

(1) any investment in

(a) direct obligations of, or obligations Guaranteed by, (i) the United States of America or Canada, (ii) any Permissible Jurisdiction, (iii) Switzerland or Norway, (iv) any country in whose currency funds are being held specifically pending application in the making of an investment or capital expenditure by the Issuer or a Restricted Subsidiary in that country with such funds or (v) any agency or instrumentality of any such country or member state; or

(b) direct obligations of any country recognized by the United States of America rated at least "A" by S&P or "A-1" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(2) overnight bank deposits, and investments in time deposit accounts, certificates of deposit, bankers' acceptances and money market deposits (or, with respect to foreign banks, similar instruments) maturing not more than one year after the date of acquisition thereof issued by:

(a) any lender under the Senior Facilities Agreement;

(b) any institution authorized to operate as a bank in any of the countries or member states referred to in clause (1)(a) above; or

(c) any bank or trust company organized under the laws of any such country or member state or any political subdivision thereof,

in each case, having capital and surplus aggregating in excess of € 250 million (or the foreign currency equivalent thereof) and whose long-term debt is rated at least "A" by S&P or "A-2" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization) at the time such Investment is made;

(3) repurchase obligations with a term of not more than 30 days for underlying securities of the types described in clause (1) or (2) above entered into with a Person meeting the qualifications described in clause (2) above;

(4) Investments in commercial paper, maturing not more than 270 days after the date of acquisition, issued by a Person (other than the Issuer or any of its Subsidiaries), with a rating at the time as of which any Investment therein is made of "P-2" (or higher) according to Moody's or "A-2" (or higher) according to S&P (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(5) Investments in securities maturing not more than one year after the date of acquisition issued or fully Guaranteed by any state, commonwealth or territory of the United States of America, Canada, any Permissible Jurisdiction or Switzerland, Norway or by any political subdivision or taxing authority of any such state, commonwealth, territory, country or member state, and rated at least "BBB" by S&P or "Baa3" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization);

(6) bills of exchange issued in the United States, Canada, a Permissible Jurisdiction, Switzerland, Norway or Japan eligible for rediscount at the relevant central bank and accepted by a bank (or any dematerialized equivalent);

(7) any money market deposit accounts issued or offered by a commercial bank organized under the laws of a country that is a member of the Organization for Economic Co-operation and Development, in each case, having capital and surplus in excess of € 250 million (or the foreign currency equivalent thereof) or whose long term debt is rated at least "A" by S&P or "A2" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization) at the time such Investment is made;

(8) investment funds investing 95% of their assets in securities of the type described in clauses (1) through (7) above (which funds may also hold reasonable amounts of cash pending investment and/or distribution); and

(9) investments in money market funds (a) complying with the risk limiting conditions of Rule 2a-7 (or any successor rule) of the SEC under the U.S. Investment Company Act of 1940, as

amended or (b) rated "AAA" by S&P or "Aaa" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any Nationally Recognized Statistical Rating Organization).

"*TLB Facility*" means the €794.0 million term facility made available under the Senior Facilities Agreement.

"*Transactions*" means the Acquisition, the Financing and the repayment of other existing obligations of the Target Group, including the repayment or extinguishment of any Indebtedness, payment or reimbursement of any fees and expenses and any other transactions incidental to the above.

"*UK TopCo*" has the meaning ascribed to it in this Offering Memorandum.

"*Uniform Commercial Code*" means the New York Uniform Commercial Code.

"*Unrestricted Subsidiary*" means:

(1) any Subsidiary of the Issuer that at the time of determination is an Unrestricted Subsidiary (as designated by the Board of Directors of the Issuer in the manner provided below); and
(2) any Subsidiary of an Unrestricted Subsidiary.

The Board of Directors of the Issuer may designate any Subsidiary of the Issuer, including any newly acquired or newly formed Subsidiary or a Person becoming a Subsidiary through merger, consolidation or other business combination transaction, or Investment therein but excluding the Issuer to be an Unrestricted Subsidiary only if:

(1) such Subsidiary or any of its Subsidiaries does not own any Capital Stock or Indebtedness of, or own or hold any Lien on any property of, the Issuer or any other Subsidiary of the Issuer which is not a Subsidiary of the Subsidiary to be so designated or otherwise an Unrestricted Subsidiary; and

(2) such designation and the Investment of the Issuer in such Subsidiary complies with "*—Certain Covenants—Limitation on Restricted Payments*."

Any such designation by the Board of Directors of the Issuer shall be evidenced to the Trustee by filing with the Trustee a resolution of the Board of Directors of the Issuer giving effect to such designation and an Officer's Certificate certifying that such designation complies with the foregoing conditions.

The Board of Directors of the Issuer may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided*, that immediately after giving effect to such designation (1) no Default or Event of Default would result therefrom and (2)(x) the Issuer could Incur at least € 1.00 of additional Indebtedness pursuant to the first paragraph of the "*—Limitation on Indebtedness*" covenant or (y) the Consolidated Fixed Charge Coverage Ratio would not be lower than it was immediately prior to giving effect to such designation, in each case, on a *pro forma* basis taking into account such designation. Any such designation by the Board of Directors of the Issuer shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of such Board of Directors giving effect to such designation or an Officer's Certificate certifying that such designation complied with the foregoing provisions.

"*Voting Stock*" of a Person means all classes of Capital Stock of such Person then outstanding and normally entitled to vote in the election of directors.

"*Wholly Owned Subsidiary*" means a Restricted Subsidiary of the Issuer, all of the Voting Stock of which (other than directors' qualifying shares or shares required by any applicable law or regulation to be held by a Person other than the Issuer or another Wholly Owned Subsidiary) is owned by the Issuer or another Wholly Owned Subsidiary.

Book-Entry; Delivery and Form

General

The Notes sold to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act will initially be represented by a global note in registered form without interest coupons attached (a "Rule 144A Global Note"). The Notes sold outside the United States in compliance with Regulation S under the U.S. Securities Act will initially be represented by a global note in registered form without interest coupons attached (a "Regulation S Global Note" and, together with the Rule 144A Global Note, the "Global Notes"). The Global Notes will be deposited, on the Issue Date, with, or on behalf of, a common depositary and registered in the name of the nominee of the common depositary for the accounts of Euroclear and Clearstream.

Ownership of interests in the Rule 144A Global Note (the "Rule 144A Book-Entry Interests") and ownership of interests in the Regulation S Global Note (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 nominees), as applicable, will be considered the sole holders of the Global Notes for all purposes under the Indenture. 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 Indenture, respectively.

None of the Issuer, the Paying Agent, the Transfer Agent, the Registrar or the Trustee will have any responsibility, or be liable, for any aspect of the records relating to the Book-Entry Interests.

Definitive Registered Notes

Under the terms of the Indenture, owners of the Book-Entry Interests will receive definitive registered Notes in certificated form ("Definitive Registered Notes") only:

(1) if either Euroclear or Clearstream notifies the Issuer that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed by the Issuer within 120 days; or

(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 Indenture and enforcement action is being taken in respect thereof under the Indenture.

In such an event, the Issuer will instruct the Registrar to 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 us, 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 Indenture, unless that legend is not required by the Indenture or applicable law.

To the extent permitted by law, the Issuer, the Trustee, the Paying Agent, the Transfer 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 relevant 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.

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). We understand that, under the existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their participants' accounts on a proportionate basis (with adjustments to prevent fractions), by lot or on such other basis as they deem fair and appropriate (including the pool factor); 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 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 Notes—Withholding Taxes*." If any such deduction or withholding is required to be made, then, to the extent described under "*Description of the Notes—Withholding Taxes*," we will pay additional amounts as may be necessary in order for the net amounts received by any holder of the Global Notes or owner of Book-Entry Interests after such deduction or withholding will equal 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 Issuer expects 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 Indenture, the Issuer, the Trustee, the Registrar and the Paying Agent and their respective agents will treat the registered holders of the Global Notes (*i.e.*, the common depositary for Euroclear or Clearstream (or its nominee)) as the owners thereof for the purpose of receiving payments and for all other purposes. Consequently, none of the Issuer, the Trustee, the Paying Agent, the Transfer Agent, the Registrar 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, for any such payments

made by Euroclear or Clearstream or any participant or indirect participant 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;

- any other matters relating to the actions and practices of Euroclear, Clearstream or any participant or indirect participant; or

- the records of the common depositary.

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 to such Notes through Euroclear or Clearstream in euro.

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 Notes (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 Notes, Euroclear and Clearstream, at the request of the holders of the Notes, reserve the right to exchange the Global Notes for 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 Notes requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in states which 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 Indenture.

The Global Notes will bear a legend to the effect set forth under "*Transfer Restrictions*." Book-Entry Interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed under "*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 Indenture) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 under the U.S. Securities Act or any other exemption (if available under the U.S. 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 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 "*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—Transfer and Exchange*" and, if required, only if the transferor first delivers to the Trustee and the Registrar a written certificate (in the form provided in the Indenture) to the effect that such transfer will comply with the appropriate transfer restrictions applicable to such Notes. See "*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.

Information Concerning Euroclear and Clearstream

All Book-Entry Interests will be subject to the operations and procedures of Euroclear and Clearstream, as applicable. We have provided 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 we nor the Initial Purchasers are responsible for those operations or procedures.

We understand 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 only act 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 Notes represented by the Global Notes are expected to be listed on the Official List of the 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, any Guarantor, the Initial Purchasers, the Trustee, the Transfer Agent, the Registrar 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.

Trustee's Powers

In considering the interests of the holders of Notes, while title to the Notes is registered in the name of a nominee of a clearing system, the Trustee may rely without further investigation on any information provided to it by that clearing system as to the identity (either individually or by category) of its accountholders with entitlements to Notes and may consider such interests as if such accountholders were the holders of the Notes.

Enforcement

For the purposes of enforcement of the provisions of the Indenture against the Trustee, the persons named in a certificate of the holder of the Notes in respect of which a Global Note is issued shall be recognized as the beneficiaries of the trusts set out in the Indenture to the extent of the principal amounts of their interests in the Notes set out in the certificate of the holder, as if they were themselves the holders of Notes in such principal amounts.

Transfer Restrictions

You are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes offered hereby.

The Notes and the Guarantees have not been and will not be registered under the U.S. Securities Act or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Notes offered hereby are being offered and sold only to qualified institutional buyers (as defined in Rule 144A) in reliance on Rule 144A and outside the United States in offshore transactions in reliance on Regulation S.

We have not registered and will not register the Notes or the Guarantees under the U.S. Securities Act and, therefore, the Notes may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Accordingly, we are offering and selling the Notes to the Initial Purchasers for re-offer and resale only:

- in the United States to "qualified institutional buyers," commonly referred to as "QIBs," as defined in Rule 144A in compliance with Rule 144A; and

- outside the United States in offshore transactions in accordance with Regulation S.

We use the terms "offshore transaction" and "United States" with the meanings given to them in Regulation S.

Each purchaser of the Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Issuer and the Initial Purchasers as follows:

(1) It understands and acknowledges that the Notes and the Guarantees have not been registered under the U.S. Securities Act or any other applicable state securities laws, and that the Notes are being offered for resale in transactions not requiring registration under the U.S. Securities Act or any state securities law, including sales pursuant to Rule 144A, and, unless so registered, may not be offered, sold or otherwise transferred except in compliance with the registration requirements of the U.S. Securities Act or any other applicable state securities laws, pursuant to an exemption therefrom or in any transaction not subject thereto and in each case in compliance with the conditions for transfer set forth in paragraphs (4) and (5) below.

(2) It is not an "affiliate" (as defined in Rule 144) of the Issuer or acting on behalf of the Issuer and it is either:

(a) QIB and is aware that any sale of the Notes to it will be made in reliance on Rule 144A, and the acquisition of the Notes will be for its own account or for the account of another QIB; or

(b) it is purchasing the Notes in an offshore transaction in accordance with Regulation S.

(3) It acknowledges that none of the Issuer, the Guarantors, the Trustee, the Paying Agent, the Transfer Agent, the Registrar or the Initial Purchasers, or any person representing any of them, have made any representation to it with respect to the offering or sale of any Notes other than the information contained in this Offering Memorandum, which Offering Memorandum has been delivered to it and upon which it is relying in making its investment decision with respect to the Notes. It has had access to such financial and other information concerning us, the Issuer and its subsidiaries and the Notes as it has deemed necessary in connection with its decision to

purchase any of the Notes, including an opportunity to ask questions of, and request information from, the Issuer and the Initial Purchasers. It acknowledges that neither the Initial Purchasers nor any person representing the Initial Purchasers make any representation or warranty as to the accuracy or completeness of this Offering Memorandum. It acknowledges that we, and not the Initial Purchasers, have ultimate authority over the statements contained in this Offering Memorandum, including the content of those statements and whether and how to communicate them.

(4) It is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or any state securities laws, subject 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 subject to its or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the U.S. Securities Act.

(5) Each holder of Notes issued in reliance on Rule 144A ("Rule 144A Notes") agrees on its own behalf and on behalf of any investor account for which it is purchasing Notes, and each subsequent holder of the Rule 144A Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such Notes prior to the date (the "Resale Restriction Termination Date") that is one year after the later of the Issue Date and the last date on which the Issuer or any of its affiliates was the owner of such Notes (or any predecessor thereto) only (i) to the Issuer, the Guarantors or any subsidiary thereof, (ii) pursuant to a registration statement that has been declared effective under the U.S. Securities Act, (iii) for so long as the Notes are eligible for resale pursuant to Rule 144A, to a person it reasonably believes is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A, (iv) pursuant to offers and sales that occur outside the United States in compliance with Regulation S, or (v) 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 pursuant to clause (v) to require that a certificate of transfer in the form appearing on the reverse of the security is completed and delivered by the transferor to the Trustee. The foregoing restrictions on resale will not apply subsequent to the Resale Restriction Termination Date. Each purchaser acknowledges that each Rule 144A Note will contain a legend substantially to the following effect:

> THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (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, AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE "RESALE RESTRICTION TERMINATION DATE") THAT IS 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, THE GUARANTORS OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT THAT 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 UNDER THE U.S. SECURITIES ACT ("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 PURSUANT TO CLAUSE (E) TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE REVERSE OF THIS NOTE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE; AND AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

If it purchases Notes, it will also be deemed to acknowledge that the foregoing restrictions apply to holders of beneficial interests in Notes as well as to holders of these Notes.

(6) It agrees that it will give to each person to whom it transfers Notes notice of any restrictions on transfer of such Notes. It acknowledges that the Registrar will not be required to accept for registration or transfer any Notes acquired by it except upon presentation of evidence satisfactory to the Issuer and the Registrar that the restrictions set forth therein have been complied with.

(7) It acknowledges that the Issuer, the Initial Purchasers, the Trustee, the Transfer Agent, the Registrar and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of Notes is no longer accurate, it shall promptly notify the Initial Purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

(8) It understands that no action has been taken in any jurisdiction (including the United States) by the Issuer, any of the Guarantors or the Initial Purchasers that would result in a public offering of the Notes or the possession, circulation or distribution of this Offering Memorandum or any other material relating to us or the Notes in any jurisdiction where action for such purpose is required. Consequently, any transfer of the Notes will be subject to the selling restrictions set forth under "*Plan of Distribution*."

(9) It acknowledges that until 40 days after the commencement of the Offering, any offer or sale of the Notes within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or pursuant to another exemption from registration under the U.S. Securities Act.

Tax Considerations

The Proposed Financial Transactions Tax ("FTT")

On February 14, 2013, the European Commission published a proposal (the "Commission's 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). Estonia has since stated that it would no longer participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the Commission's Proposal the 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 the Notes where at least one party is a financial institution established in a Participating Member State, and at least one party is established in a participating Member State. 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. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of the Notes are advised to seek their own professional advice in relation to the FTT.

Certain French Tax Consequences

The following is a summary of certain French withholding tax considerations. This summary is based on provisions of French tax laws and regulations, as in force and applied by the French tax authorities at the date of this Offering Memorandum. This summary does not purport to be a complete analysis of all tax considerations relating to the Notes. It is included herein solely for information purposes and is not intended to be, nor should it be construed to be, legal or tax advice.

This summary is only addressed to holders of Notes who are not shareholders of the Issuer.

Payments of interest and assimilated revenues made by the Issuer with respect to the Notes will not be subject to the withholding tax set out under Article 125 A III of the French *Code général des impôts* ("FTC**"**) unless such payments are made outside France in a non-cooperative State or territory (*Etat ou territoire non coopératif*) within the meaning of Article 238-0 A of the FTC (a "Non-Cooperative State"). If such payments are made in a Non-Cooperative State, a 75% withholding tax is applicable to such payments (subject to certain exceptions and to the provisions of an applicable double tax treaty) by virtue of Article 125 A III of the FTC. The list of Non-Cooperative States is published by a ministerial executive order (*arrêté*) which is updated each year.

Furthermore, according to Article 238 A of the FTC, interest and assimilated revenues with respect to the Notes will not be deductible from the Issuer's taxable result if they are paid or accrued to persons domiciled or established in a Non-Cooperative State or paid on an account held in a financial institution established in such a Non-Cooperative State (the "Deductibility Exclusion"). Under certain conditions, any such non-deductible interest and assimilated revenues may be re-characterized as constructive dividends pursuant to Articles 109 *et seq.* of the FTC, in which case they may be subject to the withholding tax set out under Article 119 *bis* 2 of the FTC, at a rate of 30% or 75% (subject to the provisions of an applicable double tax treaty).

Notwithstanding the foregoing, neither the 75% withholding tax set out under Article 125 A III of the FTC nor, to, the Deductibility Exclusion and the related withholding tax set out under Article 119 *bis* 2 of the FTC that may be levied as a result of such Deductibility Exclusion will apply in respect of the Notes if the Issuer can prove that (i) the main purpose and effect of the issue of the Notes was not that of locating the interest in a Non-Cooperative State (the "Exception") and (ii) in respect of the Deductibility Exclusion that the relevant interest and assimilated revenues relate to genuine transactions and are not in an abnormal or exaggerated amount. Pursuant to the *Bulletin Officiel des Finances Publiques-Impôts* (BOI-INT-DG-20-50-20140211 § 550 and 990, BOI-RPPM-RCM-30-10-20-40-20140211 § 70 and 80 and BOI-IR-DOMIC-10-20-20-60-20150320 § 10), the Notes will benefit from the Exception without the Issuer having to provide any evidence supporting the main purpose and effect of the issue of the Notes, if the Notes are:

- offered by means of a public offering within the meaning of Article L.411-1 of the French *Code monétaire et financier* (French Monetary and Financial Code) or pursuant to an equivalent offer in a state other than a Non-Cooperative State (for this purpose, an "equivalent offering" means any offering requiring the registration or submission of an offering document by or with a foreign securities market authority);

- admitted to trading on a French or foreign regulated market or on a multilateral financial instruments trading facility provided that such market or facility is not located in an Non-Cooperative State and that such market is operated by a market operator, an investment services provider, or by such other similar foreign entity that is not located in a Non-Cooperative State; or

- admitted, at the time of their issue, to the operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L.561-2 of the French Monetary and Financial Code, or of one or more similar foreign depositaries or operators provided that such depositary or operator is not located in a Non-Cooperative State.

The Notes issued by the Issuer under this Offering Memorandum qualify as debt securities under French commercial law. Considering that the Notes will be admitted, at the time of their issue, to the operations of Euroclear and Clearstream, *i.e.* to the operations of a central depositary or of a securities clearing and delivery and payments systems operator within the meaning of Article L. 561-2 of the French Monetary and Financial Code which is not located in a Non-Cooperative State, payments made by the Issuer in respect of the Notes to their holders will be exempt from the withholding tax set out under Article 125 A III of the FTC. Moreover, under the same conditions and since the relevant interest and assimilated revenues should be considered as relating to genuine transactions and not in an abnormal or exaggerated amount, interest and assimilated revenues paid by the Issuer on the Notes should not be subject to the Deductibility Exclusion and, as a result, should not be subject to the withholding tax set out under Article 119 *bis* 2 of the FTC solely on account of their being paid on an account held in a financial institution established in a Non-Cooperative State or accrued or paid to persons established or domiciled in a Non-Cooperative State.

Besides, pursuant to Article 125 A of the FTC, when the paying agent is established in France and subject to certain exceptions, interest and similar income received by individuals fiscally domiciled (*domiciliés fiscalement*) in France may be subject to a 24% withholding tax, which is deductible from their personal income tax liability in respect of the year in which the payment has been made. Social contributions (CSG, CRDS and other related contributions) are also levied by way of withholding tax at an aggregate rate of 15.5% on such interest and similar income received by individuals fiscally domiciled (*domiciliés fiscalement*) in France.

Certain U.S. Federal Income Tax Considerations

The following discussion is a summary of material U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes by a U.S. Holder (as defined below), who purchases the Notes in the Offering at the offer price indicated on the cover page, 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. No rulings from the Internal Revenue Service ("IRS") have been or are expected to be sought with respect to the matters discussed below. There can be no assurance that the IRS will not take a different position concerning the U.S. federal income tax consequences of the purchase, ownership or disposition of the Notes or that any such position would not be sustained.

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 treatment under the U.S. federal income tax laws, such as financial institutions, U.S. expatriates, insurance companies, dealers in securities or currencies, traders in securities, U.S. Holders whose functional currency is not the U.S. dollar, grantor trusts, tax-exempt organizations, regulated investment companies, real estate investment trusts, partnerships or other pass through entities (or investors in such entities), persons liable for alternative minimum tax and persons holding the Notes as part of a "straddle," "hedge," "conversion transaction" or other integrated transaction and persons who own, directly, indirectly, or constructively ten percent (10%) or more of the Issuer's stock. In addition, this discussion is limited to persons who hold the Notes as capital assets within the meaning of Section 1221 of the Code. This discussion does not address any tax consequences other than U.S. federal income tax consequences and does not address the Medicare tax on certain investment income. Further, this discussion does not address any consequences that may result pursuant to Treasury regulations promulgated under section 385 of the Code with respect to any holder that is considered related to the Issuer for the purposes of such regulations.

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of a 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 any entity taxable as a corporation created or organized under the laws of the United States, any state thereof or the District of Columbia; (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 U.S. 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 U.S. person.

If any entity treated as a partnership for U.S. federal income tax purposes holds the Notes, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partnership. A holder that is a partnership, and partners in such partnerships, should consult their tax advisors regarding the tax consequences of the purchase, ownership and disposition of the Notes. The discussion below assumes that the Notes will be treated as debt for U.S. federal income tax purposes.

Prospective purchasers of the Notes should consult their tax advisors concerning the tax consequences of holding 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 U.S. federal estate and gift tax laws and state, local, foreign or other tax laws.

Additional Amounts

In certain circumstances (see "*Description of the Notes—Optional Redemption*" and "*Description of the Notes—Change of Control*"), we may be obliged to pay amounts in excess of stated interest or principal on the Notes. Our obligation to pay such excess amounts may implicate the provisions of the Treasury regulations relating to "contingent payment debt instruments." Under these regulations, however, one or more contingencies will not cause a debt instrument to be treated as a contingent payment debt instrument if, as of the Issue Date, such contingencies in the aggregate are considered "remote" or "incidental." We believe and intend to take the position that the foregoing contingencies should be treated as remote and/or incidental. Our position is binding on a holder, unless the holder discloses in the proper manner to the IRS that it is taking a different position. However, this determination is inherently factual and we can give you no assurance that our position would be sustained if challenged by the IRS. A successful challenge of this position by the IRS could require a holder subject to U.S. federal income taxation to accrue ordinary income at a rate that is higher than the stated interest rate and to treat any gain recognized on a sale or other taxable disposition of a Note as ordinary income, rather than capital gain. The remainder of this disclosure assumes that the Notes will not be considered contingent payment debt instruments. Prospective purchasers are urged to consult their own tax advisers regarding the potential application to the Notes of the contingent payment debt regulations and the consequences thereof.

Payments of Interest

Payments of interest on the Notes (including any non-U.S. tax withheld on such payments and any Additional Amounts) generally will be taxable to a U.S. Holder as ordinary income at the time that such payments are received or accrued, in accordance with such U.S. Holder's method of accounting for U.S. federal income tax purposes.

A U.S. Holder of Notes that uses the cash method of accounting for tax purposes will recognize interest income equal to the U.S. dollar value of the interest payment, based on the spot rate on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. A cash basis U.S. Holder will not realize foreign currency exchange gain or loss on the receipt of stated interest income but may recognize exchange gain or loss attributable to the actual disposal of the foreign currency received.

A U.S. Holder of Notes that uses the accrual method of accounting for tax purposes, or who otherwise is required to accrue interest prior to receipt, may determine the amount recognized with respect to such interest in accordance with either of two methods. Under the first method, such holder will recognize income for each taxable year equal to the U.S. dollar value of the foreign currency accrued for such year determined by translating such amount into U.S. dollars at the average spot rate in effect during the interest accrual period (or, with respect to an accrual period that spans two taxable years, at the average rate for the partial period within the U.S. holder's taxable year). Alternatively, an accrual basis U.S. Holder may make an election (which must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS) to translate accrued interest income at the spot rate of exchange on the last day of the accrual period (or the last day of the taxable year in the case of a partial accrual period), or at the spot rate on the date of receipt, if that date is within five business days of the last day of the accrual period. Regardless of the method chosen, a U.S. Holder of Notes that uses the accrual method of accounting for tax purposes will recognize foreign currency gain or loss to the extent of the difference between the U.S. dollar value of such payment, determined at the spot rate on the date the payment is received, and the U.S. dollar value of the interest income previously included in respect of such payment. This exchange gain or loss will be treated as ordinary income or loss, generally will be treated as U.S. source and generally will not be treated as an adjustment to interest income or expense.

Original Issue Discount

If the Notes are issued at an "issue price" (as defined above) which is less than the stated principal amount the Notes will be considered to have been issued with original issue discount ("OID") for U.S. federal income tax purposes unless the difference is less than a *de minimis* threshold (equal to ¼ of 1% of the Notes' stated principal amount multiplied by the number of complete years to maturity from their "issue date"). The "issue date" is the first date upon which a substantial amount of the Notes is sold for cash to persons other than bondhouses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents, or wholesalers.

A U.S. Holder (whether a cash or accrual method taxpayer) generally will be required to include OID with respect to the notes in gross income (as ordinary income) as the OID accrues (on a constant yield to maturity basis), before the receipt of cash payments attributable to such OID. In general, the amount of OID includible in the gross income of a U.S. Holder will generally be equal to a ratable amount of OID with respect to the Note for each day in an accrual period during the taxable year or portion of the taxable year on which a U.S. Holder held the Note. An accrual period may be of any length and the accrual periods may vary in length over the term of the Note, provided that each accrual period is no longer than one year and each scheduled payment of principal or interest occurs either on the final day of an accrual period or on the first day of an accrual period. The amount of OID allocable to any accrual period is an amount equal to the excess, if any, of (i) the product of the Note's adjusted issue price at the beginning of such accrual period and its yield to maturity, determined on the basis of a compounding assumption that reflects the length of the accrual period over (ii) the sum of the stated interest payments on the notes allocable to the accrual period. The adjusted issue price of a Note at the beginning of any accrual period generally equals the issue price of the Note increased by the amount of all previously accrued OID.

A U.S. Holder of Notes treated as issued with OID must (i) determine OID allocable to each accrual period in euros using the constant yield method described above, and (ii) translate the amount of OID into U.S. dollars and recognize foreign currency gain or loss in the same manner as described above for stated interest accrued by an accrual basis U.S. Holder. U.S. Holders should note that because the cash payment in respect of accrued OID on a Note will not be made until maturity or other disposal of the Note, a greater possibility exists for fluctuations in foreign currency exchange rates (and the required recognition of exchange gain or loss) than is the case for foreign currency instruments issued without OID. U.S. Holders are urged to consult their tax advisors regarding the interplay between the application of the OID and foreign currency exchange gain or loss rules.

The rules regarding OID are complex and the rules described above may not apply in all cases. Accordingly, you should consult your own tax advisors regarding their application.

Foreign Tax Credit

Subject to the discussion of exchange gain or loss above, interest income and accrued OID on a Note generally will constitute foreign source income and be considered "passive category income" in computing the foreign tax credit allowable to U.S. Holders under U.S. federal income tax laws. Any non-U.S. withholding tax paid by a U.S. Holder at a rate applicable to such U.S. Holder may be eligible for foreign tax credits (or, at such holder's election, a deduction in lieu of such credits) for U.S. federal income tax purposes, subject to applicable limitations. The calculation of foreign tax credits involves the application of complex rules that depend on a U.S. Holder's particular circumstances. U.S. Holders should consult their tax advisors regarding the availability of foreign tax credits.

Sale, Exchange, Redemption, Retirement or Other Taxable Disposition of the Notes
Generally, upon the sale, exchange, redemption, retirement or other taxable disposition of a Note, a U.S. Holder will recognize taxable gain or loss equal to the difference between the amount realized on the disposition (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 Note.

The amount realized on the sale, exchange, retirement or other taxable disposition of a Note for an amount of foreign currency will generally be the U.S. dollar value of that amount based on the spot rate on the date payment is received or the Note is disposed of. If the Note is traded on an established securities market, a cash basis taxpayer (and, if it so elects, an accrual basis taxpayer) will determine the U.S. dollar value of the amount realized on the settlement date of the disposition. If an accrual basis taxpayer makes the election described in the preceding sentence (and in the paragraph below), such election must be applied consistently to all debt instruments from year to year and cannot be changed without the consent of the IRS. If a Note is not traded on an established securities market (or, if a Note is so traded, but the applicable U.S. holder is an accrual basis taxpayer that has not made the settlement date election), a U.S. Holder will recognize exchange gain or loss (taxable as U.S. source ordinary income or loss) to the extent that the U.S. dollar value of the foreign currency received (based on the exchange rate on the settlement date of the disposition) differs from the U.S. dollar value of the amount realized.

A U.S. Holder's adjusted tax basis in a Note generally will equal the cost of such Note to such U.S. Holder, increased by the amount of previously accrued OID, if any. The cost of a Note purchased with foreign currency will be the U.S. dollar value of the foreign currency purchase price on the date of purchase, calculated at the exchange rate in effect on that date. If the Note is traded on an established securities market, a cash basis taxpayer (and if it so elects, an accrual basis taxpayer) will determine the U.S. dollar value of the cost of the Note at the spot rate on the settlement date of the purchase.

Subject to the discussion of exchange gain or loss below, gain or loss recognized upon the sale, exchange, redemption, retirement or other taxable disposition of a Note (i) generally will be U.S. source gain or loss and (ii) generally will be capital gain or loss and will be long-term capital gain or loss if at the time of the sale, exchange, redemption, retirement or other taxable disposition the Note has been held by such U.S. Holder for more than one year. Long term capital gain realized by a non-corporate U.S. Holder will generally be subject to taxation at a reduced rate. The deductibility of capital losses is subject to limitation.

Gain or loss recognized by a U.S. Holder upon the sale, exchange or other taxable disposition of a Note that is attributable to changes in currency exchange rates relating to the principal thereof will be ordinary income or loss and will be equal to the difference between (i) the U.S. dollar value of the U.S. Holder's purchase price of the Note in foreign currency determined on the date of the sale, exchange, retirement or other taxable disposition, and (ii) the U.S. dollar value of the U.S. Holder's purchase price of the Note in foreign currency determined on the date the U.S. Holder acquired the Note (or, in each case, on the settlement date, if the Note is traded on an established securities market and the holder is either a cash basis U.S. Holder or an electing accrual basis U.S. Holder). Foreign exchange gain or loss (including with respect to accrued and unpaid interest, including OID, if any) on the sale, exchange, retirement or other taxable disposition will be recognized only to the extent of the total gain or loss realized by the U.S. holder on the sale, exchange, retirement or other taxable disposition of the Note, and will be treated as ordinary income generally from sources within the United States for U.S. foreign tax credit limitation purposes.

Prospective purchasers should consult their tax advisors as to the foreign tax credit implications of the sale, exchange, redemption or other taxable disposition of the Notes.

Additional Notes

The Issuer may issue Additional Notes as described under "*Description of the Notes*." These Additional Notes, even if they are treated for non-tax purposes as part of the same series as the original Notes, in some cases may not be treated fungible with the original Notes for U.S. federal income tax purposes. In such a case, the Additional Notes may be considered to have been issued with original issue discount for U.S. federal income tax purposes even if the original Notes had no original issue discount. These differences may affect the market value of the original Notes if the Additional Notes are not otherwise distinguishable from the original Notes.

Reportable Transactions

Under Treasury regulations, certain transactions are required to be reported to the IRS, including, in certain circumstances, the receipt of interest on a note, or a sale, exchange, retirement or other taxable disposition of a foreign currency note or foreign currency received in respect of a foreign currency note to the extent that any such receipt, sale, exchange, retirement or other taxable disposition results in a tax loss in excess of a threshold amount. U.S. Holders should consult their tax advisors to determine the tax return obligations, if any, with respect to an investment in the Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Certain Information Reporting Requirements with Respect to Foreign Financial Assets

Certain U.S. Holders who are individuals are required to file IRS Form 8938 (Statement of Specified Foreign Financial Assets as defined in section 6038D of the Code) to report information relating to an interest in the Notes, subject to certain exceptions (including an exception for Notes held in accounts maintained by certain financial institutions). Under certain circumstances, an entity may be treated as an individual for purposes of the foregoing rules. U.S. Holders should consult their tax advisors regarding the effect, if any, of these requirements on their ownership and disposition of the Notes. Penalties may apply for failure to properly complete and file IRS Form 8938.

Backup Withholding and Related Information Reporting Requirements

In general, payments of interest (including the accrual of OID) and the proceeds from sales or other dispositions (including retirements or redemptions) of Notes held by a U.S. Holder may be required to be reported to the IRS unless the U.S. Holder is an exempt recipient and, when required, demonstrates this fact. In addition, a U.S. Holder that is not an exempt recipient may be subject to backup withholding unless it provides a taxpayer identification number and otherwise complies with applicable certification requirements.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the appropriate information is timely furnished to the IRS.

FATCA

Pursuant to Sections 1471 through 1474 of the Code (provisions commonly known as "FATCA"), a "foreign financial institution" may be required to withhold U.S. tax on certain "foreign passthru payments" made after the later of December 31, 2018 or the date of publication of final Treasury regulations defining the term "foreign passthru payment." Current Treasury Regulations provide that debt issued by a foreign financial institution on or prior to the date that is six months after the date on which applicable final regulations defining "foreign passthru payments" are filed generally would be "grandfathered" unless materially modified after such date. No such regulations have yet been issued. Accordingly, if the Issuer is treated as a foreign financial institution, FATCA would apply to payments on the Notes only if there is a significant modification of the Notes for U.S. federal income tax purposes after the expiration of this grandfathering period. Non-U.S. governments have entered into agreements with the United States (and additional non-U.S. governments are expected to enter into such agreements) to

implement FATCA in a manner that alters the rules described herein. U.S. Holders should consult their own tax advisors on how these rules may apply to their investment in the Notes. In the event any withholding under FATCA is imposed with respect to any payments on the Notes, there generally will be no additional amounts payable to compensate for the withheld amount.

Certain Other Tax Considerations; Payments by a Guarantor

If a Guarantor makes any payments in respect of interest on the Notes it is possible that such payments may be subject to withholding tax at applicable rates subject to such relief as may be available under the provisions of any applicable double taxation treaty or to any other exemption which may apply. It is not certain that such payments by the Guarantor will be eligible for all the exemptions described above.

Limitations on Validity and Enforceability of the Security Interests and Guarantees and Certain Insolvency Law Considerations

Set forth below is a summary of certain limitations on the enforceability of the Guarantees and the Security Interests, and a summary of certain insolvency law considerations in each of the jurisdictions in which the Issuer and the Guarantors are organized. This is a summary only, and bankruptcy, insolvency or a similar proceedings, 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 jurisdictions' 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.

European Union

Pursuant to Council Regulation (EC) no. 1346/2000 on insolvency proceedings (the "EU Insolvency Regulation"), the court which shall have jurisdiction to open insolvency proceedings in relation to a company is the court of the EU Member State (other than Denmark) where the company concerned has its "centre of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation). The determination of where any such company has its "centre of main interests" is a question of fact on which the courts of the different EU Member States may have differing and even conflicting views.

The term "centre of main interests" is not a static concept. Although there is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that any such company has its "centre of main interests" in the EU Member State in which it has its registered office, Preamble 13 of the EU 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." In that respect, factors such as where board meetings are held, the location where the company conducts the majority of its business and the location where the large majority of the company's creditors are established may all be relevant in the determination of the place where the company has its "centre of main interests."

If the "centre of main interests" of a company is and will remain located in the state in which it has its registered office, the main insolvency proceedings in respect of the company under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Insolvency proceedings opened in one EU Member State under the EU Insolvency Regulation are to be recognized in the other EU Member States (other than Denmark), although secondary proceedings may be opened in another EU Member State. If the "centre of main interests" of a debtor is in one EU Member State (other than Denmark), under Article 3(2) of the EU Insolvency Regulation, the courts of another EU Member State (other than Denmark) have jurisdiction to open "territorial proceedings" only in the event that such debtor has an "establishment" in the territory of such other EU Member State. The effects of those territorial proceedings are restricted to the assets of the debtor situated in the territory of such other EU Member State. If the company does not have an establishment in any other EU Member State, no court of any other EU Member State has jurisdiction to open territorial proceedings in respect of such company under the EU Insolvency Regulation. In the event that any one or more of the Issuer, the Guarantors or any of Cerba HealthCare's subsidiaries experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Applicable insolvency laws may affect the enforceability of the obligations and the security of the Issuer and the Guarantors.

Starting from June 26, 2017, Regulation (EU) 2015/848 of the European Parliament and of the Council of May 20, 2015 on insolvency proceedings will replace the EU Insolvency Regulation. The content of Regulation (EU) 2015/848 of the European Parliament and of the Council of May 20, 2015 on insolvency proceedings is not further discussed in this offering memorandum.

France

Insolvency

We conduct part of our business activity in France and, to the extent that the centre of main interests, within the meaning of EU Insolvency Regulation or, if not applicable, the main center of our interests within the meaning of article R.600-1 of the French Commercial Code, of any of the Issuer or any of the Guarantors is deemed to be in France, it would be subject to French proceedings affecting creditors, including court-assisted proceedings (*mandat ad hoc* or *conciliation* proceedings) and court-administered proceedings being either safeguard proceedings, accelerated safeguard proceedings or accelerated financial safeguard proceedings (*sauvegarde*, *sauvegarde accélérée* or *sauvegarde financière accélérée*), judicial reorganization proceedings (*redressement judiciaire*) or judicial liquidation proceedings (*liquidation judiciaire*). In general, French insolvency legislation favors the continuation of a business and protection of employment over the payment of creditors and could limit your ability to enforce your rights under the Notes and/or the Guarantees granted by the French Guarantors and corresponding security interests in the Collateral.

Under the European Council Regulation (EC) No. 1346/2000 on insolvency proceedings, if a debtor is located in the European Union (other than Denmark), French courts shall have jurisdiction over the main insolvency proceedings if the debtor's centre of main interests is situated in France. In the case of a debtor or legal person, the place of the registered office shall be presumed to be its centre of main interests in the absence of proof to the contrary. In determining whether the centre of main interests of a debtor is in France, French courts will take into account a broad range of factual elements.

The following is a general discussion of insolvency proceedings governed by French law for informational purposes only and does not address all the French legal considerations that may be relevant to holders of the Notes.

A reform of the French Civil Code was introduced by Ordinance no. 2016-131 dated February 10, 2016 and has been effective since October 1, 2016. Absent any practical application yet, the potential impacts of certain provisions of such reform (such as the doctrine of hardship (*imprévision*)) on the rights of the parties to French-law contracts (including French law Security Documents) entered into as from such date are being discussed among certain academics notably within the context of insolvency proceedings. Reference to articles of the French Civil Code below are those currently available (the article numbers prior to such reform are mentioned between brackets for information only).

Warning Procedure (procédure d'alerte)

In order to anticipate a debtor's difficulties to the extent possible, French law provides for warning procedures. When there are elements which they believe put the company's existence as a going concern in jeopardy, the statutory auditors of a company must request the management to provide an explanation. Failing satisfactory explanation or appropriate corrective measures, the auditors must request that a board of directors (or the equivalent body), and as the case may be at a later stage the shareholders' meeting be convened. Depending on the answers provided to them (and the type of company), the auditors must inform the President of the relevant Commercial or Civil Court of the warning procedure.

Shareholders representing at least 5% of the share capital and the workers' committee (or in their absence the employees' representatives) have similar rights.

The President of the relevant Commercial or Civil Court can also himself summon the management to provide explanations on elements which the President of the relevant

Commercial or Civil Court believes put the company's existence as a going concern in jeopardy (or when the company has not filed its annual financial statements within the statutory timeframe, despite his/her injunction).

Grace Periods
In addition to the specific provisions of insolvency law discussed below, you could, like any other creditors, be subject to Article 1343-5 of the French Civil Code (*Code civil*) (previously Article 1244-1 *et seq.* of the French Civil Code (*Code civil*)).

Pursuant to the provisions of this article, French courts may, in any civil or commercial proceedings involving the debtor, whether initiated by the debtor or the creditor, taking into account the debtor's financial position and the creditor's needs, defer or otherwise reschedule over a maximum period of two years the payment dates of payment obligations and decide that any amounts, the payment date of which is thus deferred or rescheduled, will bear interest at a rate that is lower than the contractual rate (but not lower than the legal rate, as published annually by the French government) or that payments made shall first be allocated to repayment of principal. A court order made under Article 1343-5 of the French Civil Code (*Code civil*) (previously Article 1244-1 *et seq.* of the French Civil Code (*Code civil*)) will suspend any pending enforcement measures, and any contractual default interest or penalty for late payment will not accrue or be due during the grace periods ordered by the relevant judge. A creditor cannot contract out of such grace periods.

With respect to grace periods under Article 1343-5 of the French Civil Code (*Code civil*) (previously Article 1244-1*et seq.* of the French Civil Code (*Code civil*)) of the French Civil Code, pursuant to article L. 611-7 of the French Commercial Code, the judge having commenced conciliation proceedings may, during the execution period of a conciliation agreement, impose grace periods on creditors having participated in the conciliation proceedings (other than the tax and social security administrations) for their claims that were not dealt with in the conciliation agreement.

Insolvency Test
Under French law, a company is considered to be insolvent (*en état de cessation des paiements*) when it is unable to pay its due debts with its available assets taking into account available credit lines, existing debt rescheduling agreements and moratoria.

The date of insolvency (*état de cessation des paiements*) is generally deemed to be the date of the court ruling commencing the insolvency proceedings, unless the Court sets an earlier date, which may be carried back up to 18 months before the date of such opening ruling. Except for fraud, the date of insolvency may not be fixed at an earlier date than the date of the final court decision that sanctioned an agreement (homologation) in the context of conciliation proceedings. The date of insolvency marks the beginning of the hardening period (*période suspecte*) (see below).

Court-Assisted Proceedings
A French debtor facing difficulties without being insolvent (*en état de cessation des paiements*) (or for 45 calendar days or less in the case of *conciliation* proceedings) may request the commencement of court-assisted proceedings (*mandat ad hoc* or *conciliation*), the aim of which is to reach an agreement with the debtor's main creditors and stakeholders e.g. agreement to reduce or reschedule its indebtedness. *Mandat ad hoc* and *conciliation* are proceedings carried out under the supervision of the Court, which do not trigger any stay of enforcement against the debtor.

Mandat ad hoc proceedings may only be initiated by the debtor itself, in its sole discretion. In practice, *mandat ad hoc* proceedings are used by debtors that are facing any type of difficulties but are not in a state of insolvency (*cessation de paiements*) (see "*Insolvency Test*" above). They are informal, confidential and are not limited in time. They are carried out under the aegis of a

court-appointed officer (*mandataire ad hoc,* whose name can be suggested by the debtor) itself under the supervision of the Court and do not automatically involve any stay of the claims or pending proceedings The duties of the *mandataire ad hoc* are determined by the competent Court that appoints him or her. *Mandataires ad hoc* are usually appointed in order to facilitate negotiations with creditors but cannot coerce the creditors into accepting any proposal. The agreement reached between the debtor and its creditors (if any) with the help of the *mandataire ad hoc* will be negotiated on a purely consensual and voluntary basis; those creditors not willing to take part cannot be bound by the arrangement. Creditors are not barred from taking legal action against the debtor to recover their claims but they usually accept not to do so. In any event, the debtor retains the right to petition the relevant judge for a grace period, as set forth above. The agreement reached is reported to the Court but is not formally approved by it. The ordinance of the Court appointing the *Mandataire ad hoc* shall be notified for information purposes to the debtor's auditors.

Conciliation proceedings are available to a debtor that faces current or foreseeable difficulties of a legal, economic or financial nature and which (at the time the *conciliation* proceedings are commenced) has not been in a state of insolvency (*cessation de paiements*) (see "*Insolvency Test*" above) for more than 45 calendar days. The debtor petitions the President of the Commercial Court for the appointment of a *conciliator* (whose name it can suggest) in charge of assisting the debtor in negotiating an agreement with all or part of its creditors and/or trade partners that puts an end to its difficulties, providing e.g. for the restructuring of its indebtedness. *Conciliation* proceedings are confidential and may last up to four months (an additional extension can be requested by the conciliator provided that further to such extension the proceedings do not exceed five months). During the proceedings, creditors may continue to individually claim payment of their claims but they usually accept not to. In addition, the debtor retains the right to petition the judge who opened the proceedings for grace periods pursuant to Article 1343-5 of the French Civil Code (*Code* civil) as set forth above (previously Article 1244-1 *et seq.* of the French Civil Code (*Code civil*)), in which case the decision would be taken after having heard the conciliator.

The conciliation agreement reached between the parties may be either acknowledged (*constaté*) by the President of the Commercial Court or approved (*homologué*) by the Commercial Court. It will become binding upon them only and the creditors party thereto may not take action against the debtor in respect of claims governed by the conciliation agreement. The acknowledgement (*constatation*) of the conciliation agreement by the President of the Commercial Court upon all parties' request, gives the agreement the legal force of a final judgment, which means that it constitutes a judicial title that can be enforced by the parties without further recourse to a judge (*titre exécutoire*), but the *conciliation* proceedings remain confidential. So long as the conciliation agreement is in effect, interest accruing on the affected claims can no longer be compounded.

In case of acknowledgement (*constat*) or approval (*homologation*), the Court can, at the request of the debtor, appoint the conciliator to monitor the implementation of the agreement (*mandataire à l'exécution de l'accord*) during its execution.

The approval (*homologation*) by the Court, upon the debtor's request will make the existence of the conciliation proceedings public and have the following specific consequences:

- creditors who provide new money, goods or services designed to ensure the continuation of the business of the debtor (other than shareholders providing new equity in the context of a capital increase) will enjoy a priority of payment over all pre-proceedings and post-proceedings claims (except with respect to certain pre-petition employment claims and procedural costs) (the "New Money Lien"), in the event of subsequent safeguard proceedings, judicial reorganization proceedings or judicial liquidation; and
- in the event of subsequent judicial reorganization proceedings or judicial liquidation proceedings, the date of the cessation des paiements, and therefore the starting date of the

hardening period (as defined below—see The "hardening period" (période suspecte) in judicial reorganization and liquidation proceedings), cannot be set by the Court as of a date earlier than the date of the approval (*homologation*) of the agreement by the Court (see above regarding the definition of the date of the *cessation des paiements*) except in case of fraud.

The court decision approving the conciliation agreement does not make its terms public (save for the information of the works council or the employees representatives, if any, on the content of the agreement) but makes public the guarantees and the terms of the New Money Lien granted to the creditors under the conciliation agreement.

While the agreement (whether acknowledged or approved) is in force the debtor retains the right to petition the Court that opened conciliation proceedings for a debt rescheduling, pursuant to Article 1343-5 of the French Civil Code (*Code civil*) as set forth above (previously article 1244-1 *et seq*. of the French Civil Code(*Code civil*)), in relation to claims of creditors (other than public creditors) party to the conciliation, in which case the decision would be taken after having heard the conciliator in the event that he has been appointed to monitor the implementation of the agreement.

A third party having granted a guarantee (*sûreté personnelle*) or a security interest (*sûreté réelle*) with respect to the debtor's obligations can benefit from the provisions of the approved or acknowledged conciliation agreement.

In the event of a breach of the conciliation agreement, any party to it can petition the President of the Commercial Court for its termination. If such termination is granted, grace periods granted in relation to the conciliation proceedings may be revoked. Conversely, provided that the conciliation agreement is duly performed, any individual proceedings by creditors with respect to the claims included in the agreement are suspended. The commencement of subsequent insolvency proceedings will automatically put an end to the conciliation agreement, in which case the creditors will recover their claims, decreased by the payments already received, and their security interests.

Conciliation proceedings, in the context of which a draft plan has been negotiated and is supported by a large majority of creditors which is likely to meet the threshold requirements for creditors' consent in safeguard, will be a mandatory preliminary step of the accelerated safeguard proceedings or accelerated financial safeguard proceedings, as described below.

In the event of the commencement of subsequent safeguard or judicial reorganization proceedings, within the context of the adoption of a safeguard plan or a recovery plan, the Court will not be able to impose a payment deferral to a date later than the date on which the plan is adopted, or debt reductions, to creditors with respect to their claims benefiting from the New Money Lien.

At the request of the debtor and after the participating creditors have been consulted on the matter, the conciliator may be appointed with a mission to organize the partial or total sale of the debtor which would be implemented, as applicable, in the context of subsequent safeguard, judicial reorganization or liquidation proceedings; any offers received in this context by the conciliator may be directly submitted to the Court in the context of reorganization or liquidation proceedings after consultation of the public prosecutor.

Any contractual provision that modifies the conditions for the continuation of an ongoing contract by reducing the debtors' rights or increasing its obligations simply by reason of the designation of a *mandataire ad hoc* or of the commencement of conciliation proceedings or of a request submitted to this end, and any contractual provision requiring the debtor to bear, by reason only of the appointment of a *mandataire ad hoc* or of the commencement of conciliation proceedings, more than three-quarters of the fees of the professional advisers retained by creditors in connection with these proceedings, are deemed null and void.

Court-Administered Proceedings—Safeguard

A debtor which experiences difficulties that it is not able to overcome may, in its sole discretion, initiate safeguard proceedings (*procédure de sauvegarde*) with respect to itself, provided that it is not insolvent (*en état de cessation des paiements*). Creditors of the debtor do not attend the hearing before the Court at which the commencement of safeguard proceedings is requested. Following the commencement of safeguard proceedings, a court-appointed administrator is usually appointed to investigate the business of the debtor during an observation period (the period from the date of the court decision commencing the proceedings to the date on which the Court takes a decision on the outcome of the proceedings), which may last up to 18 months, and to help the debtor elaborate a draft safeguard plan (*projet de plan de sauvegarde*) that it will propose to its creditors. Creditors do not have effective control over the proceedings, which remain in the hands of the debtor, assisted by the court-appointed administrator (*administrateur judiciaire*) who will, in accordance with the terms of the judgment, exercise *ex post facto* control over decisions made by the debtor ("*mission de surveillance*") or assist the debtor to make all or some of the management decisions ("*mission d'assistance*"), all under the supervision of the Court.

During the safeguard proceedings, payment by the debtor of any debts incurred prior to the commencement of the proceedings is prohibited, subject to very limited exceptions. For example, the Court can authorize payments for prior debts in order to discharge a lien on property needed for the continued operation of the debtor's business or to recover goods or rights transferred as collateral in a fiduciary estate (*patrimoine fiduciaire*). In addition, creditors are required to declare to the court-appointed creditors' representative (*mandataire judiciaire*) the debts that arose prior to the commencement of the proceedings (as well as the post-commencement non-privileged debts) and are prohibited from engaging any court proceedings against the debtor for any payment default in relation to such debts, and the accrual of interest on loans with a term of less than one year (or on payments deferred for less than one year) is stopped. Debts duly arising after the commencement of the safeguard proceedings and which relate to expenses necessary for the debtor's business activities during the observation period (see above), are for the requirements of the proceedings, or are in consideration for services rendered or goods delivered to the debtor during this period, must be paid as and when they fall due and, if not, will be given priority over debts incurred prior to the commencement of the safeguard proceedings (with certain limited exceptions, such as the New Money Lien).

Creditors must be consulted on the manner in which the debtor's liabilities will be settled under the plan (debt forgiveness and payment terms) prior to the plan being approved by the Court.

The rules governing consultation vary according to the size of the business.

Standard consultation: for debtors whose accounts are not certified by a statutory auditor or prepared by a chartered accountant, and who have less than 150 employees or €20 million of turnover, the administrator notifies the proposals for the settlement of debts to the court-appointed creditors' representative, who obtains the agreement of each creditor who filed a claim, regarding the debt remissions and payment times proposed. Creditors are consulted individually or collectively.

French law does not state whether the proposals for settlement can vary according to the creditor and whether the principle of equal treatment of creditors is applicable at the consultation stage. According to legal commentaries and established practice, in the absence of a specific legislative prohibition, differing treatment as between creditors is possible, provided that it is justified by the specific position of the creditors and approved by the court-appointed creditors' representative. In practice, it is also possible at the consultation stage to make a proposal for a partial payment of the claim over a shorter time period instead of a full payment of the claim over ten years.

Creditors whose payment terms are not affected by the plan or who are paid in cash in full as soon as the plan is approved do not need to be consulted.

Creditors consulted in writing which do not respond within 30 days are deemed to have accepted the proposal. The creditors' representative keeps a list of the responses from creditors, which is notified to the debtor, the administrator and the controllers.

Within the framework of a standard consultation, if the creditors refuse the proposals that were submitted to them, the Court that approves the reorganization plan (*plan de redressement*) can impose on them a uniform rescheduling of their claims (subject to the specific regime of claims benefiting from the New Money Lien) over a maximum period of ten years (except for claims with maturity dates of more than the deferral period set by the Court, in which case the maturity date shall remain the same), but no waiver of any claim or debt-for-equity swap may be imposed without its creditor's individual acceptance.

Following a court imposed rescheduling, the first payment must be made within a year of the judgment adopting the plan (in the third and subsequent years, the amount of each annual installment must be of at least 5% of the total amount of the debt claim) or the year following the initial maturity of the claim if it is later than the date of the first anniversary of the adoption of the plan, in which case the amount of the payment is determined in accordance with the specific rules in order to ensure that the full amount of the claim is repaid within the 10 year period.

Following a court imposed rescheduling, the first payment must be made within a year of the judgment adopting the plan (in the third and subsequent years, the amount of each annual installment must be of at least 5% of the total amount of the debt claim) or the year following the initial maturity of the claim if it is later than the date of the first anniversary of the adoption of the plan, in which case the amount of the payment is determined in accordance with the specific rules in order to ensure that the full amount of the claim is repaid within the 10 year period.

Committee-based consultation: In the case of large companies (whose accounts are certified by a statutory auditor or established by a chartered-accountant and with more than 150 employees or a turnover greater than €20 million), or with the consent of the Court in the case of debtors that do not exceed the aforementioned thresholds, two creditors' committees have to be established by the court-appointed administrator on the basis of the claims that arose prior to the initial judgment:

- one for credit institutions or assimilated institutions and entities having granted credit or advances in favor of the debtor; and
- the other one for suppliers having a claim that represents more than 3% of the total amount of the claims of all the debtor's suppliers and other suppliers invited to participate in such committee by the court-appointed administrator.

If there are any outstanding debt securities in the form of obligations (such as bonds or notes), a general meeting of all holders of such debt securities will be established irrespective of whether or not there are different issuances and of the governing law of those obligations (the "Bondholders' General Meeting"). The Notes constitute *obligations* for the purposes of safeguard proceedings.

It is unclear whether the Security Agent as creditor of the Parallel Debt under the Intercreditor Agreement would vote in the creditor's committee.

The proposed plan:

- must take into account subordination agreements entered into by the creditors before the commencement of the proceedings;
- may treat creditors differently if it is justified by their differences in situation; and

- may, *inter alia*, include a rescheduling or cancellation of debts (subject to the specific regime of claims benefiting from the New Money Lien), and/or debt-for-equity swaps (debt-for-equity swaps requiring the relevant shareholder consent).

If the plan provides for a share capital increase, the shareholders may subscribe to such share capital increase by way of a set-off with their claims against the debtor, as reduced as the case may be according to the provisions of the plan.

Creditors which are members of the credit institutions' committee or the suppliers' committee may also prepare an alternative safeguard or reorganization plan that will also be put to the vote of the committees and of the general bondholders meeting, it being specified that approval of these alternative plans is subject to the same two-thirds majority vote in each committee and in the Bondholders General Meeting and gives rise to a report by the judicial administrator. Bondholders are not permitted to present their own alternative plan.

The committees must approve or reject the safeguard plan within a minimum of 15 days of its submission. The plan must be approved by a majority vote of each committee, provided that the majority is two-thirds of the outstanding claims of the creditors expressing a vote.

Each creditor member of a creditors committee and each holder of the Notes must, if applicable, inform the judicial administrator of the existence of any agreement relating to the exercise of its vote, to the full or total payment of its claim by a third party as well as of any subordination agreement. The judicial administrator shall then submit to the creditor/holder of the Notes a proposal for the computation of its voting rights in the creditors committee/Bondholders General Meeting. In the event of a disagreement, the creditor/holder of the Notes or the judicial administrator may request that the matter be decided by the President of the Commercial Court in summary proceedings. The amounts of claims secured by a trust (*fiducie*) granted by the debtor do not give rise to voting rights.

In addition, creditors whose repayment schedule is not modified by the plan, or for which the plan provides for a payment of their claims in cash in full as soon as the plan is adopted or as soon as their claims are admitted, do not take part in the vote. Such creditors do not need to be consulted on the plan.

Following the approval of the plan by the two creditors' committees, the plan will be submitted for approval to the Bondholders' General Meeting at the same two-thirds majority vote. Following approval by the creditors' committees and the Bondholders' General Meeting and determination of a rescheduling of the claim of creditors that are not members of the committees or bondholders as discussed hereafter, the plan has to be approved (*arrêté*) by the Court. In considering such approval, the Court has to verify that the interests of all creditors are sufficiently protected and that relevant shareholder consent, if any is required, has been obtained. Once approved by the Court, the safeguard plan will be binding on all the members of the committees and all bondholders (including those who did not vote or voted against the adoption of the plan).

Creditors outside the creditors' committees or the Bondholders' General Meeting are consulted in accordance with the standard consultation process referred to above.

In the event that the debtor's proposed plan is not approved by both committees and the Bondholders' General Meeting within the first six months of the observation period, either because they do not vote on the plan or because they reject it, this six month period may be extended by the Court at the request of the judicial administrator, to the extent it does not exceed the duration of the observation period, in order for the plan to be approved by the committee-based consultation process. Absent such extension, the Court can still adopt a safeguard plan in the time remaining until the end of the observation period. In such a case, the rules are the same as the ones applicable for the standard consultation process described above.

If the Court empowers the administrator to convene a shareholders' meeting in order to take corporate resolutions with respect to the modification of the debtor's share capital required by a

safeguard plan, the Court may order that, under certain conditions, the shareholders' decisions be adopted by a majority vote of the shareholders attending or represented, as long as such shareholders own at least half of the shares with voting rights.

If no plan is adopted by the committees, at the request of the debtor, the judicial administrator, the *mandataire judiciaire* or the public prosecutor, the Court may convert the safeguard proceedings into judicial reorganization proceedings if it appears that the adoption of a safeguard plan is impossible and if the end of the safeguard proceedings would certainly lead to the debtor shortly becoming insolvent.

Specific case—Creditors that are public institutions: Public creditors (financial administrations, social security and unemployment insurance organizations) may agree to grant debt remissions under conditions that are similar to those that would be granted under normal market conditions by a private economic operator placed in a similar position. Public creditors may also decide to enter into subordination agreements for liens or mortgages, or relinquish these security interests. Public creditors are consulted under specific conditions, within the framework of a local administrative committee (*Commission des Chefs de Services Financiers*). The tax authorities may grant relief from all direct taxes. As regards indirect taxes, relief may only be granted from default interest, adjustments, penalties or fines.

In the event that safeguard (or judicial reorganization) proceedings are commenced against any of the Issuer, the holders of the Notes will not be members of the credit institutions' committee but would vote on any proposed draft safeguard plan as members of the Bondholders' General Meeting.

Court-Administered Proceedings—Accelerated Safeguard and Accelerated Financial Safeguard
A debtor in *conciliation* proceedings may request commencement of accelerated safeguard proceedings (*procédure de sauvegarde accélérée*) or accelerated financial safeguard proceedings (*procédure de sauvegarde financière accélérée*).

The accelerated safeguard proceedings and accelerated financial safeguard proceedings have been designed to "fast-track" difficulties of large companies:

- who publish consolidated accounts in accordance with article L. 233-16 of the French Commercial Code; or
- who publish accounts certified by a statutory auditor or established by a certified public accountant and have (i) more than 20 employees or (ii) a turnover greater than €3 million excluding VAT or (iii) whose total balance sheet exceeds €1.5 million.

The regime applicable to accelerated safeguard or accelerated financial safeguard proceedings is broadly the regime applicable to standard safeguard proceedings to the extent compatible with the accelerated timing in accelerated safeguard and/or accelerated financial safeguard proceedings, since the total duration of the accelerated safeguard proceedings is three months, while the duration of the accelerated financial safeguard proceedings is one month, unless the Court decides to extend it by an additional month.

In particular, the creditors committees and the Bondholders General Meeting are required to vote on the proposed safeguard plan within a minimum period of fifteen days of its being sent to the creditors in the case of accelerated safeguard proceedings or within 8 days thereof in accelerated financial safeguard proceedings.

The plan adopted in the context of accelerated safeguard proceedings or accelerated financial safeguard proceedings is adopted following the same majority rules as in standard safeguard proceedings and may notably provide for rescheduling, debt cancellation and conversion of debt into equity capital in the debtor (debt-for-equity swaps requiring relevant shareholder consent).

The accelerated financial safeguard proceedings apply only to "financial creditors" (*i.e.*, creditors that belong to the credit institutions committee and bondholders), the payment of whose debt is

suspended until adoption of a plan through the accelerated financial safeguard proceedings. As to financial creditors, the debtor will be prohibited from paying any amounts (including interests) in connection with the finance documents that fall due during the observation period. Such amounts may be paid only after the judgment of the Court approving the safeguard plan and in accordance with its terms. Creditors other than financial creditors (such as public creditors, the tax or social security administration and suppliers) are not directly impacted by accelerated financial safeguard proceedings. Their debts will continue to be due and payable in the ordinary course of business according to their contractual or legal terms.

To be eligible to accelerated safeguard proceedings or accelerated financial safeguard proceedings, the debtor must fulfill three conditions:

- the debtor must be subject to ongoing conciliation proceedings when it applies for the commencement of accelerated safeguard proceedings or accelerated financial safeguard proceedings;
- as is the case for regular safeguard proceedings, the debtor must face difficulties which it is not in a position to overcome; and
- the debtor must have prepared a draft safeguard plan ensuring the continuation of his business as a going concern supported by enough of its creditors subject to the proceedings members of, as applicable, its credit institutions or major suppliers committee or its Bondholders' General Meeting, to render likely its adoption by a two-thirds majority of the relevant Committee and General Meeting within a maximum of three months following the commencement of of accelerated safeguard proceedings and of one month following the commencement of accelerated financial safeguard proceedings (that can be extended by an additional month).

If a plan is not adopted by the creditors and approved by the Court within the deadlines applicable to each, the Court shall terminate the proceedings. The Court cannot reschedule amounts owed to the creditors outside of the committee process.

The list of claims of creditors party to the *conciliation* proceeding shall be drawn up by the debtor and certified by the statutory auditor and shall be deemed to constitute the filing of such claims for the purpose of the accelerated safeguard proceedings or, as applicable, accelerated financial safeguard proceedings (see below) unless the creditors otherwise elect to make such a filing (see below).

Judicial Reorganization or Liquidation Proceedings

Judicial reorganization (*redressement judiciaire*) or liquidation proceedings (*liquidation judiciaire*) may be initiated against or by a debtor only if it is insolvent and, with respect to liquidation proceedings only, if the debtor's recovery is manifestly impossible. The debtor is required to petition for judicial reorganization or liquidation proceedings (or for conciliation proceedings, as discussed above) within 45 days of becoming insolvent. *De jure* managers (including directors) and, as the case may be, *de facto* managers are exposed to civil liability if it fails to do so.

Where the debtor requested the commencement of judicial reorganization proceedings and the Court considers that judicial liquidation proceedings would be more appropriate, after having heard the debtor, the Court may order the commencement of the proceedings which it finds most appropriate. The same would apply if the debtor requested the commencement of judicial liquidation proceedings and the Court considers that judicial reorganization proceedings would be more appropriate.

In addition, at any time during the safeguard proceedings observation period, upon request of the debtor, the administrator, the creditors' representative (*mandataire judiciaire*), the public prosecutor or (at its own initiative) the Court may convert safeguard proceedings into reorganization proceedings or liquidation proceedings. In all cases, the Court's decision is only

taken after having heard the debtor, the judicial administrator, the creditors' representative, the public prosecutor and the workers' representatives (if any).

Under the judicial reorganization proceedings, the administrator appointed by the Court will assist the debtor to make management decisions (*mission d'assistance*) or may be empowered by the Court to take over the management and control of the debtor (*mission d'administration*). As a result of the commencement of liquidation proceedings, the managers of the debtor are no longer in charge of the management.

In the event of reorganization, an administrator is usually appointed by the Court (*administrateur judiciaire*) to investigate the business of the debtor during an observation period, which may last up to 18 months, and make proposals either for the reorganization of the debtor (by helping the debtor to elaborate a reorganization plan, which is similar to a safeguard plan), or the sale of the business or the liquidation of the debtor.

Committees of creditors and a Bondholders General Meeting may be created under the same conditions as in safeguard proceedings (see above). At any time during this observation period, the Court can order the liquidation of the debtor. At the end of the observation period, the outcome of the proceedings is decided by the Court.

If the Court decides to order the judicial liquidation of the debtor, the Court will appoint a liquidator, which is generally the former creditors' representative (*mandataire judiciaire*). No maximum time period is provided by law to limit the duration of the judicial liquidation process. The liquidator is vested with the power to represent the debtor and perform the liquidation operations (mainly liquidate the assets and settle the liabilities to the extent the proceeds from the liquidated assets are sufficient, in accordance with the creditors' priority order for payment).

Concerning the liquidation of the assets of the debtor, there are two possible outcomes of such liquidation scenario:

- an asset sale plan (in which case the Court will usually appoint a judicial administrator to manage the debtor and organize such sale of the business); or
- a sale of the individual assets of the debtor, in which case the liquidator may decide to:
  - launch auction sales;
  - sell on an amicable basis each asset for which spontaneous purchase offers have been received, (the formal authorization of the bankruptcy judge being necessary to conclude the sale agreement with the bidder); or
  - request, under the supervision of the bankruptcy judge, from all potential interested purchasers to bid on each asset, as the case may be, by way of a private competitive process whereby the bidders submit their offers only at the hearing without the proposed prices being disclosed before such hearing (*procédure des plis cachetés*).

When either no due liabilities remain, the liquidator has sufficient funds to pay off the creditors (*extinction du passif*), or continuation of the liquidation process becomes impossible due to insufficiency of assets (*insuffisance d'actif*), the Court terminates the proceedings.

In reorganization proceedings, in case a shareholders' meeting needs to vote to bring the shareholders' equity to a level equal to at least one half of the share capital as required by article L.626-3 of the French Commercial Code, the administrator may appoint a trustee (*mandataire en justice*) to convene a shareholders' meeting and to vote on behalf of the shareholders which refuse to vote in favor of such a resolution if the draft restructuring plan provides for a modification of the equity to the benefit of a third party(ies) undertaking to comply with the recovery plan.

If the proposed reorganization plans are manifestly not likely to ensure that the debtor will recover or if no reorganization plan is proposed, the Court upon the request of the administrator, can order the total or partial transfer of the business.

The Court may terminate the proceedings when the interest of the continuation of the liquidation process is disproportionate compared to the difficulty of selling the assets. The Court may also appoint a *mandataire* in charge of continuing ongoing lawsuits and allocating the amounts received from these lawsuits between the remaining creditors.

The Hardening Period (période suspecte) in Judicial Reorganization and Liquidation Proceedings
The date of insolvency (*cessation des paiements*) is deemed to be the date of the court order commencing proceedings, unless the Court sets an earlier date, which may be no earlier than 18 months before the date of such court order. Also, except in the case of fraud, the date of insolvency may not be set at a date earlier than the date of the final court decision that approved an agreement (*homologation*) in the context of conciliation proceedings (see above). The date of insolvency is important because it marks the beginning of the "*période suspecte*" (otherwise referred to as "hardening period"), being the period between the date of insolvency and the Court decision commencing the proceedings. Certain transactions entered into during the hardening period are void as of right or voidable by the Court. Automatically void transactions include transactions or payments entered into during the hardening period that may constitute voluntary preferences for the benefit of some creditors to the detriment of other creditors. These include transfers of assets for no or nominal consideration, contracts under which the reciprocal obligations of the debtor significantly exceed those of the other party, payments of debts not due at the time of payment, payments made in a manner which is not commonly used in the ordinary course of business and security granted for debts (including a security granted to secure a guarantee obligation) previously incurred and provisional measures (unless the attachment or seizure predates the date of insolvency), operations relating to stock options, the transfer of any assets or rights to a trust arrangement (*fiducie*) (unless such transfer is made as security for debt incurred simultaneously), any amendment to a trust arrangement (*fiducie*) that affects assets or rights already transferred in the trust as a guarantee of debt incurred prior to such amendment, and a declaration of non-seizability (*déclaration d'insaisissabilité*).

Transactions voidable by the Court include payments made on accrued debts, transactions for consideration and notices of attachments made to third parties (*avis à tiers détenteur*), seizures (*saisie attribution*) and oppositions made during the hardening period, in each case if the Court determines that the creditor knew of the insolvency of the debtor. Transactions relating to the transfer of assets for no consideration are also voidable when entered into during the six-month period prior to the beginning of the hardening period.

Contractual provisions pursuant to which the commencement of the safeguard or insolvency proceedings constitutes an event of default are not enforceable against the debtor. Neither, in accordance with a decision of the French Supreme Court dated January 14, 2014, n°12-22.909, are "contractual provisions modifying the conditions of continuation of an ongoing contract, diminishing the rights or increasing the obligations of the debtor solely upon the opening of reorganization proceedings" (case law which is likely to be extended to safeguard, accelerated safeguard or accelerated financial safeguard proceedings). However, the court-appointed officer can unilaterally decide to terminate ongoing contracts (*contrats en cours*) which it believes the debtor will not be able to continue to perform.

Conversely, the court-appointed officer can, require that other parties to a contract continue to perform their obligations even though the debtor may have been in default, but on the condition that the debtor fully performs its post-petition contractual obligations (and provided that, in the case of reorganization proceedings, absent consent to other terms of payment, the debtor pays cash on delivery). The commencement of liquidation proceedings, however, automatically accelerates the maturity of all of a debtor's obligations unless the Court orders the continued operation of the business with a view to the adoption of a "plan for the sale of the business" (*plan de cession*) (which it may do for a period of three months, renewable once), in which case the acceleration of the obligations will only occur on the date of the court decision adopting the "plan for the sale of the business" or on the date on which the continued operation of the business ends.

As from the court decision commencing the proceedings:

- accrual of interest is suspended, except in respect of loans for a term of at least one year, or of contracts providing for a payment which is deferred by at least one year, with respect to which, however, accrued interest can no longer be compounded;
- the debtor is prohibited from paying debts incurred prior to the commencement of the proceedings, subject to specified exceptions (which essentially cover the set-off of related (*connexes*) debts and payments authorized by the insolvency judge appointed by the Court to recover assets for which recovery is justified by the continued operation of the business);
- the debtor is prohibited from paying debts having arisen after commencement of the proceedings unless they are incurred for the purposes of the proceedings or of the observation period or in consideration of services rendered/ goods provided to the debtor;
- creditors may not pursue any individual legal action against the debtor (or a guarantor of the debtor where such guarantor is a natural person) with respect to any claim arising prior to the court decision commencing the proceedings, if the objective of such legal action is:
  - to obtain an order for payment of a sum of money by the debtor to the creditor (however, the creditor may require that a Court determine the amount due in order to file a proof of claim, as described below);
  - to terminate a contract for non-payment of amounts owed by the creditor; or
  - to enforce the creditor's rights against any assets of the debtor except where such asset, whether tangible or intangible, movable or immovable, is located in another Member State within the European Union, in which case the rights *in rem* of creditors thereon would not be affected by the insolvency proceedings, in accordance with the terms of Article 5 EU Insolvency Regulation; or
- immediate cash payment for services rendered pursuant to an ongoing contract (*contrats en cours*), absent consent to other terms of payment, will be required only in the context of reorganization or liquidation proceedings.

In accelerated safeguard and accelerated financial safeguard proceedings, the above rules only apply to the creditors that are subject to the accelerated safeguard proceedings or the accelerated financial safeguard proceedings respectively (see above).

As a general rule, creditors domiciled in France whose debts arose prior to the commencement of proceedings must file a claim with the court-appointed creditors' representative within two months of the publication of the court decision in an official gazette (*Bulletin Officiel des annonces civiles et commerciales*); this period is extended to four months for creditors domiciled outside France. Where the debtor has informed the creditors' representative of the existence of a claim and no proof of claim has been filed yet, the claim as reported by the debtor is deemed to be a filing on the claim with the creditors' representative on behalf of the debtor. Creditors are allowed to ratify a proof of claim made on their behalf until the insolvency judge rules on the admissibility of the claim. Creditors who have not submitted their claims during the relevant period, whose claims are not deemed filed with the creditors' representative are, except with respect to limited exceptions, barred from receiving distributions made in connection with the proceedings. Employees are not subject to such limitations and are preferential creditors under French law.

In accelerated financial safeguard proceedings, however:

- debts owed to creditors other than banks, financial institutions or bondholders should be paid in the ordinary course; and

- the debtor draws a list of the claims of its creditors having participated in the conciliation proceedings, which is certified by its statutory auditors (failing which, its accountant). Although such creditors may file proofs of claim as part of the regular process, they may also avail themselves of this simplified alternative and merely adjust the amounts of their claims as set forth in the list prepared by the debtor (within the above two or four months' time limit). Those financial creditors who did not take part in the conciliation proceedings (but who would belong to the financial institutions' committee or the Bondholders' General Meeting) would have to file their proofs of claim within the aforementioned deadlines.

If the Court adopts a safeguard plan, accelerated safeguard plan, accelerated financial safeguard plan or reorganization plan, claims of creditors included in the plan will be paid according to the terms of the plan. The Court can also set a time period during which the assets that it deems to be essential to the continued business of the debtor may not be sold without its consent.

If the Court adopts a plan for the sale of the business (*plan de cession*) of the debtor in judicial reorganization or judicial liquidation proceedings, the proceeds of the sale will be allocated towards the repayment of its creditors according to the ranking of the claims. If the Court decides to order the judicial liquidation of the debtor, the Court will appoint a liquidator (usually the former creditor's representative) in charge of managing the debtor, selling the assets of the debtor and settling the relevant debts in accordance with their ranking. However, in practice, where the sale of the business is considered, the Court will usually appoint a judicial administrator to manage the debtor during the temporary continuation of the business operations (see above) and organize the sale of the business process.

French insolvency law assigns priority to the payment of certain preferred creditors, including employees, post-petition legal costs (essentially, fees of the officials appointed by the Court), creditors who, as part of the approved *conciliation* agreement, have provided new money or goods or services, post-petition creditors, certain pre-petition secured creditors in the event of liquidation proceedings and the French State (taxes and social charges).

As soon as insolvency proceedings are commenced, the immediate payment of any unpaid amount of share capital of the debtor will be required.

The *mandataire judiciaire* may demand that a shareholder pay-up its portion of the unpaid share capital.

Void and Voidable Transaction
"Void transactions" include transactions or payments entered into during the suspect period that may constitute voluntary preferences for the benefit of some creditors to the detriment of other creditors. These include transfers of assets for no consideration, contracts under which the reciprocal obligations of the company significantly exceed those of the other party, payments of debts not due at the time of payment, payments made in a manner that is not commonly used in the ordinary course of business, any escrow ordered by a judicial decision if such decision is not final when reorganization or liquidation proceedings are commenced, security granted for debts previously incurred, any provisional measures (unless the writ of attachment or seizure predates the date of insolvency) operations relating to stock options, fiduciary transfers (unless the transfer is made as a security for an indebtedness entered into simultaneously) and modifications to existing fiduciary transfers securing previous debts.

"Voidable transactions" include payments for due debts made from the date of insolvency, transactions for consideration and notices of attachments made to third parties (*avis à tiers détenteur*), seizures (*saisie attribution*) and oppositions made during the suspect period if the party dealing with the debtor company knew that it was insolvent (see "*—Insolvency Test*"). Transactions relating to the transfer of assets for no consideration are also voidable when entered into during the six-month period prior to the beginning of the suspect period.

Creditors' Liability
Pursuant to article L. 650-1 of the French Commercial Code as interpreted by case law, where safeguard, judicial reorganization or judicial liquidation proceedings have been commenced, creditors may be held liable for the losses suffered as a result of facilities granted to the debtor only if the granting of such facilities was wrongful and, in the case of (i) fraud; (ii) interference with the management of the debtor or (iii) if the security or guarantees taken to support the facilities are disproportionate to such facilities. In addition, any security or guarantees taken to support facilities in respect of which a creditor is found liable on any of these grounds can be cancelled or reduced by the court.

Limitations on Guarantees
The liabilities and obligations of each French Guarantor are subject to:

- certain exceptions, including to the extent any obligations which, if incurred, would constitute prohibited financial assistance within the meaning of Article L. 225-216 of the French Commercial Code or would constitute a misuse of corporate assets within the meaning of Articles L. 241-3, L. 242-6 or L. 244-1 of the French Commercial Code, it being specified that, under French financial assistance rules, a company is prohibited from guaranteeing indebtedness of another company that is used, directly or indirectly, for the purpose of its acquisition; and
- a contractual financial limitation corresponding to an amount equal to the proceeds from the Offering of the Notes which the Issuer has applied for the direct or indirect benefit of each French Guarantor and/or the controlled subsidiaries of that French Guarantor through the intercompany loans and cash pooling arrangements that are outstanding on the date a payment is requested to be made by such French Guarantor.

Under French corporate benefit rules, a court could subordinate or void any guarantee or security and, if payment had already been made under the relevant guarantee or security, require that the recipient return the payment to the relevant guarantor or security provider, if the court found that the guarantor or security provider did not derive an overall corporate benefit from the transaction involving the grant of the guarantee or security as a whole. The existence of a real and adequate corporate benefit to the guarantor and whether the amounts guaranteed are commensurate with the benefit received are matters of fact as to which French case law provides no clear guidance.

French case law has recognized that certain intragroup transactions (including upstream guarantees) can be in the corporate interest of the relevant company, in particular, where the following criteria are fulfilled:

- the existence of a genuine group of companies (taken as a whole, not just its shareholders) operating under a common strategy aimed at a common objective;
- the existence of a common economic, social or financial interests of the group within the framework of a policy implemented by the group of companies;
- the transaction shall not be without due consideration and compensation and shall not change the existing balance between the respective obligations of the relevant companies;
- the risk assumed by a French Guarantor must be proportionate to the benefit;
- the French Guarantor must receive an actual and adequate benefit, consideration or advantage from the transaction involving the granting by it of the guarantee; and
- the obligations of the French Guarantor under the guarantee must not exceed its financial capability.

Accordingly, the Guarantees by the French Guarantors are limited to amounts recoverable thereunder that represent either (i) the amount of debt made available directly or indirectly to

that French Guarantor or its subsidiaries with the proceeds of Indebtedness previously incurred by a holding company of such French Guarantor to the extent that such Indebtedness is or has been refinanced directly or indirectly with the proceeds of Indebtedness of the Issuer constituting Secured Liabilities (as defined in the Intercreditor Agreement), which term includes the Notes offered hereby (See "*Description of the Notes—The Note Guarantees*"); and (ii) the amounts of the Notes proceeds on-lent, directly or indirectly, to such French Guarantor, and the controlled subsidiaries of that French Guarantor, through the intercompany loans, via the Group's cash-pooling arrangements or otherwise, and outstanding on the date a payment is requested to be made by such French Guarantor under its Notes Guarantee. Any payment made by such French Guarantor under its guarantee or under the intercompany loans or the cash pooling arrangements will reduce the maximum amount of its guarantee. By virtue of this limitation, a French Guarantor's obligation under the Guarantee could be significantly less than amounts payable with respect to the Notes, or a French Guarantor may have effectively no obligation under its Notes Guarantee. See "*Description of the Notes—The Note Guarantees*."

In addition, if a French Guarantor receives, in return for issuing the guarantee, an economic return that is less than the economic benefit such French Guarantor would obtain in a transaction entered into on an arm's-length basis, the difference between the actual economic benefit and that in a comparable arm's-length transaction could be taxable under certain circumstances.

Limitation on Enforcement of Security Interests

Security interests governed by French law may only secure payment obligations and may only be enforced following a payment default (including following acceleration) and up to the secured amount that is due and remaining unpaid.

Under French law, generally speaking, pledges over assets may be enforced at the option of the secured creditors either (i) before a court (a) by way of a sale of the pledged assets in a public auction (the proceeds of the sale being paid to the secured creditors) or (b) by way of the judicial foreclosure (*attribution judiciaire*) of the pledged assets; or (ii) by way of contractual foreclosure (*attribution conventionnelle* or *pacte commissoire*) of the pledged assets to the secured creditors, following which the secured creditors become the legal owner of the pledged assets. Enforcement by way of contractual foreclosure may not be agreed at the time of the granting of the security or subsequently and, therefore, the holders of the Notes will not benefit from such enforcement method.

If the secured creditors choose enforcement by way of foreclosure (whether judicial foreclosure or contractual foreclosure), the secured liabilities will be deemed extinguished up to the value of the attributed assets. Such value is determined either by the judge in the context of a judicial foreclosure (*attribution judiciaire*) or by an expert (pre-contractually agreed or appointed by a judged) in the context of a contractual foreclosure (*pacte commissoire*). In case of enforcement by way of foreclosure (whether judicial foreclosure or contractual foreclosure), if the value of the pledged assets exceeds the amount of the secured liabilities, the secured creditors will be required to pay the relevant pledgor a "*soulte*" equal to the difference between the value of the pledged assets and the amount of the secured liabilities. This is true regardless of the actual amount of proceeds ultimately received by the secured creditor from a subsequent sale of the Collateral. On the contrary, if the value of such pledged assets is less than the amount of the secured debt, the relevant amount owed to the relevant creditors will be reduced by an amount equal to the value of such pledged assets, and the remaining amount owed to such creditors will be unsecured.

Should a holder of the Notes decline to request the judicial or contractual foreclosure of the securities, an enforcement of the pledged securities could be undertaken through a public auction in accordance with applicable law. Since such public auction procedures are not designed for a sale of a business as a going concern, however, it is possible that the sale price received in any such auction might not reflect the value of our group as a going concern.

Parallel Debt

Under French law, certain "accessory" security interests such as pledges require that the pledgee and the creditor be the same person. Such security interests cannot be held on behalf of the creditors by third parties who do not hold the secured claim, unless they act as trustees (*fiduciaires*) under Article 2011 of the French Civil Code or as security agent (*agent des sûretés*) under Article 2328-1 of the French Civil Code, which is not the case here for the Security Documents governed by French law. The holders of interests in the Notes from time to time will not be parties to the Security Documents. In order to permit the holders of the Notes to benefit indirectly from a secured claim, the Intercreditor Agreement will provide for the creation of a "Parallel Debt." Pursuant to such Parallel Debt, the Security Agent becomes the holder of a claim equal to each amount payable by an obligor under the Indenture and the Intercreditor Agreement. The pledges governed by French law will directly secure the Parallel Debt, and may not directly secure the obligations under the Notes and the other indebtedness secured by the Collateral. Although the French Supreme Court (*Cour de cassation*) has held(in a decision dated September 13, 2011 (Cass. Com. 13 September 2011 n° 10-25.533 *Belvédère*) rendered in the context of safeguard proceedings opened in France) that, subject to certain conditions being met, the concept of "parallel debt" governed by the laws of the State of New York was not incompatible with the French law concept of international public policy (*ordre public international*), this decision cannot be considered as a general recognition of the enforceability in France of the rights of a security agent benefiting from a parallel debt obligation and no assurance can be given that such a structure will be effective in all cases before French courts. There is no certainty that the Parallel Debt construction will eliminate or mitigate the risk of unenforceability under French law. To the extent that the Security Interests in the Collateral created under the Parallel Debt structure are successfully challenged by other parties, holders of the Notes will not receive any proceeds from an enforcement of the security interest in the Collateral.

Trustee

Pledges governed by French law will be granted to the benefit of the Security Agent as trustee for the holders of the Notes in accordance with the provisions of the Indenture, and may therefore not directly be granted to holders of the Notes. A concept of "trust" has been recognized for tax purposes by Article 792-0 *bis* of the French Tax Code and the French Supreme Court (*Cour de cassa*tion) has held, in the *Belvédère* decision referred to above in respect of the parallel debt concept, that a trustee validly appointed under a trust governed by the laws of the State of New York could validly be regarded as a creditor in safeguard proceedings opened in France. However, while substantial comfort may be derived from the above, France has not ratified the La Haye Convention of July 1, 1985 on the law applicable to trusts and on their recognition, so that the concept of "trust" has not been generally recognized under French law.

Recognition of Validity of Second or Lower Ranking Financial Securities Account Pledges by French Courts

The Intercreditor Agreement provides for a mechanism allowing the implementation of second or lower ranking pledges over financial securities accounts.

A pledge over the shares of a stock company (*société par actions*) governed by French law is a pledge over the relevant securities account (*nantissement de compte de titres financiers*) in which the shares of such company are registered. In France, no lien searches are available for security interests which are not registered, such as pledges over securities accounts (*nantissements de comptes de titres financiers*). As a result, no assurance can be given on the priority of a pledge over a securities account in which the shares of such a company are registered.

Moreover, a pledge over securities accounts is deemed, under French law, to remove the securities account from the possession of the grantor, thereby preventing such grantor from granting a second or lower ranking pledge thereon. The second or lower ranking pledge over the shares of such a company will therefore provide that the possession of the securities account is

transferred to the custody of an agreed third party as "*tiers convenus*" (*entiercement*), that the first ranking and second or lower ranking secured parties have consented to the creation of second or lower ranking pledge and that the first ranking secured parties have accepted their appointment as *tiers convenus* and hold the pledged securities as custodian for the benefit of both the first ranking and the second or lower ranking secured parties. This structure has not been tested before the French courts and no assurances can be given that such second or lower ranking pledges would be upheld if tested. Therefore, there is a risk that the second or lower ranking pledge over the securities account in which the shares of such company are respectively registered may be held void or unenforceable by a French court, which in turn could materially adversely affect the recovery under the Notes or Guarantees (as applicable) following an enforcement event.

Assumptions as to the Enforceability of Second Ranking Pledges Over Receivables
The pledges over receivables are governed by French law. In France, no lien searches are available for security interests which are not registered, such as pledges over receivables. As a result, no assurance can be given on the priority of the pledges over the receivables of a company.

Although French law does not expressly prohibit the grantor of a pledge over receivables from granting a second ranking pledge over the same receivables, this structure has not been tested before the French courts and no assurances can be given that such second ranking pledges would be upheld if tested.

Fraudulent Conveyance
French law contains specific provisions dealing with fraudulent conveyance both in and outside insolvency proceedings, the "*action paulienne*" provisions. The *action paulienne* offers creditors protection against a decrease in their means of recovery. A legal act performed by a person (including, without limitation, an agreement pursuant to which such person guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of such person's or a third party's obligations, enters into additional agreements benefiting from existing security and any other legal act having similar effect) can be challenged in or outside insolvency proceedings of the relevant person by the creditors' representative (*mandataire judiciaire*), the commissioner of the safeguard or recovery plan (*commissaire à l'exécution du plan*) insolvency proceedings of the relevant person or by any of the creditors of the relevant person outside insolvency proceedings or any creditor who was prejudiced in its means of recovery as a consequence of the act in or outside insolvency proceedings, and may be declared unenforceable against third parties if: (i) the person performed such acts without an obligation to do so; (ii) the creditor concerned or, in the case of the person's insolvency proceedings, 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 such person's creditors (existing or future) would be prejudiced in their means of recovery, unless the act was entered into for no consideration (*à titre gratuit*), in which case such knowledge of the counterparty is not necessary for a successful challenge on the grounds of fraudulent conveyance. If a court found that the issuance of the Notes, the grant of the Security Interests in the Collateral, or the granting of a guarantee involved a fraudulent conveyance that did not qualify for any defense under applicable law, then the issuance of the Notes, the granting of the Security Interests in the Collateral or the granting of such guarantee could be declared unenforceable against third parties or declared unenforceable against the creditor who lodged the claim in relation to the relevant act. As a result of such successful challenges, holders of the Notes may not enjoy the benefit of the Notes, the Guarantees or the Security Interests in the Collateral and the value of any consideration that holders of the Notes received with respect to the Notes, the Security Interests in the Collateral or the Guarantees could also be subject to recovery from the holders of the Notes and, possibly, from subsequent transferees. In addition, under such circumstances, holders of the Notes might be held liable for any damages incurred by prejudiced creditors of the Issuer or the Guarantors as a result of the fraudulent conveyance.

Assumptions as to the Validity of the Intercreditor Agreement
There is no law or published decision of the French courts of appeal or of the French Supreme Court (*Cour de cassation*) on the validity or enforceability of the obligations of an agreement such as the Intercreditor Agreement, except for article L.626-30-2 of the French Commercial Code which states that, in the context of safeguard proceedings, the safeguard plan which is put to the committees of creditors takes into consideration (*prend en compte*) the provisions of subordination agreements between creditors which were entered into prior to the opening of the safeguard proceedings. As a consequence, except to the extent referred to above (which, as at the date of this offering memorandum, has received no judicial interpretation), we cannot rule out that a French court would not give effect to certain provisions of the Intercreditor Agreement.

Luxembourg

LLAM (the "Luxembourg Guarantor") is incorporated under the laws of Luxembourg, and there are assets located in Luxembourg which are subject to security interests.

Insolvency
The insolvency laws of Luxembourg may not be as favorable to holders of Notes as insolvency laws of other jurisdictions with which investors may be familiar. The Luxembourg Guarantor is organized, and has its centre of main interests (*centre des intérêts principaux*), for the purposes of the EU Insolvency Regulation, in Luxembourg. Accordingly, insolvency proceedings affecting the Luxembourg Guarantor would be governed by Luxembourg insolvency laws. The following is a brief description of the key features of Luxembourg insolvency proceedings and certain aspects of insolvency laws in Luxembourg.

Under Luxembourg insolvency laws, the following types of insolvency proceedings (together referred to as "Insolvency Proceedings") may be opened against the Luxembourg Guarantor to the extent that it has its registered office or its centre of main interests (*centre des intérêts principaux*) (for the purposes of the EU Insolvency Regulation) in Luxembourg:

- bankruptcy proceedings (*faillite*);
- controlled management proceedings (*gestion contrôlée*); and
- preventive composition proceedings (*concordat préventif de la faillite*).

In addition to these proceedings, the ability of the holders of the Notes to receive payment under the Guarantees may be affected by a decision of the district court sitting in commercial matters (*Tribunal d'arrondissement siégeant en matière commerciale*) (the "Commercial District Court") granting suspension of payments (*sursis de paiements*) or declaring the Luxembourg Guarantor in judicial liquidation (liquidation judiciaire).

Bankruptcy Proceedings (faillite)

General Administration of Bankruptcy Proceedings
The opening of bankruptcy proceedings may be requested by the Luxembourg Guarantor, by any of its creditors or by the Commercial District Court. Following such a request, the Commercial District Court having jurisdiction may open bankruptcy proceedings in the event that the Luxembourg Guarantor (a) has ceased to make payments (*cessation de paiements*) and (b) has lost its commercial creditworthiness (*ébranlement de crédit*). If the Commercial District Court considers that these conditions are met, it may open bankruptcy proceedings on its own motion, absent a request made by the Luxembourg Guarantor or a creditor.

If the Commercial District Court declares a company bankrupt, it will appoint one or more bankruptcy receivers (curateur(s)), depending on the complexity of the proceedings and a supervisory judge (*juge-commissaire*) to supervise the bankruptcy proceedings.

The period within which creditors must file their proof of claims (*déclaration de créance*) is specified in the judgment adjudicating the company bankrupt. Claims filed after such period may nevertheless be taken into account by the bankruptcy receiver subject to certain limitations as to distributable proceeds.

The bankruptcy receiver takes over the management and control of the Luxembourg Guarantor in place of its management. The bankruptcy receiver will realize the Luxembourg Guarantor's assets and distribute the proceeds to the Luxembourg Guarantor's creditors in accordance with the statutory order of payment and, if there are any funds left, to the bankrupt company's shareholders. The bankruptcy receiver(s) represent(s) the Luxembourg Guarantor as well as the creditors collectively (*masse des créanciers*).

The bankruptcy receiver will need to obtain of the Commercial District Court permission for certain acts, such as agreeing to a settlement of claims or deciding to pursue the business of the Luxembourg Guarantor during the bankruptcy proceedings.

Bankruptcy is governed by public policy and rules, which generally delay the process and limit restructuring options of the group to which the bankrupt company belongs.

On closing of the bankruptcy proceedings, the bankrupt company will normally be dissolved.

Effects of Bankruptcy Proceedings

The main effect of bankruptcy proceedings is the suspension of all measures of enforcement against the Luxembourg Guarantor, except, subject to certain limited exceptions, for secured creditors, and the payment of unsecured creditors of the Luxembourg Guarantor in accordance with their rank upon the realization of the assets of the Luxembourg Guarantor.

In principle, contracts of the bankrupt company are not automatically terminated on commencement of bankruptcy proceedings, save for contracts for which the identity or solvency of the company was crucial (*intuitu personae* agreements) for the other party. However, certain contracts are terminated automatically by law, such as employment contracts, unless expressly confirmed by the receiver. Contractual provisions purporting to terminate a contract upon bankruptcy are generally held as being valid. The receiver may choose to terminate contracts of the company subject to the rule of "*exceptio non adimpleti contractus*" and the creditors' interest.

Unsecured claims of the Luxembourg Guarantor (such as the Luxembourg Guarantor's liabilities under the Guarantees) will, in the event of a liquidation of any of the Luxembourg Guarantor, only rank after (i) the cost of liquidation (including any debt incurred for the purpose of such liquidation) and (ii) the debts of the Luxembourg Guarantor that are entitled to priority under Luxembourg law. Preferential debts under Luxembourg law include, among others:

- 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.

Assets over which a security interest has been granted will in principle not be available for distribution to unsecured creditors of the Luxembourg Guarantor (except after enforcement and to the extent a surplus is realized and subject to application of the relevant priority rules, liens and privileges arising mandatorily by operation of law). During insolvency proceedings, all enforcement measures by unsecured creditors of the Luxembourg Guarantor are suspended.

Luxembourg insolvency laws may also affect transactions entered into or payments made by the Luxembourg Guarantor during the pre-bankruptcy hardening period (période suspecte) which is fixed by the Commercial District Court and dates back not more than six months as from the date

on which the Commercial District Court formally adjudicates a company bankrupt, and, as for specific payments and transactions, during an additional period of ten days before the commencement of such period. In particular:

- pursuant to article 445 of the Luxembourg code of commerce, some transactions (in particular, the granting of a security interest for antecedent debts, save in respect of financial collateral arrangements within the meaning of the Luxembourg law of August 5, 2005 on collateral arrangements, as amended (the "Collateral Act 2005"), the payment of debts which have not fallen due, whether payment is made in cash or by way of assignment, sale, set-off or by any other means; the payment of debts which have fallen due by any means other than in cash or by bill of exchange (unless, arguably, that method of payment was agreed from inception)), transactions without consideration or with substantially inadequate consideration entered into during the suspect period or the ten days preceding it must be set aside, if so requested by the bankruptcy receiver;

- pursuant to article 446 of the Luxembourg code of commerce, payments made for matured debts as well as other transactions concluded for consideration during the suspect period are subject to setting aside by the Commercial District Court upon proceedings initiated by the bankruptcy receiver, if they were concluded with the knowledge of the bankrupt's cessation of payments; and

- pursuant to article 448 of the Luxembourg code of commerce and article 1167 of the Luxembourg civil code (action paulienne), the bankruptcy receiver (acting on behalf of the creditors) has the right to challenge any fraudulent payments and transactions, including the granting of security with an intent to defraud, made prior to the bankruptcy, without any time limit.

Controlled Management Proceedings (gestion contrôlée)

General Administration of Controlled Management Proceedings

The Luxembourg Guarantor, which has lost its commercial creditworthiness (*ébranlement de crédit*) or which is not in a position to completely fulfill its obligations, can apply for the regime of controlled management in order either (i) to restructure its business or (ii) to realize its assets in good conditions. An application for controlled management can only be made by the Luxembourg Guarantor.

The loss of commercial creditworthiness (*ébranlement de crédit*) is identical to the credit test applied in bankruptcy proceedings. As to the second criteria (that is, the case where a company is not in a position to completely fulfill its obligations), a broad view of the total situation of the Luxembourg Guarantor is taken. Controlled management proceedings are only available for good-faith debtor.

Controlled management proceedings are rarely used as they are not always successful and generally lead to bankruptcy proceedings. They are occasionally applied to companies, in particular holding or finance companies, which are part of an international group and whose inability to meet obligations results from a default of group companies.

The proceedings are divided into three steps:

(1) The Luxembourg Guarantor must file an application with the Commercial District Court. The Commercial District Court can reject the application because (i) the Luxembourg Guarantor has already been declared bankrupt or (ii) the evidence brought forward by the Luxembourg Guarantor does not ensure the stabilization and the normal exercise of the Luxembourg Guarantor's business or improve the realization of the Luxembourg Guarantor's assets in better conditions. If the application is upheld at this stage, the Commercial District Court will appoint an investigating judge (juge délégué) to make a report on the overall situation of the Luxembourg Guarantor.

(2) Once the investigating judge has delivered a report, the Commercial District Court may (i) turn down the application on the ground that the proposals made by the applicant are unlikely to lead to the reorganization of the business or the realization of the assets in better conditions or (ii) appoint one or more administrators (*commissaires*) who will supervise the management of the assets of the Luxembourg Guarantor. If the Commercial District Court ascertains that the Luxembourg Guarantor is unable to pay its creditors (*i.e.* the Luxembourg Guarantor has ceased its paiements (*cessation de paiements*)), it may set the date as from which the Luxembourg Guarantor will be deemed to have been in such situation. Such date may be set up to six months prior to the filing of application for controlled management proceedings. However, bankruptcy may only be declared if the two conditions for bankruptcy are met (cessation of payment (cessation de paiements) and loss of commercial creditworthiness (*ébranlement de crédit*)), and if the application has been dismissed either before or after consideration of the report by the investigating judge or after the reorganization plan proposed by the administrators (*commissaires*) at the third step described below. The administrators will draw up the inventory of the assets as well as the financial situation of the Luxembourg Guarantor. They are also in charge of the annual accounts of the Luxembourg Guarantor. The administrators may also prescribe any act they consider to be in the interests of the applicant or its creditors. The administrators have to be convened to any meeting of the board of directors. They may attend all board meetings but have no voting rights. They have the right to convene such board meetings.

(3) The administrators will draft a reorganization plan in respect of the applicant's business or a plan for realization of the assets, within the deadlines set forth by the Commercial District Court. The plan shall equitably take into account all interests involved and will comply with the ranking of mortgages (*hypothèques*) and privileges (*privilèges*) as required by law, without taking into account any contractual clause regarding termination, penalties or acceleration. The administrators will notify the draft plan to the creditors, joint debtors and guarantors. Within fifteen days of such notification or publication, the creditors will inform the Commercial District Court whether they agree or object to the draft plan. Any creditor who abstains will be considered as having adhered to the plan. The creditors, the company, the joint debtors and the guarantors may submit written observations to the Commercial District Court. The Commercial District Court may (i) approve the plan if a majority of the creditors representing, via their claims which have not been challenged by the administrators, at least half of the Luxembourg Guarantor's liabilities have agreed thereto or (ii) disagree with the plan proposed by the administrators even though a majority of the creditors representing, via their claims which have not been challenged by the administrators, at least half of the company's liabilities have agreed to such plan, in which case the application for controlled management will be dismissed or (iii) ask the administrators to propose an amended plan (such amended plan will have to be submitted again to the creditors). The judgment approving the plan will be binding upon the company and its creditors, joint debtors and guarantors. The fees of the administrators will be fixed by the Commercial District Court and will be borne by the company. The administrators who at the same time are creditors of the applicant are not entitled to any fees.

Effects of Controlled Management Proceedings

As from the day of the appointment of the investigating judge and up to the final decision on the application for controlled management, any subsequent enforcement proceedings or acts, even if initiated by privileged creditors (including creditors who have the benefit of pledges (*gages*) and mortgages (*hypothèques*)) are stayed, save as provided for by the Collateral Act 2005. The Luxembourg Guarantor may not enter into any act of disposition, mortgage and contract or accept any movable asset without the authorization of the investigating judge.

Once the administrators have been appointed, the Luxembourg Guarantor may not carry out any act (including receiving funds, lending money, granting any security, or making any payment) without the prior authorization of the administrators. The administrators may bring any action before the Commercial District Court in order to have any act made in violation of the legislation

governing the controlled management or in fraud of the creditors' rights be set aside. Subject to the prior authorization of the Commercial District Court, they may bring an action (i) to have the directors, managers or the statutory auditor be held liable or (ii) if the Commercial District Court has declared the company to be in cessation of payments, to have certain payments, compensations or security interests be set aside (under certain conditions set forth in Articles 445 et seq. of the Luxembourg code of commerce).

Preventive Composition Proceedings (concordat préventif de la faillite)

General Administration of Preventive Composition Proceedings

The Luxembourg Guarantor may enter into a preventive composition proceedings (*concordat préventif de la faillite*) in order to resolve its financial difficulties by entering into an agreement with its creditors, the purpose of which is to avoid bankruptcy.

Preventive composition proceedings may only be applied for by a company which is in financial difficulty. Similar to controlled management proceedings, the preventive composition proceedings are not available if the company has already been declared bankrupt by the Commercial District Court or if the company is acting in bad faith. The application for the preventive composition proceedings can only be made by the Luxembourg Guarantor and must be supported by proposals of preventive composition.

The Commercial District Court will delegate to a delegated judge (*juge délégué*) the duty to verify, and to prepare a report on, the situation of the Luxembourg Guarantor. Based on such report, the Commercial District Court will decide whether or not to pursue the preventive composition proceedings. If the Commercial District Court considers that the procedure should not be pursued, it will in the same judgment declare the bankruptcy of the company (which bankruptcy may also be declared during the preventive composition proceedings if the conditions for the composition proceedings are not met). If the Commercial District Court considers that the procedure may be pursued, it will set the place, date and hour of a meeting (*assemblée concordataire*) at which the creditors will be convened. The delegated judge will make its report at the assemblée concordataire.

The preventive composition may only be adopted if a majority of the creditors representing, by their unchallenged claims, three-quarters of the Luxembourg Guarantor's debt, has adhered to the proposal and if the preventive composition has been homologated by the Commercial District Court. Creditors benefiting from mortgages (*hypothèques*), privileges (*privilèges*) or pledges (*gages*) only have a deliberating voice in the operations of the concordat, if they renounce the benefit of their mortgages, privileges or pledges. The vote in favor of the concordat entails renunciation. The renunciation may be limited by the secured creditors to only a portion (but representing at least 50% in value) of their claims with corresponding voting rights.

The preventive composition has no effect on the claims secured by a mortgage, a privilege or a pledge and on claims by the tax authorities. If the application results in a preventive composition arrangement sanctioned by the Commercial District Court, the preventive composition could still either be annulled (if it has not been executed) or terminated (in case of fraud or bad faith of the company). In such scenarios, the Commercial District Court may adjudicate bankrupt the Luxembourg Guarantor. The bankruptcy judgment can decide to set the date of cessation of payment to the date of the application for the preventive composition proceedings. If that date is less than six months prior to the bankruptcy judgment, the court can of course set the cessation of payment date at six months prior to its judgment.

Preventive composition proceedings are rarely used in practice since they are not binding upon secured creditors.

Effects of a Preventive Composition Proceedings

The Luxembourg Guarantor's business activities continue during the preventive composition proceedings. While the preventive composition is being negotiated, the Luxembourg Guarantor

may not dispose of, or grant any security over, any assets without the approval of the delegated judge. Once the preventive composition has been agreed by the Commercial District Court, this restriction is lifted. However, the Luxembourg Guarantor's business activities will still be supervised by the delegated judge.

Except as provided for in Collateral Act 2005, while the preventive composition is being negotiated, unsecured creditors may not take action against the company to recover their claims. Secured creditors who do not participate in the preventive composition proceedings may take action against the Luxembourg Guarantor to recover their claims and to enforce their security. Fraudulent transactions which took place before the date on which the Commercial District Court commenced preventive composition proceedings may be set aside (see the bankruptcy proceedings section above).

Suspension of Payments Proceedings (sursis de paiements)

General Administration of Suspension of Payments Proceedings

A suspension of payments (*sursis de paiements*) for commercial companies is different from the *sursis de paiement* proceedings available for banks or insurance companies. It can only be applied to a company which, as a result of extraordinary and unforeseeable events, has to temporarily cease its payments but which has on the basis of its balance sheet sufficient assets to pay all amounts due to its creditors. The suspension of payments may also be granted if the situation of the applicant, even though showing a loss, presents serious elements of reestablishment of the balance between its assets and its debts.

The purpose of the suspension of payments proceedings is to allow a business undertaking experiencing financial difficulties to suspend its payments for a limited time after a complex proceeding involving both the Commercial District Court and the Cour supérieure de justice and the approval by a majority of the creditors representing, by their claims, three-quarters of the company's debts (excluding claims secured by privilege (*privilège*), mortgage (*hypothèque*) or pledge (*gage*)).

The suspension of payments is, however, not for general application, which is one of the main reasons it has lost its attractiveness. It only applies to those liabilities which have been assumed by the debtor prior to obtaining the suspension of payment and has no effect as far as taxes and other public charges or secured claims (by right of privilege, a mortgage or a pledge) are concerned.

Effects of Suspension of Payments Proceedings

During the suspension of payments, ordinary creditors cannot open enforcement proceedings against the Luxembourg Guarantor or the Luxembourg Guarantor's assets. This stay on enforcement does not extend to preferred creditors, or to creditors which are secured by mortgages (hypothèques), pledges (gages) or financial collateral arrangements governed by the Collateral Act 2005. The Luxembourg Guarantor continues to manage its own business under the supervision of a court-appointed administrator who must approve most of the transactions carried out by the Luxembourg Guarantor.

When a suspension of payments ends, the stay on enforcement is terminated and the Luxembourg Guarantor's directors can run the business again.

Judicial Liquidation

Judicial liquidation proceedings may be opened at the request of the public prosecutor against companies pursuing an activity violating criminal laws or that are in serious violation of the Luxembourg commercial code or of the Luxembourg law dated August 10, 1915 on commercial companies, as amended (the "Companies Act 1915").

The management of such judicial liquidation proceedings will generally follow similar rules as those applicable to bankruptcy proceedings.

Effects of Opening of Luxembourg Insolvency Proceedings on Security Interests Governed by the Collateral Act 2005

The Collateral Act 2005 expressly provides that financial collateral arrangements (including pledges) including enforcement measures are valid and enforceable even if entered into during the pre-bankruptcy period, against third parties including supervisors, receivers, liquidators and any other similar persons or bodies irrespective of any bankruptcy, liquidation or other situation, national or foreign, of composition with creditors or reorganization affecting anyone of the parties, save in case of fraud.

Limitation on Guarantees Provided by Luxembourg Obligors

The Companies Act 1915, does not provide for rules governing the ability of a Luxembourg company to guarantee the indebtedness of another entity of the same group. It is generally held that within a group of companies, the corporate interest (*intérêt social*) of each individual corporate entity should, to a certain extent, be tempered by, and subordinated to, the interest of the group. A reciprocal assistance from one group company to another does not necessarily conflict with the interest of the assisting company. However, this assistance must be temporary, in proportion with the real financial means of the assisting company or have a reciprocal character. A company may give a guarantee provided the giving of the guarantee is covered by the company's corporate objects (objet social) and is in the corporate interest (*intérêt social*) of the company. The test regarding the guarantor's corporate interest is whether the company that provides the guarantee receives some consideration in return (such as an economic or commercial benefit) and whether the benefit is proportional to the burden of the assistance. A guarantee that substantially exceeds the guarantor company' ability to meet its obligations to the beneficiary of the guarantee and to its other creditors would expose its directors or managers to personal liability. Furthermore, under certain circumstances, the directors of the Luxembourg company might incur criminal penalties based on the concept of misappropriation of corporate assets (article 171-1 of the Companies Act 1915). It cannot be ruled out that, if the Commercial District Court held that the relevant transaction constituted a misappropriation of corporate assets or if it could be evidenced that the other parties to the transaction were aware of the fact that the transaction was not for the corporate benefit of the Luxembourg company, the transaction might be declared void or ineffective based on the concept of illegal cause (*cause illicite*). To mitigate these risks, the up-stream / cross-stream guarantees granted by a Luxembourg guarantor will be limited to a certain percentage of, among others, the relevant company's net worth (*capitaux propres*).

A guarantee granted by a Luxembourg company could, if submitted to a Luxembourg court, depending on the terms of such guarantee, possibly be construed by such court as a suretyship (*cautionnement*) and not as a first demand guarantee or an independent guarantee. Article 2012 of the Luxembourg civil code provides that the validity and the enforceability of a suretyship (which constitutes an accessory obligation) are subject to the validity of the underlying obligation. It follows that if the underlying obligations were invalid or challenged, it cannot be excluded that the Guarantors which are incorporated in Luxembourg would be released from its liabilities under the guarantee.

Plan of Distribution

Subject to the terms and conditions set forth in a purchase agreement (the "Purchase Agreement") to be dated as of the date of this Offering Memorandum, the Issuer has agreed to sell to each Initial Purchaser and each such Initial Purchaser has agreed, severally and not jointly, to purchase the Notes from the Issuer.

The Purchase Agreement provides that the obligations of the Initial Purchasers to pay for and accept delivery of the Notes are subject to, among other conditions, the delivery of certain legal opinions by counsel.

The Initial Purchasers propose to offer the Notes initially at the price indicated on the cover page hereof. After the initial offering, the offering price and other selling terms of the Notes may from time to time be varied by the Initial Purchasers without notice. Offers and sales of the Notes in the United States will be made by those Initial Purchasers or their affiliates that are registered broker-dealers under the Exchange Act, or in accordance with Rule 15a-6 thereunder. The Initial Purchasers reserve the right to withdraw, cancel or modify offers to prospective investors and to reject orders in whole or in part.

We have agreed to provide the Initial Purchasers certain customary fees or discounts for their services in connection with the Offering and to reimburse them for certain out-of-pocket expenses.

Persons who purchase Notes from the Initial Purchasers may be required to pay stamp duty, taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the offering price set forth on the cover page hereof.

The Purchase Agreement provides that we will indemnify and hold harmless the Initial Purchasers against certain liabilities, including liabilities under the U.S. Securities Act, and will contribute to payments that the Initial Purchasers may be required to make in respect thereof. We have agreed, subject to certain limited exceptions, not to offer, sell, contract to sell or otherwise dispose of, except as provided under the Purchase Agreement, any debt securities of, or guaranteed by, us during the period from the date of the Purchase Agreement through and including the date 45 days after the date of the Purchase Agreement.

The Notes and the Guarantees have not been and will not be registered under the U.S. Securities Act. The Initial Purchasers have agreed that they will only offer or sell the Notes (i) in the United States to "qualified institutional buyers" in accordance with Rule 144A, and (ii) outside the United States in offshore transactions in accordance with Regulation S. Terms used in this paragraph have the meanings given to them by Rule 144A and Regulation S.

Each Initial Purchaser has represented, warranted and agreed with us that:

(i) it has only communicated or caused to be communicated and 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 Notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

No action has been taken in any jurisdiction, including the United States and the United Kingdom, by us or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this Offering Memorandum or any other material relating to us or the Notes in any jurisdiction where action for this purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any other offering material or advertisements in connection with the Notes may be distributed or published, in or from any country or jurisdiction, except in compliance with

any applicable rules and regulations of any such country or jurisdiction. This Offering Memorandum does not constitute an offer to sell or a solicitation of an offer to purchase in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this Offering Memorandum comes are advised to inform themselves about and to observe any restrictions relating to the Offering, the distribution of this Offering Memorandum and resale of the Notes. See "*Notice to Investors*."

The Notes are new issues of securities for which there currently is no market.

The Initial Purchasers have advised us that they intend to make a market for the Notes as permitted by applicable law after completing the Offering. The Initial Purchasers are not obligated, however, to make a market in the Notes, and any market-making activity may be discontinued at any time at the sole discretion of the Initial Purchasers without notice. In addition, any such market-making activity will be subject to the limits imposed by the U.S. Securities Act and the U.S. Exchange Act. We cannot assure you that any market for the Notes will develop, that it will be liquid if it does develop, or that you will be able to sell any Notes at a particular time or at a price which will be favorable to you. See "*Risk Factors—Risks Related to the Notes—There may not be an active trading market for the Notes, in which case your ability to sell the Notes will be limited*."

We expect that delivery of the Notes will be made against payment on the Notes on or around the date specified on the cover page of this Offering Memorandum, which will be business days (as such term is used for purposes of Rule 15c6-1 of the U.S. Exchange Act) following the date of pricing of the Notes (this settlement cycle is being referred to as "T+ "). Under Rule 15c6-1 of the U.S. Exchange Act, trades in the secondary market generally 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 Notes on the date of this Offering Memorandum or the next business days will be required to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to make such trades should consult their own advisors.

In connection with the Offering, the Stabilizing Manager, or persons acting on its behalf, may engage in transactions that stabilize, maintain or otherwise affect the price of the Notes. Specifically, the Stabilizing Manager, or persons acting on its behalf, may bid for and purchase Notes in the open markets to stabilize the price of the Notes. The Stabilizing Manager, or persons acting on its behalf, may also over allot the Offering, creating a syndicate short position, and may bid for and purchase Notes in the open market to cover the syndicate short position. In addition, the Stabilizing Manager, or persons acting on its behalf, may bid for and purchase Notes in market making transactions as permitted by applicable laws and regulations and impose penalty bids. These activities may stabilize or maintain the market price of the Notes above market levels that may otherwise prevail. The Stabilizing Manager is not required to engage in these activities, and may end these activities at any time. Accordingly, no assurance can be given as to the liquidity of, or trading markets for, the Notes. See "*Risk Factors—Risks Related to the Notes—There may not be an active trading market for the Notes, in which case your ability to sell the Notes will be limited*." Additionally, the Initial Purchasers and/or their affiliates have committed to provide bridge financing in connection with the financing of the Acquisition in the event that the Offering is not consummated.

The Initial Purchasers and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial investment banking, financial advising, investment management, principal investment, hedging, financing and brokerage activities. The Initial Purchasers or their respective affiliates from time to time have provided in the past and may provide in the future investment banking, financial advisory and commercial banking services to the Issuer and its affiliates in the ordinary course of business for which they have received or may receive customary fees and commissions. The Initial Purchasers and their affiliates may receive allocations of the Notes. In addition, affiliates of each of the Initial

Purchasers act as mandated lead arrangers and lenders under the Senior Credit Facilities Agreement. Natixis also acts as facility agent under the Senior Credit Facilities Agreement. Each has received and will receive customary fees for their services in such capacities. J.P. Morgan Securities plc and Natixis or their respective affiliates are also advising PAI in connection with the Acquisition. The Initial Purchasers and/or their affiliates may also enter into hedging arrangements with us in connection with the Transactions.

In the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and instruments of ours or our affiliates. If the Initial Purchasers or their affiliates have a lending relationship with us, they routinely hedge their credit exposure to us consistent with their customary risk management policies. Typically, the Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, which may include the Notes. Any such short positions could adversely affect future trading prices of the Notes. The Initial Purchasers and their affiliates may also make investment recommendations and publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and short positions in such securities and instruments.

Legal Matters

Certain legal matters in connection with the Offering will be passed upon for us by Kirkland & Ellis International LLP, as to matters of U.S. federal, New York and English law, by Gide Loyrette Nouel A.A.R.P.I. as to matters of French law, by Loyens & Loeff Advocaten – Avocats SCRL/CVBA as to matters of Belgian law and Loyens & Loeff Luxembourg S.à r.l. as to Luxembourg law. Certain legal matters in connection with the Offering will be passed upon for the Initial Purchasers by Allen & Overy LLP, as to matters of U.S. federal and New York law, English, French, Belgian and Luxembourg law.

Independent Auditors

The consolidated financial statements including the notes thereto of Cerba HealthCare as of and for the years ended December 31, 2014, 2015 and 2016 included elsewhere in this Offering Memorandum have been audited by PricewaterhouseCoopers Audit and Grant Thornton as stated in their reports, which are included in this Offering Memorandum.

Service of Process and Enforcement of Civil Liabilities

The Issuer is organized under the laws of France. Each of the Security Documents relating to the Collateral will be governed by the laws of France or England and Wales, as applicable. The Indenture with respect to the Notes (including the Guarantees) will be governed by New York law. The Intercreditor Agreement and the Senior Credit Facilities Agreement will be governed by the law of England and Wales. All of the directors and executive officers of the Issuer and each of the Guarantors are non-residents of the United States. Since substantially all of the assets of the Issuer and each of the Guarantors, and its and their directors and executive officers, are located outside the United States, any judgment obtained in the United States against either the Issuer or a Guarantor or any such other person, including judgments with respect to the payment of principal, premium (if any) and interest on the Notes or any judgment of a U.S. court predicated upon civil liabilities under U.S. federal or state securities laws, may not be collectible in the United States. Furthermore, although the Issuer and each of the Guarantors will appoint an agent for service of process in the United States and will submit to the jurisdiction of New York courts, in each case, in connection with any action in relation to the Notes and the Indenture or under U.S. securities laws, it may not be possible for investors to effect service of process on us or on such other persons as mentioned above within the United States in any action, including actions predicated upon the civil liability provisions of U.S. federal securities laws.

If a judgment is obtained in a U.S. court against either of the Issuer 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 each of the Issuer and the Guarantors is 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.

France

Our French counsel has advised us that the United States and France are not parties to a treaty providing for the reciprocal recognition and enforcement of judgments, other than arbitral awards, rendered in civil and commercial matters. Accordingly, a judgment rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon U.S. federal or state securities laws, enforceable in the United States, would not directly be recognized or enforceable in France.

A party in whose favor such judgment was rendered could initiate enforcement proceedings (*exequatur*) in France before the relevant civil court (*Tribunal de Grande Instance*) that has exclusive jurisdiction over such matter.

Enforcement in France of such U.S. judgment could be obtained following proper (*i.e.*, *non-ex parte*) proceedings if such U.S. judgment is enforceable in the United States and if the French civil court is satisfied that the following conditions have been met (which conditions, under prevailing French case law, do not include a review by the French civil court of the merits of the foreign judgment):

- such U.S. judgment was rendered by a court having jurisdiction over the matter because the dispute is clearly connected to the jurisdiction of such court and the French courts did not have exclusive jurisdiction over the matter;
- such U.S. judgment does not contravene French international public policy rules, both pertaining to the merits and to the procedure of the case, including fair trial rights; and
- such U.S. judgment is not tainted with fraud under French law.

In addition to these conditions, it is well established that only final and binding foreign judicial decisions (*i.e.* those having a *res judicata* effect) can benefit from an exequatur under French law, and that such U.S. judgment should not conflict with a French judgment or a foreign judgment that has become effective in France. Where proceedings are pending before French courts at the time enforcement of the U.S. judgment is sought and where these proceedings have the same or similar subject matter as such U.S. judgment, the courts may stay the exequatur proceedings.

If the French civil court is satisfied that such conditions are met, the U.S. judgment will benefit from the *res judicata* effect as of the date of the decision of the French civil court and will thus be declared enforceable in France after all remedies have been exhausted. However, the decision granting the exequatur is subject to appeal.

In addition, the discovery process under actions filed in the United States could be adversely affected under certain circumstances by French law No. 68-678 of July 26, 1968, as modified by French law No. 80-538 of July 16, 1980 and French Ordinance No. 2000-916 of September 19, 2000 (relating to the communication of documents and information of an economic, commercial, industrial, financial or technical nature to foreign authorities or persons), which could prohibit or restrict obtaining evidence in France or from French persons in connection with a judicial or administrative U.S. action. Pursuant to the regulations above, the U.S. authorities would have to comply with international (the 1970 Hague Convention on the Taking of Evidence Abroad) or French procedural rules to obtain evidence in France or from French persons.

Similarly, French data protection rules (law No. 78 17 of January 6, 1978 on data processing, data files and individual liberties, as most recently modified by French Ordinance No. 2011 1012 of August 24, 2011), as well as newly-adopted European Regulation 2016/679 of 27 April 2016 and the Privacy Shield agreement between the EU and the U.S., can limit under certain circumstances the possibility of obtaining information in France or from French persons in connection with a judicial or administrative U.S. action in a discovery context, although the exact extent of these restrictions is yet to be clarified.

Furthermore, we have been advised by our French counsel that if an original action is brought in France, French courts may refuse to apply foreign law or a part of foreign law designated by the applicable French rules of conflict (including the law chosen by the parties to govern their contract) if the application of such law (in the case at hand) is deemed to contravene French international public policy (as determined on a case-by-case basis by French courts) or in case of overriding mandatory rules. Furthermore, in an action brought in France on the basis of U.S. federal or state securities laws, French courts may not have the requisite power to grant all the remedies sought.

Pursuant to Article 14 of the French Civil Code, a French national (either a company or an individual) can sue a foreign defendant before French courts in connection with the performance of obligations contracted by the foreign defendant in France with a French person or in a foreign country with French persons. Pursuant to Article 15 of the French Civil Code, a French national can be sued by a foreign claimant before French courts in connection with the performance of obligations contracted by the French national in a foreign country with the foreign claimant (Article 15). These provisions also apply in the context of non-contractual obligations. For a long time, case law has interpreted these provisions as meaning that a French national, either claimant or defendant, could not be forced against its will to appear before a jurisdiction other than French courts. However, according to case law, the French courts' jurisdiction over French nationals is not mandatory to the extent an action has been commenced before a court in a jurisdiction that has sufficient contacts with the dispute and the choice of jurisdiction is not fraudulent. More specifically, according to this recent case law, a French defendant can no longer challenge the jurisdiction of a foreign tribunal on the basis of article 15 of the French civil code in circumstances where the foreign tribunal has otherwise jurisdiction. In addition, French and foreign claimants may respectively waive their rights respectively to benefit from the provisions of Articles 14 and 15 of the French Civil Code, including by way of conduct by voluntarily appearing before the foreign court.

The French Supreme Court (*Cour de cassation*) has recently held that a jurisdiction clause may only be effective if it complies with the requirement of foreseeability. This can notably be the case where the jurisdiction clause sets out an objective basis for the determination of the competent courts. In this respect, a contractual provision submitting one party to the exclusive jurisdiction of a court and giving another party the discretionary option to choose any competent jurisdiction, which, by definition, does not set out an objective basis for the determination of the competent courts to be chosen by the latter party, is most likely to be considered by French Courts as not complying with the requirement of foreseeability. In such case, French Courts would find that the jurisdiction clause is not binding on the party submitted to the exclusive jurisdiction of the court or does not prevent a French party from bringing an action before the French courts, should they otherwise have jurisdiction.

Luxembourg

Foreign judgments need to obtain an *exequatur* by a Luxembourg court before they can be enforced by a bailiff (*huissier de justice*).

The Luxembourg Guarantor has been advised by Loyens & Loeff Luxembourg S.à r.l., its Luxembourg counsel, that, although there is no treaty between Luxembourg and the United States regarding the reciprocal enforcement of judgments, a valid final and conclusive judgment against the Luxembourg Guarantor with respect to the Guarantees 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 recognized and enforced through a court of competent jurisdiction of Luxembourg subject to compliance with the enforcement procedures set out in Articles 678 et seq. of the Luxembourg *Nouveau code de procédure civile* and applicable Luxembourg case law:

- the foreign judgment must be enforceable in the country of origin;
- the court of origin must have had jurisdiction both according to its own laws and to the Luxembourg conflict of jurisdictions rules;
- the foreign proceedings must have been regular in light of the laws of the country of origin;
- the rights of defense must not have been violated;
- the foreign court must have applied the law which is designated by the Luxembourg conflict of laws rules, or, at least, the judgment must not contravene the principles underlying these rules (based on case law and legal doctrine, it is not certain that this condition would still be required for an exequatur to be granted by a Luxembourg court);
- the considerations of the foreign judgment as well as the judgment as such must not contravene Luxembourg international public policy; and
- the foreign judgment must not have been rendered as a result of or in connection with an evasion of Luxembourg law ("*fraude à la loi*").

The Luxembourg Guarantor has been also advised by Loyens & Loeff Luxembourg S.à r.l. that if an original action is brought in Luxembourg, without prejudice to specific conflict of law rules, Luxembourg courts may refuse to apply the designated law if the choice of the foreign law was not made *bona fide* or if the foreign law was not pleaded and proved or if pleaded and proved, the foreign law was contrary to Luxembourg mandatory provisions (*lois impératives*) or incompatible with Luxembourg public policy rules. 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.

Also, an enforcement procedure (*exequatur*) may be refused in respect of punitive damages. In practice, Luxembourg courts now tend not to review the merits of a foreign judgment, although there is no clear statutory prohibition of such review.

Listing and General Information

Listing Information

We currently intend to list the Notes on the Official List of the Channel Islands Securities Exchange Authority Limited. There can be no assurance that such application will be granted. Neither the admission of the Notes to the Official List nor the approval of this Offering Memorandum pursuant to the listing requirements of the Exchange shall constitute a warranty or representation by the Exchange as to the competence of the service providers to, or any other party connected with, the Issuer, the adequacy and accuracy of information contained in this Offering Memorandum or the suitability of the Issuer for investment or for any other purpose. The Notes are only intended to be offered in the primary market to, and held by, investors who are particularly knowledgeable in investment matters. To obtain copies of certain documentation related to the Notes, see "*Available Information.*"

Clearing Information

The Notes sold pursuant to Regulation S and the Notes sold pursuant to Rule 144A in the Offering have been accepted for clearing and settlement through the facilities of Euroclear and Clearstream under common codes 158402483 and 158402505, respectively. The ISIN for the Notes sold pursuant to Regulation S is XS1584024837 and the ISIN for the Notes sold pursuant to Rule 144A is XS1584025057.

Legal Information

The Issuer is a *société par actions simplifiée* incorporated in France, with registered office at 3, Boulevard de Sébastopol, 75001 Paris, France, and registered with the *registre du commerce et des sociétés de Paris* under registration number 824 963 045. The Issuer was incorporated on January 13, 2017, as an acquisition vehicle for the Transactions. For a full description of the principal shareholders of the Issuer, see "*Principal Shareholders and Related Party Transactions.*" The Issuer is not aware of any potential conflict of interest between the duties of the persons listed as its current managers and their private interests or other duties. See "*Management*."

The Issuer has obtained all necessary consents, approvals and authorizations (if any) in connection with the issuance of the Notes. The issuance of the Notes was approved by resolutions of the board of directors of the Issuer on or about the date of this Offering Memorandum.

Except as disclosed elsewhere in this Offering Memorandum, there has been no material adverse change to: (a) the Issuer; (b) the Issuer's group structure; (c) the Issuer's business or accounting policies; or (d) the financial or trading position of the Issuer, in each case since the date of our last audited consolidated financial statements.

Index to financial statements

Cerba HealthCare

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2016

PricewaterhouseCoopers Audit
63 rue de Villiers
92200 Neuilly-sur-Seine

Grant Thornton
29 rue du Pont
92578 Neuilly-sur-Seine Cedex

Statutory auditors' report on the consolidated financial statements For the year ended December 31, 2016

Cerba HealthCare
ZI Les Béthunes
7/11 rue de l'Equerre
95310 Saint-Ouen-L'Aumone

To the President,

In our capacity as Statutory Auditors of Cerba HealthCare and in compliance with your request, we have audited the accompanying consolidated financial statements of Cerba HealthCare for the year ended December 31, 2016 ("the consolidated financial Statements").

The President is responsible for the preparation and fair presentation of the consolidated financial statements. Our responsibility is to express an opinion on the consolidated financial statements based on our audit.

We conducted our audit in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement. Those standards require that we 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, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as 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.

In our opinion, the consolidated financial statements give a true and fair view of the financial position and assets and liabilities of the group constituted by the persons or entities included in the consolidation as of December 31, 2016, and of the results of its operations for the year then ended in accordance with the International Financial Reporting Standards as adopted in the European Union.

This report is governed by French law. French courts have exclusive jurisdiction to judge any dispute, claim or disagreement that may result from our letter of engagement or this report or any related question. Each party irrevocably renounces his or her rights to oppose legal action brought before these courts, to contend that the action was brought before a court that was not competent, or that these courts do not have jurisdiction.

Neuilly-sur-Seine, March 13, 2017

The statutory auditors

PricewaterhouseCoopers Audit		Grant Thornton
Jacques Lévi	Marie-Cécile Dang Tran	Vincent Papazian

Table of contents

1 Consolidated statement of financial position

(In thousands of euro)

	Notes	31 December 2016	31 December 2015
Assets			
Goodwill	6.12	982,304	969,250
Intangible assets	6.13	158,465	159,397
Property, plant and equipment	6.14	92,673	85,101
Other non-current assets	6.15	5,498	4,767
Deferred tax assets	6.16	7,550	10,944
Non-current assets		**1,246,490**	**1,229,459**
Inventories	6.17	8,059	7,434
Trade receivables	6.18	67,916	67,195
Current tax assets		4,721	7,367
Other current assets	6.19	24,337	22,570
Cash and cash equivalents	6.20	48,256	46,142
Current assets		**153,289**	**150,707**
TOTAL ASSETS		**1,399,779**	**1,380,166**
Equity and Liabilities			
Share capital	*6.21*	*432,169*	*432,169*
Retained earnings		*(132,143)*	*(134,826)*
Profit (loss) for the period, attributable to owners of the Company		*(8,686)*	*(973)*
Foreign currency translation reserve		*(732)*	*(769)*
Equity attribuable to owners of the company		290,608	295,601
Non-controlling interests—reserves		*7,213*	*4,843*
Non-controlling interests—profit (loss)		*1,465*	*2,417*
Non-controlling interests		8,677	7,260
TOTAL EQUITY	**4**	**299,285**	**302,860**
Non-current financial liabilities	6.22	843,561	805,755
Employee benefits	6.23	18,113	15,581
Non current provisions	6.24	2,801	3,516
Deferred tax liabilities	6.16	27,616	45,560
Other non current liabilities	6.25	2,822	3,764
Non-current liabilities		**894,913**	**874,176**
Current financial liabilities	6.22	55,517	59,459
Current provisions	6.24	1,929	1,238
Trade payables	6.26	68,692	75,973
Current tax liabilities		14,169	6,513
Other current liabilities	6.27	65,274	59,949
Current liabilities		**205,581**	**203,130**
TOTAL EQUITY AND LIABILITIES		**1,399,779**	**1,380,166**

2 Consolidated income statement

(In thousands of euro)

	Notes	31 December 2016	31 December 2015
NET SALES	**6.7**	**634,062**	**555,985**
Consumption of materials and supplies		(94,583)	(87,023)
Other purchases and external expenses		(143,681)	(134,282)
Taxes and duties		(20,750)	(17,375)
Personnel expenses	6.8	(240,783)	(214,432)
Net change in depreciation and amortisation		(38,360)	(32,877)
Other incomes	6.9	6,163	4,915
Other expenses	6.9	(8,669)	(6,061)
OPERATING INCOME (LOSS)		**93,398**	**68,849**
Cost of net debt		(84,116)	(57,004)
Other financial income		590	525
Other financial expenses		(1,122)	(2,044)
FINANCIAL INCOME (EXPENSE)	**6.10**	**(84,649)**	**(58,524)**
PRETAX INCOME (EXPENSE)		**8,750**	**10,326**
Income tax	6.11.1	(15,971)	(8,881)
PROFIT (LOSS)		**(7,221)**	**1,444**
Attribuable to owners of the Company		*(8,686)*	*(973)*
Attribuable to non-controlling interests		*1,465*	*2,417*

3 Consolidated statement of comprehensive income

(In thousands of euro)

	Notes	31 December 2016	31 December 2015
Profit (Loss)	**2**	**(7,221)**	**1,444**
Recyclable items through profit			
Foreign currency translation differences		*237*	*(435)*
Non-recyclable items through profit			
Actuarial gains and losses on defined benefit obligations		*(1,163)*	*(3,461)*
Tax impacts on actuarial gains and losses on defined benefit obligations		*382*	*1,200*
Gain and losses recognised directly in equity		**(545)**	**(2,697)**
Total comprehensive income for the period	**4**	**(7,767)**	**(1,253)**
Attribuable to owners of the Company		*(9,419)*	*(3,368)*
Attribuable to non-controlling interests		*1,652*	*2,114*

4 Consolidated statement of changes in equity

(In thousands of euro)

	Share capital	Share premium	Retained earnings	Actuarial differences	Translation differences	Total	Non-controlling interests	Total equity
Opening position at 1st January 2015	**810**	**416,811**	**(130,405)**	**(357)**	**(594)**	**286,265**	**9,682**	**295,948**
Total comprehensive income for the period								
Profit (loss) for the period			(973)			(973)	2,417	1,444
Total other comprehensive income				(2,220)	(175)	(2,395)	(302)	(2,697)
Total comprehensive income for the period	**—**	**—**	**(973)**	**(2,220)**	**(175)**	**(3,368)**	**2,114**	**(1,253)**
Transactions with owners of the Company, recognised directly in equity						**—**		**—**
Contributions by and distributions to owners of the Company						**—**		**—**
Changes in scope			1,732			1,732	(1,850)	(118)
Dividends			23			23	(1,387)	(1,364)
Capital increase through conversion of bonds and of the premium share	431,359	(416,811)				14,548		14,548
Others			(3,599)			(3,599)	(67)	(3,666)
Total contributions by and distribution to owners of the Company	**431,359**	**(416,811)**	**(1,844)**	**—**	**—**	**12,704**	**(3,304)**	**9,400**
Changes in ownership interests in subsidiaries						**—**		**—**
Non-controlling interests at acquisition of the subsidiary						—	(1,234)	(1,234)
Total transactions with owners of the Company	**—**	**—**	**—**	**—**	**—**	**—**	**(1,234)**	**(1,234)**
Closing position at 31 December 2015	**432,169**	**—**	**(133,222)**	**(2,577)**	**(769)**	**295,602**	**7,258**	**302,861**

	Share capital	Share premium	Retained earnings	Actuarial differences	Translation differences	Total	Non-controlling interests	Total equity
Opening position at 1st January 2016	**432,169**	**—**	**(133,222)**	**(2,577)**	**(769)**	**295,602**	**7,258**	**302,861**
Total comprehensive income for the period								
Profit (loss) for the period			−8,686			−8,686	1,465	−7,221
Total other comprehensive income				−770	37	−733	187	−546
Total comprehensive income for the period	**—**	**—**	**−8,686**	**−770**	**37**	**−9,419**	**1,652**	**−7,768**
Transactions with owners of the Company, recognised directly in equity								
Contributions by and distributions to owners of the Company								
Changes in scope			−154			−154	−222	−376
Dividends			−3			−3	−1,388	−1,392
Others			4,583			4,583	−353	4,230
Total contributions by and distribution to owners of the Company	**—**	**—**	**4,426**	**—**	**—**	**4,426**	**−1,964**	**2,462**
Changes in ownership interests in subsidiaries						**—**		**—**
Non-controlling interests at acquisition of the subsidiary						—	1,731	1,731
Total transactions with owners of the Company	**—**	**—**	**—**	**—**	**—**	**—**	**1,731**	**1,731**
Closing position at 31 December 2016	**432,169**	**—**	**−137,482**	**−3,347**	**−732**	**290,608**	**8,677**	**299,286**

5 Consolidated cash flow statement

(In thousands of euro)

	31 December 2016	31 December 2015
Profit (loss) for the period	(7,221)	1,444
Adjustments for:		
Amortisation, depreciation and impairment	38,361	34,489
Income tax	15,971	8,881
Financial Income (Expense)	84,649	58,524
Other items not affecting cash	(482)	—
Change in working capital	(7,406)	9,675
Income tax paid	(14,683)	(24,862)
Net cash provided by (used in) operating activities	**109,188**	**88,152**
Acquisition of property, plant and equipment and intangible assets	(24,480)	(23,345)
Disposals of property, plant and equipment and intangible assets	1,634	353
Change in loans and other financial assets	(910)	(621)
Effect of change in consolidation scope	(16,285)	(286,378)
Interests received	18	10
Dividends received	89	92
Other changes related to investing activities	53	341
Net cash provided by (used in) investing activities	**(39,882)**	**(309,548)**
Dividends paid to non-controlling interests	(1,395)	(1,387)
Increase (decrease) in share capital by non-controlling interests	0	2,736
Proceeds from issuance of borrowings	76,649	281,294
Repayment of borrowings	(85,249)	(32,480)
Finance costs paid	(56,152)	(45,880)
Other Financial expenses paid	(526)	(610)
Net cash provided by (used in) financing activities	**(66,674)**	**203,673**
Effect of exchange rate fluctuations on cash held	205	(47)
Net increase (decrease) in cash and cash equivalents	**2,837**	**(17,770)**
Cash and cash equivalents at beginning of period	*44,558*	*62,328*
Cash and cash equivalents at end of period	*47,395*	*44,558*

6 Notes to the consolidated financial statements

General information

6.1 Reporting entity

Cerba HealthCare (formerly Cerba European Lab) (hereinafter referred to as "the Company") is a French simplified joint-stock company (*société par actions simplifiée*), headquartered in France at 7/11 Rue de l'Equerre 95310 Saint-Ouen-l'Aumône.

The Company was created on 8 June 2010 following the acquisition of the Cerba HealthCare Group.

The Group is a leading European player in medical biology, with a market positioning in clinical laboratory testing, specialised clinical pathology and clinical trials.

Financière Gaillon 13 SAS was created in 2013 and is the shareholder of Cerba HealthCare.

6.2 Significant events of the period

Changes in scope of consolidation

Consistent with the external growth policy, the company acquired the following interests during the year (see Note 6.12):

- Acquisition of laboratory network Menalabs Group ("United Arab Emirates" Area) on the 12th of August
- Acquisition of Antagene Laboratory ("Centre Est" Area) at the end of July 2016;
- Acquisition of Brot Laboratory (" Paris" Area) in September 2016;
- Acquisition of Diagnostika in September 2016
- Acquisition of Biotech Ajman and Biotech Sharjah ("United Arab Emirates" Area) in October 2016
- Acquisition of Clinical Pathology Services ("United Arab Emirates" Area) in December 2016

The Group is restructuring its operations as follows:

- Mergers by dissolution with tax and accounting retroactivity:
  - Novescia La Réunion to Cerballiance Réunion from 01st January 2016
  - Novescia Clairval and Novescia Coutanson to Cerballiance Provence from 01st January 2016
  - CBCV and BIO15 to Cerballiance Paris from 01st January 2016
  - Neobio to Cerballiance Somme from 18th July 2016
  - Brot to Cerballiance Paris Sud from 01st January 2016

Capital structure

In 2016, the capital structure of the holding Cerba HealthCare don't change compared to 31 December 2015.

Cerba HealthCare conducted in February 17, 2015 to a capital increase from convertible bonds.

As a reminder, on November 4, 2014, the entity Financière Gaillon 0, indirect parent of Cerba HealthCare has been created and it became the new parent entity of the Group.

Financing structure

The Group has issued bonds High Yield 4 to 27th September 2016, € 40 million to finance the previous acquisitions in 2016.

The Revolving Credit Facility that was entered into in January 2013 was settled in September 2016 for € 50 Million.

As a reminder, the Effective deadline was fixed at January 31, 2020 for the High-Yield bonds that were on hand as of the beginning of the year.

6.3 Basis of preparation

6.3.1 Statement of compliance

The consolidated financial statements of Cerba HealthCare have been prepared in accordance with the International Financial Reporting Standards (including IFRSs, IASs, SIC and IFRIC interpretations) adopted by the European Union before 31 December 2016 and published by the IASB (International Accounting Standards Board).

The Group has analysed IFRSs, IASs, SIC, IFRIC interpretations and related amendments published, approved and applicable for accounting periods beginning on or after 1 January 2016—as well as those not yet approved— by the European Union at 31 December 2016.

These standards can be viewed on the European Commission's website at: *http://ec.europa.eu/internal_market/accounting/ias/index_en.htm*

The new IFRS standards, interpretations and related amendments, published in the Official Journal of the European Union at the end of the reporting period, that will be applied in 2016 and in the following years:

Revised standards, amendments and interpretations applicable for accounting periods beginning on 1 February 2015		First application UE for accounting periods from:	Impacts
Annual Improvements	IFRSs 2010–2012 Cycle (issued on 12 December 2013)	01.02.2015	Impact
Amendments IAS 19	Defined Benefit Plans: Employee Contributions (issued on 21 November 2013)	01.02.2015	Impact

Revised standards, amendments and interpretations applicable for accounting periods beginning on or after 1 January 2016		First application UE for accounting periods from:	Impacts
Amendments IAS 16 and IAS 41	Bearer Plants (issued on 30 June 2014)	01.01.2016	No Impact
Amendments IFRS 11	Accounting for Acquisitions of Interests in Joint Operations (issued on 6 May 2014)	01.01.2016	No Impact
Amendments IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation (issued on 12 May 2014)	01.01.2016	Impact
Annual Improvements	IFRSs 2012–2014 Cycle (issued on 25 September 2014)	01.01.2016	Impact
Amendments IAS 1	Disclosure Initiative (issued on 18 December 2014)	01.01.2016	Impact
Amendments IAS 27	Equity Method in Separate Financial Statements (issued on 12 August 2014)	01.01.2016	No Impact
Amendments IFRS 10, IFRS 12 and IAS 28	"Investment Entities: Applying the Consolidation Exception" (issued on 18 December 2014)	01.01.2016	No Impact

Revised standards, amendments and interpretations applicable for accounting periods beginning on or after 1 January 2017		First application UE for accounting periods from:	Impacts
IFRS 15	Revenue from Contracts with Customers (issued on 28 May 2014) including amendments to IFRS 15: Effective date of IFRS 15 (issued on 11 September 2015)	01.01.2018	impact being analyzed
IFRS 9	Financial Instruments (issued on 24 July 2014)	01.01.2018	impact being analyzed

New standards, amendments and interpretations published by the IASB but not yet applicable or not early-adopted by the Group:		IASB effective date	Impacts
IFRS 14	"Regulatory Deferral Accounts" (issued on 30 January 2014) *The European Commission has decided not to launch the endorsement process of this interim standard and to wait for the final standard*.	01.01.2016	To be Analysed
IFRS 16	Leases (Issued on 13 January 2016)	01.01.2019	impact being analyzed
Amendments IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses (issued on 19 January 2016)	01.01.2017	To be Analysed
Amendments IAS 7	Disclosure Initiative (issued on 29 January 2016)	01.01.2017	To be Analysed
Clarifications to IFRS 15	Revenue from Contracts with Customers (issued on 12 April 2016)	01.01.2018	impact being analyzed
Amendments to IFRS 2	Classification and Measurement of Share-based Payment Transactions (issued on 20 June 2016)	01.01.2018	No Impact
Amendments to IFRS 4	Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (issued on 12 September 2016)	01.01.2018	To be Analysed
Annual Improvements	IFRS Standards 2014-2016 Cycle (issued on 8 December 2016)	01.01.2018 / 01.01.2017	To be Analysed
IFRIC Interpretation 22	Foreign Currency Transactions and Advance Consideration (issued on 8 December 2016)	01.01.2018	To be Analysed
Amendments IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued on 11 September 2014) "Postponed"	Deferred Indefinitely	
Amendments to IFRS 40	Transfers of Investmenty Property (issued on 8 December 2016)	01.01.2018	To be Analysed

The Group is currently analysing the impact on its consolidated financial statements of the standards published by the IASB at 31 December 2016 but not yet adopted by the EU but it does not expect the impact to be material.

6.3.2 Comparability of financial statements

The accounting policies used to prepare the consolidated financial statements at 31 December 2016 are identical to those used for the consolidated statements at 31 December 2015.

As part of a consolidated reporting optimization process, some items presented in further detail in 2016 and some terminology related to income statement line items was refined. These charges do not impact the financial statements in aggregate.

6.3.3 Basis of measurement

The consolidated financial statements have been prepared using the historical cost principle, except for derivative instruments, which are measured at fair value.

Concerning the business combinations (See Note 6.4.1.1), when the Group acquires control of an entity or group of entities, the identifiable assets acquired and liabilities assumed are recognized and measured at fair value. The difference between the consideration transferred (i.e. the acquisition cost) and the fair value of the identifiable assets acquired, net of the liabilities and contingent liabilities assumed, is recognized as goodwill.

Goodwill is recorded directly in the statement of financial position of the acquired entity, in the entity's functional currency.

Its recoverable amount is subsequently monitored at the level of the cash-generating unit to which the entity belongs.

6.3.4 Functional and presentation currency

The consolidated financial statements are presented in Thousands of Euros, the Company's functional currency, and rounded to the nearest thousand, unless otherwise specified.

The functional currency of most foreign subsidiaries is their local currency, corresponding to the currency in which the majority of their transactions are denominated.

The balance sheets of these subsidiaries are translated at the year-end exchange rate and their income statements are translated on a monthly basis at the average exchange rate for each month. Gains and losses resulting from the translation of financial statements of foreign subsidiaries are recorded in equity under "Translation reserve".

6.3.5 Use of estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, incomes and expenses. Actual amounts may differ from these estimates.

Management bases these estimates and assumptions on past experience and the Group's current business environment and they are reviewed on an ongoing basis. The impacts of changes to estimates are recognised in the period in which the estimates are revised and for all future periods affected.

Estimates and assumptions are particularly important for measuring:

- the recoverable amount of intangible assets and property, plant and equipment, especially goodwill presented in notes 6.12, 6.13 and 6.14;
- obligations under defined benefit plans;
- deferred tax assets and liabilities.

6.4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements and by all Group entities.

6.4.1 Basis of consolidation

The Group's annual consolidated financial statements include those of the parent company and all of its subsidiaries for the period ended 31 December 2016. All of the subsidiaries close their accounts on 31 December, except for CHCB (30 November).

The Group consolidates all entities over which it exercises exclusive control—either directly or indirectly—using the full consolidation method. Entities over which the Group has significant influence are accounted for using the equity method without applying any threshold in terms of its interest and/or voting rights.

All material intragroup balances, transactions, income and expenses are totally eliminated.

All profits and losses generated by subsidiaries are broken out into the portion attributable to owners of the Company and to non-controlling interests, based on their respective interests.

6.4.1.1 Business combinations

In accordance with Revised IFRS 3, business combinations acquired after to 1 January 2010 are accounted for using the purchase method at the acquisition date, which is the date on which control was transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; (+)
- the recognised amount of any non-controlling interests in the acquiree; (+)
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; (-)
- the net recognised amount (in general the fair value) of the identifiable assets acquired and liabilities assumed.

Contingent consideration is measured at its acquisition-date fair value and is subsequently adjusted through goodwill only when additional information is obtained after the acquisition date about facts and circumstances that existed at that date.

Such adjustments are made only during the 12-month measurement period that follows the acquisition date.

All other subsequent adjustments are recorded as a receivable or payable through profit or loss.

In the case of multi-step acquisitions, acquisition of control over the acquiree triggers remeasurement of all previously-held equity interests at fair value and any material changes are recognised in profit or loss from recurring operations.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Contingent consideration is recognised in equity if the contingent payment is settled by delivery of a fixed number of the acquirer's equity instruments; in all other cases, it is recognised in liabilities related to business combinations. Contingent consideration is recognised at fair value at the acquisition date irrespective of the probability of payment. If the contingent consideration was originally recognised as a liability, any subsequent adjustments are recognised in profit or loss unless such adjustments are made within 12 months of the acquisition date and are related to facts and circumstances existing at the acquisition date. Purchased goodwill is accounted for as a business combination.

6.4.1.2 Acquisitions of non-controlling interests

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners. Therefore, no goodwill is recognised. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are determined based on the proportionate interest in the net assets of the subsidiary.

Operations that do not lead to a loss of control are treated as transactions between shareholders, giving rise to a new split between equity attributable to owners of the Company and to non-controlling interests. The same allocation basis is applied to any transaction costs.

6.4.1.3 Subsidiaries

Subsidiaries are entities controlled by the Group. An investor controls an investee when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

French law sets regulatory constraints on the corporate structure and nature of ownership of the share capital of clinical laboratories. Indeed, French subsidiaries are subject to strict regulations limiting the ownership of clinical laboratories and the corporate form such laboratories can take. French law requires that a majority of the voting rights of a laboratory company be held by clinical pathologists working in the relevant laboratory. In addition, persons that are not clinical pathologists or entities that are not laboratory companies may not own shares granting more than 25% of the share capital in a laboratory company.

French law also dictates that clinical laboratories must take the corporate form of an SEL.

We have organized our corporate structure to remain in compliance with such regulations and hold the majority of the related financial interests (see Note 6.5). Moreover, specific clauses, especially concerning the governance structure, are included in the articles of association and shareholders agreements.

Although the Group does not hold the majority of voting rights in the private practice companies, the above-mentioned mechanisms allow it to obtain the majority of the economic benefits derived from the activities of these companies and also to demonstrate the existence of *de facto* control in full compliance with French legislation, therefore enabling the French entities to be fully consolidated. As new French laboratories are acquired, similar shareholding structure and shareholder agreement with clinical pathologists are put in place with the clinical pathologists at the newly acquired laboratory.

Subsidiaries are fully consolidated from the date that control commences until the date that control ceases (see Note 6.4.1.4). Divestment resulting in loss of control. Regulatory restrictions on the ownership of our subsidiaries in Belgium and Luxembourg are much less stringent than those imposed by French law.

6.4.1.4 Disvestment resulting in loss of control

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any profit or loss arising on the loss of control is recognised in "Profit or loss from recurring operations".

If the Group retains any interest in its former subsidiary, said interest is measured at fair value at the date that control is relinquished. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset, depending on the level of influence retained.

6.4.1.5 Transactions eliminated in consolidation

Intra-group balances and transactions and any income and expenses arising from intra-group transactions are eliminated in the consolidated financial statements.

6.4.1.6 Foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currencies of the respective Group entities at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the closing exchange rate.

Foreign currency translation differences are recognised in profit or loss.

6.4.1.7 Foreign operations

The assets and liabilities of foreign operations—including goodwill and fair value adjustments arising on acquisition—whose functional currency is not the euro, are translated into euros at the closing exchange rate, and their statements of comprehensive income are translated into euros using average exchange rates for the period.

The foreign currency translation differences arising from the use of different exchange rates are recognised in "Other comprehensive income". They are carried in the foreign currency translation reserve in consolidated equity until the related investments are sold or wound up.

6.4.2 Financial instruments

6.4.2.1 Definitions

The Group's financial assets and liabilities are presented in accordance with IAS 39.

They are broken out into their current and non-current portion, depending on whether they mature in under or over one year.

In accordance with IAS 39, the obligating event is recognition in the balance sheet at the transaction date: if there is a time-lag between the transaction date (i.e., the obligation) and the settlement date, securities deliverable or receivable are recognised from the transaction date.

6.5 Scope of consolidation

	31 December 2016			31 December 2015				
Integrated companies	**Consolidation method**	**% control**	**% interests**	**Consolidation method**	**% control**	**% interests**	**Address**	**Country**
Cerba Health Care	**Parent company**	**100.00**	**100.00**	**Parent company**	**100.00**	**100.00**	**Saint-Ouen-l'Aumône**	**FRANCE**
Barc Australia	FC	100.00	100.00	FC	100.00	100.00	Kogarah	AUSTRALIA
BARC-CHINA	FC	100.00	100.00	FC	100.00	100.00	Shangai	CHINA
BARC Finance	FC	100.00	100.00	FC	100.00	100.00	Zwijnarde	BELGIUM
Barc NV	FC	100.00	100.00	FC	100.00	100.00	Zwijnarde	BELGIUM
Barc RSA	FC	50.10	50.10	FC	50.10	50.10	Richmond area, Johannesburg	SOUTH AFRICA
Barc USA	FC	100.00	100.00	FC	100.00	100.00	Lake Success, New York	UNITED STATES
Cerballiance Pyrénées	FC	48.99	99.09	FC	48.99	99.09	Tarbes	FRANCE
Cerballiance Hauts de France	FC	45.61	83.00	FC	45.62	83.03	Lille	FRANCE
Cerballiance Provence	FC	50.00	99.85	FC	49.99	99.85	Marseille	FRANCE
Biotop SCM	FC	100.00	99.85	FC	100.00	99.85	Marseille	FRANCE
CEFID	FC	100.00	100.00	FC	100.00	100.00	Saint-Ouen-l'Aumône	FRANCE
Cerballiance Paris ex CBCV	FC	49.00	97.29	FC	49.00	97.23	Paris	FRANCE
Cerba Specimen Services	FC	100.00	100.00	FC	100.00	100.00	Saint-Ouen-l'Aumône	FRANCE
CerbaHealthCare Belgium (ex-CRI)	FC	100.00	100.00	FC	100.00	100.00	Zwijnarde	BELGIUM
CERBA	FC	25.00	99.85	FC	25.00	99.85	Saint-Ouen-l'Aumône	FRANCE
LLAM SA	FC	100.00	100.00	FC	100.00	100.00	Esch-sur-Alzette	LUXEMBOURG
Cerballiance Cotes d'Armor (ex-Biobaie)	FC	49.00	77.38	FC	49.00	77.38	Plérin	FRANCE
Cerballiance Réunion	FC	46.03	84.84	FC	45.04	80.56	Le Port, La Réunion	FRANCE
Cerballiance Picardie - ex BIOPOLE	FC	49.00	69.27	FC	49.00	69.87	Amiens	FRANCE
CENTRE DE BIOLOGIE MEDICALE	FC	49.88	99.60	FC	49.89	99.60	Le Havre	FRANCE
Cerballiance Côte d'Azur	FC	49.00	99.85	FC	45.30	99.85	Marseille	FRANCE
GIE JS BIO	FC	100.00	100.00	FC	100.00	100.00	Marseille	FRANCE
FINANCIERE DE L'EQUERRE	FC	100.00	99.85	FC	100.00	99.85	Saint-Ouen-l'Aumône	FRANCE
GROUPE CEL GESTION GEIE	FC	100.00	100.00	FC	100.00	100.00	Saint-Ouen-l'Aumône	FRANCE
Amiel	FC	100.00	99.85	FC	100.00	99.85	Figueres	SPAIN
Cerballiance Paris ex BIO-15		0.00	0.00	FC	49.80	97.23	Paris	FRANCE
Cerballiance Bourgogne	FC	49.93	99.79	FC	49.93	99.79	Sennecey le Grand	FRANCE
Clairval		0.00	0.00	FC	49.97	99.75	Marseille	FRANCE
Coutanson		0.00	0.00	FC	49.93	99.63	Istres	FRANCE
Cerballiance Paris Nord	FC	49.92	99.85	FC	49.92	99.85	Aulnay Sous Bois	FRANCE
GIE Novescia	FC	100.00	100.00	FC	100.00	100.00	Boulogne Billancourt	FRANCE
Cerballiance Haute Vallée	FC	49.99	99.84	FC	49.99	99.84	Quillan	FRANCE
JMP Invest	FC	100.00	99.85	FC	100.00	99.85	Lyon	FRANCE
Labs Toscana	FC	100.00	99.85	FC	100.00	99.85	Milan	ITALY
Cerballiance Loire	FC	49.99	98.91	FC	49.99	98.87	Saint-Etienne	FRANCE
Cerballiance Midi Pyrénées	FC	49.98	99.85	FC	49.98	99.85	Toulouse	FRANCE
Cerballiance Artois	FC	49.72	99.38	FC	49.72	99.38	Arras	FRANCE
Cerballiance Normandie	FC	49.97	99.65	FC	49.97	99.65	Caen	FRANCE
Cerballiance Paris Ouest	FC	49.98	99.77	FC	49.98	99.77	Vaureal	FRANCE
Cerballiance Paris Sud	FC	50.00	99.80	FC	49.98	99.81	Wissous	FRANCE
Cerballiance Rhône Alpes	FC	49.80	98.93	FC	49.80	98.88	Lyon	FRANCE
Novescia-RDP	FC	49.93	99.71	FC	49.93	99.71	Marseille	FRANCE
Novescia La Réunion		0.00	0.00	FC	49.99	99.84	Saint-Clotilde	FRANCE
Cerballiance Finistère (ex-LBM GLASGOW)	FC	49.00	99.84	FC	49.00	99.84	Brest	FRANCE
SOFILAB 29	FC	100.00	99.85	FC	100.00	99.85	Brest	FRANCE
Cerballiance Picardie Ex-Neobio		0.00	0.00	FC	45.30	63.71	Amiens	FRANCE
Cerballiance Charentes	FC	49.80	99.84	FC	49.80	99.84	Saintes	FRANCE
CERBAVET	FC	49.97	99.99	FC	99.97	99.97	Wissous	FRANCE
Middle East And Northern Africa Holding Company	FC	51.18	51.18		0.00	0.00	Saint L'Ouen L'Aumône	FRANCE

Integrated companies	31 December 2016 Consolidation method	% control	% interests	31 December 2015 Consolidation method	% control	% interests	Address	Country
MenaLabs Medical Laboratory Abu Dhabi	FC	49.00	39.84		0.00	0.00	Abu Dhabi	UNITED ARAB EMIRATES
MenaLabs Medical Laboratory Dubai	FC	49.00	49.80		0.00	0.00	Dubaï	UNITED ARAB EMIRATES
MenaLabs Management FZ LLC	FC	97.32	49.80		0.00	0.00	Dubaï	UNITED ARAB EMIRATES
MenaLabs Medical Laboratory Sharjah	FC	49.00	49.80		0.00	0.00	Sharjah	UNITED ARAB EMIRATES
MenaLabs Vet Laboratory LLC	FC	49.00	49.80		0.00	0.00	Sharjah	UNITED ARAB EMIRATES
ANTAGENE	FC	82.00	82.00		0.00	0.00	La Tour de Salvigny	FRANCE
DIAGNOSTIKA	FC	100.00	51.18		0.00	0.00	Dubaï	UNITED ARAB EMIRATES
BIO TECH MEDICAL LAB AJMAN	FC	100.00	51.18		0.00	0.00	Ajman	UNITED ARAB EMIRATES
BIO TECH MEDICAL LAB SHARJAH	FC	100.00	51.18		0.00	0.00	Sharjah	UNITED ARAB EMIRATES
CPS Emirats Arab Unis	FC	100.00	51.18		0.00	0.00	Dubaï	UNITED ARAB EMIRATES

FC : Full consolidation

Transfer of assets	31 December 2016 Consolidation method	% control	% interests	31 December 2015 Consolidation method	% control	% interests	Comments
Clairval				FC	49.97	99.75	Merged in Cerballiance Provence in 2016
Coutanson				FC	49.93	99.63	Merged in Cerballiance Provence in 2016
Novescia La Réunion				FC	49.99	99.84	Merged in Cerballiance Réunion in 2016
Cerballiance Picardie Ex-Neobio				FC	45.30	63.71	Merged in Cerballiance Picardie in 2016
Cerballiance Paris ex BIO-15				FC	49.80	97.23	Merged in Cerballiance Paris in 2016
Laboratoire d'analyses de biologie medicale BROT					0.00	0.00	Acquired and merged in Cerballiance Paris Sud in 2016

New consolidated entities	31 December 2016 Consolidation method	% control	% interests	31 December 2015 Consolidation method	% control	% interests	Comments
ANTAGENE	FC	82.00	82.00		0.00	0.00	Acquired the 28th July 2016
Middle East And Northern Africa Holding Company	FC	51.18	51.18		0.00	0.00	Acquired the 12th August 2016
MenaLabs Medical Laboratory Abu Dhabi	FC	49.00	39.84		0.00	0.00	Acquired the 12th August 2016
MenaLabs Medical Laboratory Dubai	FC	49.00	49.80		0.00	0.00	Acquired the 12th August 2016
MenaLabs Management FZ LLC	FC	97.32	49.80		0.00	0.00	Acquired the 12th August 2016
MenaLabs Medical Laboratory Sharjah	FC	49.00	49.80		0.00	0.00	Acquired the 12th August 2016
MenaLabs Vet Laboratory LLC	FC	49.00	49.80		0.00	0.00	Acquired the 12th August 2016
Laboratoire d'analyses de biologie medicale BROT					0.00	0.00	Acquired the 5th September 2016
DIAGNOSTIKA	FC	100.00	51.18		0.00	0.00	Acquired the 27th September 2016
BIO TECH MEDICAL LAB AJMAN	FC	100.00	51.18		0.00	0.00	Acquired the 30th October 2016
BIO TECH MEDICAL LAB SHARJAH	FC	100.00	51.18		0.00	0.00	Acquired the 30th October 2016
CPS Emirats Arab Unis	FC	100.00	51.18		0.00	0.00	Acquired the 14th December 2016

(in thousand of euros)	31 December 2016					
No consolidated entities	Entities holding securities	Of the capital held (%)	Equity	Profit	Address	Comments
GESLAB	Cerballiance Charentes	3.32%	2480	2263	Meylan	
SCM LAB OI	Cerballiance Réunion	47.25%	N/A	N/A	Saint Denis (La Réunion)	In dissolution
LBI COOP SA COOP	Cerballiance Paris Sud	0.70%	3106	282	Metz	
SCI VILLON	Cerballiance Rhône Alpes	33.00%	14	−45	Lyon	
SCI CLEMENCEAU	Cerballiance Loire	24.00%	123	16	Yssingeaux	
GROUPE C2S	Cerballiance Loire	5%	12650	−2084	Saint Priest en Jarez	
BARC-SINGAPORE	BARC-NV	100%	49	−124	Singapore	

FC : Full consolidation

UTH : Universal transmission heritage

6.6 Segment information

The Group's operating segments used in reported financial information have been identified on the basis of the internal reports used by management to allocate resources to the segments and assess their performance. For confidentiality reasons, the operating income (loss) by reporting segments is not provided.

The Group has four main reporting segments:

- Specialised clinical pathology
- Private clinical laboratory testing (France and Belux)
- Clinical trials
- International

(In thousands of euro)	31 December 2016	31 December 2015
Specialised clinical pathology	**158,635**	**138,251**
France clinical laboratory testing	**381,070**	**317,969**
Belux clinical laboratory testing	**68,590**	**67,278**
Clinical Trials	**25,032**	**32,487**
International	**735**	
Net sales	**634,062**	**555,985**

Notes to the consolidated income statement

6.7 Net sales

Revenue from services rendered in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and any contractual volume discounts for hospitals after the elimination of intra-group sales.

Specialised clinical pathology and private clinical testing operations are carried out in clinical laboratories. Revenue related to analyses/tests carried out is recognised when the report is validated by the clinical pathologist (on the date results are given to the client).

Clinical trials are governed by contractual agreements providing for specific invoicing arrangements at each stage. Revenue is recognised using the percentage-of-completion method. Percentage of completion is measured on the basis of work performed.

Sales of services correspond to testing for patients, laboratories, hospitals and pharmaceutical companies in three market segments (Cf Note 6.6).

Sales of goods include the sale of sampling kits for clinical trials.

(In thousands of euro)	31 December 2016	31 December 2015
Sales of services	634,062	555,985
Net sales	**634,062**	**555,985**

6.8 Personnel expenses

(In thousands of euro)	31 December 2016	31 December 2015
Wages and salaries including social charges	(227,067)	(204,621)
Post-employment benefits and other long-term benefits	(8,261)	(6,610)
Employee profit sharing	(4,978)	(2,729)
Provisions for labor and social disputes	(477)	(471)
Personnel expenses	**(240,783)**	**(214,432)**

Employee headcount in fully-consolidated entities was 4,475 at 31 December 2016 including 325 Self-employed, compared to 4,285 at 31 December 2015 (Full Time Equivalent).

The average Employee headcount was 4 344 including 322 Self-employed in 2016.

Headcount in newly-acquired or newly-consolidated entities, net of entities derecognised during the year was 139 (Full Time Equivalent).

The Competitiveness and Employment Tax Credit (CICE) established in 2013 has been deducted from personnel expenses in the amount of €8 million (€6 million in 2015).

6.9 Other income and expenses

Other income and other expenses include both recurring and non-recurring income and expenses. Non-recurring items comprise extraordinary income and expenses, which due to their nature, amount or frequency generally correspond to major one-off or unusual events.

(In thousands of euro)	31 December 2016	31 December 2015
Product from sales of assets	2,555	1,455
Other incomes	3,379	3,094
Self production	—	108
Operating subsidy	228	258
Total other incomes	***6,163***	***4,915***
Gains and losses on receivables	(1,685)	*(2,501)*
Net book value	(3,223)	*(1,148)*
Other expenses	(3,761)	*(2,412)*
Total other expenses	***(8,669)***	***(6,061)***
Total	**(2,507)**	**(1,146)**

On December 2016 31th, the other incomes and expenses includes mainly:

- Gains on lease-back of € 1 million,
- Estate rent reinvoicing of € 0,5 million,
- Other reimbursements of € 0,4 million,
- Other non recurrent incomes of € 0.7 million
- Other fee rebates of € 0.7 million
- Clinical fees of € −2,2 million,
- License fees of € −1.4 million.

6.10 Net financial income (expense)

Net finance costs comprise:

- Interest expense relating to financial debt;
- Gains and losses on interest rate derivatives (rate swaps) used to hedge interest rate risk on the Group's debt;

- Income from cash and cash equivalents, which comprises interest paid on cash investments and cash equivalents.

Other financial income and expense mainly comprise foreign exchange gains and losses and changes in the fair value of derivatives that do not qualify for hedge accounting.

Net financial income (expense) is directly attributable to the financing arrangements in respect of acquisitions.

(In thousands of euro)	**31 December 2016**	**31 December 2015**
Change in fair value (profit)	*207*	*668*
Net return on cash equivalents	*49*	*102*
Others	*—*	*49*
Financial income	256	819
Losses on cash equivalents	*(6)*	*(7)*
Other financial charges on cash equivalents	*—*	*(6)*
Interest on bonds	*(77,464)*	*(52,368)*
Interests on bank loans	*(1,974)*	*(1,805)*
Interests on finance lease	*(3,133)*	*(2,156)*
Interests on derivatives	*(247)*	*(643)*
Other interests	*(1,548)*	*(838)*
Finance cost	(84,372)	(57,823)
Net cost of debt	**(84,116)**	**(57,004)**
Other financial incomes	590	525
Other financial expenses	(1,122)	(2,044)
Net financial income (loss)	**(84,649)**	**(58,524)**

It comprises rolled-up interest on convertible bonds and the high-yield bonds issued on 31st January 2013, on 28th February 2015 and the last bonds High Yield 4 on 27th September 2016. The interest linked to the additional draw for High-Yield bond is described in the note 6.2.

As part of the refinancing of the HY bonds debt that anticipate to proceed by April 2017, the interest on bonds in 2016 includes the adjustment of:

- change in depreciation of expenses to the effective interest rate (T.I.E) of €15.7 million,
- reestimation on overvaluation and subscriptions €6,5 million and,
- the Early redemption indemnities of €13 million related to Anticipated repayment of debt relating to the application of IAS 39.

6.11 Income tax

6.11.1 Breakdown between current and deferred tax

Income tax comprises current tax and deferred tax recognised in accordance with IAS 12. Current tax and deferred tax are recognised in profit and loss unless they relate to a business combination, or to items that are recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on taxable profit or tax loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amounts and tax basis of assets and liabilities. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit;
- temporary differences related to investments in subsidiaries and joint ventures insofar as it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.
- Deferred tax assets and liabilities are measured using the tax rates (and laws) that have been enacted or substantially enacted by the year-end and are expected to apply when the asset is realised or the liability is settled.

In determining the amount of current and deferred tax, the Company takes into account the impact of any uncertain tax positions and any additional taxes and interest that may be due.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities and they relate to taxes levied by the same authority, either on the same taxable entity or on different tax entities that intend to settle current tax liabilities and assets on a net basis, and realise their tax assets and settle their tax liabilities simultaneously.

A deferred tax asset is only recognised for unused tax credits, tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and reduced if it is no longer probable that taxable profit will be available against which they can be used.

(In thousands of euro)	31 December 2016	31 December 2015
Current tax expense	(28,935)	(17,410)
Deferred tax expense	12,964	8,528
Income tax	**(15,971)**	**(8,881)**

The current tax expense is equal to the amount of income taxes due to tax authorities for the year, according to the tax regulations and legal tax rates in the different countries.

The base rate of theorical income tax in France is 34.43%, including the additional contributions.

(In thousands of euro)	31 December 2016	31 December 2015
Tax rate	**34.43%**	**34.43%**
Consolidated net income (loss)—attributable to owners of the Company	(8,686)	(973)
Consolidated net income (loss)—attributable to non-controlling interests	1,465	2,417
Consolidated profit (loss), after tax	**(7,221)**	**1,444**
Current tax	(28,935)	(17,410)
Deferred tax	12,964	8,528
Income tax	(15,971)	(8,881)
Consolidated profit (loss) before tax	**8,750**	**10,326**
Theoretical current tax expense (applying rate of the consolidating company)	(3,012)	(3,555)
Tax rate differences	(961)	85
Imputation net losses generated over the period	(3,590)	(4,471)
Other permanent differences between accounting income and taxable income	1,338	1,191
Non deductible interests & financial expenses	(6,828)	(5,734)
Taxable portion of dividends received and withholding at source	(409)	(174)
Other deferred taxes without a related basis	131	734
Impact effective tax rate	5,752	
Tax losses activation/recovery	(4,439)	6,258
Tax credits	(78)	(103)
French value added business tax (CVAE)	(3,204)	(2,454)
Other items	(670)	(657)
Effective tax expense	**(15,971)**	**(8,881)**

FINANCIAL POSITION-ASSETS

6.12 Goodwill

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Goodwill and indefinite-lived intangible assets are tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. For the purposes of goodwill impairment testing, the CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. CGUs are aggregated within operating segments. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Goodwill impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are first allocated against the carrying amount of any goodwill allocated to the CGU (or group of CGUs), and then against the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill cannot be reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies arising from the business combination.

The CGUs or group of CGUs identified by the Group are as follows:

- Specialised clinical pathology CGU: this activity involves complex clinical testing and/or testing requiring specific equipment that clients (hospitals, clinics, private or community laboratories) do not have.
- France private clinical laboratory testing CGU and Belux private clinical laboratory testing CGU.
- Clinical trials CGU: conducting clinical trials (logistics, analyses, results) for pharmaceutical companies and biotechnology firms during the drug development phase.

Business goodwill acquired during the period is recognised as part of goodwill.

The Group's acquisitions for the period related to private clinical laboratories in France and in the U.A.E and they can be summarised as follows:

(In millions of euro)	Goodwill recognised on the new acquisitions
Net assets acquired	**7.8**
Cancellation of commercial goodwill	(0.2)
Cancellation of intercompany shares	(8.2)
Net assets acquired (liabilities assumed) restated at fair value (100%)	**(0.6)**
Share of the Fair value of net assets acquired	**2.4**
Acquisition price	**14.5**
Goodwill adjustments following opening corrections	**0.8**
Goodwill	**12.9**

(In millions of euro)	31 December 2016
Acquisition price	14.5
Purchase price paid before integration in scope	(0.4)
Cash and cash equivalents acquired	(3.6)
Debt on acquisitions	(0.8)
Net cash outflow on acquisitions	**9.6**
Debt payment on acquisitions in prior years	7.1
Acquisitions of businesses	0.2
Acquisitions of additional shares	0.1
Receivables from sales of previous years	(0.3)
Disposals of businesses	(0.5)
Impact of changes in consolidation	**16.3**

(In thousands of euro) acquisition date	31 December 2016	ANTAGENE 28/07/2016	Groupe MENALABS 12/08/2016	BROT 05/09/2016	DIAGNOSTIKA 27/09/2016	BIOTECH-AJMAN 30/10/2016	BIOTECH-SHARJAH 30/10/2016	CPS 14/12/2016	31 December 2016 Pro forma 12 months
Net sales	634,062	962	2,518	895	875	229	742	620	640,903
Profit (Loss)	(7,221)	(3)	1,649	123	(30)	108	76	(580)	(5,878)

Changes in the gross value and carrying amount of goodwill can be broken down as follows:

(In thousands of euro)	31 December 2016
Gross value at 1 January	1,040,350
Acquisitions of entities or share	12,048
Adjustments for acquisitions 2015	841
Acquisitions of businesses	165
Gross value at 31 December	**1,053,404**
Impairment at 1 January	(71,100)
Impairment at 31 December	**(71,100)**
Net value at 1 January	969,250
Net value at 31 December	**982,304**

The €12 million increase in the gross value of goodwill relates to goodwill on acquisitions of securities and companies during the period (see Note 6.2) and the Business Goodwill (Commercial Property) acquired during the year amounts to €0.2 million.

The tests are performed at the level of cash generating unit (CGU) to which the assets belong. CGUs are defined as the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If a CGU's recoverable amount is less than its carrying amount, an impairment loss is recognised in profit or loss and, to the extent possible, as an adjustment to the carrying amount of any goodwill allocated to the CGU.

The Goodwill broken down by CGU is as follows:

(In millions of euro)	Carrying amount at 31 December 2015	Acquisitions or securities	Acquisitions of businesses	Goodwill adjustements	Net book value at 31 December 2016
Specialised clinical pathology CGU ...	123.8	4.6			128.4
France clinical laboratory testing CGU	592.2	1.1	0.2	0.8	594.2
Belux clinical laboratory testing CGU	200.9				200.9
Clinical trial CGU	52.3			—	52.3
International CGU ...		6.5			6.5
Total	**969.2**	**12.1**	**0.2**	**0.8**	**982.3**

In accordance with IAS 36, and considering the goodwill was tested for impairment at 31 December 2016, the Group didn't identify any impairment on the different CGU. The impairment tests were based on the value in use of each CGU calculated using the discounted cash flow method as described before.

The main assumptions used to calculate the recoverable amount of the CGUs as of 31 December 2016 were the following:

2016.12

Cash generating units	Cash flow projection period	Discount rate	Long-term growth rate
Specialised clinical pathology CGU	6 years	7.10%	3.00%
France clinical laboratory testing CGU	6 years	7.10%	2.00%
Belux clinical laboratory testing CGU	6 years	7.90%	2.80%
Clinical trial CGU	6 years	9.40%	2.00%

2015.12

Cash generating units	Cash flow projection period	Discount rate	Long-term growth rate
Specialised clinical pathology CGU	6 years	7.10%	2.00%
France clinical laboratory testing CGU	6 years	7.30%	2.00%
Belux clinical laboratory testing CGU	6 years	7.30%	2.20%
Clinical trial CGU	6 years	10.20%	3.50%

Cash flows were discounted based on the weighted average cost of capital (WACC), calculated on the basis of the expected return and market risk for each CGU.

Impairment testing was carried out using the same procedures as in previous periods: key modelling assumptions such as market multiples and the discount rate reflected stock market and macro-economic trends. The resulting multiples are close to those of companies engaged in businesses that are similar to those of the Cerba Group.

The terminal value is calculated by discounting cash flows to long term, based on normalised cash flows and a perpetuity growth rate, taking into account of market development potential and competitive position. The discounted cash flows are compared to the sum of the goodwill and the operating assets allocated to the CGU (intangible assets, items of property, plant and equipment and components of working capital, net of deferred tax liabilities).

Testing and the cash flow calculation were based on the most recent medium-term plan (MTP), covering the years 2017-2022 validated by management based on markets conditions at December 2016.

The growth rates used to estimate the cash flows of the CGUs or Groups of CGUs are considerably less than the Group's average historical growth rates.

As a reminder, at 31 December 2014, an impairment loss of €22.6 million was recognised on the specialised clinical pathology CGU following impairment testing after having lowered the performance objectives of the business plan on this activity in addition to the impairment recorded at 30 June 2012 of €48.5 million on the CGU "Specialised Clinical pathology". On the others CGU's, no evidence of impairment has been identified.

The weighted average cost of capital and market multiples are adjusted based on business data and the geographical location of the CGUs tested.

At 31 December 2016, the recoverable amounts of the CGUs or Groups of CGUs were higher than their carrying amounts (cf Supra).

Sensitivity analyses have been performed on all of the CGUs and the results of testing the value in use (of the groups of assets to which most goodwill is allocated) against changes in the various assumptions used at 31 December 2016 are shown in the following table:

(In millions of euro)	Test margin	Discount rate for cash flows 0.5%	Growth rate to infinity −0.5%	Combination of two factors	Existing accrual
Specialised clinical pathology CGU	546.7	(77.7)	(64.5)	(133.1)	(48.5)
France clinical laboratory testing CGU	515.6	(64.6)	(44.2)	(133.3)	
Belux clinical laboratory testing CGU	54.2	(23.5)	(18.6)	(40.4)	
Clinical trial CGU	−4.2	(5.6)	(4.4)	(8.7)	(22.6)
Total	**1,112.3**	**(171.4)**	**(131.7)**	**(315.5)**	**(71.1)**

A decline in value in use following the application of the sensitivities indicated below either separately or based on a combination of the two factors does not actually undermine the carrying amount of goodwill.

Only the clinical trials CGU would be exposed to a slight risk of impairment in the unlikely event of a simultaneous change in the two factors indicated.

6.13 Other Intangible assets

1. Research and development

Expenditure on research activities to gain new scientific and technical knowledge and understanding is recognised in profit or loss as incurred.

Development expenditure is expensed if the criteria for recognition as an intangible asset as defined by IAS 38, are not met.

Under IAS 38—Intangible Assets, development expenditure must be recognised as an intangible asset if the entity is able to demonstrate:

- its intention and its financial and technical ability to complete the development project;

- that it is probable that the future economic benefits attributable to the development expenditure will flow to the entity; and
- that the cost of the asset can be measured reliably.

Gross capitalised development expenditure also includes borrowing costs.

2. Intangible assets

The intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

They include customer contractual relationships and order books acquired in business combinations.

Development costs for internal use computer software for the part relating to internal or external costs directly allocated to the creation or improvement of performance are capitalized in the balance sheet when it is probable that these expenditures will be generated. All the economic benefits of these costs are linearly amortized over the estimated useful life of the software, which ranges from 1 to 3 years. Other acquisition costs and software development are expensed as incurred.

3. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

4. Amortisation

Except for goodwill, intangible assets are amortised on a straight-line basis over their estimated useful lives from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

• Patents and trademarks	10 years
• Software	1 - 3 years
• Contractual customer relationships (specialised clinical pathology CGU)	19 years
• Order books (clinical trials CGU)	4 years
• Clinical contracts	28 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted where appropriate.

Intangible assets include contractual customer relationships and order books identified when the Group was acquired by Cerba HealthCare.

Since 2015, the intangible assets include valuation of clinical contracts.

Changes in gross values, accumulated amortisation and impairment of intangible assets break down as follows:

Gross value (In thousands of euro)	31 December 2015	Change in scope (in)	Acquisitions	Disposals	Reclassification	Foreign currency translation differences	31 December 2016
Development costs	—	1,162	—	—	—	—	1,162
Concessions, patents and similar rights	5,882	249	2,735	(257)	246	—	8,855
Software	25,494	233	3,947	(995)	3,200	9	31,887
Leasehold	1,777	—	70	(10)	—	—	1,837
Goodwill	1	—	165	—	(165)	—	1
Customer relationships	180,308	—	1,739	—	1,303	—	183,350
Other intangible fixed assets	3,257	23	57	(64)	(64)	1	3,210
Order book	5,958	—	—	—	—	—	5,958
Intangible assets in progress	1,798	—	2,728	(25)	(2,769)		1,732
Amount paid on intangible assets	506	—	9	—	(505)	—	10
Intangible assets—Gross value	**224,981**	**1,667**	**11,450**	**(1,351)**	**1,246**	**10**	**238,002**

Depreciations and amortisations (In thousands euro)	31 December 2015	Change in scope (in)	Additions	Reversals	Reclassification	Foreign currency translation differences	31 December 2016
Development costs	—	(1,162)	—	—	—	—	(1,162)
Concessions, patents and similar rights	(4,992)	(211)	(1,033)	256	(16)	—	(5,995)
Software	(15,799)	(22)	(3,563)	463	42	(3)	(18,883)
Leasehold	(110)	—	—	—	—	—	(110)
Good will	—	—	(28)	—	—	—	(28)
Customer relationships	(38,221)	—	(8,589)	—	(47)	—	(46,857)
Other intangible fixed assets	(438)	(12)	(19)	60	1	(0)	(409)
Order book	(5,959)	—	—	—	—	—	(5,959)
Intangible assets in progress	(64)	—	(71)	—	—	—	(135)
Intangible assets—Accumulated amortisation and imperment	**(65,583)**	**(1,407)**	**(13,303)**	**779**	**(20)**	**(4)**	**(79,537)**
Intangible assets—Net value	159,397	260	(1,853)	(572)	1,226	6	158,465

6.14 Property, plant and equipment

6.14.1 Tangible assets

1. Recognition and measurement

In accordance with IAS 16, the gross carrying amount of an item of property, plant and equipment corresponds to its acquisition or production cost and it is not revalued.

Capital expenditure grants are recognised as a deduction from the gross carrying amount of the asset for which they were granted.

Repair and maintenance costs are expensed as incurred

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When components of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

2. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Repairs and maintenance are expensed as incurred.

3. Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date that they are installed and ready for use or, in the case of self-constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives of significant items of property, plant and equipment are as follows:

- Buildings . . . . . 20 years
- Plant and equipment . . . . . 5 - 10 years
- Fixtures and fittings . . . . . 5 - 10 years
- Equipment and tooling . . . . . 5 years
- Transport equipment . . . . . 4 - 5 years
- Office and IT equipment . . . . . 3 - 5 years
- Furniture . . . . . 5 - 10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted where appropriate.

Changes in the gross value and accumulated depreciation of property, plant and equipment break down as follows:

Gross value (In thousands of euro)	31 December 2015	Change in scope (in)	Acquisitions	Disposals	Reclassifications	Foreign currency translation differences	31 December 2016
Land	835	—	—	—	—	22	857
Arrangements on land	163	—	—	—	—	—	163
Buildings	43,896	641	608	—	753	215	46,113
Leased Buildings	5,708	—	—	—	—	—	5,708
Technical plant, equipment and machinery	110,490	2,744	16,934	(13,677)	2,814	217	119,522
Leased technical plant, equipment and machinery	2,931	—	565	(184)	(320)	—	2,992
Other property, plant and equipment	60,557	1,209	7,283	(4,658)	1,703	21	66,116
Office equipment	7,428	148	377	(153)	104	46	7,950
Transport equipment	1,870	39	133	(472)	297	21	1,887
Leased transport equipment	1,230	—	288	(60)	(297)	—	1,161
Hardware	16,664	121	1,236	(645)	272	35	17,684
Biological assets	1,477	—	—	—	(1,477)	—	—
Work in progress	690	216	2,323	(65)	(1,714)	23	1,474
Amount paid on property, plant and equipment	145	—	205	(1)	(144)	1	206
Property, Plant and equipment—gross	**254,083**	**5,118**	**29,953**	**(19,915)**	**1,991**	**602**	**271,832**

Accumulated depreciations (In thousands of euro)	31 December 2015	Change in scope (in)	Additions	Reversals	Reclassifications	Foreign currency translation differences	31 December 2016
Arrangements on land	(138)	—	(5)	—	—	—	(143)
Buildings	(20,295)	(434)	(3,093)	57	—	(50)	(23,814)
Leased Buildings	(3,739)	—	(273)	—	—	—	(4,012)
Technical plant, equipment and machinery	(79,511)	(1,497)	(13,097)	12,241	(1,158)	(152)	(83,174)
Leased technical plant, equipment and machinery	(2,120)	—	(515)	184	231	—	(2,220)
Other property, plant and equipment	(40,250)	(264)	(5,692)	4,169	355	(4)	(41,686)
Office equipment	(5,706)	(83)	(479)	114	(260)	(42)	(6,455)
Transport equipment	(1,547)	(34)	(184)	441	(235)	(10)	(1,569)
Leased transport equipment	(543)	—	(252)	37	235	—	(523)
Hardware	(14,048)	(90)	(1,220)	565	(720)	(29)	(15,541)
Biological assets	(1,066)	—	—	—	1,066	—	—
Land	(21)	—	—	—	—	—	(21)
Property, plant and equipment—accumulated depreciation	**(168,983)**	**(2,402)**	**(24,809)**	**17,808**	**(486)**	**(288)**	**(179,160)**
Property, plant and equipment—net	**85,100**	**2,716**	**5,143**	**(2,107)**	**1,505**	**314**	**92,672**

6.14.2 Leases assets

Assets under finance leases or arrangements that are in substance finance leases as defined by IAS 17—Leases and IFRIC 4, respectively, are recognised as an asset in the balance sheet.

Leases under whose substance or form the Group assumes substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

After the initial accounting, the asset is subsequently accounted for in accordance with the accounting policy applicable to this type of asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Other leases are operating leases and are not recognised as non-current assets.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, and as a reduction in rental expense over the term of the lease.

The Group has entered into a number of leases financing on the equipment, technical equipment and the headquarters. Some of these contracts such as the provision of equipments correspond in substance to the definition of financing agreements.

At 31 December 2016, the breakdown of fixed assets held under leases was as follows:

Gross value (In thousands of euro)	31 December 2016
Leased land	643
Leased Buildings	18,539
Leased technical plant, equipment and machinery	64,112
Leased transport equipment	1,161
Other property, plant and equipment	10,485
Lease property, plant and equipment—gross	**94,940**

Tangible fixed assets—Leasing depreciation (In thousands of euro)	31 December 2016
Leased land	(21)
Leased Buildings	(10,860)
Leased technical plant, equipment and machinery	(39,361)
Leased transport equipment	(523)
Other property, plant and equipment	(6,717)
Lease property, plant and equipment—accumulated depreciation	**(57,482)**
Lease property, plant and equipment—net	**37,458**

6.15 Other non-current assets

The Group initially recognises loans and receivables on the date they originated.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus any directly attributable transaction costs and subsequently remeasured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Impairment

A financial asset not classified as at fair value is assessed at each reporting date to determine whether there is objective evidence that it may be impaired as a result of one or more events that occurred after the initial recognition of the asset giving rise to a loss event with an impact on the estimated future cash flows of the asset that can be estimated reliably.

Financial assets measured at amortised cost.

The Group considers evidence of impairment of financial assets measured at amortised cost (loans and receivables) both individually and collectively.

The high volumes and low unit values of invoices issued by the Group require specific credit management processes. Impairment policies for receivables are implemented on the basis of historical data but provisions for doubtful debts are booked on a case by case basis. In the specialised clinical pathology business, receivables from direct patients which are more than 35 days overdue are handled by a debt collection company.

In assessing collective impairment of receivables, the Group uses historical trends of the probability of default, payment patterns and the amount of losses incurred in the past, adjusted based on management's assessment of whether current economic and credit conditions are such that actual losses are likely to be greater or less than those suggested by historical trends.

An impairment loss on a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows. Impairment losses are recognised in profit or loss under "Net change in amortisation and impairment" with a matching entry in an allowance account for loans and receivables. Any subsequent decrease in the impairment loss is reversed through profit or loss.

(In thousands of euro)	31 December 2016	31 December 2015
Equity affiliates	492	612
Other receivables related to investments	271	205
Investment securities	382	382
Loans, deposits and other receivables—non-current	4,788	3,907
Receivables on disposal of assets	36	34
Prepaid expenses—non-current	4	—
Other receivables	205	243
Accured interests on receivables	—	1
Impairment on participations	(5)	(5)
Impairment of other non-current receivables	(46)	(47)
Impairment on loans, depostifs and other receivables	(446)	(390)
Impairment of securities	(183)	(175)
Total	**5,498**	**4,767**

Loans, security deposits and other receivables mostly includes Security deposits and Guarantees net of depreciation.

6.16 Deferred tax assets and liabilities

(In thousands of euro)	31 December 2016	31 December 2015	Change
Deferred tax assets	7,550	10,944	(3,393)
Deferred tax liabilities	(27,616)	(45,560)	17,944
Net deferred tax	**(20,066)**	**(34,616)**	**14,550**

(In thousands of euro)	31 December 2015	CHANGE IN SCOPE (IN)	RESULT IMPACT	RECLASSIFICATIONS	OCI	OTHERS	31 December 2016
Activation of loss carryforward	15,424	—	(4,439)	—	—		10,985
Pensions and other post employment benefits	5,144	14	(758)	—	383	5	4,788
Finance lease	928	—	239	—	—	(485)	682
Profit sharing	578	—	730	—	—	324	1,632
Other temporary differences	237	—	17	—	—	89	343
Fair value of plan assets	233	—	—	(81)	—	(152)	—
Retrait. financement IAS 39	—	—	8,878		—	(7,618)	1,260
Other items	4,363	—	15	(598)	—	44	3,824
Deffered taxes assets before netting	**26,908**	**14**	**4,682**	**(679)**	**383**	**(7,793)**	**23,514**
Impact of netting on deffered taxes	**(15,964)**	**—**	**—**	**—**	**—**	**—**	**(15,964)**
Net deffered taxes assets	**10,944**	**14**	**4,682**	**(679)**	**383**	**(7,793)**	**7,550**

(In thousands of euro)	31 December 2015	CHANGE IN SCOPE (IN)	RESULT IMPACT	RECLASSIFICATIONS	OCI	OTHERS	31 December 2016
Intangibles assets	(49,401)	—	9,188	—	—	(433)	(40,646)
IAS 39 Financing adjust.	(9,277)	—	—		—	9,277	—
Cancellation of regulated provisions	(1,633)	—	—	—	—	—	(1,633)
Business Goodwill	(690)	—	(23)		—	(31)	(744)
Provisions for risks and losses	(269)	—	—	—	—	—	(269)
Other items	(255)	—	(881)	679	—	167	(289)
Deffered taxes liabilities before netting	**(61,525)**	**—**	**8,284**	**679**	**—**	**8,980**	**(43,581)**
Impact of netting on deffered taxes	**15,964**	**—**	**—**	**—**	**—**	**—**	**15,964**
Net deffered taxes liabilities	**(45,560)**	**—**	**8,284**	**679**	**—**	**8,980**	**(27,616)**

Given the uncertainty over future taxable profits, unrecognised tax loss carry-forwards amounted to €140 Million on December 31th 2016.

The tax loss carry-forwards originate from operational entities (BARC-NV, CerbaHealthcare Belgium) and from the holding companies which includes, CerbaHealthcare SAS and CEFID.

6.17 Inventories

Inventories are stated at the lower of cost and net realisable value, in accordance with IAS 2—Inventories.

Costs are determined by the first-in-first-out (FIFO) method and are measured at the lower of cost and net realisable value.

The net realisable value of inventories intended to be sold corresponds to their selling price, as estimated based on market conditions and any relevant external information sources, less the estimated costs necessary to complete the sale.

Finished goods inventories, mainly comprising reagents and consumables, are recognised at purchase cost, plus any directly attributable costs. They are measured on a VAT-inclusive basis less the applicable pro rata VAT amounts.

The Group's inventories includes reagents and consumables.

(In thousands of euro)	31 December 2016	31 December 2015
Raw materials	8,084	7,263
Merchandises	196	389
Inventories (gross value)	**8,280**	**7,652**
Impairment of inventories	**(221)**	**(218)**
Inventories (net value)	**8,059**	**7,434**

6.18 Trade receivables

A provision for impairment is recognized on trade receivables of enterprises if the Group believes that there is a risk that the debt will not be recovered.

The probable impairment clues that lead the Group to reflect on this point include the existence of unresolved disputes, the age of receivables and significant financial difficulties of the debtor.

(In thousands of euro)	31 December 2016	31 December 2015
Trade receivables	69,243	67,789
Unbilled	7,646	6,819
Impairment of trade receivables	(8,973)	(7,413)
Carrying amount	**67,916**	**67,195**

Changes in accumulated impairment of trade receivables break down as follows:

(In thousands of euro)	31 December 2016
Impairment of trade receivables—Opening	**(7,413)**
Additions	(5,005)
Reversals	3,638
Translation differences	(7)
Change in consolidation scope	(186)
Impairment of trade receivables—Closing	**(8,973)**

6.19 Other current assets

(In thousands of euro)	31 December 2016	31 December 2015
Accrued interest on receivables and loans	18	4
Investment securities	17	17
Loans, deposits and other receivables	827	805
Impairment of loans, deposits and other receivables	(114)	(114)
Suppliers—Prepayments	1,946	1,747
Suppliers receivable	2,199	1,785
Receivables from employees & social organizations	1,184	757
Tax receivables—excluding IS	10,640	9,826
Current accounts—assets	385	477
Receivables on disposals of assets	16	16
Shareholders: unpaid called capital	26	—
Other receivables	963	1,466
Impairment of current accounts	(2)	—
Prepaid expenses	5 ,796	5,263
Receivables from participations	445	445
Accrued interest on receivables	—	10
Tax CIR	—	83
Impairment of other receivables & accrued interest	(8)	(18)
Total other current assets	**24,337**	**22,570**

The tax receivables include the VAT receivables (€ 2.7 Million), CICE (€ 7.5 Million) and withholding tax (€ 0.6 Million).

The Prepaid expenses at 31 December 2016 included commissions related to the High Yield issuance, in particular, the Revolving Credit Facilities not used (€ 0,7 Million) knowing that the other prepaid expenses are linked to the business.

6.20 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, cash on hand, amounts invested in money market funds and negotiable debt instruments, readily convertible into known amounts of cash, and subject to insignificant interest rate risk exposure. They do not include bank overdraft facilities.

(In thousands of euro)	31 December 2016	31 December 2015
Money Market securities	124	421
Cash	48,132	45,721
Total	**48,256**	**46,142**
Bank overdrafts	(861)	(1,584)
Total net cash	**47,395**	**44,558**

The Money market securities includes cash balances invested for periods of three months or less (treasury bills and certificates of deposit) with banks or counterparties with long and short-term ratings of at least A and A1 respectively (Rating S&P).

There are no restrictions (as defined in IAS 7) that could materially affect the availability of the cash and cash equivalent balances of subsidiaries.

Financial position-liabilities

6.21 Share capital

Definitions

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Preference shares

Preference share capital is classified as equity if it is non-redeemable or redeemable at the Company's discretion only, and the distribution of any dividends is also discretionary. Dividends thereon are deducted directly from equity once they have been approved by the Company's shareholders at their general meeting.

All of the preference shares issued by the Group meet the definition of equity instruments.

Share-based payment

On 21 July 2010, the Company issued shares with warrants to senior executives and some Group employees.

The issue was recognised in accordance with IFRS 2 as a share-based payment and the warrants were measured at fair value on the grant date.

The fair value of stock options is based on the exercise price and the expected life of the option; the price of the underlying stock at the grant date; the expected volatility in the share price; forecast dividends; and the risk-free interest rate over the life of the option.

This method results in a fair value of warrants that is equal to their issue price. The shares with warrants have therefore been classified as equity at their issue cost. Since the issue price is equal to the grant-date fair value, the corresponding expense in the income statement is nil.

On December 31th 2016, share capital comprised 43,216,872,407 shares with a par value of € 0.01 for an aggregate amount of € 432,168,724.07.

In thousand of euros	Shares A		Shares B		Ordinary Actions		Fees	Total	
	Share capital	Share premium	Share capital	Share premium	Share capital	Share premium and additional paid-in capital	Share premium and additional paid-in capital	Share capital	Share premium and additional paid-in capital
	37							37	—
Increase in share capital:									
21 July 2010			1	143,962	640	64,150		641	208,112
16 December 2010			—	7,808	36	3,531		36	11,339
12 May 2011			—	16,515	19	1,921		20	18,435
07 July 2011					38	3,727		38	3,727
11 August 2011					16	1,619		16	1,619
15 December 2011			—	4,675	16	1,543		16	6,218
21 and 27 December 2011					3	342		3	342
23 January 2012					2	172		2	172
Share capital increase fees							−18		−18
11 December 2012			1	166,865				1	166,865
17 February 2015				−339,825	431,359	−77,005	18	431,359	−416,811
Total	**37**	**—**	**2**	**—**	**432,129**	**—**	**—**	**432,169**	**—**
In shares									
Outstanding shares at 31 December 2015									
Fully-paid share	**3,700,000**		**339,826**		**43,212,832,581**			**43,216,872,407**	
Variations of the year								—	
Outstanding shares at 31 December 2016									
Fully-paid share	**3,700,000**		**339,826**		**43,212,832,581**			**43,216,872,407**	

6.21.1 Preference shares

The Series A and B preference shares issued by Financière Gaillon 0 in November 2014 have the following features:

- No voting rights (Art. 19.4 of the Articles of association).
- No rights to the Company's profits (except for the preference dividend), assets, reserves, distributions or liquidation surplus (Art. 22.1 of the Articles of association).
- Cumulative annual preference dividend equal to 10% of the subscription value of each Series A and B share calculated as of 21 July 2010 and capitalised annually (Art. 22.1 of the Articles of association).
- The Series A and B preference dividends may be adjusted in the event of market floatation or a loss of controlling interest (Art. 22.2 of the Articles of association).
- No maturity date.

6.21.2 Ordinary shares

Each ordinary share carries one voting right at the general meetings of shareholders. Each share entitles its owner to receive a share in the Company's profits, assets, reserves, distributions or liquidation surplus.

6.21.3 Warrants

On 21 July 2010, Cerba HealthCare issued 16 million shares with warrants for an aggregate nominal value of €160,000. The share premium amounted to €15.84 million and the warrants to €0.79 million.

Each share has two warrants attached: warrant 1 valued at €0.015625 and warrant 2 at €0.03375.

Shares with warrants are reserved for senior executives and some Group company managers, designated by the Commitments Board. The shares with warrants were issued at fair value as determined by an expert.

They were measured at the grant-date fair value, which corresponds to their issue price. Consequently, no expense was recognised under IFRS 2.

6.22 Financial liabilities

The Group initially recognises debt securities and subordinated liabilities on the date they originated.

Financial liabilities consist of borrowings and debt, in accordance with IAS 39.

Loans whose contractual rate of interest is tied to the Group's business data are deemed to be at a fixed rate (at the effective interest rate calculated at the inception of the loan).

In the event of a change in the underlying data used to calculate the effective interest rate, the carrying amount of the loan is adjusted with a matching entry to finance costs.

The Group derecognises a financial liability when its contractual obligations have been discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities as other financial liabilities. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. They are subsequently remeasured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the consolidated statement of cash flows.

Hybrid financial instruments issued by the Group comprise convertible bonds denominated in euros that can be converted into a fixed number of shares.

The liability component of a hybrid financial instrument is recognised initially at the fair value of a similar liability that does not have a conversion option, by discounting the contractual cash flows at a market rate. The equity component is recognised initially for the amount of the difference between the proceeds from the issue of the convertible bonds and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

The liability component of a hybrid financial instrument is subsequently remeasured at amortised cost using the effective interest method. The equity component of a hybrid financial instrument is not remeasured subsequent to initial recognition.

Interest and any gains and losses related to a financial liability are recognised in profit or loss. Upon conversion of the bonds, the financial liability is reclassified to equity and no gain or loss is recognised.

(In thousands of euro)	31 December 2016	31 December 2015
H-YIELD bond	726,849	661,492
Other bonds	22,030	20,023
Bank loans	83,427	68,300
Finance lease liabilities	42,409	41,330
Other borrowings	619	50,762
Accrued interests	22,882	21,723
Bank overdrafts	861	1,584
Total financial liabilities	**899,078**	**865,214**
Of which non-current financial liabilities	*843,561*	*805,755*
Of which current financial liabilities	*55,517*	*59,459*

This note breaks down Group borrowings by type of instrument, notably the refinancing operation referred to in Note 6.2.

Financial liabilities comprise several different types of debt and equity instruments and bank borrowings in line with the Group's policy of diversifying its sources of financing.

Changes in financial liabilities over the period may be analysed as follows.

(In thousands of euro)	31 December 2016
Opening position	**865,215**
Proceeds from issuance of borrowings	76,649
Repayment of borrowings	(85,249)
Change in bank overdrafts	(723)
Amortized cost of reprocessing ERI	20,396
Recovery of HY over-subscription	(8,659)
Penalty for early refund	12,966
New finance lease contracts	14,243
Finance costs	59,312
Finance costs paid	(56,152)
Reclassifications (mainly incorporation to share capital)	(608)
Change in consolidation scope	1,640
Translation differences	49
Closing position	**899,078**

6.22.1 Debt repayment schedule and terms

(In thousands of euro)	31 December 2016	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 5 years
Bonds and notes	748,879	—	—	—	726,849	22,030
Bank loans	83,427	19,001	37,236	11,873	7,874	7,443
Finance lease liabilities	42,409	12,207	10,882	6,462	5,164	7,695
Other borrowings	619	565	5	—	—	49
Accrued interests	22,882	22,882	—	—	—	—
Bank overdrafts	861	861	—	—	—	—
Total financial liabilities	**899,078**	**55,517**	**48,123**	**18,335**	**739,887**	**37,216**

(In thousands of euro)	31 December 2015	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 5 years
Bonds and notes	681,515	2,018	2,021	2,021	2,021	673,434
Bank loans	68,300	19,659	24,543	8,683	4,208	11,207
Finance lease liabilities	41,330	13,009	10,183	6,247	3,402	8,489
Other borrowings	50,762	50,024	5	—	—	733
Accrued interests	21,723	21,723	—	—	—	—
Bank overdrafts	1,584	1,584	—	—	—	—
Total financial liabilities	**865,214**	**108,017**	**36,752**	**16,951**	**9,631**	**693,863**

Group policy consists of spreading the maturities of its long-term debt (bonds, private investments and bank borrowings) over time in order to limit annual refinancing requirements.

(In thousands of euro)	31 December 2016	Face value	Less IFRS restatments	IFRS restatments of the year	Capitalized interests	Accrued interests
H-YIELD bond	726,849	722,337	(21,758)	26,270	—	21,247
Other bonds	22,030	14,246			7,784	1,336
Total bonds and notes	**748,879**	**736,583**	**(21,758)**	**26,270**	**7,784**	**22,583**

(In thousands of euro)	31 December 2015	Face value	Less IFRS restatments	IFRS restatments of the year	Capitalized interests	Accrued interests
H-YIELD bond	661,492	683,250	(14,653)	(7,105)	—	20,080
Other bonds	20,023	14,246			5,777	1,212
Total bonds and notes	**681,515**	**697,496**	**(14,653)**	**(7,105)**	**5,777**	**21,292**

Financing arrangements set up when the Group was created are as follows:

- Convertible and non-convertible bonds, most of which bear interest at 10%, maturing on 21 July 2025. The Interests are capitalised annually. The majority of convertible bonds were converted into shares following the decision of the General Shareholders' Meeting of 11 December 2012 to increase the share capital of the holding company.
- Existing loans at 31 January 2012 were refinanced by the high-yield bonds issued on 31 January 2013, and 28 February 2015 and by the additional draw (see Note 6.2).
- The Group also has received financing from its shareholders in the form of non-convertible bonds.

The Group's subsidiaries have local medium-term credit facilities.

At 31 December 2016, the Group has incorporated into the High Yield debt the refinancing impacts of the debt explained in note 6.10 knowing that the Debt repayment schedule is established according to the terms of initial reimbursement. All refinancing impacts are registred in the term "3 to 4 Years" in the Debt repayment schedule.

Loans and borrowings can be analysed by type of rate (fixed or floating interest rates) as follows:

	31 December 2016			31 December 2015		
(In thousands of euro)	Total	Fixed rate	Floating rate	Total	Fixed rate	Floating rate
Bonds and notes	748,879	748,879	—	681,515	681,515	—
Bank loans	83,427	62,228	21,199	68,300	57,708	10,592
Finance lease liabilities	42,409	42,409	—	41,330	41,330	—
Other borrowings	619	619	—	50,762	50,762	—
Accrued interests	22,882	22,882	—	21,723	21,723	—
Bank overdrafts	861	861	—	1,584	1,584	—
Total financial liabilities	**899,078**	**877,879**	**21,199**	**865,214**	**854,622**	**10,592**

6.22.2 Debts covenants

The main financial liabilities are subject to certain conditions applied to the consolidated financial statements and notably the ratio of net debt to gross operating profit (or EBITDA).

Following the refinancing operation of January 2013, new debt covenants were negotiated with the Group's banks, replacing the pre-existing covenants (see Notes 6.2).

As part of its Revolving Credit Facility, the Group is bound by two new covenants calculated based on the consolidated accounts: Leverage ratio (Consolidated Total Net Debt / Consolidated proforma EBITDA) and Percentage Test (contribution of the loan guarantors to consolidated EBITDA and consolidated assets).

6.23 Employee benefits

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits vested by employees in return for services provided in the current and prior periods, less any unrecognised past service costs and the fair value of plan assets.

The discount rate is the yield at the reporting date on AA credit-rated bonds with similar maturities to the Group's obligations denominated in the currency in which the benefits are expected to be paid.

In accordance with Revised IAS 19—Employee Benefits, pensions and other post employment benefits are measured by a qualified independent actuary using the projected unit credit method.

Each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to build up the final obligation. The final obligation is then discounted to present value. These calculations require the use of:

- projected retirement dates;
- a discount rate;
- an inflation rate;
- assumptions regarding future salary increases and staff turnover.

At each closing, the Group determines its discount rate on the basis of the most representative yield on first class bonds with a duration equivalent to that of its commitments.

The assumptions of salary increase rates correspond to inflation assumptions and forecasts of individual salary increases. In France, the assumption is an increase of inflation plus an individual increase as the age of the employee.

The assumptions of mortality, staff turnover and retirement age at retirement are set identically on all Group entity.

Obligations are measured annually for the Group's main plans and once every three years for other plans unless changes in assumptions or significant changes in demographic data warrant more frequent measurement.

For each defined benefit plan, the Group recognises a provision equal to the benefit obligation, less the fair value of plan assets, actuarial gains and losses and any unrecognised past service cost.

Actuarial gains and losses arise on change in assumptions or differences between forecast and actual data concerning the benefit obligation or the performance of plan assets.

The Group recognises deferred cumulative actuarial gains and losses on employee benefits in equity and they are presented in "Other comprehensive income".

• Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than pension plans is equal to the amount of future benefits vested by employees in return for services provided in the current and prior periods. Other employee benefits mainly comprise seniority bonuses.

Actuarial gains/losses as well as the past services costs related to the long-term employee benefits other than pensions are recognized immediately in the Profit and Loss.

• Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid in short-term cash bonuses or incentive-based profit-sharing plans if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(In thousands of euro)	31 December 2016	31 December 2015
Defined benefits plan	17,051	14,782
Long-service bonuses	1,062	799
Total employee benefits	**18,113**	**15,581**
Of which :		
Employee benefit obligations	*18,211*	*16,131*
Plan assets	*(521)*	*(583)*

In certain countries excluding France, Group employees are entitled to supplementary pension plans into which the Group pays annual contributions, and lump sum retirement indemnities paid out once the employees retire. These take the form of either defined contribution or defined benefit plans.

Under defined contribution plans, the Group has no legal or constructive obligation to make further contributions and the corresponding expense is recognised in profit or loss for the period. All defined benefit plans concern France.

6.23.1 Change in the present value of the net defined benefit obligation

Changes in the Group's net defined benefit obligation break down as follows, taking into account the related plan assets totalling €521 thousand as of December 2016.

(In thousands of euro)	31 December 2016	31 December 2015
Defined benefit obligation at 1 January	**14,782**	**6,250**
Current service cost and interest cost	***1,368***	***808***
Change in consolidation scope and others	446	4,520
Curtailments and settlements system	(552)	(215)
Actuarial (gains) and losses	1,050	3,461
Contributions paid	(32)	(32)
Financial income from plan assets	(12)	(12)
Defined benefit obligation at closing date	**17,051**	**14,782**

Assumptions used in calculating the provision for retirement and similar benefits have only to do with France and don't change significantly compared to December 2015 except the discount rate (1,5% vs 2% en 2015).

6.23.2 Net income (expense) recognised in profit or loss

(In thousands of euro)	31 December 2016	31 December 2015
Current services costs	(1,043)	(600)
Interest cost	(325)	(208)
Current service cost and interest cost	***(1,368)***	***(808)***
Financial income from plan assets	12	12
Paid contributions and allowance	32	32
Curtailments and settlements system	552	215
Income (Expense) recognised in profit or loss	(772)	(550)

This impact is recognised in full in profit or loss from recurring operations under "Personnel expenses".

Revised IAS 19 has had a minimal impact on the measurement of the Group's employee benefit obligations for 2016.

The only impact relates to financial income generated on plan assets (these assets concern approximately 10% of the lump sum retirement indemnity benefit obligation) which is identical to the rate used to discount liabilities, i.e., yield equivalent to the discount rate.

6.23.3 Actuarial assumptions

All of the Group's various employee benefit obligations are regularly reviewed by actuaries in accordance with IFRS standards using the projected unit credit method based on salaries at retirement.

All actuarial gains and losses and adjustments relating to the limitation are recognised in the reporting period in which they occur in accordance with Revised IAS 19.

Actuarial assumptions (i.e. the probability that active employees will continue to work in the Group, mortality rates, retirement age, assumptions regarding future salary increases, etc.) depend on the demographic and economic conditions in the countries in which the different plans have been set up.

Discount rates used to determine the present value of benefit obligations are based either on the government bond rate or on the yield on investment grade corporate bonds that are traded in an active market with maturities that match the duration of the benefit obligation. In the eurozone, discount rates have been calculated on software developed by independent actuaries.

Assumptions used in calculating the provision for retirement and similar benefits have only to do with France.

	31 December 2016		31 December 2015	
	Management	Other employees	Management	Other employees
Discount rate		1.50%		2.00%
Expected return on plan assets at 1 January				
Salary increase rate				
- 29 years	3.00%	2.00%	3.00%	2.00%
30 - 39 years	3.00%	2.00%	3.00%	2.00%
40 - 49 years	3.00%	2.00%	3.00%	2.00%
50 - 59 years	3.00%	2.00%	3.00%	2.00%
60 and over	3.00%	2.00%	3.00%	2.00%
Employer contributions	55.00%	51.00%	54.00%	51.00%
Staff Turnover rate				
- 25 years	19.00%	6.00%	19.00%	6.00%
25 - 29 years	19.00%	5.00%	19.00%	5.00%
30 - 34 years	9.80%	3.70%	9.80%	3.70%
35 - 39 years	9.00%	3.40%	9.00%	3.40%
40 - 44 years	1.60%	3.00%	1.60%	3.00%
45 - 49 years	1.60%	1.10%	1.60%	1.10%
50 - 54 years	1.60%	1.10%	1.60%	1.10%
55 - 57 years	0.50%	0.30%	0.50%	0.30%
+ 58 years	0.00%	0.00%	0.00%	0.00%
60 and over	0.00%	0.00%	0.00%	0.00%
Retirement age	65 years	63 years	65 years	63 years
Mortality table	TGHF 2005		TGHF 2005	

6.24 Provisions

In accordance with IAS 37—Provisions, Contingent Liabilities and Contingent Assets, a provision is recognized when, at the reporting date, the Group has an obligation to a third party, and it is likely or certain that an outflow of resources to this third party without equivalent consideration of such third parties.

In application of IFRIC—21 Levies charged by public authorities, taxes levied by public authorities are recognised as of the date of their tax generating event.

(In thousands of euro)	31 December 2015	Change in consolidation scope	Additions	Reversals	Reclassifications	31 December 2016
Provision for litigation	749	1,926	44	(1,360)	(191)	1,168
Provisions for employee disputes	502	159	762	(292)	150	1,281
Other provisions	2,265	(1,901)	287	(14)	(285)	352
Non-current Provisions	**3,516**	**184**	**1,093**	**(1,666)**	**(326)**	**2,801**
Provision for litigation	336	—	6	—	(134)	208
Provisions for employee disputes	632	(159)	640	(405)	324	1,032
Other provisions	270	—	285	(1)	135	689
Current provisions	**1,238**	**(159)**	**931**	**(406)**	**325**	**1,929**

The Group does not provide details of these provisions, considering that the disclosure of the amount of the provision for litigation is such as to cause the Group serious prejudice.

Some litigation has not been provisioned because the Group considers that the risk is not proven in support of its legal and tax advice.

6.25 Other non-current liabilities

(In thousands of euro)	31 December 2016	31 December 2015
Deferred income—non-current	2,678	3,607
Other liabilities	144	157
Total other non-current liabilities	**2,822**	**3,764**

Other non-current liabilities include the non-current portion of the capital gain generated in 2006 from refinancing a property finance lease. This internal capital gain was reversed and deferred over the new lease term and the non-current portion of the deferred income was recognised in non-current liabilities in accordance with IAS 1.

6.26 Trade and other payables

(In thousands of euro)	31 December 2016	31 December 2015
Trade payables	62,493	65,147
Payables to fixed asset suppliers	6,199	10,826
Total Trade payables	**68,692**	**75,973**

6.27 Other current liabilities

(In thousands of euro)	31 December 2016	31 December 2015
Social security payables	43,773	40,637
Tax payables	6,962	8,908
Advances and downpayments received	6,734	5,759
Derivative instruments	475	682
Other current liabilities	6,558	3,854
Deferred income—current	772	108
Total Other current liabilities	**65,274**	**59,948**

Other current liabilities include interest rate swaps contracted by the Group to hedge its interest rate risk exposure. They are not eligible for hedge accounting under IAS 39 and consequently, any fair value adjustments are recognised in profit or loss (see Note 6.10).

Additional informations

6.28 Financial instruments

6.28.1 Financial risk management

6.28.1.1 Introduction

The Group has exposure to the following risks arising on its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information on the Group's exposure to each of the above-mentioned risks, and its objectives, policies and procedures for measuring and managing risk, and capital management.

6.28.1.2 Risk management framework

The Supervisory Board has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are designed to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to predetermined limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a rigorous and effective control environment in which all employees understand their roles and responsibilities.

The Audit Committee oversees implementation of Group risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

6.28.2 Credit risk

Credit risk is managed at Group level. It is the risk of financial loss for the Group if a client or counterparty should fail to meet its contractual payment obligations.

Credit risk concerns cash and cash equivalents, derivative financial instruments, deposits with banks and financial institutions, as well as exposure to customer credit risk on outstanding receivables.

In the specialised clinical pathology business, the collection of receivables from direct patients, which are more than 35 days overdue, is handled by a debt collection company acting solely as a collection agent on behalf of Cerba. Impairment policies for receivables are implemented on the basis of historical data.

The high volumes and low unit values of invoices issued by the Group require specific credit management processes.

Trade receivables are disclosed in the financial statements and amounted to € 60 million at 31 December 2016, stable compared to December 2015.

The carrying amount of loans and receivables represents the maximum exposure to credit risk at the reporting date.

Ageing

			Overdue and undepreciated				
(In thousands of euro)	31 December 2016	Accrued undepreciated	<3 months	3 to 6 months	6 months to 1 year	More than 1 year	Overdue and depreciated
Trade receivables . . .	60,271	29,697	23,122	5,556	4,951	5,917	(8,973)

(In thousands of euro)	31 December 2015	Accrued undepreciated	Overdue and undepreciated <3 months	3 to 6 months	6 months to 1 year	More than 1 year	Overdue and depreciated
Trade receivables ...	60,376	32,506	21,492	4,287	3,742	5,767	(7,413)

Credit risk

(In thousands of euro)	31 December 2016	<1 year	<2 years	<3 years	<4 years	Over 5 years
Other receivables related to investments	271	—	66	—	—	205
Loans, deposits and other receivables— non-current	4,788	—	1,083	19	4	3,682
Other assets—no current	205	—	—	—	—	205
Trade receivables (gross)	69,243	69,243	—	—	—	—
Current tax assets	4,721	4,721	—	—	—	—
Receivables from employees & social organizations	1,184	1,184	—	—	—	—
Tax receivables	10,640	10,640	—	—	—	—
Other receivables	6,354	6,354	—	—	—	—
Total receivables, gross	**97,406**	**92,142**	**1,149**	**19**	**4**	**4,092**

(In thousands of euro)	31 December 2015	< 1 year	< 2 years	< 3 years	< 4 years	Over 5 years
Other receivables related to investments	205	—	—	—	—	205
Loans, deposits and other receivables— non-current	3,907	—	1,386	170	610	1,741
Other assets—no current	243	—	192	—	—	51
Trade receivables (gross)	67,789	62,027	3,203	2,559	—	—
Current tax assets	7,367	7,367	—	—	—	—
Receivables from employees & social organizations	757	757	—	—	—	—
Tax receivables	9,826	9,826	—	—	—	—
Other receivables	6,301	6,301	—	—	—	—
Total receivables, gross	**96,394**	**86,277**	**4,781**	**2,729**	**610**	**1,997**

6.28.2.1 Trade and other receivables

The Group believes that it is neither exposed to material credit risk nor to over dependence on a specific customer due to its broad customer base, with customers located mainly in Europe.

6.28.2.2 Impairment losses

Cumulative impairment of trade and other receivables increase to € 8.973 million versus € 7.413 million in 2015. Provisions for impairment are mainly related to France area.

6.28.3 Liquidity risk

Liquidity risk is the risk of the Group encountering difficulties in meeting the obligations associated with its financial liabilities that are settled in cash or other financial assets. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and "challenging" conditions, without incurring unacceptable losses or damaging the Group's reputation.

(In thousands of euro)	31 December 2016	Contractual cash flows	Breakdown of contractual cash flows		
			Up to 1 year	1 to 5 years	Over 5 years
H-YIELD bond	722,337	766,622	38,655	727,966	—
Other bonds	22,030	52,894	—	—	52,894
Bank loans	83,427	87,789	21,281	58,745	7,763
Other borrowings	619	626	626	—	—
Accrued interests	22,882				
Bank overdrafts	861	861	861	—	—
Total	**852,156**	**908,791**	**61,423**	**786,711**	**60,657**
IFRS restatement on convertible bonds and H- YIELD bond	4,512				
Finance lease liabilities	42,409				
Total	**899,078**				

(In thousands of euro)	31 December 2015	Contractual cash flows	Breakdown of contractual cash flows		
			Up to 1 year	1 to 5 years	Over 5 years
H-YIELD bond	683,250	905,151	51,446	853,705	—
Other bonds	20,023	45,986	—	—	45,986
Bank loans	68,300	71,134	20,039	44,029	7,066
Other borrowings	50,762	50,762	—	—	50,762
Accrued interests	21,723				
Bank overdrafts	1,584	1,584	1,584		
Total	**845,642**	**1,074,618**	**73,069**	**897,735**	**103,814**
IFRS restatement on convertible bonds and H- YIELD bond	(21,758)				
Finance lease liabilities	41,330				
Total	**865,214**				

6.28.4 Market risk

Market risk includes the risk of changes in market prices, such as foreign exchange rates, interest rates and equity instrument prices affecting the Group's profit or the value of its financial instruments. The objective of market risk management is to contain market risk exposures within acceptable thresholds, while optimising returns.

6.28.4.1 Currency risk

The Group's financial performance is not materially affected by exchange rate fluctuations since a significant portion of operations takes place within the eurozone and income and expenses are generally denominated in the similar currency.

The following exchange rates were used during the period for the main currencies:

	2016		2015	
	Exchange rate at 31 December	Average rate at 31 December	Exchange rate at 31 December	Average rate at 31 December
AED Dirham EAU	3,8726	4,0556		
AUD Australian Dollar	1,4596	1,4886	1,4897	1,4765
CNY Yuan	7,3202	7,3496	7,0608	6,9730
USD US Dollar	1,0541	1,1066	1,0887	1,1096
ZAR Rand	14,4570	16,2772	16,9530	14,1528

6.28.4.2 Interest Rate risk

The Group's financing has been contracted at fixed rates and notably the high-yield bond issue of 31 January 2013, the Additionnal High-yield bond of May 2014, the Senior Secure note on 28th February 2015 and the Additionnal High-yield bond of October 2016 for €40 million.

Therefore, the Group is less exposed to interest rate fluctuations on its floating interest rate bank loans than in previous years.

The Group contracts interest rate swaps to hedge against interest rate risk. Only Laboratoire Cerba is still effected as Cerba HealthCare settled its positions following refinancing of the Group's debt in early 2013.

The carrying amount of the derivative financial instruments used to hedge interest rate risk is presented below:

(In thousands of euro)	Termination date	Notional principal	31 December 2016 Fair value	31 December 2015 Fair value
Pay fixed-rate swap				
3-month Euribor—4.16%	11/01/2019	10,886	(367)	(561)
3-month Euribor—2.195%	27/07/2023	2,077	(108)	(121)
Total pay fixed-rate swap		**12,963**	**(475)**	**(682)**
Total derivative instruments			**(475)**	**(682)**

These interest rate swaps are economic hedges of interest rate risk on loans and borrowings; they have not been designated as hedging instruments for accounting purposes.

6.28.5 Capital management

The Group's policy is to maintain a strong capital base to ensure the Group's independence and support future development of the business. Capital consists of ordinary shares, non-redeemable preferred shares and retained earnings. The Supervisory Board monitors the return on equity.

6.28.6 Carrying amounts and fair values

6.28.6.1 Fair Value vs Carrying

The table below shows the fair values of financial assets and liabilities and the carrying amounts reported in the statement of financial position:

	31 December 2016			31 December 2015		
(In thousands of euro)	Assets at fair value through profit or loss	Loans and receivables	Fair value	Assets at fair value through profit or loss	Loans and receivables	Fair value
Non-current						
Other non-current assets		5,498	5,498		4,767	4,767
Current						
Trade receivables		67,916	67,916		67,195	67,195
Other current assets		24,337	24,337		22,570	22,570
Cash and cash equivalents	126	48,130	48,256	423	45,719	46,142
Financial assets	**126**	**145,881**	**146,007**	**423**	**140,251**	**140,674**

	31 December 2016			31 December 2015		
(In thousands of euro)	Derivative instruments at fair value through profit or loss	Liabilities measured at amortised cost	Fair value	Derivative instruments at fair value through profit or loss	Liabilities measured at amortised cost	Fair value
Non-current						
Non-current financial liabilities		843,561	843,561		805,755	805,755
Other non-current liabilities		2,822	2,822		3,764	3,764
Current						
Current financial liabilities		55,517	55,517		59,459	59,459
Trade payables		68,692	68,692		75,973	75,973
Other current liabilities	475	64,798	65,274	682	59,266	59,948
Financial liabilities	**475**	**1,035,390**	**1,035,866**	**682**	**1,004,216**	**1,004,898**

The fair value of trade receivables and trade payables is the amount reported in the statement of financial position, given the short-term nature of these assets and liabilities. The same applies to other receivables and payables.

The fair value of swaps corresponds to their valuation by their issuing bank. Financial liabilities are recognised at amortised cost using the effective interest method. The Group's bank loans are contracted at variable rates based on Euribor and their fair value is deemed to correspond to their value at the closing date.

6.28.6.2 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value is measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. inferred from observable prices).

- Level 3: fair value is measured using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Breakdown by category			
(In thousands of euro)	**Level 1**	**Level 2**	**Level 3**	**Total**
At 31 December 2016				
Cash equivalents	48,256			48,256
Derivative instruments		475		475
Total financial liabilities	**48,256**	**475**	**—**	**48,731**
At 31 December 2015				
Cash equivalents	46,142			46,142
Derivative instruments		682		682
Total financial liabilities	**46,142**	**682**	**—**	**46,824**

6.28.7 Operating Leases

Future minimum lease payments under non-cancellable operating leases at 31 December 2016 are shown in the following table:

Operating leases are entered into at market rates and accounted for as operating leases.

The Group uses operating leases for industrial equipment (mainly vehicles and transport equipment) when there is no economic justification for acquiring the assets in question.

The Group has no contingent lease commitments or sub-letting agreements.

(In thousands of euro)	**31 December 2016**	**<1 year**	**1 to 5 years**	**More than 5 years**
Lease agreements	15,600	4,336	9,167	2,097
Total	**15,600**	**4,336**	**9,167**	**2,097**

(In thousands of euro)	**31 December 2015**	**<1 year**	**1 to 5 years**	**More than 5 years**
Lease agreements	10,182	2,996	6,581	606
Total	**10,182**	**2,996**	**6,581**	**606**

6.29 Off-balance sheet commitments

6.29.1 Commitments given

(In thousands of euro)	**Value at 31 December 2016**	**Value at 31 December 2015**
Financing commitments	1,674,001	1,634,579
Operating commitments	36,292	10,182
Total	**1,710,293**	**1,644,761**

Commitments given mainly relate to non-cancellable operating lease commitments measured at the amount of the future minimum lease payments.

Pledges are mostly pledges of securities and financial commitments given as part of the high-yield bond issue in January 2013, in May 2014, the additional draws in 28th February 2015 and in October 2016.

6.29.2 Commitments received

(In thousands of euro)	Value at 31 December 2016	Value at 31 December 2015
Financing commitments	14,837	39,086
Operating commitments	7,347	4,468
Total	**22,184**	**43,554**

Commitments are received in the normal course of business and essentially concern the revolving line of credit and bank guarantees received when certain investments were acquired.

6.30 Related parties

6.30.1 Parent company and Group reporting entity

Related parties identified by the Group are as follows:

- Financière Gaillon 13, parent company of Cerba HealthCare;
- Cerberus Nightingale 2, parent company of Financière Gaillon 13.
- Cerberus Nightingale 1, parent company of Cerberus Nightingale 2.
- Financière Gaillon 0, parent company of Cerberus Nightingale 1
- MGCI, management company with an interest in Financière Gaillon 0;
- Biopart, whose General Manager also manages one of the Group's subsidiaries;

A breakdown of the balances and transactions between Group companies and associates is presented below:

(In thousands of euro)	Nature	Partners	31 December 2016	31 December 2015
Consolidated statement of Financial Position				
Other current assets	Receivables	*Financière Gaillon 0*	971	
Current financial liabilities	Payables	*Financière Gaillon 0*	404	264
Other current assets	*Cash advances*	*Cerberus Nightingale 1*	285	285
Cash and cash equivalents	*Cash advances*	*Financière Gaillon 0*	117	22
Current financial liabilities	*Shareholder loans*	*Financière Gaillon 13*	4,742	4,305
Non-current financial liabilities	*High Yield Bond*	*Cerberus Nightingale 2*	149,622	149,622
Non-current financial liabilities	*Other bond issues*	*BIOP ART*	17,139	15,557

(In thousands of euro)	Nature	Partners	31 December 2016	31 December 2015
Income statement				
Other products	*HY related chargeback fees*	*Cerberus Nightingale 1*	—	4,106
Other incomes	*Refactured fees*	*Financière Gaillon 0*	690	
Exploitation charges	*Management fees*	*Financière Gaillon 0*	−1,132	−938
Cost of net debt	*Related to the shareholder loans*	*Financière Gaillon 13*	−438	−424
Cost of net debt	*Related to the convertible bonds*	*Financière Gaillon 13*	—	−155
Cost of net debt	*Related to the HY Bond*	*Cerberus Nightingale 2*	−12,325	−10,853
Cost of net debt	*Related to the other bond issues*	*BIOPART*	1,432	−1,432

6.31 Auditor's fees

	31 December 2016						31 December 2015					
(In thousands of euro)	PWC	%	Grant Thornton	%	Other	%	PWC	%	Grant Thornton	%	Other	%
Audit												
Statutory audit and certification of individual statements	503	68%	357	65%	117	87%	482	45%	361	49%	201	94%
Cerba Healthcare	*35*	*5%*	*35*	*6%*	—	*0%*	*35*	*3%*	*35*	*5%*	—	*0%*
Fully-consolidated subsidiaries	*468*	*64%*	*322*	*59%*	*117*	*87%*	*447*	*42%*	*326*	*44%*	*201*	*94%*
Other audit-related work and services	232	32%	192	35%	18	13%	589	55%	376	51%	13	6%
Cerba Healthcare (including consolidated financial statements)	*87*	*12%*	*79*	*14%*	—	*0%*	*143*	*13%*	*130*	*18%*	—	*0%*
Fully-consolidated subsidiaries	*145*	*20%*	*113*	*21%*	*18*	*13%*	*446*	*42%*	*246*	*33%*	*13*	*6%*
Total	**735**	**100%**	**549**	**100%**	**135**	**100%**	**1,071**	**100%**	**737**	**100%**	**214**	**100%**
Other services rendered by the audit networks to fully-consolidated subsidiaries												
Legal, tax, payroll-related	—	0%	—	0%	—	0%	—	0%	—	0%	—	0%
Total	**—**	**0%**	**—**	**0%**	**—**	**0%**	**—**	**0%**	**—**	**0%**	**—**	**0%**
Total fees	**735**	**100%**	**549**	**100%**	**135**	**100%**	**1,071**	**100%**	**737**	**100%**	**214**	**100%**

6.32 Executive management compensation

Given the Group's structure, key management compensation has not been disclosed as it would mean revealing individual salaries.

6.33 Subsequent events

6.33.1 Process of changing shareholders

PAI Partners has entered exclusive negotiations with Partners Group, the global private markets investment manager, and the Public Sector Pensions Investment Board ("PSP Investments"), one of Canada's largest pension investment managers, for the sale of Cerba HealthCare.

6.33.2 Restructuring of Net Debt

As part of this change in control, the group anticipate to proceed during the beginning of 2017 to refinance the High Yield debt.

6.33.3 Acquisitions

The group conducted in January 2017 and February the acquisition of:

- **DeltaMedica in Italy:**

Created in 1983, DELTAMEDICA is a group consisting of 3 consultation centers, 8 sampling centers and a technical platform. Particularly specialized in sports medicine and wellness, this group has notoriety all over Lombardy.

DELTAMEDICA generates 8 million euros of turnover, employs about thirty employees and in 2016 hosted more than 170,000 patients in its centers.

- **Lexobio in France (Normandy district):**

Laboratoire de biologie médicale
Lexobio

The Lexobio company realizes 9,237 k € of net sales in 2015, the activity being spread over six sites in Normandy, three of which are located near CBM sites and thus generating synergies

Cerba HealthCare

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2015

PricewaterhouseCoopers Audit
63 rue de Villiers
92200 Neuilly-sur-Seine

Grant Thornton
29 rue du Pont
92578 Neuilly-sur-Seine Cedex

Statutory auditors' report on the consolidated financial statements For the year ended December 31, 2015

Cerba HealthCare
ZI Les Béthunes
7/11 rue de l'Equerre
95310 Saint-Ouen-L'Aumone

To the President,

In our capacity as Statutory Auditors of Cerba HealthCare and in compliance with your request, we have audited the accompanying consolidated financial statements of Cerba HealthCare for the year ended December 31, 2015 ("the consolidated financial Statements").

The President is responsible for the preparation and fair presentation of the consolidated financial statements. Our responsibility is to express an opinion on the consolidated financial statements based on our audit.

We conducted our audit in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement. Those standards require that we 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, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as 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.

In our opinion, the consolidated financial statements give a true and fair view of the financial position and assets and liabilities of the group constituted by the persons or entities included in the consolidation as of December 31, 2015, and of the results of its operations for the year then ended in accordance with the International Financial Reporting Standards as adopted in the European Union.

This report is governed by French law. French courts have exclusive jurisdiction to judge any dispute, claim or disagreement that may result from our letter of engagement or this report or any related question. Each party irrevocably renounces his or her rights to oppose legal action brought before these courts, to contend that the action was brought before a court that was not competent, or that these courts do not have jurisdiction.

Neuilly-sur-Seine, March 13, 2017

The statutory auditors

PricewaterhouseCoopers Audit		Grant Thornton
Jacques Lévi	Marie-Cécile Dang Tran	Vincent Papazian

Table of contents

1 Consolidated statement of financial position

(In thousands of euro)

	Notes	31 December 2015	31 December 2014
Assets			
Goodwill	6.12	969,250	671,193
Intangible assets	6.13	159,397	108,222
Property, plant and equipment	6.14	85,101	64,479
Non-current tax assets		—	35
Other non-current assets	6.15	4,767	1,670
Deferred tax assets	6.16	10,944	2,096
Non-current assets		**1,229,459**	**847,694**
Inventories	6.17	7,434	5,570
Trade receivables	6.18	67,195	53,989
Current tax assets		7,367	3,733
Other current assets	6.19	22,570	18,041
Cash and cash equivalents	6.20	46,142	64,100
Current assets		**150,707**	**145,433**
TOTAL ASSETS		**1,380,166**	**993,127**
Equity and Liabilities			
Share capital	6.21	432,169	810
Share premium	6.21	—	416,811
Retained earnings		(134,826)	(115,378)
Profit (loss) for the period, attributable to owners of the Company		(973)	(15,386)
Foreign currency translation reserve		(769)	(594)
Equity attributable to owners of the company		295,601	286,263
Non-controlling interests—reserves		4,843	7,698
Non-controlling interests—profit (loss)		2,417	1,985
Non-controlling interests		7,260	9,683
TOTAL EQUITY	**4**	**302,861**	**295,946**
Non-current financial liabilities	6.22	805,755	512,177
Employee benefits	6.23	15,581	6,903
Non current provisions	6.24	3,516	940
Deferred tax liabilities	6.16	45,560	33,172
Other non current liabilities	6.25	3,764	4,576
Non-current liabilities		**874,176**	**557,768**
Current financial liabilities	6.22	59,459	36,696
Current provisions	6.24	1,238	685
Trade payables	6.26	75,973	45,049
Current tax liabilities		6,513	14,245
Other current liabilities	6.27	59,948	42,738
Current liabilities		**203,130**	**139,413**
TOTAL EQUITY AND LIABILITIES		**1,380,166**	**993,127**

2 Consolidated income statement

(In thousands of euro)

	Notes	31 December 2015	31 December 2014
NET SALES	**6.7**	**555,985**	**399,216**
Consumption of materials and supplies		(87,023)	(66,283)
Other purchases and external expenses		(134,282)	(93,975)
Taxes and duties		(17,375)	(11,957)
Personnel expenses	6.8	(214,432)	(140,578)
Net change in depreciation and amortisation		(32,877)	(23,959)
Other incomes	6.9	4,915	4,070
Other expenses	6.9	(6,061)	(8,037)
Goodwill impairment		—	(22,600)
OPERATING INCOME (LOSS)		**68,849**	**35,897**
Cost of net debt		(57,004)	(37,694)
Other financial income		525	278
Other financial expenses		(2,044)	(1,118)
FINANCIAL INCOME (EXPENSE)	**6.10**	**(58,524)**	**(38,534)**
PRETAX INCOME (EXPENSE)		**10,326**	**(2,637)**
Income tax	6.11.1	(8,881)	(10,763)
PROFIT (LOSS)		**1,444**	**(13,400)**
Attributable to owners of the Company		(973)	(15,386)
Attributable to non-controlling interests		2,417	1,985

3 Consolidated statement of comprehensive income

(In thousands of euro)

	Notes	31 December 2015	31 December 2014
Profit (Loss)	**2**	**1,444**	**(13,400)**
Recyclable items through profit			
Foreign currency translation differences		*(435)*	*257*
Non-recyclable items through profit			
Actuarial gains and losses on defined benefit obligations		*(3,461)*	*(697)*
Tax impacts on actuarial gains and losses on defined benefit obligations		*1,200*	*224*
Gain and losses recognised directly in equity		**(2,697)**	**(217)**
Total comprehensive income for the period	**4**	**(1,253)**	**(13,617)**
Attributable to owners of the Company		*(3,368)*	*(15,692)*
Attributable to non-controlling interests		*2,114*	*2,075*

4 Consolidated statement of changes in equity

(In thousands of euro)

	Share capital	Share premium	Retained earnings	Actuarial differences	Translation differences	Total	Non-controlling interests	Total equity
Opening position at 1st January 2014	**810**	**416,811**	**(105,508)**	**98**	**(743)**	**311,468**	**11,487**	**322,955**
Total comprehensive income for the period								
Profit (loss) for the period			(15,386)			(15,386)	1,985	(13,400)
Total other comprehensive income				(455)	149	(306)	89	(217)
Total comprehensive income for the period	**—**	**—**	**(15,386)**	**(455)**	**149**	**(15,692)**	**2,075**	**(13,617)**
Transactions with owners of the Company, recognised directly in equity						—		—
Contributions by and distributions to owners of the Company						—		—
Changes in scope			(5,804)			(5,804)	(1,789)	(7,594)
Dividends			(19)			(19)	(1,999)	(2,018)
Others			(3,688)			(3,688)	2,137	(1,551)
Total contributions by and distribution to owners of the Company	**—**	**—**	**(9,511)**	**—**	**—**	**(9,511)**	**(1,652)**	**(11,163)**
Changes in ownership interests in subsidiaries						—		—
Non-controlling interests at acquisition of the subsidiary						—	(2,228)	(2,228)
Total transactions with owners of the Company	**—**	**—**	**—**	**—**	**—**	**—**	**(2,228)**	**(2,228)**
Closing position at 31 December 2014	**810**	**416,811**	**(130,405)**	**(357)**	**(594)**	**286,265**	**9,682**	**295,948**

	Share capital	Share premium	Retained earnings	Actuarial differences	Translation differences	Total	Non-controlling interests	Total equity
Opening position at 1st January 2015	**810**	**416,811**	**(130,405)**	**(357)**	**(594)**	**286,265**	**9,682**	**295,948**
Total comprehensive income for the period								
Profit (loss) for the period			(973)			(973)	2,417	1,444
Total other comprehensive income				(2,220)	(175)	(2,395)	(302)	(2,697)
Total comprehensive income for the period	**—**	**—**	**(973)**	**(2,220)**	**(175)**	**(3,368)**	**2,114**	**(1,253)**
Transactions with owners of the Company, recognised directly in equity								
Contributions by and distributions to owners of the Company								
Changes in scope			1,732			1,732	(1,850)	(118)
Dividends			23			23	(1,387)	(1,364)
Capital increase through conversion of bonds and of the premium share	431,359	(416,811)				14,548		14,548
Others			(3,599)			(3,599)	(67)	(3,666)
Total contributions by and distribution to owners of the Company	**431,359**	**(416,811)**	**(1,844)**	**—**	**—**	**12,704**	**(3,304)**	**9,400**
Changes in ownership interests in subsidiaries						—		—
Non-controlling interests at acquisition of the subsidiary						—	(1,234)	(1,234)
Total transactions with owners of the Company	**—**	**—**	**—**	**—**	**—**	**—**	**(1,234)**	**(1,234)**
Closing position at 31 December 2015	**432,169**	**—**	**(133,222)**	**(2,577)**	**(769)**	**295,602**	**7,258**	**302,861**

5 Consolidated cash flow statement

(In thousands of euro)

	Notes	31 December 2015	31 December 2014
Profit (loss) for the period	*2*	1,444	(13,400)
Adjustments for:			
Amortisation, depreciation and impairment	*6.13 - 6.14 - 6.24*	34,489	47,337
Income tax	*6.11.1*	8,881	10,763
Financial Income (Expense)	*6.10*	58,524	38,534
Items classified as cash flows from investing activities		—	146
Change in working capital		9,675	(639)
Income tax paid	*6.11.1*	(24,862)	(15,254)
Net cash provided by (used in) operating activities		**88,152**	**67,487**
Acquisition of property, plant and equipment and intangible assets	*6.13 - 6.14*	(23,345)	(9,796)
Disposals of property, plant and equipment and intangible assets	*6.13 - 6.14*	353	303
Change in loans and other financial assets		(621)	724
Effect of change in consolidation scope	*6.12*	(286,378)	(75,352)
Interests received		10	12
Dividends received		92	48
Other changes related to investing activities		341	292
Net cash provided by (used in) investing activities		**(309,548)**	**(83,769)**
Dividends paid to non-controlling interests	*4*	(1,387)	(2,018)
Increase (decrease) in share capital by non-controlling interests	*4*	2,736	1,314
Proceeds from issuance of borrowings	*6.22*	281,294	96,324
Repayment of borrowings	*6.22*	(32,480)	(48,944)
Finance costs paid	*6.22*	(45,880)	(31,094)
Other Financial expenses paid	*6.22*	(610)	(727)
Net cash provided by (used in) financing activities		**203,673**	**14,855**
Effect of exchange rate fluctuations on cash held		(47)	150
Net increase (decrease) in cash and cash equivalents		**(17,770)**	**(1,277)**
Cash and cash equivalents at beginning of period	*6.20*	*62,328*	*63,605*
Cash and cash equivalents at end of period	*6.20*	*44,558*	*62,328*

6 Notes to the consolidated financial statements

General information

6.1 Reporting entity

Cerba HealthCare (formerly Cerba European Lab) (hereinafter referred to as "the Company") is a French simplified joint-stock company (*société par actions simplifiée*), headquartered in France at 7/11 Rue de l'Equerre 95310 Saint-Ouen-l'Aumône.

The Company was created on 8 June 2010 following the acquisition of the Cerba HealthCare Group.

The Group is a leading European player in medical biology, with a market positioning in clinical laboratory testing, specialised clinical pathology and clinical trials.

Financière Gaillon 13 SAS was created in 2013 and is the shareholder of Cerba HealthCare.

6.2 Significant events of the period

Changes in scope of consolidation

The Group continued its policy of external growth. It acquired the following interests during the year (see Note 6.12):

- Acquisition of laboratory network Novescia ("France" Area) dated Tuesday, March 10, 2015;
- Acquisition of LBM Glasgow and Sofilab29 company (« Bretagne » Area) in May 2015;
- Acquisition of Vigibio company (" PACA" Area) in August 2015;
- Acquisition of Néobio ("Nord"Area), Cerdibio ("Charentes" Area) and Goelab ("Bretagne" Area) companies in September 2015;
- Acquisition of Labo17 ("Charente" Area)

The Group is restructuring its operations as follows:

- Creation of entities :
  - Financière de l'Equerre 1, Holding created for the acquisition of the entities Novescia;
  - GEIE CEL Gestion, structure involving the costs of central functions;
  - Cerbavet whose Veterinary Medical Biology activity started on December 10th 2015
- Mergers by dissolution with tax and accounting retroactivity:
  - JS Bio to Biotop from 01st January 2015;
  - Centre de Morphologie Pathologique to LBS from 01st January 2015;
  - Chaouat Herzeau Bieder to CBCV from 01st January 2015;
  - Holding's Novescia to Financière de l'Equerre 1 from 01st April 2015;
  - Vigibio to SLB from 01st March 2015;
  - Goelab to Biobaie from 01st January 2015;
  - LBS to CRI from 01st May 2015;
  - Labo17 to Cerdibio from 01st October 2015
- Mergers by dissolution without tax and accounting retroactivity:
  - JL Bio to CBCV from 30st June 2015

Capital structure

As a reminder, on November 4, 2014, the entity Financière Gaillon 0, ultimate parent of Cerba HealthCare has been created and it became the new parent entity of the Group.

Cerba HealthCare conducted in February 17, 2015 to a capital increase from convertible bonds.

Financing structure

The Group has issued bonds High Yield 3 to 28 February 2015, € 230 million to finance the acquisition of Novescia Group by the entity "Financière de l'Equerre 1".

- The loan was issued for € 85M by Cerba HealthCare (interest 7%, due 2020) and € 145 million by Cerberus Nightingale 1 (interest at 8.25% due 2020)
- The € 145M borrowed by Cerberus Nightingale 1 were re-loaned to Cerba HealthCare via Cerberus Nightingale 2 (interest at 8.50% due 2020).

The Effective deadline is fixed at January 31, 2020 equivalent to the older High-Yield bonds.

6.3 Basis of preparation

6.3.1 Statement of compliance

The consolidated financial statements of Cerba HealthCare have been prepared in accordance with the International Financial Reporting Standards (including IFRSs, IASs, SIC and IFRIC interpretations) adopted by the European Union before 31 December 2015 and published by the IASB (International Accounting Standards Board).

The Group has analysed IFRSs, IASs, SIC, IFRIC interpretations and related amendments published, approved and applicable for accounting periods beginning on or after 1 January 2015—as well as those not yet approved—by the European Union at 31 December 2015.

These standards can be viewed on the European Commission's website at: *http://ec.europa.eu/internal_market/accounting/ias/index_en.htm*

The following standards, interpretations and related amendments, published in the Official Journal of the European Union at the end of the reporting period, were applied by the Group in 2015:

Revised standards, amendments and interpretations applicable for accounting periods beginning on or after 1 June 2014		First application UE for accounting periods from:	Impacts
IFRIC 21	"Levies"	17.06.2014	No significant impact

Revised standards, amendments and interpretations applicable for accounting periods beginning on or after 1 January 2015		First application UE for accounting periods from:	Impacts
Annual Improvements	IFRSs 2011–2013 Cycle (issued on 12 December 2013)	01.01.2015	Impact

New standards, amendments and interpretations published by the IASB applicable and not early-adopted by the Group:		First application UE for accounting periods from:	Impacts
Annual Improvements	IFRSs 2010–2012 Cycle (issued on 12 December 2013)	01.02.2015	Impact
Amendments IAS 19	Defined Benefit Plans: Employee Contributions (issued on 21 November 2013)	01.02.2015	Impact

Revised standards, amendments and interpretations applicable for accounting periods beginning on or after 1 January 2016		First application UE for accounting periods from:	Impacts
Amendments IAS 16 and IAS 41	Bearer Plants (issued on 30 June 2014)	01.01.2016	No Impact
Amendments IFRS 11	Accounting for Acquisitions of Interests in Joint Operations (issued on 6 May 2014)	01.01.2016	No Impact
Amendments IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation (issued on 12 May 2014)	01.01.2016	impact being analyzed
Annual Improvements	IFRSs 2012–2014 Cycle (issued on 25 September 2014)	01.01.2016	impact being analyzed
Amendments IAS 1	Disclosure Initiative (issued on 18 December 2014)	01.01.2016	impact being analyzed
Amendments IAS 27	Equity Method in Separate Financial Statements (issued on 12 August 2014)	01.01.2016	impact being analyzed

New standards, amendments and interpretations published by the IASB but not yet applicable or not early-adopted by the Group:		IASB effective date	Impacts
IFRS 9	"Financial Instruments"	01.01.2018	impact being analyzed
IFRS 14	"Regulatory Deferral Accounts" (issued on 30 January 2014)	01.01.2016	To be Analysed
IFRS 15	"Revenue from Contracts with Customers (issued on 28 May 2014)"	01.01.2018	To be Analysed
Amendments IFRS 10, IFRS 12 and IAS 28	"Investment Entities: Applying the Consolidation Exception" (issued on 18 December 2014)	01.01.2016	To be Analysed
Amendments IAS 12	Recognition of Deferred Tax Assets for Unrealised Losses (issued on 19 January 2016)	01.01.2017	To be Analysed
Amendments IAS 7	Disclosure Initiative (issued on 29 January 2016)	01.01.2017	To be Analysed
IFRS 16	Leases (Issued on 13 January 2016)	01.01.2019	To be Analysed
Amendments IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (issued on 11 September 2014)	Deferred Indefinitely	

The Group is currently analysing the impact on its consolidated financial statements of the standards published by the IASB at 31 December 2015 but not yet adopted by the EU but it does not expect the impact to be material.

6.3.2 Comparability of financial statements

The accounting policies used to prepare the consolidated financial statements at 31 December 2015 are identical to those used for the consolidated statements at 31 December 2014.

As part of a consolidated reporting optimization process, some items were detailed in 2015 and refining in terms of accounting position in the income statement but have no effect on the aggregates of our financial statements.

6.3.3 Basis of measurement

The consolidated financial statements have been prepared using the historical cost principle, except for derivative instruments, which are measured at fair value.

Concerning the business combinations (See Note 6.4.1.1), the Group acquires control of an entity or group of entities, the identifiable assets acquired and liabilities assumed are recognized and measured at fair value. The difference between the consideration transferred (i.e. the acquisition cost) and the fair value of the identifiable assets acquired, net of the liabilities and contingent liabilities assumed, is recognized as goodwill.

Goodwill is recorded directly in the statement of financial position of the acquired entity, in the entity's functional currency.

Its recoverable amount is subsequently monitored at the level of the cash-generating unit to which the entity belongs.

6.3.4 Functional and presentation currency

The consolidated financial statements are presented in Thousands of Euros, the Company's functional currency, and rounded to the nearest thousand, unless otherwise specified.

The functional currency of most foreign subsidiaries is their local currency, corresponding to the currency in which the majority of their transactions are denominated.

The balance sheets of these subsidiaries are translated at the year-end exchange rate and their income statements are translated on a monthly basis at the average exchange rate for each month. Gains and losses resulting from the translation of financial statements of foreign subsidiaries are recorded in equity under "Translation reserve".

6.3.5 Use of estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual amounts may differ from these estimates.

Management bases these estimates and assumptions on past experience and the Group's current business environment and they are reviewed on an ongoing basis. The impacts of changes to estimates are recognised in the period in which the estimates are revised and for all future periods affected.

Estimates and assumptions are particularly important for measuring:

- the recoverable amount of intangible assets and property, plant and equipment, especially goodwill presented in notes 6.12, 6.13 and 6.14;
- obligations under defined benefit plans ;
- deferred tax assets and liabilities.

6.4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements and by all Group entities.

6.4.1 Basis of consolidation

The Group's annual consolidated financial statements include those of the parent company and all of its subsidiaries for the period ended 31 December 2015. All of the subsidiaries close their accounts on 31 December, except for CRI (30 November).

The Group consolidates all entities over which it exercises exclusive control—either directly or indirectly—using the full consolidation method. Entities over which the Group has significant influence are accounted for using the equity method without applying any threshold in terms of its interest and/or voting rights.

All material intragroup balances, transactions, income and expenses are totally eliminated.

All profits and losses generated by subsidiaries are broken out into the portion attributable to owners of the Company and to non-controlling interests, based on their respective interests.

6.4.1.1 Business combinations

In accordance with Revised IFRS 3, business combinations acquired after to 1 January 2010 are accounted for using the purchase method at the acquisition date, which is the date on which control was transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; (+)
- the recognised amount of any non-controlling interests in the acquiree; (+)
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; (-)
- the net recognised amount (in general the fair value) of the identifiable assets acquired and liabilities assumed.

Contingent consideration is measured at its acquisition-date fair value and is subsequently adjusted through goodwill only when additional information is obtained after the acquisition date about facts and circumstances that existed at that date.

Such adjustments are made only during the 12-month measurement period that follows the acquisition date.

All other subsequent adjustments are recorded as a receivable or payable through profit or loss.

In the case of multi-step acquisitions, acquisition of control over the acquiree triggers remeasurement of all previously-held equity interests at fair value and any material changes are recognised in profit or loss from recurring operations.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Contingent consideration is recognised in equity if the contingent payment is settled by delivery of a fixed number of the acquirer's equity instruments; in all other cases, it is recognised in liabilities related to business combinations. Contingent consideration is recognised at fair value at the acquisition date irrespective of the probability of payment. If the contingent consideration was originally recognised as a liability, any subsequent adjustments are recognised in profit or loss unless such adjustments are made within 12 months of the acquisition date and are related to facts and circumstances existing at the acquisition date. Purchased goodwill is accounted for as a business combination.

6.4.1.2 Acquisitions of non-controlling interests

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners. Therefore, no goodwill is recognised. Adjustments to non-controlling

interests arising from transactions that do not involve the loss of control are determined based on the proportionate interest in the net assets of the subsidiary.

Operations that do not lead to a loss of control are treated as transactions between shareholders, giving rise to a new split between equity attributable to owners of the Company and to non-controlling interests. The same allocation basis is applied to any transaction costs.

6.4.1.3 Subsidiaries

Subsidiaries are entities controlled by the Group. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

French legislation requires laboratories to be incorporated as private practice companies (*Société d'Exercice Libéral—SEL*) and the clinical pathologists operating the private practice companies to hold at least 50% of the voting rights at shareholders' annual general meetings. In strict compliance with these regulations, the Group has created a capital structure to meet these obligations and hold the majority of the related financial interests (see Note 6.5). Moreover, specific clauses, especially concerning the governance structure, are included in the articles of association and shareholders agreements.

Although the Group does not hold the majority of voting rights in the private practice companies, the above-mentioned mechanisms allow it to obtain the majority of the economic benefits derived from the activities of these companies and also to demonstrate the existence of *de facto* control in full compliance with French legislation, therefore enabling the French entities to be fully consolidated.

Subsidiaries are fully consolidated from the date that control commences until the date that control ceases (see Note 6.4.1.4). Divestment resulting in loss of control

6.4.1.4 Disvestment resulting in loss of control

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any profit or loss arising on the loss of control is recognised in "Profit or loss from recurring operations".

If the Group retains any interest in its former subsidiary, said interest is measured at fair value at the date that control is relinquished. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset, depending on the level of influence retained.

6.4.1.5 Transactions eliminated in consolidation

Intra-group balances and transactions and any income and expenses arising from intra-group transactions are eliminated in the consolidated financial statements.

6.4.1.6 Foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currencies of the respective Group entities at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the closing exchange rate.

Foreign currency translation differences are recognised in profit or loss.

6.4.1.7 Foreign operations

The assets and liabilities of foreign operations—including goodwill and fair value adjustments arising on acquisitions—whose functional currency is not the euro, are translated into euros at the closing exchange rate, and their statements of comprehensive income are translated into euros using average exchange rates for the period.

The foreign currency translation differences arising from the use of different exchange rates are recognised in "Other comprehensive income". They are carried in the foreign currency translation reserve in consolidated equity until the related investments are sold or wound up.

6.4.2 Financial instruments

The Group's financial assets and liabilities are presented in accordance with IAS 39.

They are broken out into their current and non-current portion, depending on whether they mature in under or over one year.

In accordance with IAS 39, the obligating event is recognition in the balance sheet at the transaction date: if there is a time-lag between the transaction date (i.e., the obligation) and the settlement date, securities deliverable or receivable are recognised from the transaction date.

6.5 Scope of consolidation

Integrated companies	31 December 2015 Consolidation method	% control	% interests	31 December 2014 Consolidation method	% control	% interests	Address	Country
Cerba Health Care	**Parent company**	**100,00%**	**100,00%**	**Parent company**	**100,00%**	**100,00%**	**Saint-Ouen-l'Aumône**	**France**
BARC Australia	FC	100,00%	100,00%	FC	100,00%	100,00%	Kogarah	Australia
BARC China	FC	100,00%	100,00%	FC	100,00%	100,00%	Shangai	Chine
BARC Finance	FC	100,00%	100,00%	FC	100,00%	100,00%	Zwijnarde	Belgium
BARC NV	FC	100,00%	100,00%	FC	100,00%	100,00%	Zwijnarde	Belgium
BARC RSA	FC	50,10%	50,10%	FC	50,10%	50,10%	Richmond area, Johannesburg	South Africa
BARC USA	FC	100,00%	100,00%	FC	100,00%	100,00%	Lake Success, New York	United States
Biopyrénées	FC	48,99%	99,09%	FC	48,76%	91,14%	Tarbes	France
Biolille	FC	45,62%	83,03%	FC	45,62%	83,03%	Lille	France
Biotop Developement	FC	49,99%	99,85%	FC	50,00%	99,75%	Marseille	France
Biotop SCM	FC	100,00%	99,85%	FC	100,00%	99,75%	Marseille	France
Centre de Morphologie pathologique				FC	100,00%	100,00%	Anderlecht	Belgium
Cefid	FC	100,00%	100,00%	FC	100,00%	100,00%	Saint-Ouen-l'Aumône	France
Centre Biologique du Chemin Vert (CBCV) SELAS	FC	49,00%	97,23%	FC	49,00%	97,23%	Paris	France
Cerba Specimen Services SAS	FC	100,00%	100,00%	FC	100,00%	100,00%	Saint-Ouen-l'Aumône	France
CRI	FC	100,00%	100,00%	FC	100,00%	100,00%	Zwijnarde	Belgium
JL-BIO				FC	49,81%	97,13%	Paris	France
Laboratoire Cerba	FC	25,00%	99,85%	FC	25,00%	99,85%	Saint-Ouen-l'Aumône	France
LBS				FC	100,00%	100,00%	Bruxelles	Belgium
LLAM SA	FC	100,00%	100,00%	FC	100,00%	100,00%	Esch-sur-Alzette	Luxembourg
Biobaie	FC	49,00%	77,38%	FC	49,00%	73,70%	Plérin	France
VGS La Réunion Selas	FC	45,04%	80,56%	FC	46,98%	80,56%	Le Port, La Réunion	France
Biopole 80	FC	49,00%	69,87%	FC	49,00%	69,91%	Amiens	France
Chaouat Heurzeau Bieder				FC	99,92%	97,15%	Aubervilliers	France
Centre de biologie médicale	FC	49,88%	99,60%	FC	49,98%	99,82%	Le Havre	France
BIO76				FC	99,51%	99,33%	Le Havre	France
JS-BIO				FC	49,00%	99,75%	Marseille	France
Société des laboratoires BILLIEMAZ	FC	45,30%	99,85%	FC	49,00%	99,75%	Marseille	France
GIE JS-BIO	FC	100,00%	100,00%	FC	100,00%	99,75%	Marseille	France
FINANCIERE DE L'EQUERRE	FC	100,00%	99,85%				Saint-Ouen-l'Aumône	France
GEIE-CEL GESTION	FC	100,00%	100,00%				Saint-Ouen-l'Aumône	France
NOV-AMIEL	FC	100,00%	99,85%				Figueres	Spain
NOV-BIO15	FC	49,80%	97,23%				Paris	France
NOV-BOURGOGNE	FC	49,93%	99,79%				Sennecey le Grand	France
NOV-CLAIRVAL	FC	49,97%	99,75%				Marseille	France
NOV-COUTANSON	FC	49,93%	99,63%				Istres	France
NOV-FRANCILIENS	FC	49,92%	99,85%				Aulnay Sous Bois	France
NOV-GIE	FC	100,00%	100,00%				Boulogne Billancourt	France
NOV-HAUTE VALLEE	FC	49,99%	99,84%				Quillan	France
NOV-JMPINVEST	FC	100,00%	99,85%				Lyon	France
NOV-LABSTOSCANA	FC	100,00%	99,85%				Milan	Italy
NOV-LOIRE	FC	49,99%	98,87%				Saint-Etienne	France
NOV-MIDI PYRENEES	FC	49,98%	99,85%				Toulouse	France
NOV-NORD ARTOIS	FC	49,72%	99,38%				Arras	France
NOV-NORMANDIE	FC	49,97%	99,65%				Caen	France
NOV-PARIS OUEST	FC	49,98%	99,77%				Vaureal	France
NOV-PARIS SUD	FC	49,98%	99,81%				Wissous	France
NOV-RHONE ALPES	FC	49,80%	98,88%				Lyon	France

Integrated companies	31 December 2015 Consolidation method	% control	% interests	31 December 2014 Consolidation method	% control	% interests	Address	Country
NOV-RDP	FC	49,93%	99,71%				Marseille	France
NOV-REUNION	FC	49,99%	99,84%				Saint-Clotilde	France
LBM-GLASGOW	FC	49,00%	99,84%				Brest	France
SOFILAB29	FC	100,00%	99,85%				Brest	France
NEOBIO	FC	45,30%	63,71%				Amiens	France
CERDIBIO	FC	49,80%	99,84%				Saintes	France
CERBAVET	FC	99,97%	99,97%				Wissous	France

FC : Full consolidation

Transfer of assets	31 December 2015 Consolidation method	% control	% interests	31 December 2014 Consolidation method	% control	% interests	Comments
JS-BIO				FC	49.00%	99.75%	Merged in BIOTOP in 2015
Centre de Morphologie pathologique				FC	100.00%	100.00%	Merged in LBS in 2015
JL-BIO				FC	49.81%	97.13%	Merged in CBCV in 2015
Chaouat Heurzeau Bieder				FC	99.92%	97.15%	Merged in CBCV in 2015
LBS				FC	100.00%	100.00%	UTH in CRI in 2015
NOV-BIOINVEST							Merged in FINANCIERE DE L'EQUERRE in 2015
NOV-FINESCIA							Merged in FINANCIERE DE L'EQUERRE in 2015
NOV-MANESCIA							Merged in FINANCIERE DE L'EQUERRE in 2015
NOV-MANESCIA 3							Merged in FINANCIERE DE L'EQUERRE in 2015
NOV-MURILLO							Merged in FINANCIERE DE L'EQUERRE in 2015
NOV-SAS							Merged in FINANCIERE DE L'EQUERRE in 2015
VIGIBIO							Merged in BILLIEMAZ in 2015
GOELAB							Merged in BIOBAIE in 2015
BIO76				FC	99.51%	99.33%	Liquidated in 2015
LABO17 (Chavigny Roy Faria)							Merged in CERDIBIO in 2015

New consolidated entities	31 December 2015 Consolidation method	% control	% interests	31 December 2014 Consolidation method	% control	% interests	Comments
NOV-AMIEL	FC	100.00%	99.85%				Acquired the 10 March 2015
NOV-BIO15	FC	49.80%	97.23%				Acquired the 10 March 2015
NOV-BIOINVEST	FC	100.00%	100.00%				Acquired the 10 March 2015
NOV-BOURGOGNE	FC	49.93%	99.79%				Acquired the 10 March 2015
NOV-CLAIRVAL	FC	49.97%	99.75%				Acquired the 10 March 2015
NOV-COUTANSON	FC	49.93%	99.63%				Acquired the 10 March 2015
NOV-FINESCIA	FC	100.00%	100.00%				Acquired the 10 March 2015
NOV-FRANCILIENS	FC	49.92%	99.85%				Acquired the 10 March 2015
NOV-GIE	FC	100.00%	100.00%				Acquired the 10 March 2015
NOV-HAUTE VALLEE	FC	49.99%	99.84%				Acquired the 10 March 2015
NOV-JMPINVEST	FC	100.00%	99.85%				Acquired the 10 March 2015
NOV-LABSTOSCANA	FC	100.00%	99.85%				Acquired the 10 March 2015
NOV-LOIRE	FC	49.99%	98.87%				Acquired the 10 March 2015
NOV-MANESCIA	FC	100.00%	100.00%				Acquired the 10 March 2015
NOV-MANESCIA 3	FC	100.00%	100.00%				Acquired the 10 March 2015
NOV-MURILLO	FC	100.00%	100.00%				Acquired the 10 March 2015
NOV-MIDI PYRENEES	FC	49.98%	99.85%				Acquired the 10 March 2015
NOV-NORD ARTOIS	FC	49.72%	99.38%				Acquired the 10 March 2015
NOV-NORMANDIE	FC	49.97%	99.65%				Acquired the 10 March 2015
NOV-PARIS OUEST	FC	49.98%	99.77%				Acquired the 10 March 2015
NOV-PARIS SUD	FC	49.98%	99.81%				Acquired the 10 March 2015
NOV-RHONE ALPES	FC	49.80%	98.88%				Acquired the 10 March 2015
NOV-RDP	FC	49.93%	99.71%				Acquired the 10 March 2015
NOV-REUNION	FC	49.99%	99.84%				Acquired the 10 March 2015
NOV-SAS	FC	49.00%	99.84%				Acquired the 10 March 2015

New consolidated entities	31 December 2015 Consolidation method	% control	% interests	31 December 2014 Consolidation method	% control	% interests	Comments
FINANCIERE DE L'EQUERRE	FC	100.00%	99.85%				Acquired on January 2015
GEIE-CEL GESTION	FC	100.00%	100.00%				Acquired on January 2015
LBM-GLASGOW	FC	49.00%	99.84%				Acquired the 29 May 2015
SOFILAB29	FC	100.00%	99.85%				Acquired the 29 May 2015
VIGIBIO	FC	49.00%	100.00%				Acquired the 6 August 2015
NEOBIO	FC	45.30%	63.71%				Acquired the 8 September 2015
GOELAB	FC	100.00%	100.00%				Acquired the 30 September 2015
CERDIBIO	FC	49.80%	99.84%				Acquired the 20 September 2015
LABO17 (Chavigny Roy Faria)	FC	49.00%	100.00%				Acquired the 31 December 2015
CERBAVET	FC	99.97%	99.97%				Consolidated on December 2015

FC : Full consolidation
UTH : Universal transmission heritage

6.6 Segment information

The Group's operating segments used in reported financial information have been identified on the basis of the internal reports used by management to allocate resources to the segments and assess their performance. For confidentiality reasons, the operating income (loss) by reporting segments is not provided.

The Group has three main reporting segments:

- Specialised clinical pathology
- Private clinical laboratory testing (France and Belux)
- Clinical trials

(In thousands of euro)	31 December 2015	31 December 2014
Specialised clinical pathology	**138,251**	**130,416**
France clinical laboratory testing	**317,969**	**154,997**
Belux clinical laboratory testing	**67,278**	**69,328**
Clinical Trials	**32,487**	**44,475**
Net sales	**555,985**	**399,216**

Notes to the consolidated income statement

6.7 Net sales

Sales of services correspond to testing for patients, laboratories, hospitals and pharmaceutical companies in three market segments (Cf Note 6.6).

Revenue from services rendered in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and any contractual volume discounts for hospitals after the elimination of intra-group sales.

Specialised clinical pathology and private clinical testing operations are carried out in clinical laboratories. Revenue related to analyses/tests carried out is recognised when the report is validated by the clinical pathologist (on the date results are given to the client).

Clinical trials are governed by contractual agreements providing for specific invoicing arrangements at each stage. Revenue is recognised using the percentage-of-completion method. Percentage of completion is measured on the basis of work performed.

Sales of goods include the sale of sampling kits for clinical trials.

(In thousands of euro)	31 December 2015	31 December 2014
Sales of services	555,985	399,193
Sales of goods	—	23
Net sales	**555,985**	**399,216**

6.8 Personnel expenses

(In thousands of euro)	31 December 2015	31 December 2014
Wages and salaries including social charges	(204,621)	(132,891)
Post-employment benefits and other long-term benefits	(6,610)	(4,914)
Employee profit sharing	(2,729)	(2,773)
Provisions for labor and social disputes	(471)	—
Personnel expenses	**(214,432)**	**(140,578)**

Employee headcount in fully-consolidated entities was 4,285 at 31 December 2015, compared to 2,669 at 31 December 2014 (Full Time Equivalent).

Headcount in newly-acquired or newly-consolidated entities, net of entities derecognised during the year was 1482.

6.9 Other income and expenses

Other income and other expenses include both recurring and non-recurring income and expenses. Non-recurring items comprise extraordinary income and expenses, which due to their nature, amount or frequency generally correspond to major one-off or unusual events.

(In thousands of euro)	31 December 2015	31 December 2014
Product from sales of assets	1,455	745
Other incomes	3,094	1,751
Self production	108	391
Operating subsidy	258	1,183
Total other incomes	***4,915***	***4 ,070***
Gains and losses on receivables	(2,501)	(3,107)
Net book value	(1,148)	(636)
Other expenses	(2,412)	(4,294)
Total other expenses	***(6,061)***	***(8,037)***
Total	**(1,146)**	**(3,967)**

On December 2015 31th, the others expenses and incomes includes mainly the license fees of €-2 million, Expenses related to new companies integration of €-0.4 million, gains on lease-back of €0.5 million, estate rent chargeback of €0,5 million and other reimbursements of €2 million.

6.10 Net financial income (expense)

Net finance costs comprise:

- Interest expense relating to financial debt;
- Gains and losses on interest rate derivatives (rate swaps) used to hedge interest rate risk on the Group's debt;
- Income from cash and cash equivalents, which comprises interest paid on cash investments and cash equivalents.

Other financial income and expense mainly comprise foreign exchange gains and losses and changes in the fair value of derivatives that do not qualify for hedge accounting.

Net financial income (expense) is directly attributable to the financing arrangements in respect of acquisitions.

(In thousands of euro)	31 December 2015	31 December 2014
Change in fair value (profit)	*668*	*—*
Net return on cash equivalents	*102*	*227*
Others	*49*	*—*
Financial income	819	227
Change in fair value (expense)	—	(10)
Losses on cash equivalents	(7)	(2)
Other financial charges on cash equivalents	(6)	(7)
Interest on bonds	*(52,368)*	*(33,939)*
Interests on bank loans	*(1,805)*	*(1,534)*
Interests on finance lease	*(2,156)*	*(2,129)*
Interests on derivatives	*(643)*	*(284)*
Other interests	*(838)*	*(16)*
Finance cost	(57,823)	(37,921)
Net cost of debt	**(57,004)**	**(37,694)**
Other financial incomes	525	278
Other financial expenses	(2,044)	(1,118)
Net financial income (loss)	**(58,524)**	**(38,534)**

It comprises rolled-up interest on convertible bonds and the high-yield bonds issued on 31 January 2013 and on 28th February 2015. The interest linked to the additional draw for High-Yield bond describe in the note 6.2.

6.11 Income tax

6.11.1 Breakdown between current and deferred tax

Income tax comprises current tax and deferred tax recognised in accordance with IAS 12. Current tax and deferred tax are recognised in profit and loss unless they relate to a business combination, or to items that are recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on taxable profit or tax loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amounts and tax base of assets and liabilities. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit;
- temporary differences related to investments in subsidiaries and joint ventures insofar as it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are measured using the tax rates (and laws) that have been enacted or substantially enacted by the year-end and are expected to apply when the asset is realised or the liability is settled.

In determining the amount of current and deferred tax, the Company takes into account the impact of any uncertain tax positions and any additional taxes and interest that may be due.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities and they relate to taxes levied by the same authority, either on the same taxable entity or on different tax entities that intend to settle current tax liabilities and assets on a net basis, and realise their tax assets and settle their tax liabilities simultaneously.

A deferred tax asset is only recognised for unused tax credits, tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and reduced if it is no longer probable that taxable profit will be available against which they can be used.

(In thousands of euro)	31 December 2015	31 December 2014
Current tax expense	(17,410)	(13,911)
Deferred tax expense	8,528	3,147
Income tax	**(8,881)**	**(10,763)**

The current tax expense is equal to the amount of income taxes due to tax authorities for the year, according to the tax regulations and legal tax rates in the different countries.

The base rate of theorical income tax in France is 34.43%, including the additional contributions.

(In thousands of euro)	31 December 2015	31 December 2014
Tax rate	**34.43%**	**34.43%**
Consolidated net income (loss)—attributable to owners of the Company	(973)	(15,386)
Consolidated net income (loss)—attributable to non-controlling interests	2,417	1,985
Consolidated profit (loss), after tax	**1,444**	**(13,400)**
Current tax	(17,410)	(13,911)
Deferred tax	8,528	3,147
Income tax	(8,881)	(10,763)
Consolidated profit (loss) before tax	**10,326**	**(2,637)**
Theoretical current tax expense (applying rate of the consolidating company)	(3,555)	908
Tax rate differences	85	(20)
Other permanent differences between accounting income and taxable income	1,191	1,432
Impairment GW Medical Lab		(7,533)
Unrecognised tax losses for the period	(4,471)	(6,167)
Non deductible interests	(5,734)	(1,784)
Taxable portion of dividends received and withholding at source	(174)	(238)
Other deferred taxes without a related basis	734	(4,329)
Tax losses activation	6,258	8,048
Tax credits	(103)	(50)
French value added business tax (CVAE)	(2,454)	(1,500)
Other items	(659)	470
Effective tax expense	**(8,881)**	**(10,763)**

Financial position-assets

6.12 Goodwill

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Goodwill and indefinite-lived intangible assets are tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. For the purposes of goodwill impairment testing, the CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. CGUs are aggregated within operating segments. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Goodwill impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are first allocated against the carrying amount of any goodwill allocated to the

CGU (or group of CGUs), and then against the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill cannot be reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies arising from the business combination.

The CGUs or group of CGUs identified by the Group are as follows:

- Specialised clinical pathology CGU: this activity involves complex clinical testing and/or testing requiring specific equipment that clients (hospitals, clinics, private or community laboratories) do not have.
- France private clinical laboratory testing CGU and Belux private clinical laboratory testing CGU.
- Clinical trials CGU: conducting clinical trials (logistics, analyses, results) for pharmaceutical companies and biotechnology firms during the drug development phase.

Business goodwill acquired during the period is recognised as part of goodwill.

The Group's acquisitions for the period related to private clinical laboratories in France and they can be summarised as follows:

(In millions of euro)	Goodwill recognised on the new acquisitions
Net assets acquired	**273.9**
Cancellation regulated provisions	0.3
Cancellation of commercial goodwill	(101.8)
Restatement fair value financial instruments	(0.4)
Restatement Leasing	(0.2)
Cancellation of merger loss	(66.0)
Cancellation of intercompany shares	(136.1)
Intangible assets revaluation	52.0
Tax liabilities	(13.8)
Net assets acquired (liabilities assumed) restated at fair value (100%)	**7.9**
Share of the Fair value of net assets acquired	**8.8**
Acquisition price	**305.9**
Goodwill	**297.1**
Commercial Goodwill	**1.4**
Total	**298.5**

(In millions of euro)	31 December 2015
Acquisition price	305.9
Cash and cash equivalents acquired	(17.9)
Debt on acquisitions	(6.7)
Net cash outflow on acquisitions	**281.3**
Debt payment on acquisitions in prior years	1.9
Refunds minority current accounts	0.3
Acquisitions of businesses	1.4
Acquisitions of additional shares	2.4
Disposals of participations	(0.8)
Disposals of subsidiaries	(0.0)
Impact of changes in consolidation	**286.4**

(In thousands of euro) acquisition date	31 December 2015	Groupe NOVESCIA 10/03/2015	LBM-GLASGOW 29/05/2015	VIGIBIO 01/08/2015	NEOBIO 08/09/2015	GOELAB 30/09/2015	CERDIBIO 20/09/2015	LABO17 31/12/2015	31 December 2015 Pro forma 12 months
Net sales	555,985	25,013	5,302	2,973	1,270	1,112	11,460	3,266	606,381
Profit (Loss)	1,444	846	528	1	92	24	709	368	4,012

Changes in the gross value and carrying amount of goodwill can be broken down as follows:

(In thousands of euro)	31 December 2015
Gross value at 1 January	742,293
Acquisitions of entities or shares	297,180
Acquisitions of businesses	1,354
Decreases of businesses	(477)
Gross value at 31 December	**1,040,350**
Impairment at 1 January	(71,100)
Impairment for the period	—
Impairment at 31 December	**(71,100)**
Net value at 1 January	671,193
Net value at 31 December	**969,250**

The €297,1 million increase in the gross value of goodwill relates to goodwill on acquisitions of securities and companies during the period (see Note 6.2). €1,4 million increase is due to acquisitions of commercial property.

The tests are performed at the level of cash generating unit (CGU) to which the assets belong. CGUs are defined as the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If a CGU's recoverable amount is less than its carrying amount, an impairment loss is recognised in profit or loss and, to the extent possible, as an adjustment to the carrying amount of any goodwill allocated to the CGU.

The Goodwill broken down by CGU is as follows:

(In millions of euro)	Carrying amount at 31 December 2014	Acquisitions or securities	Acquisitions of businesses	Disposals of businesses	Net book value at 31 December 2015
Specialised clinical pathology CGU	123.8				123.8
France clinical laboratory testing CGU	294.2	297.1	1.4	(0.4)	592.2
Belux clinical laboratory testing CGU	200.9				200.9
Clinical trial CGU	52.3				52.3
Total	**671.2**	**297.1**	**1.4**	**(0.4)**	**969.3**

In accordance with IAS 36, and considering the goodwill was tested for impairment at 31 December 2015, the Group didn't' identified any impairment on the different CGU. The impairment tests were based on the value in use of each CGU calculated using the discounted cash flow method as described before.

The main assumptions used to calculate the recoverable amount of the CGUs as of 31 December 2015 were the following:

2015.12

Cash generating units	Cash flow projection period	Discount rate	Long-term growth rate
Specialised clinical pathology CGU	6 years	7.10%	2.00%
France clinical laboratory testing CGU	6 years	7.30%	2.00%
Belux clinical laboratory testing CGU	6 years	7.30%	2.20%
Clinical trial CGU	6 years	10.20%	3.50%

2014.12

Cash generating units	Cash flow projection period	Discount rate	Long-term growth rate
Specialised clinical pathology CGU	6 years	7.10%	2.00%
France clinical laboratory testing CGU	6 years	7.10%	2.00%
Belux clinical laboratory testing CGU	6 years	7.10%	2.20%
Clinical trial CGU	6 years	10.10%	3.50%

Cash flows were discounted based on the weighted average cost of capital (WACC), calculated on the basis of the expected return and market risk for each CGU.

Impairment testing was carried out using the same procedures as in previous periods: key modelling assumptions such as market multiples and the discount rate reflected stock market and macro-economic trends.The resulting multiples are close to those of companies engaged in businesses that are similar to those of the Cerba Group.

The terminal value is calculated by discounting cash flows to long term, based on normalised cash flows and a perpetuity growth rate, taking into account of market development potential and competitive position. The discounted cash flows are compared to the sum of the goodwill and the operating assets allocated to the CGU (intangible assets, items of property, plant and equipment and components of working capital, net of deferred tax liabilities).

Testing and the cash flow calculation were based on the most recent medium-term plan (MTP), covering the years 2016-2021 validated by management based on markets conditions at December 2015.

The growth rates used to estimate the cash flows of the CGUs or Groups of CGUs are considerably less than the Group's average historical growth rates.

At 31 December 2014, an impairment loss of €22.6 million was recognised on the specialised clinical pathology CGU following impairment testing after having lowered the performance objectives of the business plan on this activity in addition to the impairment recorded at 30 June 2012 of €48.5 million on the CGU "Specialised Clinical pathology". On the others CGU's, no evidence of impairment has been identified.

The weighted average cost of capital and market multiples are adjusted based on business data and the geographical location of the CGUs tested.

At 31 December 2015, the recoverable amounts of the CGUs or Groups of CGUs were higher than their carrying amounts except on the CGU "Clinical Trial"(cf Supra)

Sensitivity analyses have been performed on all of the CGUs and the results of testing the value in use (of the groups of assets to which most goodwill is allocated) against changes in the various assumptions used at 31 December 2015 are shown in the following table:

(In millions of euro)	Test margin	Discount rate for cash flows 0.5%	Growth rate to infinity -0.5%	Combination of two factors	Existing accrual
Specialised clinical pathology CGU	78.7	(34.0)	(27.6)	(55.4)	(48.5)
France clinical laboratory testing CGU	299.7	(70.8)	(56.3)	(119.2)	
Belux clinical laboratory testing CGU	55.4	(25.9)	(21.0)	(42.7)	
Clinical trial CGU	-11.5	(4.9)	(3.7)	(8.2)	(22.6)
Total	**422.3**	**(135.6)**	**(108.6)**	**(225.5)**	**(71.1)**

A decline in value in use following the application of the sensitivities indicated below either separately or based on a combination of the two factors does not actually undermine the carrying amount of goodwill.

Only the clinical trials CGU would be exposed to a slight risk of impairment in the unlikely event of a simultaneous change in the two factors indicated

6.13 Other Intangible assets

1. Research and development

Expenditure on research activities to gain new scientific and technical knowledge and understanding is recognised in profit or loss as incurred.

Development expenditure is expensed if the criteria for recognition as an intangible asset as defined by IAS 38, are not met.

Under IAS 38—Intangible Assets, development expenditure must be recognised as an intangible asset if the entity is able to demonstrate:

- its intention and its financial and technical ability to complete the development project;
- that it is probable that the future economic benefits attributable to the development expenditure will flow to the entity; and
- that the cost of the asset can be measured reliably.

Gross capitalised development expenditure also includes borrowing costs.

2. Intangible assets

The intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

They include customer contractual relationships and order books acquired in business combinations.

Development costs for internal use computer software for the part relating to internal or external costs directly allocated to the creation or improvement of performance, are capitalized in the balance sheet when it is probable that these expenditures will be generated. All the economic benefits of these costs are linearly amortized over the estimated useful life of the software, which ranges from 1 to 3 years. Other acquisition costs and software development are expensed as incurred.

3. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

4. Amortisation

Except for goodwill, intangible assets are amortised on a straight-line basis over their estimated useful lives from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

• Patents and trademarks	10 years
• Software	1-3 years
• Contractual customer relationships (specialised clinical pathology CGU)	19 years
• Order books (clinical trials CGU)	4 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted where appropriate.

Intangible assets include contractual customer relationships and order books identified when the Group was acquired by Cerba HealthCare.

Since 2015, the intangible assets include valuation of clinical contracts.

Changes in gross values, accumulated amortisation and impairment of intangible assets break down as follows:

Gross value (In thousands of euro)	31 December 2014	Change in scope (in)	Acquisitions	Disposals	Reclassification	Foreign currency translation differences	31 December 2015
Development costs	—	—	—	—	—	—	—
Concessions, patents and similar rights	1,869	3,264	355	(57)	451	—	5,882
Software	14,134	3,430	2,880	(167)	5,219	(2)	25,494
Leasehold	1,181	404	155	—	37	—	1,777
Goodwill	—	—	1,353	(438)	(914)	—	1
Customer relationships	127,978	52,330	—	—	—	—	180,308
Other intangible fixed assets	487	2,777	—	—	(7)	—	3,257
Order book	5,958	—	—	—	—	—	5,958
Intangible assets in progress	4,696	692	1,960	—	(5,550)		1,798
Amount paid on intangible assets	98	—	591	(23)	(160)	—	506
Intangible assets—Gross value	**156,401**	**62,897**	**7,294**	**(685)**	**(924)**	**(2)**	**224,981**

Depreciations and amortisations (In thousands euro)	31 December 2014	Change in scope (in)	Additions	Reversals	Reclassification	Foreign currency translation differences	31 December 2015
Development costs	—	—	—	—	—	—	—
Concessions, patents and similar rights	(1,243)	(2,828)	(764)	45	(202)	—	(4,992)
Software	(10,860)	(2,451)	(2,893)	163	240	2	(15,799)
Leasehold	—	(110)	—	—	—	—	(110)
Good will	—	—	—	—	—	—	—
Other intangible fixed assets	(439)	(64)	(13)	—	78	—	(438)
Order book	(5,959)	—	—	—	—	—	(5,959)
Customer relationships	(29,677)	(311)	(8,233)	—	—	—	(38,221)
Intangible assets in progress	—	—	(64)	—	—	—	(64)
Intangible assets—Accumulated amortisation and imperment	**(48,178)**	**(5,764)**	**(11,967)**	**208**	**116**	**2**	**(65,583)**
Intangible assets—Net value	**108,223**	**57,133**	**(4,673)**	**(477)**	**(808)**	**(0)**	**159,397**

6.14 Property, plant and equipment

6.14.1 Tangible assets

1. Recognition and measurement

In accordance with IAS 16, the gross carrying amount of an item of property, plant and equipment corresponds to its acquisition or production cost and it is not revalued.

Capital expenditure grants are recognised as a deduction from the gross carrying amount of the asset for which they were granted.

Repair and maintenance costs are expensed as incurred

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When components of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

2. Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Repairs and maintenance are expensed as incurred.

3. Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date that they are installed and ready for use or, in the case of self-constructed assets, from the date that the asset is completed and ready for use.
The estimated useful lives of significant items of property, plant and equipment are as follows:

• Buildings	20 years
• Plant and equipment	5-10 years
• Fixtures and fittings	5-10 years
• Equipment and tooling	5 years
• Transport equipment	4-5 years
• Office and IT equipment	3-5 years
• Furniture	5-10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted where appropriate.

Changes in the gross value and accumulated depreciation of property, plant and equipment break down as follows:

Gross value (In thousands of euro)	31 December 2014	Change in scope (in)	Acquisitions	Disposals	Reclassifications	Foreign currency translation differences	31 December 2015
Land	861	—	—	—	—	(26)	835
Arrangements on land	163	—	—	—	—	—	163
Buildings	32,107	1,954	3,656	(60)	6,407	(168)	43,896
Leased Buildings	5,708	—	—	—	—	—	5,708
Technical plant, equipment and machinery	77,771	23,252	10,895	(4,560)	3,197	(65)	110,490
Leased technical plant, equipment and machinery	4,531	—	480	—	(2,080)	—	2,931
Other property, plant and equipment	36,759	20,261	4,290	(1,797)	1,044	—	60,557
Office equipment	5,675	1,454	278	(26)	38	9	7,428
Transport equipment	1,402	420	117	(332)	278	(15)	1,870
Leased transport equipment	1,291	—	262	(45)	(278)	—	1,230
Hardware	10,515	5,158	1,131	(255)	128	(12)	16,664
Biological assets	1,390	—	87	—	—	—	1,477
Work in progress	2,389	222	6,450	—	(8,338)	(32)	690
Amount paid on property, plant and equipment	6	101	268	—	(230)	—	145
Property, Plant and equipment—gross	**180,567**	**52,822**	**27,914**	**(7,075)**	**166**	**(311)**	**254,083**

Accumulated depreciations (In thousands of euro)	31 December 2014	Change in scope (in)	Additions	Reversals	Reclassifications	Foreign currency translation differences	31 December 2015
Arrangements on land	(134)	—	(4)	—	—	—	(138)
Buildings	(16,474)	(1,390)	(2,507)	60	8	8	(20,295)
Leased Buildings	(3,467)	—	(272)	—	—	—	(3,739)
Technical plant, equipment and machinery	(53,259)	(16,262)	(11,981)	4,463	(2,528)	57	(79,511)
Leased technical plant, equipment and machinery	(3,505)	—	(417)	—	1,802	—	(2,120)
Other property, plant and equipment	(23,729)	(13,347)	(4,955)	1,704	77	—	(40,250)
Office equipment	(4,266)	(1,032)	(432)	26	3	(4)	(5,706)
Transport equipment	(1,196)	(290)	(165)	301	(202)	5	(1,547)
Leased transport equipment	(535)	—	(253)	43	202	—	(543)
Hardware	(8,560)	(4,631)	(1,026)	253	(98)	14	(14,048)
Biological assets	(943)	—	(123)	—	—	—	(1,066)
Land	(20)	—	(1)	—	—	—	(21)
Work in progress	—	—	—	—	—	—	—
Property, plant and equipment—accumulated depreciation	**(116,089)**	**(36,952)**	**(22,137)**	**6,850**	**(736)**	**80**	**(168,983)**
Property, plant and equipment—net	**64,479**	**15,870**	**5,777**	**(225)**	**(570)**	**(231)**	**85,100**

6.14.2 Leases assets

Assets under finance leases or arrangements that are in substance finance leases as defined by IAS 17—Leases and IFRIC 4, respectively, are recognised as an asset in the balance sheet.

Leases under whose substance or form the Group assumes substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

After the initial accounting, the asset is subsequently accounted for in accordance with the accounting policy applicable to this type of asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Other leases are operating leases and are not recognised as non-current assets.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, and as a reduction in rental expense over the term of the lease.

The Group has entered into a number of lease financing on the equipment, technical equipment and the headquarters. Some of these contracts such as the provision of equipments correspond in substance to the definition of financing agreements.

At 31 December 2015, the breakdown of fixed assets held under leases was as follows:

Gross value (In thousands of euro)	**31 December 2015**
Leased land	643
Leased Buildings	18,539
Leased technical plant, equipment and machinery	62,867
Leased transport equipment	1,230
Other property, plant and equipment	10,414
Lease property, plant and equipment—gross	**93,693**

Tangible fixed assets—leasing: depreciation (In thousands of euro)	**31 December 2015**
Leased Buildings	(9,851)
Leased technical plant, equipment and machinery	(39,487)
Leased transport equipment	(543)
Other property, plant and equipment	(6,672)
Lease property, plant and equipment—accumulated depreciation	**(56,553)**
Lease property, plant and equipment—net	**37,140**

6.15 Other non-current assets

The Group initially recognises loans and receivables on the date they originated.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus any directly attributable transaction costs and subsequently remeasured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Impairment

A financial asset not classified as at fair value is assessed at each reporting date to determine whether there is objective evidence that it may be impaired as a result of one or more events

that occurred after the initial recognition of the asset giving rise to a loss event with an impact on the estimated future cash flows of the asset that can be estimated reliably.

Financial assets measured at amortised cost.

The Group considers evidence of impairment of financial assets measured at amortised cost (loans and receivables) both individually and collectively.

The high volumes and low unit values of invoices issued by the Group require specific credit management processes. Impairment policies for receivables are implemented on the basis of historical data but provisions for doubtful debts are booked on a case by case basis. In the specialised clinical pathology business, receivables from direct patients which are more than 35 days overdue are handled by a debt collection company.

In assessing collective impairment of receivables, the Group uses historical trends of the probability of default, payment patterns and the amount of losses incurred in the past, adjusted based on management's assessment of whether current economic and credit conditions are such that actual losses are likely to be greater or less than those suggested by historical trends.

An impairment loss on a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows. Impairment losses are recognised in profit or loss under "Net change in amortisation and impairment" with a matching entry in an allowance account for loans and receivables. Any subsequent decrease in the impairment loss is reversed through profit or loss.

(In thousands of euro)	31 December 2015	31 December 2014
Equity affiliates	612	246
Other receivables related to investments	205	193
Investment securities	382	6
Loans, deposits and other receivables—non-current	3,907	1,262
Receivables on disposal of assets	34	—
Other receivables	243	53
Accrued interests on receivables	1	—
Impairment on participations	(5)	—
Impairment of other non-current receivables	(47)	(50)
Impairment on loans, deposits and other receivables	(390)	—
Impairment of securities	(175)	(40)
Total	**4,767**	**1,670**

Loans, security deposits and other receivables mostly includes Security deposits and Guarantees net of depreciation.

6.16 Deferred tax assets and liabilities

(In thousands of euro)	31 December 2015	31 December 2014
Deferred tax assets	10,944	2,096
Deferred tax liabilities	(45,560)	(33,172)
Net deferred tax	**(34,616)**	**(31,076)**

(In thousands of euro)	31 December 2014	Change in scope (in)	Result impact	Reclassifications	OCI	Others	31 December 2015
Activation of loss carryforward	8,048	1,118	6,258	—	—		15,424
Pensions and other post employment benefits	2,249	1,493	38	—	1,149	215	5,144
Finance lease	847	55	14		—	12	928
Profit sharing	844	57	(549)	—	—	227	578
Other temporary differences	375	1,292	(1,385)	—	—	(45)	237
Fair value of plan assets	311	152	(230)		—	—	233
Other items	502	—	3,718	38	—	105	4,363
Deferred taxes assets before netting	**13,176**	**4,167**	**7,864**	**38**	**1,149**	**514**	**26,908**
Impact of netting on deferred taxes	**(11,079)**	**—**	**—**	**(4,885)**	**—**	**—**	**(15,964)**
Net deferred taxes assets	**2,097**	**4,167**	**7,864**	**(4,847)**	**1,149**	**514**	**10,944**

(In thousands of euro)	31 December 2014	Change in scope (in)	Result impact	Reclassifications	OCI	Others	31 December 2015
Intangibles assets	(34,395)	(17,907)	2,901	—	—	—	(49,401)
IAS 39 Financing adjust	(7,017)	—	(2,260)	—	—	—	(9,277)
Cancellation of regulated provisions	(1,730)	(85)	97	—	—	85	(1,633)
Business Goodwill	(657)	—	(33)	—	—	—	(690)
Provisions for risks and losses	(269)	—	—	—	—	—	(269)
Other items	(183)	—	(41)	(38)	—	7	(255)
Deferred taxes liabilities before netting	**(44,251)**	**(17,992)**	**664**	**(38)**	**—**	**92**	**(61,525)**
Impact of netting on deferred taxes	**11,079**	**—**	**—**	**4,885**	**—**	**—**	**15,964**
Net deferred taxes liabilities	**(33,172)**	**(17,992)**	**664**	**4,847**	**—**	**92**	**(45,560)**

Given the uncertainty over future taxable profits, unrecognised tax loss carry-forwards amounted to € 127 Million on December 31th 2015.

The tax loss carry-forwards originate from operational entities (BARC-NV, CRI, NOVESCIA-BIO15) and from the holding company which includes CHC and CEFID.

6.17 Inventories

Inventories are stated at the lower of cost and net realisable value, in accordance with IAS 2— Inventories.

Cost is determined by the first-in-first-out (FIFO) method and are measured at the lower of cost and net realisable value.

The net realisable value of inventories intended to be sold corresponds to their selling price, as estimated based on market conditions and any relevant external information sources, less the estimated costs necessary to complete the sale.

Finished goods inventories, mainly comprising reagents and consumables, are recognised at purchase cost, plus any directly attributable costs. They are measured on a VAT-inclusive basis less the applicable pro rata VAT amounts.

The Group's inventories includes reagents and consumables.

(In thousands of euro)	31 December 2015	31 December 2014
Raw materials	7,263	5,466
Merchandises	389	419
Inventories (gross value)	**7,652**	**5,885**
Impairment of inventories	**(218)**	**(315)**
Inventories (net value)	**7,434**	**5,570**

6.18 Trade receivables

A provision for impairment is recognized on trade receivables of enterprises if the Group believes that there is a risk that the debt will not be recovered.

The probable impairment clues that lead the Group to reflect on this point include the existence of unresolved disputes, the age of receivables and significant financial difficulties of the debtor.

(In thousands of euro)	31 December 2015	31 December 2014
Trade receivables	67,789	48,822
Unbilled	6,819	8,262
Impairment of trade receivables	(7,413)	(3,095)
Carrying amount	**67,195**	**53,989**

Changes in accumulated impairment of trade receivables break down as follows:

(In thousands of euro)	31 December 2015
Impairment of trade receivables—Opening	**(3,095)**
Additions	(5,479)
Reversals	6,099
Reclassification	45
Translation differences	2
Change in consolidation scope	(4,985)
Impairment of trade receivables—Closing	**(7,413)**

6.19 Other current assets

(In thousands of euro)	31 December 2015	31 December 2014
Accrued interest on receivables and loans	4	6
Investment securities	17	2
Loans, deposits and other receivables	805	729
Impairment of loans, deposits and other receivables	(114)	(166)
Suppliers—Prepayments	1,747	498
Suppliers receivable	1,785	1,191
Receivables from employees & social organizations	757	671
Tax receivables—excluding IS	9,826	8,034
Current accounts—assets	477	2,197
Receivables on disposals of assets	16	40
Other receivables	1,466	660
Prepaid expenses	5,263	4,165
Receivables from participations	445	1
Accrued interest on receivables	10	61
Tax CIR	83	(41)
Impairment of other receivables & accrued interest	(18)	(8)
Total other current assets	**22,570**	**18,041**

The tax receivables include the VAT receivables (€ 4 Million) , CICE (€ 5 Million) and withholding tax (€ 0.6 Million).

Prepaid expenses at 31 December 2015 included commissions related to the High Yield issuance, in particular, the Revolving Credit Facilities not used which took place in January 2013 and in February 2015.

6.20 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, cash on hand, amounts invested in money market funds and negotiable debt instruments, readily convertible into known amounts of cash, and subject to insignificant interest rate risk exposure. They do not include bank overdraft facilities.

(In thousands of euro)	31 December 2015	31 December 2014
Money Market securities	421	231
Cash	45,721	63,869
Total	**46,142**	**64,100**
Bank overdrafts	(1,584)	(1,772)
Total net cash	**44,558**	**62,328**

The Money market securities includes cash balances invested for periods of three months or less (treasury bills and certificates of deposit) with banks or counterparties with long- and short-term ratings of at least A and A1 respectively (Rating S&P).

There are no restrictions (as defined in IAS 7) that could materially affect the availability of the cash and cash equivalent balances of subsidiaries.

Financial position-liabilities

6.21 Share capital

Definitions

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Preference shares

Preference share capital is classified as equity if it is non-redeemable, or redeemable at the Company's discretion only, and the distribution of any dividends is also discretionary. Dividends thereon are deducted directly from equity once they have been approved by the Company's shareholders at their general meeting.

All of the preference shares issued by the Group meet the definition of equity instruments.

Share-based payment

On 21 July 2010, the Company issued shares with warrants to senior executives and some Group employees.

The issue was recognised in accordance with IFRS 2 as a share-based payment and the warrants were measured at fair value on the grant date.

The fair value of stock options is based on the exercise price and the expected life of the option; the price of the underlying stock at the grant date; the expected volatility in the share price; forecast dividends; and the risk-free interest rate over the life of the option.

This method results in a fair value of warrants that is equal to their issue price. The shares with warrants have therefore been classified as equity at their issue cost. Since the issue price is equal to the grant-date fair value, the corresponding expense in the income statement is nil.

On December 31th 2015, share capital comprised 43,216,872,407 shares with a par value of € 0.01 for an aggregate amount of € 432,168,724.07.

	Shares A		Shares B		Ordinary Actions		Fees	Total	
In thousand of euros	**Share capital**	**Share premium**	**Share capital**	**Share premium**	**Share capital**	**Share premium and additional paid-in capital**	**Share premium and additional paid-in capital**	**Share capital**	**Share premium and additional paid-in capital**
Incorporation of the Company	37							37	—
Increase in share capital:									
21 July 2010			1	143,962	640	64,150		641	208,112
16 December 2010			—	7,808	36	3,531		36	11,339
12 May 2011			—	16,515	19	1,921		20	18,435
07 July 2011					38	3,727		38	3,727
11 August 2011					16	1,619		16	1,619
15 December 2011			—	4,675	16	1,543		16	6,218
21 and 27 December 2011					3	342		3	342
23 January 2012					2	172		2	172
Share capital increase fees							-18		-18
11 December 2012			1	166,865				1	166,865
17 February 2015				-339,825	431,359	-77,005	18	431,359	-416,811
Total	**37**	**—**	**2**	**—**	**432,129**	**—**	**—**	**432,169**	**—**
In shares									
Outstanding shares at 31 December 2014									
Fully-paid share	**3,700,000**		**339,826**		**76,984,779**			**81,024,605**	
Variations of the year					43,135,847,802			43,135,847,802	
Outstanding shares at 31 December 2015									
Fully-paid share	**3,700,000**		**339,826**		**43,212,832,581**			**43,216,872,407**	

6.21.1 Preference shares

The Series A and B preference shares issued by Cerba HealthCare in July 2010 have the following features:

- No voting rights (Art. 19.4 of the Articles of association).
- No rights to the Company's profits (except for the preference dividend), assets, reserves, distributions or liquidation surplus (Art. 22.1 of the Articles of association).

- Cumulative annual preference dividend equal to 10% of the subscription value of each Series A and B share calculated as of 21 July 2010 and capitalised annually (Art. 22.1 of the Articles of association).
- The Series A and B preference dividends may be adjusted in the event of a market floatation or a loss of controlling interest (Art. 22.2 of the Articles of association).
- No maturity date.

6.21.2 Ordinary shares

Each ordinary share carries one voting right at the general meetings of shareholders. Each share entitles its owner to receive a share in the Company's profits, assets, reserves, distributions or liquidation surplus.

6.21.3 Warrants

On 21 July 2010, Cerba HealthCare issued 16 million shares with warrants for an aggregate nominal value of €160,000. The share premium amounted to €15.84 million and the warrants to €0.79 million.

Each share has two warrants attached: warrant 1 valued at €0.015625 and warrant 2 at €0.03375.

Shares with warrants are reserved for senior executives and some Group company managers, designated by the Commitments Board. The shares with warrants were issued at fair value as determined by an expert.

They were measured at the grant-date fair value, which corresponds to their issue price. Consequently, no expense was recognised under IFRS 2.

6.22 Financial liabilities

The Group initially recognises debt securities and subordinated liabilities on the date they originated.
Financial liabilities consist of borrowings and debt, in accordance with IAS 39.

Loans whose contractual rate of interest is tied to the Group's business data are deemed to be at a fixed rate (at the effective interest rate calculated at the inception of the loan).

In the event of a change in the underlying data used to calculate the effective interest rate, the carrying amount of the loan is adjusted with a matching entry to finance costs.

The Group derecognises a financial liability when its contractual obligations have been discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities as other financial liabilities. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. They are subsequently remeasured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.
Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the consolidated statement of cash flows.

Hybrid financial instruments issued by the Group comprise convertible bonds denominated in euros that can be converted into a fixed number of shares.

The liability component of a hybrid financial instrument is recognised initially at the fair value of a similar liability that does not have a conversion option, by discounting the contractual cash flows at a market rate. The equity component is recognised initially for the amount of the difference between the proceeds from the issue of the convertible bonds and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

The liability component of a hybrid financial instrument is subsequently remeasured at amortised cost using the effective interest method. The equity component of a hybrid financial instrument is not remeasured subsequent to initial recognition.

Interest and any gains and losses related to the financial liability are recognised in profit or loss. Upon conversion of the bonds, the financial liability is reclassified to equity and no gain or loss is recognised.

(In thousands of euro)	31 December 2015	31 December 2014
Convertible bonds	—	6,188
H-YIELD bond	661,492	436,425
Other bonds	20,023	20,179
Bank loans	68,300	28,510
Finance lease liabilities	41,330	39,628
Other borrowings	50,762	743
Accrued interests	21,723	15,428
Bank overdrafts	1,584	1,772
Total financial liabilities	**865,214**	**548,873**
Of which non-current financial liabilities	*805,755*	*512,177*
Of which current financial liabilities	*59,459*	*36,696*

This note breaks down Group borrowings by type of instrument, notably the refinancing operation referred to in Note 6.2.

Financial liabilities comprise several different types of debt and equity instruments and bank borrowings in line with the Group's policy of diversifying its sources of financing.

Changes in financial liabilities over the period may be analysed as follows:

(In thousands of euro)	31 December 2015
Opening position	**548,873**
Proceeds from issuance of borrowings	281,294
Repayment of borrowings	(32,480)
Change in bank overdrafts	(1,110)
Amortized cost of reprocessing ERI	4,056
New finance lease contracts	10,040
Finance costs	55,281
Finance costs paid	(45,880)
Reclassifications (mainly incorporation to share capital)	(11,469)
Change in consolidation scope	56,718
Translation differences	(55)
Others	(55)
Closing position	**865,214**

6.22.1 Debt repayment schedule and terms

(In thousands of euro)	31 December 2015	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 5 years
Bonds and notes	681,515	2,018	2,021	2,021	2,021	673,434
Bank loans	68,300	19,659	24,543	8,683	4,208	11,207
Finance lease liabilities	41,330	13,009	10,183	6,247	3,402	8,489
Other borrowings	50,762	50,024	5	—	—	733
Accrued interests	21,723	21,723	—	—	—	—
Bank overdrafts	1,584	1,584	—	—	—	—
Total financial liabilities	**865,214**	**108,017**	**36,752**	**16,951**	**9,631**	**693,863**

(In thousands of euro)	31 December 2014	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 5 years
Bonds and notes	462,792	1,192	1,196	1,196	1,196	458,012
Bank loans	28,510	7,037	7,843	4,282	2,718	6,630
Finance lease liabilities	39,628	11,327	8,402	6,110	4,444	9,345
Other borrowings	743	(60)	5	—	—	798
Accrued interests	15,428	15,428	—	—	—	—
Bank overdrafts	1,772	1,772	—	—	—	—
Total financial liabilities	**548,873**	**36,696**	**17,446**	**11,588**	**8,358**	**474,785**

Group policy consists of spreading the maturities of its long-term debt (bonds, private investments and bank borrowings) over time in order to limit annual refinancing requirements.

(In thousands of euro)	31 December 2015	Face value	Share capital	Less equity instruments	Less IFRS restatements	Capitalized interests	Accrued interests
Convertible bonds	—						
H-YIELD bond	661,492	683,250		(14,653)	(7,105)	—	20,080
Other bonds	20,023	14,246				5,777	1,212
Total bonds and notes	**681,515**	**697,496**	**—**	**(14,653)**	**(7,105)**	**5,777**	**21,292**

(In thousands of euro)	31 December 2014	Face value	Share capital	Less equity instruments	Less IFRS restatements	Capitalized interests	Accrued interests
Convertible bonds	6,188	10,137	(4,309)	(493)	(175)	1,028	1,039
H-YIELD bond	436,425	451,078		(14,154)	(499)	—	12,979
Other bonds	20,179	16,029				4,149	875
Total bonds and notes	**462,792**	**477,244**	**(4,309)**	**(14,647)**	**(674)**	**5,177**	**14,893**

Financing arrangements set up when the Group was created were as follows:

- Convertible and non-convertible bonds, most of which bear interest at 10%, maturing on 21 July 2025. The Interests are capitalised annually. The majority of convertible bonds were converted into shares following the decision of the General Shareholders' Meeting of 11 December 2012 to increase the share capital of the holding company.
- Existing loans at 31 January 2012 were refinanced by the high-yield bonds issued on 31 January 2013, on 28 February 2015 and by the additional draw (see Note 6.2).
- The Group has also received financing from its shareholders in the form of non-convertible bonds.

The Group's subsidiaries have local medium-term credit facilities.

Loans and borrowings can be analysed by type of rate (fixed or floating interest rates) as follows:

	31 December 2015			31 December 2014		
(In thousands of euro)	Total	Fixed rate	Floating rate	Total	Fixed rate	Floating rate
Bonds and notes	681,515	681,515	—	462,792	462,792	—
Bank loans	68,300	57,708	10,592	28,510	24,985	3,525
Finance lease liabilities	41,330	41,330	—	39,628	39,628	—
Other borrowings	50,762	50,762	—	743	743	—
Accrued interests	21,723	21,723	—	15,428	15,428	—
Bank overdrafts	1,584	1,584	—	1,772	1,772	—
Total financial liabilities	**865,214**	**854,622**	**10,592**	**548,873**	**545,348**	**3,525**

6.22.2 Debts covenants

The main financial liabilities are subject to certain conditions applied to the consolidated financial statements and notably the ratio of net debt to gross operating profit (or EBITDA).

Following the refinancing operation of January 2013, new debt covenants were negotiated with the Group's banks, replacing the pre-existing covenants (see Notes 6.2).

As part of its Revolving Credit Facility, the Group is bound by two new covenants calculated based on the consolidated accounts: Leverage ratio (Consolidated Total Net Debt / Consolidated proforma EBITDA) and Percentage Test (contribution of the loan guarantors to consolidated EBITDA and consolidated assets).

6.23 Employee benefits

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits vested by employees in return for services provided in the current and prior periods, less any unrecognised past service costs and the fair value of plan assets.

The discount rate is the yield at the reporting date on AA credit-rated bonds with similar maturities to the Group's obligations denominated in the currency in which the benefits are expected to be paid.

In accordance with Revised IAS 19—Employee Benefits, pensions and other post employment benefits are measured by a qualified independent actuary using the projected unit credit method.

Each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to build up the final obligation. The final obligation is then discounted to present value. These calculations require the use of:

- projected retirement dates;
- a discount rate;
- an inflation rate;
- assumptions regarding future salary increases and staff turnover.

At each closing, the Group determine its discount rate on the basis of the most representative yield on first class bonds with a duration equivalent to that of its commitments.

The assumptions of salary increase rates correspond to inflation assumptions and forecasts of individual salary increases. In France, the assumption is an increase of inflation plus an individual increase as the age of the employee.

The assumptions of mortality, staff turnover and retirement age at retirement are set identically on all Group entity.

Obligations are measured annually for the Group's main plans and once every three years for other plans unless changes in assumptions or significant changes in demographic data warrant more frequent measurement.

For each defined benefit plan, the Group recognises a provision equal to the benefit obligation, less the fair value of plan assets, actuarial gains and losses and any unrecognised past service cost.

Actuarial gains and losses arise on change in assumptions or differences between forecast and actual data concerning the benefit obligation or the performance of plan assets.

The Group recognises deferred cumulative actuarial gains and losses on employee benefits in equity and they are presented in "Other comprehensive income".

• Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than pension plans is equal to the amount of future benefits vested by employees in return for services provided in the current and prior periods. Other employee benefits mainly comprise seniority bonuses.

Actuarial gains/losses as well as the past services costs related to the long-term employee benefits other than pensions are recognized immediately in the Profit and Loss.

• Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid in short-term cash bonuses or incentive-based profit-sharing plans if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(In thousands of euro)	31 December 2015	31 December 2014
Defined benefits plan	14,782	6,250
Long-service bonuses	799	653
Total employee benefits	**15,581**	**6,903**
Of which :		
Employee benefit obligations	*16,131*	7,315
Plan assets	(583)	(427)

In certain countries excluding France, Group employees are entitled to supplementary pension plans into which the Group pays annual contributions, and lump sum retirement indemnities paid out once the employees retire. These take the form of either defined contribution or defined benefit plans.

Under defined contribution plans, the Group has no legal or constructive obligation to make further contributions and the corresponding expense is recognised in profit or loss for the period. All defined benefit plans concern France.

6.23.1 Change in the present value of the net defined benefit obligation

Changes in the Group's net defined benefit obligation break down as follows, taking into account the related plan assets totalling € 583 thousand as of December 2015.

(In thousands of euro)	31 December 2015	31 December 2014
Defined benefit obligation at 1 January	**6,250**	**4,495**
Current service cost and interest cost	***808***	***499***
Change in consolidation scope and others	4,520	850
Curtailments and settlements system	(215)	(224)
Actuarial (gains) and losses	3,461	697
Contributions paid	(32)	(52)
Financial income from plan assets	(12)	(16)
Defined benefit obligation at closing date	**14,782**	**6,250**

Assumptions used in calculating the provision for retirement and similar benefits has only to do with France and have significantly changed compared to December 2014.

Net income (expense) recognised in profit or loss

(In thousands of euro)	31 December 2015	31 December 2014
Current services costs	(600)	(318)
Interest cost	(208)	(182)
Current service cost and interest cost	***(808)***	***(499)***
Financial income from plan assets	12	16
Paid contributions and allowance	32	172
Curtailments and settlements system	215	224
Income (Expense) recognised in profit or loss	**(550)**	**(88)**

This impact is recognised in full in profit or loss from recurring operations under "Personnel expenses".

Revised IAS 19 has had a minimal impact on the measurement of the Group's employee benefit obligations for 2015.

The only impact relates to financial income generated on plan assets (these assets concern approximately 10% of the lump sum retirement indemnity benefit obligation) which is identical to the rate used to discount liabilities, i.e, yield equivalent to the discount rate.

6.23.2 Actuarial assumptions

All of the Group's various employee benefit obligations are regularly reviewed by actuaries in accordance with IFRS standards using the projected unit credit method based on salaries at retirement.

All actuarial gains and losses and adjustments relating to the limitation are recognised in the reporting period in which they occur in accordance with Revised IAS 19.

Actuarial assumptions (i.e., the probability that active employees will continue to work in the Group, mortality rates, retirement age, assumptions regarding future salary increases, etc.) depend on the demographic and economic conditions in the countries in which the different plans have been set up.

Discount rates used to determine the present value of benefit obligations are based either on the government bond rate or on the yield on investment grade corporate bonds that are traded in an active market with maturities that match the duration of the benefit obligation. In the eurozone, discount rates have been calculated on software developed by independent actuaries.

Assumptions used in calculating the provision for retirement and similar benefits have only to do with France and the group decided to change the assumptions compared to December 2014 following the integration of Novescia network for harmonization.

	31 December 2015		31 December 2014	
	Management	Other employees	Management	Other employees
Discount rate	2.00%		1.80%	
Expected return on plan assets at 1 January				
Salary increase rate				
- 29 years	3.00%	2.00%	4.00%	2.00%
30 - 39 years	3.00%	2.00%	3.00%	1.50%
40 - 49 years	3.00%	2.00%	2.00%	1.50%
50 - 59 years	3.00%	2.00%	1.00%	1.00%
60 and over	3.00%	2.00%	1.00%	1.00%

	31 December 2015		31 December 2014	
	Management	Other employees	Management	Other employees
Employer contributions	54.00%	51.00%	58.00%	52.00%
Staff Turnover rate				
- 25 years	19.00%	6.00%	10.00%	10.00%
25 - 29 years	19.00%	5.00%	10.00%	10.00%
30 - 34 years	9.80%	3.70%	7.00%	7.00%
35 - 39 years	9.00%	3.40%	7.00%	7.00%
40 - 44 years	1.60%	3.00%	5.00%	5.00%
45 - 49 years	1.60%	1.10%	5.00%	5.00%
50 - 54 years	1.60%	1.10%	2.00%	2.00%
55 - 57 years	0.50%	0.30%	2.00%	2.00%
+ 58 years	0.00%	0.00%	2.00%	2.00%
60 and over	0.00%	0.00%	0.00%	0.00%
Retirement age	65 years	63 years	65 years	62 years
Mortality table	TGHF 2005		INSEE F 2008 - 2010	

6.24 Provisions

In accordance with IAS 37—Provisions, Contingent Liabilities and Contingent Assets, a provision is recognized when, at the reporting date, the Group has an obligation to a third party, and it is likely or certain that an outflow of resources to this third party without equivalent consideration of such third parties.

(In thousands of euro)	31 December 2014	Change in consolidation scope	Additions	Reversals	Reclassifications	31 December 2015
Provision for litigation	929	164	415	(193)	(566)	749
Provisions for employee disputes	—	10	398	(480)	574	502
Other provisions	11	2,612	52	(462)	52	2,265
Non-current Provisions	**940**	**2,786**	**865**	**(1,135)**	**60**	**3,516**
Provision for litigation	347	59	21	(16)	(75)	336
Provisions for employee disputes	—	231	438	(60)	23	632
Other provisions	338	9	—	(69)	(8)	270
Current provisions	**685**	**299**	**459**	**(145)**	**(60)**	**1,238**

The Group does not provide details of these provisions, considering that the disclosure of the amount of the provision for litigation is such as to cause the Group serious prejudice.

Some litigation has not been provisioned because the Group considers that the risk is not proven in support of its legal and tax advice.

6.25 Other non-current liabilities

(In thousands of euro)	31 December 2015	31 December 2014
Deferred income—non-current	3,607	4,074
Other liabilities	157	502
Total other non-current liabilities	**3,764**	**4,576**

Other non-current liabilities include the non-current portion of the capital gain generated in 2006 from refinancing a property finance lease. This internal capital gain was reversed and deferred over the new lease term and the non-current portion of the deferred income was recognised in non-current liabilities in accordance with IAS 1.

6.26 Trade and other payables

(In thousands of euro)	31 December 2015	31 December 2014
Trade payables	65,147	39,824
Payables to fixed asset suppliers	10,826	5,225
Total Trade payables	**75,973**	**45,049**

6.27 Other current liabilities

(In thousands of euro)	31 December 2015	31 December 2014
Social security payables	40,637	25,569
Tax payables	8,908	6,479
Advances and down payments received	5,759	5,551
Derivative instruments	682	908
Other current liabilities	3,853	4,079
Deferred income - current	108	153
Total Other current liabilities	**59,948**	**42,738**

The other current include interest rate swaps contracted by the Group to hedge its interest rate risk exposure. They are not eligible for hedge accounting under IAS 39 and consequently, any fair value adjustments are recognised in profit or loss (see Note 6.10).

Additional informations

6.28 Financial instruments

6.28.1 Financial risk management

6.28.1.1 Introduction

The Group has exposure to the following risks arising on its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information on the Group's exposure to each of the above-mentioned risks, and its objectives, policies and procedures for measuring and managing risk, and capital management.

6.28.1.2 Risk management framework

The Supervisory Board has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are designed to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to predetermined limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a rigorous and effective control environment in which all employees understand their roles and responsibilities.

The Audit Committee oversees implementation of Group risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

6.28.2 Credit risk

Credit risk is managed at Group level. It is the risk of financial loss for the Group if a client or counterparty should fail to meet its contractual payment obligations.

Credit risk concerns cash and cash equivalents, derivative financial instruments, deposits with banks and financial institutions, as well as exposure to customer credit risk on outstanding receivables.

In the specialised clinical pathology business, the collection of receivables from direct patients, which are more than 35 days overdue, is handled by a debt collection company acting solely as a collection agent on behalf of Cerba. Impairment policies for receivables are implemented on the basis of historical data.

The high volumes and low unit values of invoices issued by the Group require specific credit management processes.

The trade receivables are therefore retained in the financial statements and stand at € 60 million at 31 December 2015.

The carrying amount of loans and receivables represents the maximum exposure to credit risk at the reporting date.

Ageing

				Overdue and undepreciated			
(In thousands of euro)	31 December 2015	Accrued undepreciated	< 3 months	3 to 6 months	6 months to 1 year	More than year	Overdue and depreciated
Trade receivables	60,376	32,506	21,492	4,287	3,742	5,763	(7,413)

(In thousands of euro)	31 December 2014	Accrued undepreciated	< 3 months	Overdue and undepreciated 3 to 6 months	6 months to 1 year	More than 1 year	Overdue and depreciated
Trade receivables	45,727	26,266	15,233	2,631	2,133	2,559	(3,095)

Credit risk

(In thousands of euro)	31 December 2015	< 1 year	< 2 years	< 3 years	< 4 years	Over 5 years
Non-current tax assets	—	—	—	—	—	—
Other receivables related to investments	205	—	—	—	—	205
Loans, deposits and other receivables—non-current .	3,907	—	1,386	170	610	1,741
Other assets—no current . . .	243	—	192	—	—	51
Trade receivables (gross)	67,789	62,026	3,203	2,559	—	—
Current tax assets	7,367	7,367	—	—	—	—
Receivables from employees & social organizations	757	757	—	—	—	—
Tax receivables	9,826	9,826	—	—	—	—
Other receivables	6,301	6,301	—	—	—	—
Total receivables, gross	**96,394**	**86,276**	**4,781**	**2,729**	**610**	**1,997**

(In thousands of euro)	31 December 2014	< 1 year	< 2 years	< 3 years	< 4 years	Over 5 years
Non-current tax assets	35	—	35	—	—	—
Other receivables related to investments	193	—	—	—	—	193
Loans, deposits and other receivables—non-current .	1,262	—	200	—	85	977
Other assets—no current . . .	53	—	—	—	—	53
Trade receivables (gross)	48,822	46,263	2,559	—	—	—
Current tax assets	3,733	3,733	—	—	—	—
Receivables from employees & social organizations	671	671	—	—	—	—
Tax receivables	8,034	8,034	—	—	—	—
Other receivables	5,322	5,322	—	—	—	—
Total receivables, gross	**68,125**	**64,023**	**2,794**	**—**	**85**	**1,223**

6.28.2.1 Trade and other receivables

The Group believes that it is neither exposed to material credit risk nor to over dependence on a specific customer due to its broad customer base, with customers located mainly in Europe.

6.28.2.2 Impairment losses

Cumulative impairment of trade and other receivables increase to € 7.413 million versus € 3.095 million in 2014. Provisions for impairment are mainly related to Novescia Entities.

6.28.3 Liquidity risk

Liquidity risk is the risk of the Group encountering difficulties in meeting the obligations associated with its financial liabilities that are settled in cash or other financial assets. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it always has

sufficient liquidity to meet its liabilities when due, under both normal and "challenging" conditions, without incurring unacceptable losses or damaging the Group's reputation.

			Breakdown of contractual cash flows		
(In thousands of euro)	**31 December 2015**	**Contractual cash flows**	**Upto 1 year**	**1 to 5 years**	**Over 5 years**
H-YIELD bond	683,250	905,151	51,446	853,705	—
Other bonds	20,023	45,986	—	—	45,986
Bank loans	68,300	71,134	20,039	44,029	7,066
Other borrowings	50,762	50,762	—	—	50,762
Accrued interests	21,723				
Bank overdrafts	1,584	1,584	1,584	—	—
Total	**845,642**	**1,074,618**	**73,069**	**897,735**	**103,814**
IFRS restatement on convertible bonds and H-YIELD bond	(21,758)				
Finance lease liabilities	41,330				
Total	**865,214**				

			Breakdown of contractual cash flows		
(In thousands of euro)	**31 December 2014**	**Contractual cash flows**	**Upto 1 year**	**1 to 5 years**	**Over 5 years**
Convertible bonds	6,188	33,775	12,358	—	21,416
H-YIELD bond	451,078	616,325	31,150	124,600	460,575
Other bonds	20,179	58,852	2,191	—	56,661
Bank loans	28,510	29,256	7,038	17,810	4,409
Other borrowings	743	9,251	1,766	4,854	2,631
Accrued interests	15,428				
Bank overdrafts	1,772	1,772	1,772		
Total	**523,898**	**749,230**	**56,275**	**147,264**	**545,692**
IFRS restatement on convertible bonds and H-YIELD bond	(14,653)				
IFRS restatement on other borrowings	—				
Other loans contracted by the divisions	—				
Finance lease liabilities	39,628				
Total	**548,873**				

6.28.4 Market risk

Market risk includes the risk of changes in market prices, such as foreign exchange rates, interest rates and equity instrument prices affecting the Group's profit or the value of its financial instruments. The objective of market risk management is to contain market risk exposures within acceptable thresholds, while optimising returns.

6.28.4.1 Currency risk

The Group's financial performance is not materially affected by exchange rate fluctuations since a significant portion of operations takes place within the eurozone and income and expenses are generally denominated in the similar currency.

The following exchange rates were used during the period for the main currencies:

		2015		2014	
		Exchange rate at 31 December	Average rate at 31 December	Exchange rate at 31 December	Average rate at 31 December
AUD . . .	Australian Dollar	1.4897	1.4765	1.4829	1.4724
CNY . . .	Yuan	7.0608	6.9730	8.1883	7.5358
USD . . .	US Dollar	1.0887	1.1096	1.3288	1.2141
ZAR . . .	Rand	16.9530	14.1528	14.4065	14.0353

6.28.4.2 Interest Rate risk

The Group's financing has been contracted at fixed rates and notably the high-yield bond issue of 31 January 2013, the Additionnal High-yield bond of May 2014 and Senior Secure note on 28th February 2015.

Therefore, the Group is less exposed to interest rate fluctuations on its floating interest rate bank loans than in previous years.

The Group contracts interest rate swaps to hedge against interest rate risk. Only Laboratoire Cerba is still concerned as Cerba HealthCare unwound its positions following refinancing of the Group's debt in early 2013.

At 31 December 2015, the Group had hedged a €13 million property lease with pay-fixed interest rate swaps.

The carrying amount of the derivative financial instruments used to hedge interest rate risk is presented below:

(In thousands of euro)	Termination date	Notional principal	31 December 2015 Fair value	31 December 2014 Fair value
Pay fixed-rate swap				
3-month Euribor—4.16%	11/01/2019	10,886	(561)	(763)
3-month Euribor—2.195%	27/07/2023	2,077	(121)	(145)
Total pay fixed-rate swap		**12,963**	**(682)**	**(908)**
Total derivative instruments			**(682)**	**(908)**

These interest rate swaps are economic hedges of interest rate risk on loans and borrowings; they have not been designated as hedging instruments for accounting purposes.

6.28.5 Capital management

The Group's policy is to maintain a strong capital base to ensure the Group's independence and support future development of the business. Capital consists of ordinary shares, non-redeemable preference shares and retained earnings. The Supervisory Board monitors the return on equity.

6.28.6 Carrying amounts and fair values

6.28.6.1 FV vs Carrying

The table below shows the fair values of financial assets and liabilities and the carrying amounts reported in the statement of financial position:

	31 December 2015			31 December 2014		
(In thousands of euro)	Assets at fair value through profit or loss	Loans and receivables	Fair value	Assets at fair value through profit or loss	Loans and receivables	Fair value
Non-current						
Other non-current assets		4,767	4,767		1,670	1,670
Current						
Trade receivables		67,195	67,195		53,989	53,989
Other current assets		22,570	22,570		18,041	18,041
Cash and cash equivalents	423	45,719	46,142	231	63,869	64,100
Financial assets	**423**	**140,251**	**140,674**	**231**	**137,568**	**137,799**

	31 December 2015			31 December 2014		
(In thousands of euro)	Derivative instruments at fair value through profit or loss	Liabilities measured at amortised cost	Fair value	Derivative instruments at fair value through profit or loss	Liabilities measured at amortised cost	Fair value
Non-current						
Non-current financial liabilities		805,755	805,755		512,177	512,177
Other non-current liabilities		3,764	3,764		4,576	4,576
Current						
Current financial liabilities		59,459	59,459		36,696	36,696
Trade payables		75,973	75,973		45,049	45,049
Other current liabilities	682	59,266	59,948	908	41,830	42,737
Financial liabilities	**682**	**1,004,216**	**1,004,898**	**908**	**640,328**	**641,236**

The fair value of trade receivables and trade payables is the amount reported in the statement of financial position, given the short-term nature of these assets and liabilities. The same applies to other receivables and payables.

The fair value of swaps corresponds to their valuation by their issuing bank. Financial liabilities are recognised at amortised cost using the effective interest method. The Group's bank loans are contracted at variable rates based on Euribor and their fair value is deemed to correspond to their value at the closing date.

6.28.6.2 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value is measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. inferred from observable prices).
- Level 3: fair value is measured using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Breakdown by category			
(In thousands of euro)	**Level 1**	**Level 2**	**Level 3**	**Total**
At 31 December 2015				
Liabilities				
Cash equivalents	46,142			46,142
Derivative instruments		682		682
Total financial liabilities	**46,142**	**682**	**—**	**46,824**
At 31 December 2014				
Liabilities				
Cash equivalents	64,100			64,100
Derivative instruments		908		908
Total financial liabilities	**64,100**	**908**	**—**	**65,008**

6.28.7 Operating Leases

Future minimum lease payments under non-cancellable operating leases at 31 December 2015 are shown in the following table:

(In thousands of euro)	**31 December 2015**	**< 1 year**	**1 to 5 years**	**More than 5 years**
Lease agreements	10,182	2,996	6,581	606
Total	**10,182**	**2,996**	**6,581**	**606**

Operating leases are entered into at market rates and accounted for as operating leases.

The Group uses operating leases for industrial equipment (mainly vehicles and transport equipment) when there is no economic justification for acquiring the assets in question.

The Group has no contingent lease commitments or sub-letting agreements.

6.29 Off-balance sheet commitments

6.29.1 Commitments given

Entities	Nature	Value at 31 December 2015	Value at 31 December 2014
Cerba HealthCare	Guarantees	—	11
(formerly Financière Gaillon 12/Cerba European Lab)	Mortgages and pledges	991,531	705,844
BARC NV	Mortgages and pledges	124,580	124,594
BILLIEMAZ	Mortgages and pledges	50	
BIOLILLE	Commitments under no-cancellable lease	1,041	1,340
	Mortgages and pledges	495	1,050
BIOPOLE	Mortgages and pledges	900	
BIOPYRENEES	Mortgages and pledges	6,470	
BIOREUNION	Commitments under no-cancellable lease	1,620	2,214
	Mortgages and pledges	2,482	
BIOTOP	Guarantees	3,482	4,782
	Commitments under no-cancellable lease	3,311	4,220
	Mortgages and pledges	9,621	
CBCV	Commitments under no-cancellable lease	1,598	2,055
	Mortgages and pledges	25,220	486
CEFID	Mortgages and pledges	73,343	71,480
CENTRE DE BIOLOGIE MEDICALE	Mortgages and pledges	586	
CERBA	Mortgages and pledges	194,260	106,454
CRI	Mortgages and pledges	89,929	68,353
FINANCIERE DE L'EQUERRE	Mortgages and pledges	2,428	
LBS	Mortgages and pledges		31,297
LLAM SA	Guarantees	476	461
	Commitments under no-cancellable lease	2,613	3,639
	Mortgages and pledges	5,028	12,957
	Others	21,918	21,525
NOV-AMIEL	Mortgages and pledges	54,158	
NOV-BOURGOGNE	Mortgages and pledges	167	
NOV-FRANCILIENS	Mortgages and pledges	1,643	
NOV-HAUTE VALLEE	Mortgages and pledges	2,418	
NOV-LOIRE	Mortgages and pledges	365	
NOV-MIDI PYRENEES	Mortgages and pledges	1,524	
NOV-PARIS OUEST	Mortgages and pledges	151	
NOV-PARIS SUD	Mortgages and pledges	11,920	
NOV-RHONE ALPES	Mortgages and pledges	8,275	
NOV-LA REUNION	Mortgages and pledges	1,159	

Commitments given mainly relate to non-cancellable operating lease commitments measured at the amount of the future minimum lease payments.

Pledges are mostly pledges of securities and financial commitments given as part of the high-yield bond issue in January 2013, in May 2014, and the additional draw in 28th February 2015.

6.29.2 Commitments received

(In thousands of euro)	Nature	Value at 31 December 2015	Value at 31 December 2014
Cerba HealthCare (formerly Financière Gaillon 12/Cerba European Lab)	Others	35,000	50,000
BIOPOLE	Mortgages and pledges	161	
BIOPYRENEES	Mortgages and pledges	101	458
BIOTOP	Others	4,468	
CBCV	Guarantees	270	338
CERBA	Mortgages and pledges	3,554	1,928
	Total	**43,554**	**52,724**

Commitments are received in the normal course of business and essentially concern the revolving line of credit and bank guarantees received when certain investments were acquired.

6.30 Related parties

6.30.1 Parent company and Group reporting entity

Related parties identified by the Group are as follows:

- Financière Gaillon 13, parent company of Cerba HealthCare;
- Cerberus Nightingale 2, parent company of Financière Gaillon 13.
- Cerberus Nightingale 1, parent company of Cerberus Nightingale 2.
- Financière Gaillon 0, parent company of Cerberus Nightingale 1
- MGCI, management company with an interest in Financière Gaillon 0;
- Biopart, whose General Manager also manages one of the Group's subsidiaries;

A breakdown of the balances and transactions between Group companies and associates is presented below:

(In thousands of euro)	Nature	Partners	31 December 2015	31 December 2014
Consolidated statement of Financial Position				
Other current assets	Payables	*Financière Gaillon 0*	264	
Other current assets	*Cash advances*	*Cerberus Nightingale 2*	285	
Cash and cash equivalents	*Cash advances*	*Financière Gaillon 0*	22	
Current financial liabilities	*Shareholder loans*	*Financière Gaillon 13*	4,305	6,072
Non-current financial liabilities	*High Yield Bond*	*Cerberus Nightingale 2*	149,622	
Non-current financial liabilities	*Other bond issues*	*BIOPART*	15,557	14,125

(In thousands of euro)	Nature	Partners	31 December 2015	31 December 2014
Income statement				
Other products	*HY related chargeback fees*	*Cerberus Nightingale 1*	4,106	
Exploitation charges	*Management fees*	*Financière Gaillon 0*	−938	
Cost of net debt	*Related to the shareholder loans*	*Financière Gaillon 13*	−424	−550
Cost of net debt	*Related to the convertible bonds*	*Financière Gaillon 13*	−155	−1,128
Cost of net debt	*Related to the HY Bond*	*Cerberus Nightingale 2*	−10,853	
Cost of net debt	*Related to the other bond issues*	*BIOPART*	−1,432	−1,300

6.31 Auditor's fees

	31 December 2015						31 December 2014					
(In thousands of euro)	PWC	%	Grant Thornton	%	Other	%	PWC	%	Grant Thornton	%	Other	%
Audit												
Statutory audit and certification of individual statements	482	45%	361	49%	201	94%	440	58%	324	68%	92	79%
Cerba Healthcare	*35*	*3%*	*35*	*5%*	—	0%	*138*	18%	*125*	26%	—	0%
Fully-consolidated subsidiaries	*447*	*42%*	*326*	*44%*	*201*	94%	*302*	40%	*199*	41%	*92*	79%
Other audit-related work and services	589	55%	376	51%	13	6%	322	42%	156	33%	—	0%
Cerba Healthcare (including consolidated financial statements)	*143*	13%	*130*	18%	—	0%	*161*	22%	*131*	27%	—	0%
Fully-consolidated subsidiaries	*446*	42%	*246*	33%	*13*	6%	*161*	21%	*25*	5%	—	0%
Total	**1,071**	**100%**	**737**	**100%**	**214**	**100%**	**762**	**100%**	**480**	**100%**	**92**	**79%**
Other services rendered by the audit networks to fully- consolidated subsidiaries												
Legal, tax, payroll-related	—	0%	—	0%	—	0%	—		—		24	21%
Total	**—**	**0%**	**—**	**0%**	**—**	**0%**	**—**		**—**		**24**	**21%**
Total fees	**1,071**	**100%**	**737**	**100%**	**214**	**100%**	**762**	**100%**	**480**	**100%**	**116**	**100%**

6.32 Executive management compensation

Given the Group's structure, key management compensation has not been disclosed as it would mean revealing individual salaries.

6.33 Subsequent events

6.33.1 Subsequent events in 2016

6.33.1.1 Acquisition

Acquisition of laboratory network Menalab Group ("United Arab Emirates" Area) at the end of August 2016

6.33.1.2 Financing structure

The Group has issued bonds High Yield 4 to 27th September 2016, € 40 million to finance the previous acquisitions in 2016.

The Revolving Credit Facility contracted in January 2013 has been solved in September 2016 for € 50 Million.

6.33.2 Subsequent events in 2017

6.33.2.1 Process of changing shareholders

Partners Group
REALIZING POTENTIAL IN PRIVATE MARKETS

INVESTISSEMENTS PSP INVESTMENTS

Cerba HealthCare

PAI Partners has entered exclusive negotiations with Partners Group, the global private markets investment manager, and the Public Sector Pensions Investment Board ("PSP Investments"), one of Canada's largest pension investment managers, for the sale of Cerba HealthCare.

6.33.2.2 Restructuring of Net Debt

As part of this change in control, the group will anticipate to proceed during the beginning of 2017 to refinance the High Yield debt.

6.33.2.3 Acquisitions

The group conducted in January 2017 and February the acquisition of:

- **DeltaMedica in Italy:**

deltamedica

Created in 1983, DELTAMEDICA is a group consisting of 3 consultation centers, 8 sampling centers and a technical platform. Particularly specialized in sports medicine and wellness, this group has a notoriety all over Lombardy.

DELTAMEDICA generates 8 million euros of turnover, employs about thirty employees and in 2016 hosted more than 170,000 patients in its centers.

- **Lexobio in France (Normandy district):**

Laboratoire de biologie médicale
Lexobio

The Lexobio company realizes 9,237 k € of net sales in 2015, the activity being spread over six sites in Normandy, three of which are located near CBM sites and thus generating synergies.

Cerba Heathcare (ex Cerba European Lab)

Statutory auditors' report on the consolidated financial statements

For the year ended December 31, 2014

PricewaterhouseCoopers Audit
63 rue de Villiers
92200 Neuilly-sur-Seine

Grant Thornton
29 rue du Pont
92578 Neuilly-sur-Seine Cedex

Statutory auditors' report on the consolidated financial statements For the year ended December 31, 2014

Cerba HealthCare (ex Cerba European Lab)
ZI Les Béthunes
7/11 rue de l'Equerre
95310 Saint-Ouen-L'Aumone

To the President,

In our capacity as Statutory Auditors of Cerba HealthCare (ex Cerba European Lab) and in compliance with your request, we have audited the accompanying consolidated financial statements of Cerba HealthCare (ex Cerba European Lab) for the year ended December 31, 2014 ("the consolidated financial Statements").

The President is responsible for the preparation and fair presentation of the consolidated financial statements. Our responsibility is to express an opinion on the consolidated financial statements based on our audit.

We conducted our audit in accordance with professional standards applicable in France and the professional guidance issued by the French Institute of statutory auditors (Compagnie nationale des commissaires aux comptes) relating to this engagement. Those standards require that we 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, on a test basis or by selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as 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.

In our opinion, the consolidated financial statements give a true and fair view of the financial position and assets and liabilities of the group constituted by the persons or entities included in the consolidation as of December 31, 2014, and of the results of its operations for the year then ended in accordance with the International Financial Reporting Standards as adopted in the European Union.

This report is governed by French law. French courts have exclusive jurisdiction to judge any dispute, claim or disagreement that may result from our letter of engagement or this report or any related question. Each party irrevocably renounces his or her rights to oppose legal action brought before these courts, to contend that the action was brought before a court that was not competent, or that these courts do not have jurisdiction.

Neuilly-sur-Seine, March 13, 2017

The statutory auditors

PricewaterhouseCoopers Audit		Grant Thornton
Jacques Lévi	Marie-Cécile Dang Tran	Vincent Papazian

Table of contents

1 Consolidated Statement of Financial Position

(In thousands of euro)

	Notes	31 December 2014	31 December 2013
Assets			
Goodwill	6.12	671,193	599,292
Intangible assets	6.13	108,222	112,269
Property, plant and equipment	6.14	64,479	53,368
Non-current tax assets		35	1,628
Other non-current assets	6.15	1,670	1,797
Deferred tax assets	6.16	2,096	1,467
Non-current assets		**847,694**	**769,821**
Inventories	6.17	5,570	5,862
Trade receivables	6.18	53,989	53,962
Current tax assets		3,733	1,452
Other current assets	6.19	18,041	9,749
Cash and cash equivalents	6.20	64,100	63,764
Current assets		**145,433**	**134,789**
TOTAL ASSETS		**993,127**	**904,611**
Equity and Liabilities			
Share capital	6.21	810	*810*
Share premium	6.21	416,811	*416,811*
Retained earnings		(115,378)	*(110,519)*
Profit (loss) for the period, attributable to owners of the Company		(15,386)	*5,109*
Foreign currency translation reserve		(594)	*(743)*
Equity attribuable to owners of the company		286,263	311,468
Non-controlling interests—reserves		7,698	*9,038*
Non-controlling interests—profit (loss)		1,985	*2,449*
Non-controlling interests		9,683	11,486
TOTAL EQUITY	**4**	**295,946**	**322,954**
Non-current financial liabilities	6.22	512,177	419,180
Employee benefits	6.23	6,903	5,079
Non current provisions	6.24	940	4 525
Deferred tax liabilities	6.16	33,172	36,056
Other non current liabilities	6.25	4,576	4,147
Non-current liabilities		**557,768**	**468,986**
Current financial liabilities	6.22	36,696	29,239
Current provisions	6.24	685	679
Trade payables	6.26	45,049	40,440
Current tax liabilities		14,245	8,719
Other current liabilities	6.27	42,737	33,592
Current liabilities		**139,413**	**112,670**
TOTAL EQUITY AND LIABILITIES		**993,127**	**904,611**

2 Consolidated Income Statement

(In thousands of euro)

	Notes	31 December 2014	31 December 2013
NET SALES	**6.7**	**399,216**	**351,586**
Consumption of materials and supplies		(66,283)	(75,653)
Other purchases and external expenses		(93,975)	(72,965)
Taxes and duties		(11,957)	(8,742)
Personnel expenses	6.8	(140,578)	(116,267)
Net change in depreciation and amortisation		(23,959)	(25,077)
Other income	6.9	4,070	10,319
Other expenses	6.9	(8,037)	(10,325)
Goodwill impairment		(22,600)	—
OPERATING INCOME (LOSS)		**35,897**	**52,875**
Cost of net debt		(37,694)	(32,465)
Other financial income		278	443
Other financial expenses		(1,118)	(1,307)
FINANCIAL INCOME (EXPENSE)	**6.10**	**(38,534)**	**(33,329)**
PRETAX INCOME (EXPENSE)		**(2,637)**	**19,546**
Income tax	6.11.1	(10,763)	(11,988)
PROFIT (LOSS)		**(13,400)**	**7,557**
Attributable to owners of the Company		(15,386)	*5,109*
Attributable to non-controlling interests		1,985	*2,449*

3 Consolidated Statement of Comprehensive Income

(In thousands of euro)

	Notes	31 December 2014	31 December 2013
Profit (Loss)	**2**	**(13,400)**	**7,557**
Recyclable items through profit			
Foreign currency translation differences		*257*	(691)
Non-recyclable items through profit			
Actuarial gains and losses on defined benefit obligations		*(697)*	*(105)*
Tax impacts on actuarial gains and losses on defined benefit obligations		*224*	*36*
Gain and losses recognised directly in equity		**(217)**	**(760)**
Total comprehensive income for the period	**4**	**(13,617)**	**6,798**
Attributable to owners of the Company		*(15,692)*	4,694
Attributable to non-controlling interests		*2,075*	2,173

4 Consolidated Statement of Changes in Equity

(In thousands of euro)

	Share capital	Share premium	Retained earnings	Actuarial differences	Translation differences	Total	Non-controlling interests	Total equity
Opening position at 1st January 2013	**810**	**416,811**	**(108,529)**	**117**	**(348)**	**308,861**	**9,822**	**318,683**
Total comprehensive income for the period								
Net income (loss) for the period			5,109			5,109	2,449	7,557
Total other comprehensive income				(19)	(396)	(415)	(276)	(691)
Total comprehensive income for the period	**—**	**—**	**5,109**	**(19)**	**(396)**	**4,694**	**2,173**	**6,867**
Transactions with owners of the Company, recognised directly in equity						—		—
Contributions by and distributions to owners of the Company						—		—
Changes in scope			(1,070)			(1,070)	638	(432)
Dividends			(0)			(0)	(928)	(928)
Others			(1,018)			(1,018)	(207)	(1,225)
Total contributions by and distribution to owners of the Company	**—**	**—**	**(2,088)**	**—**	**—**	**(2,088)**	**(497)**	**(2,585)**
Changes in ownership interests in subsidiaries						—		—
Non-controlling interests at acquisition of the subsidiary						—	(11)	(11)
Total transactions with owners of the Company	**—**	**—**	**—**	**—**	**—**	**—**	**(11)**	**(11)**
Closing position at 31 December 2013	**810**	**416,811**	**(105,508)**	**98**	**(743)**	**311,468**	**11,487**	**322,955**

	Share capital	Share premium	Retained earnings	Actuarial differences	Translation differences	Total	Non-controlling interests	Total equity
Opening position at 1st January 2014	**810**	**416,811**	**(105,508)**	**98**	**(743)**	**311,468**	**11,487**	**322,955**
Total comprehensive income for the period								
Profit (loss) for the period			(15,386)			(15,386)	1,985	(13,400)
Total other comprehensive income				(455)	149	(306)	89	(217)
Total comprehensive income for the period	**—**	**—**	**(15,386)**	**(455)**	**149**	**(15,692)**	**2,075**	**(13,617)**
Transactions with owners of the Company, recognised directly in equity						—		—
Contributions by and distributions to owners of the Company						—		—
Changes in scope			(5,804)			(5,804)	(1,789)	(7,594)
Dividends		—	19			(19)	(1,999)	(2,018)
Others			(3,688)			(3,688)	2,137	(1,551)
Total contributions by and distribution to owners of the Company	**—**	**—**	**(9,511)**	**—**	**—**	**(9,511)**	**(1,652)**	**(11,163)**
Changes in ownership interests in subsidiaries						—		—
Non-controlling interests at acquisition of the subsidiary						—	(2,228)	(2,228)
Total transactions with owners of the Company	**—**	**—**	**—**	**—**	**—**	**—**	**(2,228)**	**(2,228)**
Closing position at 31 December 2014	**810**	**416,811**	**(130,405)**	**(357)**	**(594)**	**286,265**	**9,682**	**295,948**

5 Consolidated Cash Flow Statement

(In thousands of euro)

	31 December 2014	31 December 2013
Profit (loss) for the period	(13,400)	7,557
Adjustments for:		
Amortisation, depreciation and impairment	47,337	23,151
Income tax	10,763	11,988
Financial Income (Expense)	38,534	33,329
Items classified as cash flows from investing activities	146	(487)
Change in working capital	(639)	4,817
Income tax paid	(15,254)	(12,051)
Net cash provided by (used in) operating activities	**67,487**	**68,308**
Acquisition of property, plant and equipment and intangible assets	(9,796)	(9,183)
Disposals of property, plant and equipment and intangible assets	303	269
Change in loans and other financial assets	724	(157)
Effect of change in consolidation scope	(75,352)	(38,529)
Interests received	12	36
Dividends received	48	18
Other changes related to investing activities	292	420
Net cash provided by (used in) investing activities	**(83,769)**	**(47,126)**
Dividends paid to non-controlling interests	(2,018)	(928)
Increase (decrease) in share capital by non-controlling interests	1,314	700
Proceeds from issuance of borrowings	96,324	357,072
Repayment of borrowings	(48,944)	(323,615)
Finance costs paid	(31,094)	(23,153)
Other Financial expenses paid	(727)	(1,103)
Net cash provided by (used in) financing activities	**14,855**	**8,973**
Effect of exchange rate fluctuations on cash held	150	(20)
Net increase (decrease) in cash and cash equivalents	**(1,277)**	**30,134**
Cash and cash equivalents at beginning of period	*63,605*	*33,471*
Cash and cash equivalents at end of period	*62,328*	*63,605*

6 Notes to the consolidated financial statements

General informations

6.1 Reporting entity

Cerba HealthCare (formerly Cerba European Lab) (hereinafter referred to as "the Company") is a French simplified joint-stock company (*société par actions simplifiée*), headquartered in France at 7/11 Rue de l'Equerre 95310 Saint-Ouen-l'Aumône.

The Company was created on 8 June 2010 following the acquisition of the Cerba HealthCare Group.

The Group is a leading European player in medical biology, with a market positioning in clinical laboratory testing, specialised clinical pathology and clinical trials.

Financière Gaillon 13 SAS was created in 2013 and is the shareholder of Cerba HealthCare.

6.2 Significant events of the period

Changes in scope of consolidation

The Group continued its policy of external growth. It acquired the following interests during the year (see Note 6.11):

- Acquisition of JS Bio Group on May 23, 2014 in order to strengthen its presence in the PACA region
- Acquisition of CMP (Centre de Morphologie Pathologique) company in Belgium;
- Acquisition of JL BIO company situated in Paris

The Group is restructuring its operations as follows:

- Mergers by dissolution without liquidation and transfer of all assets and liabilities (Transmission Universelle de Patrimoine) in Picardie Area of:
  - LABLORIOT to BIOPOLE 80 from 18th August 2014
- Mergers by dissolution with tax and accounting retroactivity in PACA Area of:
  - Montbrun and JS Management to BIOTOP from 01st January 2014

Capital structure

As of May 28, 2014, Financière Gaillon 13, parent company of Cerba HealthCare, has reorganized its capital.

After this operation, Financière Gaillon 13 now holds 100% stake in the company Cerba HealthCare.

As of November 4, 2014, the entity Financière Gaillon 0, indirect parent of Cerba HealthCare has been created and it became the new parent entity of the Group.

Financing structure

On May 23, 2014, the Group made an additional draw for High-Yield bond for a nominal amount of € 80M and € 6.8M emission premium with an interest rate of 7% payable at maturity biannual (February and August).

The Effective date of this bond is May 8th, 2014 and the deadline is fixed at January 31, 2020.

6.3 Basis of preparation

6.3.1 Statement of compliance

The consolidated financial statements of Cerba HealthCare have been prepared in accordance with the International Financial Reporting Standards (including IFRSs, IASs, SIC and IFRIC interpretations) adopted by the European Union before 31 December 2014 and published by the IASB (International Accounting Standards Board).

The Group has analysed IFRSs, IASs, SIC, IFRIC interpretations and related amendments published, approved and applicable for accounting periods beginning on or after 1 January 2014 – as well as those not yet approved – by the European Union at 31 December 2014.

These standards can be viewed on the European Commission's website at:
http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

The following standards, interpretations and related amendments, published in the Official Journal of the European Union at the end of the reporting period, were applied by the Group in 2014:

Revised standards, amendments and interpretations applicable for accounting periods beginning on or after 1 January 2014		First application UE for accounting periods from:	Impacts
IFRS 10	"Consolidated Financial Statements"	01.01.2014	No significant impact
IFRS 11	"Joint Arrangements"	01.01.2014	No Impact
IFRS 12	"Disclosure of Interests in Other Entities"	01.01.2014	No Impact
Amendments IFRS 10, IFRS 11 et IFRS 12	"Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities - Transition Guidance"	01.01.2014	No significant impact
IAS 28	"Investments in Associates and Joint Ventures"	01.01.2014	No Impact
Amendments IFRS 10, IFRS 12 et IAS 27	"Investments Entities"	01.01.2014	No Impact
Amendments IAS 32	"Financial Instruments: Presentation: Classification of Rights Issues"	01.01.2014	No significant impact
Amendments IAS 36	"Recoverable Amount Disclosures for Non-Financial Assets"	01.01.2014	No significant impact
Amendments IAS 39	"Novation of Derivatives and Continuation of Hedge Accounting"	01.01.2014	No significant impact
New standards, amendments and interpretations published by the IASB applicable and not early-adopted by the Group:			
Amendments IAS19	" Defined Benefit Plans: Employee Contributions"	01.02.2015	impact being analyzed
IFRIC 21	"Levies"	17.06.2014	impact being analyzed
New standards, amendments and interpretations published by the IASB but not yet applicable or not early-adopted by the Group:			
IFRS 9	"Financial Instruments"	01.01.2018	impact being analyzed
IFRS 14	"Regulatory Deferral Accounts" (issued on 30 January 2014)	01.01.2016	To be Analysed
IFRS 15	"Revenue from Contracts with Customers (issued on 28 May 2014)"	01.01.2017	To be Analysed
Amendments IFRS 10, IFRS 12 and IAS 28	"Investment Entities: Applying the Consolidation Exception" (issued on 18 December 2014)	01.01.2016	No Impact
Amendments IAS 1	"Disclosure Initiative" (issued on 18 December 2014)	01.01.2016	To be Analysed
Amendments IAS 27	"Equity Method in Separate Financial Statements" (issued on 12 August 2014)	01.01.2016	To be Analysed
Amendments IAS 16 and IAS 41	"Bearer Plants" (issued on 30 June 2014)	01.01.2016	No Impact
Amendments IAS 16 and IAS 38	"Clarification of Acceptable Methods of Depreciation and Amortisation" (issued on 12 May 2014)	01.01.2016	To be Analysed
Amendments IFRS 11	"Accounting for Acquisitions of Interests in Joint Operations" (issued on 6 May 2014)	01.01.2016	To be Analysed

The Group is currently analysing the impact on its consolidated financial statements of the standards published by the IASB at 31 December 2014 but not yet adopted by the EU but it does not expect the impact to be material.

6.3.2 Comparability of financial statements

The accounting policies used to prepare the consolidated financial statements at 31 December 2014 are identical to those used for the consolidated statements at 31 December 2013.

As part of a consolidated reporting optimization process, some items were reclassified in 2014 and refining in terms of accounting position in the income statement.

These changes include the lines "Consumption of materials and supplies" and "Other purchases and external expenses" but have no major effect on the aggregates of our financial statements.

6.3.3 Basis of measurement

The consolidated financial statements have been prepared using the historical cost principle, except for derivative instruments, which are measured at fair value.

Concerning the business combinations (See Note 6.4.1.1), the Group acquires control of an entity or group of entities, the identifiable assets acquired and liabilities assumed are recognized and measured at fair value. The difference between the consideration transferred (i.e. the acquisition cost) and the fair value of the identifiable assets acquired, net of the liabilities and contingent liabilities assumed, is recognized as goodwill.

Goodwill is recorded directly in the statement of financial position of the acquired entity, in the entity's functional currency.

Its recoverable amount is subsequently monitored at the level of the cash-generating unit to which the entity belongs.

6.3.4 Functional and presentation currency

The consolidated financial statements are presented in Thousands of Euros, the Company's functional currency, and rounded to the nearest thousand, unless otherwise specified.

6.3.5 Use of estimates and assumptions

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual amounts may differ from these estimates.

Management bases these estimates and assumptions on past experience and the Group's current business environment and they are reviewed on an ongoing basis. The impacts of changes to estimates are recognised in the period in which the estimates are revised and for all future periods affected.

Estimates and assumptions are particularly important for measuring:

- the recoverable amount of intangible assets and property, plant and equipment, especially goodwill presented in notes 6.11, 6.12 and 6.13;
- obligations under defined benefit plans ;
- deferred tax assets and liabilities.

6.4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in the consolidated financial statements and by all Group entities.

6.4.1 Basis of consolidation

The Group's annual consolidated financial statements include those of the parent company and all of its subsidiaries for the period ended 31 December 2014. All of the subsidiaries close their accounts on 31 December, except for LBS (30 September) and CRI (30 November).

The Group consolidates all entities over which it exercises exclusive control – either directly or indirectly – using the full consolidation method. Entities over which the Group has significant influence are accounted for using the equity method without applying any threshold in terms of its interest and/or voting rights.

All material intragroup balances, transactions, income and expenses are totally eliminated.

All profits and losses generated by subsidiaries are broken out into the portion attributable to owners of the Company and to non-controlling interests, based on their respective interests.

6.4.1.1 Business combinations

In accordance with Revised IFRS 3, business combinations acquired after to 1 January 2010 are accounted for using the purchase method at the acquisition date, which is the date on which control was transferred to the Group.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; (+)
- the recognised amount of any non-controlling interests in the acquiree; (+)
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; (-)
- the net recognised amount (in general the fair value) of the identifiable assets acquired and liabilities assumed.

Contingent consideration is measured at its acquisition-date fair value and is subsequently adjusted through goodwill only when additional information is obtained after the acquisition date about facts and circumstances that existed at that date.

Such adjustments are made only during the 12-month measurement period that follows the acquisition date.

All other subsequent adjustments are recorded as a receivable or payable through profit or loss.

In the case of multi-step acquisitions, acquisition of control over the acquiree triggers remeasurement of all previously-held equity interests at fair value and any material changes are recognised in profit or loss from recurring operations.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Contingent consideration is recognised in equity if the contingent payment is settled by delivery of a fixed number of the acquirer's equity instruments; in all other cases, it is recognised in liabilities related to business combinations. Contingent consideration is recognised at fair value at the acquisition date irrespective of the probability of payment. If the contingent consideration was originally recognised as a liability, any subsequent adjustments are recognised in profit or loss unless such adjustments are made within 12 months of the acquisition date and are related to facts and circumstances existing at the acquisition date. Purchased goodwill is accounted for as a business combination.

6.4.1.2 Acquisitions of non-controlling interests

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners. Therefore, no goodwill is recognised. Adjustments to non-controlling

interests arising from transactions that do not involve the loss of control are determined based on the proportionate interest in the net assets of the subsidiary.

Operations that do not lead to a loss of control are treated as transactions between shareholders, giving rise to a new split between equity attributable to owners of the Company and to non-controlling interests. The same allocation basis is applied to any transaction costs.

6.4.1.3 Subsidiaries

Subsidiaries are entities controlled by the Group. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

French legislation requires laboratories to be incorporated as private practice companies (*Société d'Exercice Libéral – SEL*) and the clinical pathologists operating the private practice companies to hold at least 50% of the voting rights at shareholders' annual general meetings. In strict compliance with these regulations, the Group has created a capital structure to meet these obligations and hold the majority of the related financial interests (see Note 6.5). Moreover, specific clauses, especially concerning the governance structure, are included in the articles of association and shareholders agreements.

Although the Group does not hold the majority of voting rights in the private practice companies, the above-mentioned mechanisms allow it to obtain the majority of the economic benefits derived from the activities of these companies and also to demonstrate the existence of *de facto* control in full compliance with French legislation, therefore enabling the French entities to be fully consolidated.

Subsidiaries are fully consolidated from the date that control commences until the date that control ceases (see Note 6.4.1.4). Divestment resulting in loss of control

6.4.1.4 Disvestment resulting in loss of control

Upon loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any profit or loss arising on the loss of control is recognised in "Profit or loss from recurring operations".

If the Group retains any interest in its former subsidiary, said interest is measured at fair value at the date that control is relinquished. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset, depending on the level of influence retained.

6.4.1.5 Transactions eliminated in consolidation

Intra-group balances and transactions and any income and expenses arising from intra-group transactions are eliminated in the consolidated financial statements.

6.4.1.6 Foreign currency transactions

Transactions denominated in foreign currencies are translated into the functional currencies of the respective Group entities at the exchange rate on the transaction date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the closing exchange rate.

Foreign currency translation differences are recognised in profit or loss.

6.4.1.7 Foreign operations

The assets and liabilities of foreign operations – including goodwill and fair value adjustments arising on acquisitions – whose functional currency is not the euro, are translated into euros at the closing exchange rate, and their statements of comprehensive income are translated into euros using average exchange rates for the period.

The foreign currency translation differences arising from the use of different exchange rates are recognised in "Other comprehensive income". They are carried in the foreign currency translation reserve in consolidated equity until the related investments are sold or wound up.

6.4.2 Financial instruments

6.4.2.1 Definitions

The Group's financial assets and liabilities are presented in accordance with IAS 39.

They are broken out into their current and non-current portion, depending on whether they mature in under or over one year.

In accordance with IAS 39, the obligating event is recognition in the balance sheet at the transaction date: if there is a time-lag between the transaction date (i.e., the obligation) and the settlement date, securities deliverable or receivable are recognised from the transaction date.

6.4.2.2 Non-derivative financial assets

The Group initially recognises loans and receivables on the date they originated.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Factoring contract

Receivables assigned to third parties under factoring agreements are derecognised when substantially all of the risks and rewards of ownership are transferred to these third parties and, more particularly, when the factoring company bears the risks of non-recoverability and late payment.

Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus any directly attributable transaction costs and subsequently remeasured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise trade and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances, cash on hand, amounts invested in money market funds and negotiable debt instruments, readily convertible into known amounts of cash, and subject to insignificant interest rate risk exposure. They do not include bank overdraft facilities.

6.4.2.3 Non-derivative financial liabilities

The Group initially recognises debt securities and subordinated liabilities on the date they originated.

Financial liabilities consist of borrowings and debt, in accordance with IAS 39.

Loans whose contractual rate of interest is tied to the Group's business data are deemed to be at a fixed rate (at the effective interest rate calculated at the inception of the loan).

In the event of a change in the underlying data used to calculate the effective interest rate, the carrying amount of the loan is adjusted with a matching entry to finance costs.

The Group derecognises a financial liability when its contractual obligations have been discharged, cancelled or expired.

The Group classifies non-derivative financial liabilities as other financial liabilities. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. They are subsequently remeasured at amortised cost using the effective interest method.

Other financial liabilities comprise loans and borrowings, bank overdrafts, and trade and other payables.

Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents in the consolidated statement of cash flows.

6.4.2.4 Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effect.

Preference shares

Preference share capital is classified as equity if it is non-redeemable, or redeemable at the Company's discretion only, and the distribution of any dividends is also discretionary. Dividends thereon are deducted directly from equity once they have been approved by the Company's shareholders at their general meeting.

All of the preference shares issued by the Group meet the definition of equity instruments.

Share-based payment

On 21 July 2010, the Company issued shares with warrants to senior executives and some Group employees.

The issue was recognised in accordance with IFRS 2 as a share-based payment and the warrants were measured at fair value on the grant date.

The fair value of stock options is based on the exercise price and the expected life of the option; the price of the underlying stock at the grant date; the expected volatility in the share price; forecast dividends; and the risk-free interest rate over the life of the option.

This method results in a fair value of warrants that is equal to their issue price. The shares with warrants have therefore been classified as equity at their issue cost. Since the issue price is equal to the grant-date fair value, the corresponding expense in the income statement is nil.

6.4.2.5 Hybrid financial instruments

Hybrid financial instruments issued by the Group comprise convertible bonds denominated in euros that can be converted into a fixed number of shares.

The liability component of a hybrid financial instrument is recognised initially at the fair value of a similar liability that does not have a conversion option, by discounting the contractual cash flows at a market rate. The equity component is recognised initially for the amount of the difference between the proceeds from the issue of the convertible bonds and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

The liability component of a hybrid financial instrument is subsequently remeasured at amortised cost using the effective interest method. The equity component of a hybrid financial instrument is not remeasured subsequent to initial recognition.

Interest and any gains and losses related to the financial liability are recognised in profit or loss. Upon conversion of the bonds, the financial liability is reclassified to equity and no gain or loss is recognised.

6.4.2.6 Derivative financial instruments (interest rate swaps)

The Group has contracted interest rate swaps to hedge its interest rate risk exposure. They are not eligible for hedge accounting under IAS 39 and consequently, any fair value adjustments are recognised in profit or loss.

6.4.3 Goodwill and intangible assets

6.4.3.1 Goodwill

For initial recognition of goodwill, see Note 6.4.1.1.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units (CGUs) or groups of CGUs that are expected to benefit from the synergies arising from the business combination.

The CGUs or group of CGUs identified by the Group are as follows:

- Specialised clinical pathology CGU: this activity involves complex clinical testing and/or testing requiring specific equipment that clients (hospitals, clinics, private or community laboratories) do not have.
- France private clinical laboratory testing CGU and Belux private clinical laboratory testing CGU.
- Clinical trials CGU: conducting clinical trials (logistics, analyses, results) for pharmaceutical companies and biotechnology firms during the drug development phase.

Business goodwill acquired during the period is recognised as part of goodwill.

6.4.3.2 Research and development

Expenditure on research activities to gain new scientific and technical knowledge and understanding is recognised in profit or loss as incurred.

Development expenditure is expensed if the criteria for recognition as an intangible asset as defined by IAS 38, are not met.

Under *IAS 38—Intangible Assets*, development expenditure must be recognised as an intangible asset if the entity is able to demonstrate:

- its intention and its financial and technical ability to complete the development project;
- that it is probable that the future economic benefits attributable to the development expenditure will flow to the entity; and
- that the cost of the asset can be measured reliably.

Gross capitalised development expenditure also includes borrowing costs.

6.4.3.3 Intangible assets

The intangible assets acquired by the Group that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

They include customer contractual relationships and order books acquired in business combinations.

6.4.3.4 Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

6.4.3.5 Amortisation

Except for goodwill, intangible assets are amortised on a straight-line basis over their estimated useful lives from the date that they are available for use.

The estimated useful lives for the current and comparative periods are as follows:

- Patents and trademarks . . . . . 10 years
- Software . . . . . 1-3 years
- Contractual customer relationships (specialised clinical pathology CGU) . . . . . 19 years
- Order books (clinical trials CGU) . . . . . 4 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted where appropriate.

6.4.4 Property, plant and equipment

6.4.4.1 Recognition and measurement

In accordance with IAS 16, the gross carrying amount of an item of property, plant and equipment corresponds to its acquisition or production cost and it is not revalued.

Capital expenditure grants are recognised as a deduction from the gross carrying amount of the asset for which they were granted.

Repair and maintenance costs are expensed as incurred

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When components of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Leases are dealt with in Note 6.4.5.

Depreciation of property, plant and equipment is dealt with in Note 6.4.4.3 below.

6.4.4.2 Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Repairs and maintenance are expensed as incurred.

6.4.4.3 Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date that they are installed and ready for use or, in the case of self-constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives of significant items of property, plant and equipment are as follows:

- Buildings . . . . . 20 years
- Plant and equipment . . . . . 5-10 years
- Fixtures and fittings . . . . . 5-10 years
- Equipment and tooling . . . . . 5 years
- Transport equipment . . . . . 4-5 years
- Office and IT equipment . . . . . 3-5 years
- Furniture . . . . . 5-10 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted where appropriate.

6.4.5 Leased assets

Assets under finance leases or arrangements that are in substance finance leases as defined by IAS 17—Leases and IFRIC 4, respectively, are recognised as an asset in the balance sheet.

Leases under whose substance or form the Group assumes substantially all of the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments.

After the initial accounting, the asset is subsequently accounted for in accordance with the accounting policy applicable to this type of asset.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Other leases are operating leases and are not recognised as non-current assets.

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, and as a reduction in rental expense over the term of the lease.

6.4.6 Inventories

Finished goods inventories, mainly comprising reagents and consumables, are recognised at purchase cost, plus any directly attributable costs. They are measured on a VAT-inclusive basis less the applicable pro rata VAT amounts.

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

6.4.7 Impairment

6.4.7.1 Non-derivative financial assets

A financial asset not classified as at fair value is assessed at each reporting date to determine whether there is objective evidence that it may be impaired as a result of one or more events that occurred after the initial recognition of the asset giving rise to a loss event with an impact on the estimated future cash flows of the asset that can be estimated reliably.

Financial assets measured at amortised cost

The Group considers evidence of impairment of financial assets measured at amortised cost (loans and receivables) both individually and collectively.

The high volumes and low unit values of invoices issued by the Group require specific credit management processes. Impairment policies for receivables are implemented on the basis of historical data but provisions for doubtful debts are booked on a case by case basis. In the specialised clinical pathology business, receivables from direct patients which are more than 35 days overdue are handled by a debt collection company.

In assessing collective impairment of receivables, the Group uses historical trends of the probability of default, payment patterns and the amount of losses incurred in the past, adjusted based on management's assessment of whether current economic and credit conditions are such that actual losses are likely to be greater or less than those suggested by historical trends.

An impairment loss on a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows. Impairment losses are recognised in profit or loss under "Net change in amortisation and impairment" with a matching entry in an allowance account for loans and receivables. Any subsequent decrease in the impairment loss is reversed through profit or loss.

6.4.7.2 Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Goodwill and indefinite-lived intangible assets are tested annually for impairment. An impairment loss is recognised if the carrying amount of an asset or cash-generating unit (CGU) exceeds its recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. For the purposes of goodwill impairment testing, the CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. CGUs are aggregated within operating segments. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

Goodwill impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are first allocated against the carrying amount of any goodwill allocated to the CGU (or group of CGUs), and then against the carrying amounts of the other assets in the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill cannot be reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

6.4.8 Employee benefits

In accordance with the laws and practices of the countries in which it operates, the Group grants its employees post-employment benefits (pension plans) and other long-term benefits (long-service bonuses).

In addition to regulatory post-employment benefits in the countries in which the Group is present, Group employees are also entitled to supplementary pension plans and lump sum retirement indemnities (see Note 6.23).

These take the form of either defined contribution or defined benefit plans indemnities (see Note 6.23).

Under defined contribution plans, the Group has no legal or constructive obligation to make further contributions and the corresponding expense is recognised in profit or loss for the period.

6.4.8.1 Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits vested by employees in return for services provided in the current and prior periods, less any unrecognised past service costs and the fair value of plan assets. The discount rate is the yield at the reporting date on AA credit-rated bonds with similar maturities to the Group's obligations denominated in the currency in which the benefits are expected to be paid.

In accordance with Revised IAS 19 – Employee Benefits, pensions and other post employment benefits are measured by a qualified independent actuary using the projected unit credit method: each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to build up the final obligation. The final obligation is then discounted to present value. These calculations require the use of:

- projected retirement dates;
- a discount rate;
- an inflation rate;
- assumptions regarding future salary increases and staff turnover.

Obligations are measured annually for the Group's main plans and once every three years for other plans unless changes in assumptions or significant changes in demographic data warrant more frequent measurement.

For each defined benefit plan, the Group recognises a provision equal to the benefit obligation, less the fair value of plan assets, actuarial gains and losses and any unrecognised past service cost.

Actuarial gains and losses arise on change in assumptions or differences between forecast and actual data concerning the benefit obligation or the performance of plan assets.

The Group recognises deferred cumulative actuarial gains and losses on employee benefits in equity and they are presented in "Other comprehensive income".

6.4.8.2 Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than pension plans is equal to the amount of future benefits vested by employees in return for services provided in the current and prior periods. Other employee benefits mainly comprise seniority bonuses.

Actuarial gains/losses as well as the past services costs related to the long-term employee benefits other than pensions are recognized immediately in the Profit and Loss.

6.4.8.3 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid in short-term cash bonuses or incentive-based profit-sharing plans if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

6.4.9 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised under finance costs.

6.4.9.1 Restructuring provisions

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or been announced publicly. Future operating losses are not provisioned.

6.4.10 Net sales

Revenue from services rendered in the course of ordinary activities is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and any contractual volume discounts for hospitals after the elimination of intra-group sales.

Specialised clinical pathology and private clinical testing operations are carried out in clinical laboratories. Revenue related to analyses/tests carried out is recognised when the report is validated by the clinical pathologist (on the date results are given to the client).

Clinical trials are governed by contractual agreements providing for specific invoicing arrangements at each stage. Revenue is recognised using the percentage-of-completion method. Percentage of completion is measured on the basis of work performed.

6.4.11 Other income and expenses

Other income and other expenses include both recurring and non-recurring income and expenses. Non-recurring items comprise extraordinary income and expenses, which due to their nature, amount or frequency generally correspond to major one-off or unusual events.

6.4.12 Financial income and finance costs

Net finance costs comprise:

- interest expense relating to financial debt;
- gains and losses on interest rate derivatives (rate swaps) used to hedge interest rate risk on the Group's debt;
- income from cash and cash equivalents, which comprises interest paid on cash investments and cash equivalents.

Other financial income and expense mainly comprise foreign exchange gains and losses and changes in the fair value of derivatives that do not qualify for hedge accounting.

6.4.13 Income tax

Income tax comprises current tax and deferred tax recognised in accordance with IAS 12. Current tax and deferred tax are recognised in profit and loss unless they relate to a business combination, or to items that are recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on taxable profit or tax loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised in respect of temporary differences between the carrying amounts and tax base of assets and liabilities. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting profit nor taxable profit;
- temporary differences related to investments in subsidiaries and joint ventures insofar as it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets and liabilities are measured using the tax rates (and laws) that have been enacted or substantially enacted by the year-end and are expected to apply when the asset is realised or the liability is settled.

In determining the amount of current and deferred tax, the Company takes into account the impact of any uncertain tax positions and any additional taxes and interest that may be due.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities and they relate to taxes levied by the same authority, either on the same taxable entity or on different tax entities that intend to settle current tax liabilities and assets on a net basis, and realise their tax assets and settle their tax liabilities simultaneously.

A deferred tax asset is only recognised for unused tax credits, tax losses and deductible temporary differences to the extent that it is probable that future taxable profit will be available

against which they can be utilised. Deferred tax assets are reviewed at each reporting date and reduced if it is no longer probable that taxable profit will be available against which they can be used.

6.5 Scope of consolidation

	31 December 2014			31 December 2013				
Integrated companies	**Consolidation method**	**% control**	**% interests**	**Consolidation method**	**% control**	**% interests**	**Address**	**Country**
Cerba European Lab SAS	**Parent company**	**100,00%**	**100,00%**	**Parent company**	**100,00%**	**100,00%**	**Saint-Ouen-l'Aumône**	**France**
BARC Australia	FC	100,00%	100,00%	FC	100,00%	100,00%	Kogarah	Australie
BARC China	FC	100,00%	100,00%				Shangai	Chine
BARC Finance	FC	100,00%	100,00%	FC	100,00%	100,00%	Zwijnarde	Belgique
BARC NV	FC	100,00%	100,00%	FC	100,00%	100,00%	Zwijnarde	Belgique
BARC RSA	FC	50,10%	50,10%	FC	50,10%	50,10%	Richmond area, Johannesburg	Afrique du sud
BARC USA	FC	100,00%	100,00%	FC	100,00%	100,00%	Lake Success, New York	Etats Unis
Biopyrénées	FC	48,76%	91,14%	FC	48,76%	91,14%	Tarbes	France
Biolille	FC	45,62%	83,03%	FC	39,16%	71,18%	Lille	France
Biotop Developpement	FC	50,00%	99,75%	FC	22,91%	71,38%	Marseille	France
Biotop SCM	FC	100,00%	99,75%	FC	100,00%	71,38%	Marseille	France
Centre de Morphologie pathologique	FC	100,00%	100,00%				Anderlecht	Belgique
Cefid	FC	100,00%	100,00%	FC	100,00%	100,00%	Saint-Ouen-l'Aumône	France
Centre Biologique du Chemin Vert (CBCV) SELAS	FC	49,00%	97,23%	FC	49,00%	97,35%	Paris	France
Cerba Specimen Services SAS	FC	100,00%	100,00%	FC	100,00%	100,00%	Saint-Ouen-l'Aumône	France
CRI	FC	100,00%	100,00%	FC	100,00%	100,00%	Zwijnarde	Belgique
JL-BIO	FC	49,81%	97,13%				Paris	France
Laboratoire Cerba	FC	25,00%	99,85%	FC	25,00%	99,85%	Saint-Ouen-l'Aumône	France
LBS	FC	100,00%	100,00%	FC	100,00%	100,00%	Bruxelles	Belgique
LLAM SA	FC	100,00%	100,00%	FC	100,00%	100,00%	Esch-sur-Alzette	Luxembourg
Biobaie	FC	49,00%	73,70%	FC	49,00%	73,70%	Plérin	France
VGS La Réunion Selas	FC	46,98%	80,56%	FC	46,96%	79,65%	Le Port, La Réunion	France
Biopole 80	FC	49,00%	69,91%	FC	49,00%	50,94%	Amiens	France
Laboratoire L Loriot				FC	100,00%	50,94%	Amiens	France
Chaouat Heurzeau Bieder	FC	99,92%	97,15%	FC	99,98%	97,33%	Aubervilliers	France
Centre de biologie médicale	FC	49,98%	99,82%	FC	49,98%	99,82%	Le Havre	France
BIO76	FC	99,51%	99,33%	FC	99,51%	99,33%	Le Havre	France
JS-BIO	FC	49,00%	99,75%				Marseille	France
Société des laboratoires BILLIEMAZ	FC	49,00%	99,75%				Marseille	France
GIE JS-BIO	FC	100,00%	99,75%				Marseille	France

FC : Full consolidation

UTH : Universal transmission heritage

	31 December 2014			31 December 2013			
Transfer of assets	**Consolidation method**	**% control**	**% interests**	**Consolidation method**	**% control**	**% interests**	**Comments**
Laboratoire L Loriot				FC	100,00%	100,00%	UTH in Biopole in 2014
JS-Management							Merged in BIOTOP in 2014
Montbrun BIO							Merged in BIOTOP in 2014

	31 December 2014			31 December 2013			
New consolidated entities	**Consolidation method**	**% control**	**% interests**	**Consolidation method**	**% control**	**% interests**	**Comments**
JS-BIO	FC	49,00%	99,75%				Acquired the 23 May 2014
JS-Management	FC	100,00%	99,75%				Acquired the 23 May 2014
Société des laboratoires BILLIEMAZ	FC	49,00%	99,75%				Acquired the 23 May 2014
GIE JS-BIO	FC	100,00%	99,75%				Acquired the 23 May 2014
Montbrun BIO	FC	100,00%	99,75%				Acquired the 23 May 2014
JL-BIO	FC	49,81%	97,13%				Acquired the 4 December 2014
Centre de Morphologie pathologique	FC	100,00%	100,00%				Acquired the 10 December 2014
BARC China	FC	100,00%	100,00%				Consolidated on December 2014

FC: Full consolidation

UTH: Universal transmission heritage

6.6 Segment information

The Group's operating segments used in reported financial information have been identified on the basis of the internal reports used by management to allocate resources to the segments and assess their performance. For confidentiality reasons, the operating income (loss) by reporting segments is not provided.

The Group has three main reporting segments:

- Specialised clinical pathology
- Private clinical laboratory testing (France and Belux)
- Clinical trials

(In thousand of euro)	31 December 2014	31 December 2013
Specialised clinical pathology	130,416	123,836
France clinical laboratory testing	154,997	112,031
Belux clinical laboratory testing	69,328	73,132
Clinical Trials	44,475	42,587
Net sales	**399,216**	**351,586**

Notes to the consolidated income statement

6.7 Net sales

(In thousands of euro)	31 December 2014	31 December 2013
Sales of services	399,193	350,952
Sales of goods	23	634
Net sales	**399,216**	**351,586**

Sales of services correspond to testing for patients, laboratories, hospitals and pharmaceutical companies in three market segments (Cf Note 6.6).

Sales of goods include the sale of sampling kits for clinical trials.

6.8 Personnel expenses

(In thousands of euro)	31 December 2014	31 December 2013
Wages and salaries including social charges	(132,891)	(114,303)
Post-employment benefits and other long-term benefits	(4,914)	(163)
Employee profit sharing	(2,773)	(1,801)
Personnel expenses	**(140,578)**	**(116,267)**

Employee headcount in fully-consolidated entities was 2,669 at 31 December 2014, compared to 2,243 at 31 December 2013 (Full Time Equivalent).

Headcount in newly-acquired or newly-consolidated entities, net of entities derecognised during the year was 396.

6.9 Other income and expenses

(In thousands of euro)	31 December 2014	31 December 2013
Product from sales of assets	745	2,480
Other incomes	1,751	5,863
Self production	391	413
Operating subsidy	1,183	974
Other reversals of provisions		589
Total other incomes	4,070	10,319
Gains and losses on receivables	(3,107)	(2,780)
Net book value	(636)	(1,584)
Other expenses	(4,294)	(5,961)
Total other expenses	(8,037)	(10,325)
Total	**(3,967)**	**(6)**

On December 2014 31th, the others expenses and incomes includes mainly the license fees of € – 1 million, earn out expenses of € – 1.2 million, Expenses related to new companies integration of €-0.7 million and net gains on lease-back of € 0.5 million.

6.10Net financial income (expense)

Net financial income (expense) is directly attributable to the financing arrangements in respect of acquisitions. It comprises rolled-up interest on convertible bonds and the €365 million in high-yield bonds issued on 31 January 2013 and the interest linked to the additional draw for High-Yield bond describe in the note 6.2.

(In thousands of euro)	31 December 2014	31 December 2013
Change in fair value (profit)	*—*	*5,585*
Net return on cash equivalents	*227*	*413*
Effect of discounting (profit)	*—*	*—*
Financial income	227	5,998
Change in fair value (expense)	(10)	—
Losses on cash equivalents	*(2)*	*—*
Other financial charges on cash equivalents	*(7)*	*—*
Interest on bonds	*(33,939)*	*(28,292)*
Interests on bank loans	*(1,534)*	*(3,373)*
Interests on finance lease	*(2,129)*	*(2,385)*
Interests on derivatives	*(284)*	*(2,017)*
Other interests	*(16)*	*(2,397)*
Finance cost	(37,921)	(38,464)
Net cost of debt	**(37,694)**	**(32,465)**
Other financial incomes	278	443
Other financial expenses	(1,118)	(1,307)
Net financial income (loss)	**(38,534)**	**(33,330)**

6.11Income tax

6.11.1 Breakdown between current and deferred tax

(In thousands of euro)	31 December 2014	31 December 2013
Current tax expense	(13,911)	(14,550)
Deferred tax expense	3,147	2,561
Income tax	**(10,763)**	**(11,988)**

The current tax expense is equal to the amount of income taxes due to tax authorities for the year, according to the tax regulations and legal tax rates in the different countries.

The base rate of theorical incom tax in France is 34.43%, including the additional contributions.

(In thousands of euro)	31 December 2014	31 December 2013
Tax rate	**34,43%**	**34,43%**
Consolidated net income (loss)—attributable to owners of the Company	(15,386)	5,109
Consolidated net income (loss)—attributable to non-controlling interests	1,985	2,449
Consolidated profit (loss), after tax	**(13,400)**	**7,557**
Current tax	(13,911)	(14,550)
Deferred tax	3,147	2,561
Income tax	(10,763)	(11,988)
Consolidated profit (loss) before tax	**(2,637)**	**19,546**
Theoretical current tax expense (applying rate of the consolidating company)	908	(6,730)
Tax rate differences	(20)	237
Other permanent differences between accounting income and taxable income	1,432	6,810
Impairment GW Medical Lab	(7,533)	
Unrecognised tax losses	(6,167)	(11,269)
Non deductible interests	(1,784)	(1,222)
Taxable portion of dividends received and withholding at source	(238)	(468)
Other deferred taxes without a related basis	3,719	1,743
Tax credits	(50)	(58)
French value added business tax (CVAE)	(1,500)	(1,154)
Other items	470	124
Effective tax expense	**(10,763)**	**(11,988)**

Financial position—assets

6.12 Goodwill

The Group's acquisitions for the period related to private clinical laboratories in France and they can be summarised as follows:

(In millions of euro)	Goodwill recognised on the new acquisitions
Net assets acquired	**67.7**
Cancellation of facility fees	**(0.0)**
Cancellation of investment grants	0.0
Cancellation of Provision Employee Benefits	(0.4)
Cancellation of commercial goodwill	(39.5)
Cancellation of merger loss	(25.9)
Cancellation of intercompany shares	(28.3)
Net assets acquired (liabilities assumed) restated at fair value (100%)	**(26.4)**
Share of the Fair value of net assets acquired	**(26.4)**
Acquisition price	**66.0**
Goodwill on financial instruments value	**2.1**
Goodwill	**94.5**

(In millions of euro)	31 December 2014
Acquisition price	66.0
Cash and cash equivalents acquired	(5.6)
Debt on acquisitions	(2.4)
Net cash outflow on acquisitions	**58.0**
Debt payment on acquisitions in prior years	2.9
Refunds minority current accounts	1.6
Acquisition of hybrid bonds	2.1
Acquisitions of additional shares	11.1
Disposals of subsidiaries	(0.3)
Impact of changes in consolidation	**75.4**

(In thousands of euro) acquisition date	31 December 2014	JS-BIO 23/05/2014	Société des laboratoires BILLIEMAZ 23/05/2014	JL-BIO 04/12/2014	Centre de Morphologie pathologique 10/12/2014	31 December 2014 Pro forma 12 months
Net sales	**412,149**	**8,093**	**12,202**	**1,986**	**5,301**	**439,732**
Profit (Loss)	**426,782**	**(2,442)**	**488**	**196**	**680**	**425,703**

Changes in the gross value and carrying amount of goodwill can be broken down as follows:

(In thousands of euro)	31 December 2014
Gross value at 1 January	647,792
Acquisitions of entities or share	94,501
Gross value at 31 December	**742,293**
Impairment at 1 January	(48,500)
Impairment for the period	(22,600)
Impairment at 31 December	**(71,100)**
Net value at 1 January	599,292
Net value at 31 December	**671,193**

The €94,5 million increase in the gross value of goodwill relates to goodwill on acquisitions of securities and companies during the period (see Note 6.2).

The tests are performed at the level of cash generating unit (CGU) to which the assets belong. CGUs are defined as the smallest identifiable Group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

If a CGU's recoverable amount is less than its carrying amount, an impairment loss is recognised in profit or loss and, to the extent possible, as an adjustment to the carrying amount of any goodwill allocated to the CGU.

The Goodwill broken down by CGU is as follows:

(In millions of euro)	Carrying amount at 31 December 2013	Acquisitions or securities	Acquisitions of businesses	Impairment	Net book value at 31 December 2014
Specialised clinical pathology CGU	123,8				123.8
France clinical laboratory testing CGU	203,6	90,6			294.2
Belux clinical laboratory testing CGU	197,0	3,9	—		200.9
Clinical trial CGU	74,9			(22,6)	52.3
Total	**599,3**	**94,5**	**—**	**(22,6)**	**671.3**

In accordance with IAS 36, and considering the goodwill was tested for impairment at 31 December 2014, the Group identified impairment on the CGU "Clinical Trial". The impairment

tests were based on the value in use of each CGU calculated using the discounted cash flow method as described in Note 6.4.3.1 of the accounting policies section.

The main assumptions used to calculate the recoverable amount of the CGUs as of 31 December 2014 were the following:

2014.12

Cash generating units	Cash flow projection period	Discount rate	Long-term growth rate
Specialised clinical pathology CGU	6 years	7.10%	2.00%
France clinical laboratory testing CGU	6 years	7.10%	2.00%
Belux clinical laboratory testing CGU	6 years	7.10%	2.20%
Clinical trial CGU	6 years	10.10%	3.50%

2013.12

Cash generating units	Cash flow projection period	Discount rate	Long-term growth rate
Specialised clinical pathology CGU	6 years	8.20%	2.00%
France clinical laboratory testing CGU	6 years	8.20%	2.50%
Belux clinical laboratory testing CGU	6 years	8.20%	2.50%
Clinical trial CGU	6 years	8.90%	3.50%

Cash flows were discounted based on the weighted average cost of capital (WACC), calculated on the basis of the expected return and market risk for each CGU.

Impairment testing was carried out using the same procedures as in previous periods: key modelling assumptions such as market multiples and the discount rate reflected stock market and macro-economic trends.The resulting multiples are close to those of companies engaged in businesses that are similar to those of the Cerba Group.

The terminal value is calculated by discounting cash flows to long term, based on normalised cash flows and a perpetuity growth rate, taking into account of market development potential and competitive position. The discounted cash flows are compared to the sum of the goodwill and the operating assets allocated to the CGU (intangible assets, items of property, plant and equipment and components of working capital, net of deferred tax liabilities).

Testing and the cash flow calculation were based on the most recent medium-term plan (MTP), covering the years 2015-2020 validated by management based on markets conditions at December 2014.

The growth rates used to estimate the cash flows of the CGUs or Groups of CGUs are considerably less than the Group's average historical growth rates.

At 31 December 2014, an impairment loss of €22.6 million was recognised on the specialised clinical pathology CGU following impairment testing after having lowered the performance objectives of the business plan on this activity in addition to the impairment recorded at 30 June 2012 of €48.5 million on the CGU "Specialised Clinical pathology". On the others CGU's, no evidence of impairment has been identified.

The weighted average cost of capital and market multiples are adjusted based on business data and the geographical location of the CGUs tested.

At 31 December 2014, the recoverable amounts of the CGUs or Groups of CGUs were higher than their carrying amounts except on the CGU "Clinical Trial"(cf Supra)

Sensitivity analyses have been performed on all of the CGUs and the results of testing the value in use (of the groups of assets to which most goodwill is allocated) against changes in the various assumptions used at 31 December 2014 are shown in the following table:

(In millions of euro)	Test margin	Discount rate for cash flows 0.5%	Growth rate to infinity -0.5%	Combination of two factors
Specialised clinical pathology CGU	161.7	(33.1)	(26.7)	(55.0)
France clinical laboratory testing CGU	133.3	(38.7)	(31.2)	(64.3)
Belux clinical laboratory testing CGU	96.4	(28.3)	(23.1)	(47.1)
Clinical trial CGU	−22.6	(5.2)	(4.1)	(8.6)
Total	**368.8**	**(105.3)**	**(85.1)**	**(175.0)**

A decline in value in use following the application of the sensitivities indicated below either separately or based on a combination of the two factors does not actually undermine the carrying amount of goodwill.

Only the clinical trials CGU would be exposed to a slight risk of impairment in the unlikely event of a simultaneous change in the two factors indicated

6.13 Other Intangible assets

Intangible assets include contractual customer relationships and order books identified when the Group was acquired by Cerba HealthCare.

Changes in gross values, accumulated amortisation and impairment of intangible assets break down as follows:

Gross value (In thousands of euro)	31 December 2013	Change in scope (in)	Acquisitions	Disposals	Reclassification	Change in method	Change in scope (out)	31 December 2014
Development costs	—	—	—	—	—	—	—	—
Concessions, patents and similar rights	1,629	35	239	(34)	—	—	—	1,869
Software	13,172	921	1,734	—	(1,694)	—	—	14,134
Leasehold	589	592	—	—	—	—	—	1,181
Goodwill	—	—	—	—	—	—	—	—
Customer relationships	127,979	—	—	(1)	—	—	—	127,978
Other intangible fixed assets	918	—	(1)	—	(430)	—	—	487
Order book	5,958	—	—	—	—	—	—	5,958
Intangible assets in progress	—	—	2,814	—	1,882	—	—	4,696
Amount paid on intangible assets	107	—	87	—	(96)	—	—	98
Intangible assets—Gross value	**150,352**	**1,548**	**4,873**	**(35)**	**(338)**	**—**	**—**	**156,401**

Depreciations and amortisations (In thousands euro)	31 December 2013	Change in scope (in)	Additions	Reversals	Reclassification	Change in method	Change in scope (out)	31 December 2014
Development costs	—	—	—	—	—	—	—	—
Concessions, patents and similar rights	(1,008)	(34)	(235)	34	—	—	—	(1,243)
Software	(8,513)	(810)	(1,488)	—	(49)	—	—	(10,860)
Leasehold	—	—	—	—	—	—	—	—
Good will	—	—	—	—	—	—	—	—
Other intangible fixed assets	(6,547)	—	(15)	—	6,123	—	—	(439)
Order book	(4,018)	—	(824)	—	(1,117)	—	—	(5,959)
Customer relationships	(17,998)	—	(6,674)	—	(5,006)	—	—	(29,677)
Intangible assets—Accumulated amortisation and imperment	(38,083)	(844)	(9,236)	34	(50)	—	—	(48,178)
Intangible assets—Net value	**112,270**	**704**	**(4,363)**	**(1)**	**(388)**	**—**	**—**	**108,223**

6.14 Property, plant and equipment

Changes in the gross value and accumulated depreciation of property, plant and equipment break down as follows:

Gross value (In thousands of euro)	31 December 2013	Change in scope (in)	Acquisitions	Disposals	Reclassifications	Change methods	Restructuring	Foreign currency translation differences	Change in scope (out)	31 December 2014
Land	834	21	—	—	—	—	—	5	—	861
Arrangements on land	163	—	—	—	—	—	—	—	—	163
Buildings	26,799	4,046	1,218	(32)	—	—	—	75	—	32,107
Leased Buildings	5,708	—	—	—	—	—	—	—	—	5,708
Technical plant, equipment and machinery	59,634	12,113	9,134	(2,383)	(864)	—	36	101	—	77,771
Leased technical plant, equipment and machinery	4,511	—	504	—	(484)	—	—	—	—	4,531
Other property, plant and equipment	31,460	3,147	2,273	(1,537)	1,416	—	—	—	—	36,759
Office equipment	4,783	548	255	(316)	353	—	—	51	—	5,675
Transport equipment	1,328	139	131	(661)	453	—	—	11	—	1,402
Leased transport equipment	1,254	—	490	—	(453)	—	—	—	—	1,291
Hardware	7,995	1,651	825	(25)	42	—	—	26	—	10,515
Biological assets	1,222	—	213	(45)	—	—	—	—	—	1,390
Work in progress	72	273	641	(4)	1,407	—	—	0	—	2,389
Amount paid on property, plant and equipment	76	—	139	—	(209)	—	—	—	—	6
Property, Plant and equipment—gross	**145,841**	**21,938**	**15,824**	**(5,002)**	**1,661**	**—**	**36**	**271**	**—**	**180,567**

Accumulated depreciations (In thousands of euro)	31 December 2013	Change in scope (in)	Additions	Reversals	Reclassifications	Change methods	Restructuring	Foreign currency translation differences	Change in scope (out)	31 December 2014
Arrangements on land	(129)	—	(5)	—	—	—	—	—	—	(134)
Buildings	(12,301)	(2,320)	(1,857)	33	—	—	—	(29)	—	(16,474)
Leased Buildings	(3,194)	—	(273)	—	—	—	—	—	—	(3,467)
Technical plant, equipment and machinery	(42,272)	(6,202)	(7,572)	2,199	680	—	(9)	(83)	—	(53,259)
Leased technical plant, equipment and machinery	(2,988)	—	(906)	—	389	—	—	—	—	(3,505)
Other property, plant and equipment	(19,117)	(1,711)	(3,593)	1,406	(714)	—	—	—	—	(23,729)
Office equipment	(3,529)	(406)	(334)	317	(268)	—	—	(46)	—	(4,266)
Transport equipment	(1,139)	(127)	(160)	544	(308)	—	—	(6)	—	(1,196)
Leased transport equipment	(595)	—	(248)	—	308	—	—	—	—	(535)
Hardware	(6,314)	(1,479)	(733)	24	(38)	—	—	(20)	—	(8,560)
Biological assets	(889)	—	(99)	45	—	—	—	—	—	(943)
Land	—	(16)	(4)	—	—	—	—	—	—	(20)
Work in progress	—	—	—	—	—	—	—	—	—	—
Property, plant and equipment—accumulated depreciation	**(92,467)**	**(12,261)**	**(15,784)**	**4,568**	**49**	**—**	**(9)**	**(184)**	**—**	**(116,089)**
Property, plant and equipment—net	**53,373**	**9,677**	**40**	**(435)**	**1,710**	**—**	**27**	**86**	**—**	**64,479**

The Group has entered into a number of lease financing on the equipment, technical equipment and the headquarters. Some of these contracts such as the provision of equipments correspond in substance to the definition of financing agreements.

At 31 December 2014, the breakdown of fixed assets held under leases was as follows:

Gross value (In thousands of euro)	31 December 2014
Leased land	643
Leased Buildings	18,539
Leased technical plant, equipment and machinery	46,735
Leased transport equipment	1,291
Other property, plant and equipment	9,229
Lease property, plant and equipment—gross	**76,437**

Tangible fixed assets—leasing: depreciation (In thousands of euro)	31 December 2014
Leased Buildings	(8,844)
Leased technical plant, equipment and machinery	(25,788)
Leased transport equipment	(535)
Other property, plant and equipment	(5,618)
Lease property, plant and equipment—accumulated depreciation	**(40,785)**
Lease property, plant and equipment—net	**35,652**

6.15 Other non-current assets

(In thousands of euro)	31 December 2014	31 December 2013
Equity affiliates	246	226
Other receivables related to investments	193	188
Investment securities	6	7
Loans, deposits and other receivables—non-current	1,262	1,376
Other receivables	53	55
Impairment of other non-current receivables	(50)	(50)
Impairment of securities	(40)	(5)
Total	**1,670**	**1,797**

Loans, security deposits and other receivables mostly includes Security deposits and Guarantees.

6.16 Deferred tax assets and liabilities

(In thousands of euro)	31 December 2014	31 December 2013
Deferred tax assets	2,096	1,467
Deferred tax liabilities	(33,172)	(36,056)
Net deferred tax	**(31,076)**	**(34,589)**

(In thousands of euro)	31 December 2013	Change in scope (IN)	Result impact	Reclassifications	OCI	Others	31 December 2014
Activation of loss carryforward	8,469	—	(141)	—	—	(280)	8,048
Pensions and other post employment benefits	1,576	283	161	—	229	—	2,249
Finance lease	494	107	245		—	—	847
Profit sharing	624	—	223	—	—	(4)	844
Other temporary differences	661	—	(133)	—	—	(153)	375
Fair value of plan assets	308	—	3		—	—	311
Other items	59	—	540	—	—	(65)	501
Deffered taxes assets before netting	**12,191**	**390**	**899**	**—**	**229**	**(534)**	**13,175**
Impact of netting on deffered taxes	**(10,725)**	**—**	**—**	**(354)**	**—**	**—**	**(11,079)**
Net deffered taxes assets	**1,467**	**390**	**899**	**(354)**	**229**	**(534)**	**2,096**

(In thousands of euro)	31 December 2013	Change in scope (IN)	Result impact	Reclassifications	OCI	Others	31 December 2014
Intangibles assets	(37,039)	—	2,364	—	—	280	(34,395)
IAS 39 Financing adjust.	(6,960)	—	116	—	—	(173)	(7,017)
Cancellation of regulated provisions	(1,700)	—	(33)	—	—	3	(1,730)
Business Goodwill	(550)	(83)	(31)	—	—	7	(657)
Provisions for risks and losses	(269)	—	—	—	—	—	(269)
Other items	(124)	—	(166)	—	—	106	(184)
Deffered taxes liabilities before netting	**(46,642)**	**(83)**	**2,250**	**—**	**—**	**223**	**(44,252)**
Impact of netting on deffered taxes	**10,586**	**—**	**—**	**354**	**—**	**139**	**11,079**
Net deffered taxes liabilities	**(36,056)**	**(83)**	**2,250**	**354**	**—**	**362**	**(33,172)**

Given the uncertainty over future taxable profits, unrecognised tax loss carry-forwards amounted to €107 Million on December 31th 2014.

The tax loss carry-forwards originate from BARC NV and BARC USA, CRI, BIOTOP and from the holding company which includes CHC and CEFID.

6.17 Inventories

The Group's inventories includes reagents and consumables.

(In thousands of euro)	31 December 2014	31 December 2013
Raw materials	5,466	5,649
Merchandises	419	370
Inventories (gross value)	**5,885**	**6,019**
Impairment of inventories	**(315)**	**(157)**
Inventories (net value)	**5,570**	**5,862**

6.18 Trade receivables

(In thousands of euro)	31 December 2014	31 December 2013
Trade receivables	48,822	48,589
Unbilled	8,262	8,630
Impairment of trade receivables	(3,095)	(3,257)
Carrying amount	**53,989**	**53,962**

Changes in accumulated impairment of trade receivables break down as follows:

(In thousands of euro)	31 December 2014
Impairment of trade receivables—Opening	**(3,257)**
Additions	(1,821)
Reversals	2,620
Reclassification	(66)
Translation differences	(0)
Change in consolidation scope	(571)
Impairment of trade receivables—Closing	**(3,095)**

6.19 Other current assets

(In thousands of euro)	31 December 2014	31 December 2013
Accrued interest on receivables and loans	6	9
Investment securities	2	2
Loans, deposits and other receivables	729	385
Deposits factor	—	500
Impairment of loans, deposits and other receivables	(166)	(15)
Suppliers—Prepayments	498	554
Suppliers receivable	1,191	748
Receivables from employees & social organizations	671	441
Tax receivables—excluding IS	8,034	2,341
Current accounts—assets	2,197	458
Receivables on disposals of assets	40	189
Other receivables(1)	660	94
Impairment of current accounts	—	(76)
Prepaid expenses	4,165	4,119
Receivables from participations	1	—
Accrued interest on receivables	61	—
Tax CIR	(41)	—
Impairment of other receivables & accrued interest	(8)	—
Total other current assets	**18,041**	**9,749**

(1) The closing balance as at 31 December 2013 has been adjusted compared to consolidated financial statements previously published during year 2014.

The tax receivables include the VAT receivables (€4 Million) and CICE (€2 Million).

Prepaid expenses at 31 December 2014 included commissions related to the High Yield issuance, in particular, the Revolving Credit Facilities not used which took place in January 2013 and amortised over the term of the loan in the amount of €1.5 million (see Note 6.2).

6.20 Cash and cash equivalents

(In thousands of euro)	31 December 2014	31 December 2013
Money Market securities	231	10,088
Cash	63,869	53,676
Total	**64,100**	**63,764**
Bank overdrafts	(1,772)	(159)
Total net cash	**62,328**	**63,605**

The Money market securities includes cash balances invested for periods of three months or less (treasury bills and certificates of deposit) with banks or counterparties with long- and short-term ratings of at least A and A1 respectively (Rating S&P).

There are no restrictions (as defined in IAS 7) that could materially affect the availability of the cash and cash equivalent balances of subsidiaries.

6.21 Share capital

On December 31th 2014, share capital comprised 81,024,605 shares with a par value of €0.01 for an aggregate amount of €810,246.05.

	Shares A		Shares B		Ordinary Actions		Fees	Total	
In thousand of euros	Share capital	Share premium	Share capital	Share premium	Share capital	Share premium and additional paid-in capital	Share premium and additional paid-in capital	Share capital	Share premium and additional paid-in capital
	37							37	—
Increase in share capital:									
21 July 2010			1	143,962	640	64,150		641	208,112
16 December 2010			—	7,808	36	3,531		36	11,339
12 May 2011			—	16,515	19	1,921		20	18,435
07 July 2011					38	3,727		38	3,727
11 August 2011					16	1,619		16	1,619
15 December 2011			—	4,675	16	1,543		16	6,218
21 and 27 December 2011					3	342		3	342
23 January 2012					2	172		2	172
Share capital increase fees							−18		−18
11 December 2012			1	166,865				1	166,865
Total	**37**	**—**	**2**	**339,824**	**770**	**77,004**	**−18**	**810**	**416,811**
In shares									
Outstanding shares at 31 December 2013									
Fully-paid share	**3,700,000**		**339,826**		**76,984,779**			**81,024,605**	
Variations of the year								—	
Outstanding shares at 31 December 2014									
Fully-paid share	**3,700,000**		**339,826**		**76,984,779**			**81,024,605**	

6.21.1 Preference shares

The Series A and B preference shares issued by Cerba HealthCare in July 2010 have the following features:

- No voting rights (Art. 19.4 of the Articles of association).
- No rights to the Company's profits (except for the preference dividend), assets, reserves, distributions or liquidation surplus (Art. 22.1 of the Articles of association).
- Cumulative annual preference dividend equal to 10% of the subscription value of each Series A and B share calculated as of 21 July 2010 and capitalised annually (Art. 22.1 of the Articles of association).
- The Series A and B preference dividends may be adjusted in the event of a market floatation or a loss of controlling interest (Art. 22.2 of the Articles of association).
- No maturity date.

6.21.2 Ordinary shares

Each ordinary share carries one voting right at the general meetings of shareholders. Each share entitles its owner to receive a share in the Company's profits, assets, reserves, distributions or liquidation surplus.

6.21.3 Warrants

On 21 July 2010, Cerba HealthCare issued 16 million shares with warrants for an aggregate nominal value of €160,000. The share premium amounted to €15.84 million and the warrants to €0.79 million.

Each share has two warrants attached: warrant 1 valued at €0.015625 and warrant 2 at €0.03375.

Shares with warrants are reserved for senior executives and some Group company managers, designated by the Commitments Board. The shares with warrants were issued at fair value as determined by an expert.

They were measured at the grant-date fair value, which corresponds to their issue price. Consequently, no expense was recognised under IFRS 2

6.22 Financial liabilities

(In thousands of euro)	31 December 2014	31 December 2013
Convertible bonds	6,188	5,598
H-YIELD bond	436,425	350,846
Other bonds	20,179	18,592
Bank loans	28,510	26,547
Finance lease liabilities	39,628	33,693
Other borrowings	743	79
Accrued interests	15,428	12,905
Bank overdrafts	1,772	159
Total financial liabilities	**548,873**	**448,419**
Of which non-current financial liabilities	*512,177*	*419,180*
Of which current financial liabilities	*36,696*	*29,239*

This note breaks down Group borrowings by type of instrument, notably the refinancing operation referred to in Note 6.2.

Financial liabilities comprise several different types of debt and equity instruments and bank borrowings in line with the Group's policy of diversifying its sources of financing.

Changes in financial liabilities over the period may be analysed as follows:

(In thousands of euro)	31 December 2014
Opening position	**448,419**
Proceeds from issuance of borrowings	96,324
Repayment of borrowings	(48,944)
Change in bank overdrafts	1,613
Amortized cost of reprocessing ERI and convertible bonds	2,009
New finance lease contracts	9,883
Finance costs	36,267
Finance costs paid	(31,094)
Reclassifications (mainly incorporation to share capital)	(215)
Change in consolidation scope	34,703
Translation differences	(88)
Others	(4)
Closing position	**548,873**

6.22.1 Debt repayment schedule and terms

(In thousands of euro)	31 December 2014	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 5 years
Bonds and notes	462,792	1 192	1,196	1,196	1,196	458,012
Bank loans	28,510	7 037	7,843	4,282	2,718	6,630
Finance lease liabilities	39,628	11 327	8,402	6,110	4,444	9,345
Other borrowings	743	(60)	5	—	—	798
Accrued interests	15,428	15 428	—	—	—	—
Bank overdrafts	1,772	1,772	—	—	—	—
Total financial liabilities	**548,873**	**36,696**	**17,446**	**11,588**	**8,358**	**474,785**

(In thousands of euro)	31 December 2013	Up to 1 year	1 to 2 years	2 to 3 years	3 to 4 years	Over 5 years
Bonds and notes	375 036	—	—	—	—	375,036
Bank loans	26,547	8,585	5,324	6,136	3,430	3,072
Finance lease liabilities	33,693	7,653	7,713	4,606	3,013	10,708
Other borrowings	79	5	30	11	6	27
Accrued interests	12,905	12,905	—	—	—	—
Bank overdrafts	159	159	—	—	—	—
Total financial liabilities	**448,419**	**29,307**	**13,067**	**10,753**	**6,449**	**388,843**

Group policy consists of spreading the maturities of its long-term debt (bonds, private placements and bank borrowings) over time in order to limit annual refinancing requirements.

(In thousands of euro)	31 December 2014	Face value	Share capital	Less equity instruments	Less IFRS restatments	Capitalized interests	Accrued interests
Convertible bonds	6,188	10,137	(4,309)	(493)	(175)	1,028	1,039
H-YIELD bond	436,425	451,078		(14,154)	(499)	—	12,979
Other bonds	20,179	16,029				4,149	875
Total bonds and notes (excl. accrued interests)	**462,792**	**477,244**	**(4,309)**	**(14,647)**	**(674)**	**5,177**	**14,893**

(In thousands of euro)	31 December 2013	Face value	Share capital	Less equity instruments	Less IFRS restatments	Capitalized interests	Accrued interests
Convertible bonds	5,598	8,571	(4,309)	(319)	(174)	1,829	676
H-YIELD bond	350,846	365,000			(14,154)	—	10,859
Other bonds	18,592	15,873				2,719	1,226
Total bonds and notes (excl. accrued interests)	**375,036**	**389,444**	**(4,309)**	**(319)**	**(14,328)**	**4,548**	**12,761**

Financing arrangements set up when the Group was created were as follows:

- Convertible and non-convertible bonds, most of which bear interest at 10%, maturing on 21 July 2025. The Interests are capitalised annually. The majority of convertible bonds were converted into shares following the decision of the General Shareholders' Meeting of 11 December 2012 to increase the share capital of the holding company.
- Existing loans at 31 January 2012 were refinanced by the high-yield bonds issued on 31 January 2013 and by the additional draw (see Note 6.2).
- The Group has also received financing from its shareholders in the form of non-convertible bonds.

The Group's subsidiaries have local medium-term credit facilities.

Loans and borrowings can be analysed by type of rate (fixed or floating interest rates) as follows:

	31 December 2014			31 December 2013		
(In thousands of euro)	Total	Fixed rate	Floating rate	Total	Fixed rate	Floating rate
Bonds and notes	462,792	462,792	—	387,797	387,797	—
Bank loans	28,510	24,985	3,525	26,547	21,960	4,587
Finance lease liabilities	39,628	39,628	—	33,693	33,693	—
Other borrowings	743	743	—	223	205	18
Accrued interests	15,428	15,428				
Bank overdrafts	1,772	1,772	—	159	159	—
Total financial liabilities	**548,873**	**545,348**	**3,525**	**448,419**	**443,814**	**4,605**

6.22.2 Debts covenants

The main financial liabilities are subject to certain conditions applied to the consolidated financial statements and notably the ratio of net debt to gross operating profit (or EBITDA).

Following the refinancing operation of January 2013, new debt covenants were negotiated with the Group's banks, replacing the pre-existing covenants (see Notes 6.2).

As part of its Revolving Credit Facility, the Group is bound by two new covenants calculated based on the consolidated accounts: Leverage ratio (Consolidated Total Net Debt / Consolidated proforma EBITDA) and Percentage Test (contribution of the loan guarantors to consolidated EBITDA and consolidated assets).

6.23 Employee benefits

(In thousands of euro)	31 December 2014	31 December 2013
Defined benefits plan	6,250	4,495
Long-service bonuses	653	584
Total employee benefits	**6,903**	**5,079**
Of which :		
Employee benefit obligations	*7,315*	*5,618*
Plan assets	*(427)*	*(478)*

In certain countries, Group employees are entitled to supplementary pension plans into which the Group pays annual contributions, and lump sum retirement indemnities paid out once the employees retire. These take the form of either defined contribution or defined benefit plans.

Under defined contribution plans, the Group has no legal or constructive obligation to make further contributions and the corresponding expense is recognised in profit or loss for the period. All defined benefit plans concern France.

6.23.1 Change in the present value of the net defined benefit obligation

Changes in the Group's net defined benefit obligation break down as follows, taking into account the related plan assets totalling €427 thousand as of December 2014.

(In thousands of euro)	31 December 2014	31 December 2013
Defined benefit obligation at 1 January	**4,495**	**4,380**
Current service cost	*318*	*268*
Interest cost	*182*	*137*
Current service cost and interest cost	**499**	**405**
Change in consolidation scope and others	850	67
Curtailments and settlements system	(224)	(204)
Actuarial (gains) and losses	697	(102)
Contributions paid	(52)	(30)
Financial income from plan assets	(16)	(21)
Defined benefit obligation at closing date	**6,250**	**4,495**

In certain countries, Group employees are entitled to supplementary pension plans into which the Group pays annual contributions, and lump sum retirement indemnities paid out once the employees retire. These take the form of either defined contribution or defined benefit plans.

Under defined contribution plans, the Group has no legal or constructive obligation to make further contributions and the corresponding expense is recognised in profit or loss for the period. All defined benefit plans concern France.

Assumptions used in calculating the provision for retirement and similar benefits have only to do with France and are the same as December 2014.

6.23.1 Net income (expense) recognised in profit or loss

(In thousands of euro)	31 December 2014	31 December 2013
Current services costs	(318)	(268)
Interest cost	(182)	(137)
Current service cost and interest cost	***(499)***	***(405)***
Financial income from plan assets	16	21
Paid contributions and allowance	172	17
Curtailments and settlements system	224	204
Income (Expense) recognised in profit or loss	**(88)**	**(163)**

This impact is recognised in full in profit or loss from recurring operations under "Personnel expenses".

Revised IAS 19 has had a minimal impact on the measurement of the Group's employee benefit obligations for 2014.

The only impact relates to financial income generated on plan assets (these assets concern approximately 10% of the lump sum retirement indemnity benefit obligation) which is identical to the rate used to discount liabilities, i.e., yield equivalent to the discount rate.

6.23.2 Actuarial assumptions

All of the Group's various employee benefit obligations are regularly reviewed by actuaries in accordance with IFRS standards using the projected unit credit method based on salaries at retirement.

All actuarial gains and losses and adjustments relating to the limitation are recognised in the reporting period in which they occur in accordance with Revised IAS 19.

Actuarial assumptions (i.e., the probability that active employees will continue to work in the Group, mortality rates, retirement age, assumptions regarding future salary increases, etc.) depend on the demographic and economic conditions in the countries in which the different plans have been set up.

Discount rates used to determine the present value of benefit obligations are based either on the government bond rate or on the yield on investment grade corporate bonds that are traded in an active market with maturities that match the duration of the benefit obligation. In the eurozone, discount rates have been calculated on software developed by independent actuaries.

Assumptions used in calculating the provision for retirement and similar benefits have only to do with France and are the same as December 2013

	31 December 2014		31 December 2013	
	Management	Other employees	Management	Other employees
Discount rate	1.80%		3.25%	
Expected return on plan assets at 1 January				
Salary increase rate				
- 29 years	4.00%	2.00%	5.00%	3.00%
30 - 39 years	3.00%	1.50%	4.00%	2.50%
40 - 49 years	2.00%	1.50%	3.00%	2.50%
50 - 59 years	1.00%	1.00%	2.00%	2.00%
60 and over	1.00%	1.00%	2.00%	2.00%
Employer contributions	58.00%	52.00%	58.00%	52.00%
Staff Turnover rate				
- 29 years	10.00%	10.00%	10.00%	10.00%
30 - 39 years	7.00%	7.00%	7.00%	7.00%
40 - 49 years	5.00%	5.00%	5.00%	5.00%
50 - 59 years	2.00%	2.00%	2.00%	2.00%
60 and over	0.00%	0.00%	0.00%	0.00%
Retirement age	65 years	62 years	65 years	62 years
Mortality table	INSEE F 2008-2010		INSEE F 2008-2010	

6.24 Provisions

(In thousands of euro)	31 December 2013	Change in consolidation scope	Additions	Reversals	Reclassifications	31 December 2014
Provision for litigation	627	529	800	(1,027)	—	929
Other provisions	3,898	—	11	(3,898)	—	11
Non-current Provisions	**4,525**	**529**	**811**	**(4,925)**	**—**	**940**
Provision for litigation	424	59	3	(90)	(49)	347
Other provisions	255	100	1	—	(18)	338
Current provisions	**679**	**159**	**4**	**(90)**	**(67)**	**685**

The Group does not provide details of these provisions, considering that the disclosure of the amount of the provision for litigation is such as to cause the Group serious prejudice.

Some litigation has not been provisioned because the Group considers that the risk is not proven in support of its legal and tax advice.

6.25 Other non-current liabilities

(In thousands of euro)	31 December 2014	31 December 2013
Deferred income—non-current	4,074	4,074
Other liabilities	502	73
Total other non-current liabilities	**4,576**	**4,147**

Other non-current liabilities include the non-current portion of the capital gain generated in 2006 from refinancing a property finance lease. This internal capital gain was reversed and deferred over the new lease term and the non-current portion of the deferred income was recognised in non-current liabilities in accordance with IAS 1.

6.26 Trade and other payables

(In thousands of euro)	31 December 2014	31 December 2013
Trade payables	39,824	38,375
Payables to fixed asset suppliers	5,225	2,065
Total Trade payables	**45,049**	**40,440**

6.27 Other current liabilities

(In thousands of euro)	31 December 2014	31 December 2013
Social security payables	25,569	20,645
Tax payables	6,479	3,669
Advances and downpayments received	5,551	5,390
Derivative instruments	908	898
Other current liabilities	4,078	2,426
Deferred income—current	153	565
Total Other current liabilities	**42,737**	**33,592**

Additional informations

6.28 Financial instruments

6.28.1 Financial risk management

6.28.1.1 Introduction

The Group has exposure to the following risks arising on its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information on the Group's exposure to each of the above-mentioned risks, and its objectives, policies and procedures for measuring and managing risk, and capital management.

6.28.1.2 Risk management framework

The Supervisory Board has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are designed to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to predetermined limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a rigorous and effective control environment in which all employees understand their roles and responsibilities.

The Audit Committee oversees implementation of Group risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

6.28.2 Credit risk

Credit risk is managed at Group level. It is the risk of financial loss for the Group if a client or counterparty should fail to meet its contractual payment obligations.

Credit risk concerns cash and cash equivalents, derivative financial instruments, deposits with banks and financial institutions, as well as exposure to customer credit risk on outstanding receivables.

In the specialised clinical pathology business, the collection of receivables from direct patients, which are more than 35 days overdue, is handled by a debt collection company acting solely as a collection agent on behalf of Cerba. Impairment policies for receivables are implemented on the basis of historical data.

The high volumes and low unit values of invoices issued by the Group require specific credit management processes.

The Group entered into a factoring arrangement in February 2012 but this contract had not been fully used at year-end. Its contractual conditions do not make it possible to conclude that the main risks and rewards related to the assigned receivables have actually been transferred to the factor as the related credit risk is not transferred. The trade receivables are therefore retained in the financial statements and stand at €45 million at 31 December 2014.

The carrying amount of loans and receivables represents the maximum exposure to credit risk at the reporting date.

Ageing

(In thousands of euro)	31 December 2014	Accrued undepreciated	Overdue and undepreciated < 3 months	3 to 6 months	6 months to 1 year	More than 1 year	Overdue and depreciated
Trade receivables	45,727	26,266	15,233	2,631	2,133	2,559	(3,095)

(In thousands of euro)	31 December 2013	Accrued undepreciated	Overdue and undepreciated < 3 months	3 to 6 months	6 months to 1 year	More than 1 year	Overdue and depreciated
Trade receivables	48,589	21,837	16,469	2,689	3,062	3,357	1,174

Credit risk

(In thousands of euro)	31 December 2014	< 1 year	< 2 years	< 3 years	< 4 years	Over 5 years
Non-current tax assets	35	—	35	—	—	—
Other receivables related to investments	193	—	—	—	—	193
Loans, deposits and other receivables—non-current . .	1,262	—	200	—	85	977
Other assets—no current	53	—	—	—	—	53
Trade receivables (gross)	48,822	48,822	—	—	—	—
Current tax assets	3,733	3,733	—	—	—	—
Receivables from employees & social organizations	671	671	—	—	—	—
Tax receivables	8,034	8,034	—	—	—	—
Other receivables	5,322	5,322	—	—	—	—
Total receivables, gross	**68,125**	**66,582**	**235**	**—**	**85**	**1,223**

(In thousands of euro)	31 December 2013	< 1 year	< 2 years	< 3 years	< 4 years	Over 5 years
Non-current tax assets	1,628	—	30	—	—	1,598
Other receivables related to investments	188	—	—	—	—	188
Loans, deposits and other receivables—non-current . .	1,376	—	612	—	93	671
Other assets—no current	55	—	—	—	55	—
Trade receivables (gross)	48,589	48,362	164	63	—	—
Current tax assets	1,452	1,452	—	—	—	—
Receivables from employees & social organizations	441	441	—	—	—	—
Tax receivables	2,341	2,341	—	—	—	—
Other receivables	2,937	2,437	500	—	—	—
Total receivables, gross	**59,006**	**55,033**	**1,306**	**63**	**148**	**2,457**

6.28.2.1 Trade and other receivables

The Group believes that it is neither exposed to material credit risk nor to over dependence on a specific customer due to its broad customer base, with customers located mainly in Europe.

6.28.2.2 Impairment losses

Cumulative impairment of trade and other receivables dropped 13% year on year to €3.095 million (2013: €1.174 million). Provisions for impairment are mainly related to Cerba's operations.

6.28.3 Liquidity risk

Liquidity risk is the risk of the Group encountering difficulties in meeting the obligations associated with its financial liabilities that are settled in cash or other financial assets. The Group's approach to managing liquidity risk is to ensure, as far as possible, that it always has sufficient liquidity to meet its liabilities when due, under both normal and "challenging" conditions, without incurring unacceptable losses or damaging the Group's reputation.

			Breakdown of contractual cash flows		
(In thousands of euro)	**31 December 2014**	**Contractual cash flows**	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Convertible bonds	6,188	33,775	12,358	—	21,416
H-YIELD bond	451,078	616,325	31,150	124,600	460,575
Other bonds	20,179	58,852	2,191	—	56,661
Bank loans	28,510	29,256	7,038	17,810	4,409
Other borrowings	743	9,251	1,766	4,854	2,631
Accrued interests	15,428				
Bank overdrafts	1,772	1,772	1,772		
Total	**523,898**	**749,230**	**56,275**	**147,264**	**545,692**
IFRS restatement on convertible bonds and H-YIELD bond	(14,653)				
Finance lease liabilities	39,628				
Total	**548,873**				

			Breakdown of contractual cash flows		
(In thousands of euro)	**31 December 2013**	**Contractual cash flows**	**Up to 1 year**	**1 to 5 years**	**Over 5 years**
Convertible bonds	6,448	30,887	—	—	30,887
H-YIELD bond	375,859	531,075	25,550	76,650	428,875
Other bonds	19,818	59,632	—	—	59,632
Bank loans	26,547	23,771	8,164	13,405	2,202
Other borrowings	223	10,853	1,998	4,350	4,505
Bank overdrafts	159	—	—	—	—
Total	**429,054**	**656,218**	**35,712**	**94,405**	**526,101**
IFRS restatement on convertible bonds and H-YIELD bond	(14,328)				
Finance lease liabilities	33,693				
Total	**448,419**				

6.28.4 Market risk

Market risk includes the risk of changes in market prices, such as foreign exchange rates, interest rates and equity instrument prices affecting the Group's profit or the value of its financial instruments. The objective of market risk management is to contain market risk exposures within acceptable thresholds, while optimising returns.

6.28.4.1 Currency risk

The Group's financial performance is not materially affected by exchange rate fluctuations since a significant portion of operations takes place within the eurozone and income and expenses are generally denominated in the similar currency.

The following exchange rates were used during the period for the main currencies:

		2014		2013	
		Exchange rate at 31 December	Average rate at 31 December	Exchange rate at 31 December	Average rate at 31 December
AUD	Australian Dollar	1,4829	1,4724	1,5423	1,3770
CNY	Yuan	7,5358	8,1883	8,3491	8,1655
USD	US Dollar	1,2141	1,3288	1,3791	1,3282
ZAR	Rand	14,0353	14,4065	14,5660	12,8308

6.28.4.2 Interest Rate risk

The Group's financing has been contracted at fixed rates and notably the high-yield bond issue of 31 January 2013 and the Senior Secure note of May 2014.

Therefore, the Group is less exposed to interest rate fluctuations on its floating interest rate bank loans than in previous years.

The Group contracts interest rate swaps to hedge against interest rate risk. Only Laboratoire Cerba is still concerned as Cerba HealthCare unwound its positions following refinancing of the Group's debt in early 2013.

At 31 December 2014, the Group had hedged a €13 million property lease with pay-fixed interest rate swaps.

The carrying amount of the derivative financial instruments used to hedge interest rate risk is presented below:

			31 December 2014	31 December 2013
(In thousands of euro)	Termination date	Notional principal	Fair value	Fair value
Pay fixed-rate swap				
3-month Euribor—4.16%	11/01/2019	10,886	(763)	(821)
3-month Euribor—2.195%	27/07/2023	2,077	(145)	(77)
Total pay fixed-rate swap		**12,963**	**(908)**	**(898)**
Total derivative instruments ..			**(908)**	**(898)**

These interest rate swaps are economic hedges of interest rate risk on loans and borrowings; they have not been designated as hedging instruments for accounting purposes.

6.28.5 Capital management

The Group's policy is to maintain a strong capital base to ensure the Group's independence and support future development of the business. Capital consists of ordinary shares, non-redeemable preference shares and retained earnings. The Supervisory Board monitors the return on equity.

6.28.6 Carrying amounts and fair values

6.28.6.1 FV vs Carrying

The table below shows the fair values of financial assets and liabilities and the carrying amounts reported in the statement of financial position:

	31 December 2014			31 December 2013		
(In thousands of euro)	Assets at fair value through profit or loss	Loans and receivables	Fair value	Assets at fair value through profit or loss	Loans and receivables	Fair value
Non-current						
Other non-current assets		1,670	1,670		1,797	1,797
Current						
Trade receivables		53,989	53,989		53,962	53,962
Other current assets		18,041	18,041		9,749	9,749
Cash and cash equivalents	231	63,869	64,100	10,067	53,697	63,764
Financial assets	**231**	**137,568**	**137,799**	**10,067**	**119,205**	**129,272**

	31 December 2014			31 December 2013		
(In thousands of euro)	Derivative instruments at fair value through profit or loss	Liabilities measured at amortised cost	Fair value	Derivative instruments at fair value through profit or loss	Liabilities measured at amortised cost	Fair value
Non-current						
Non-current financial liabilities		512,177	512,177		419,180	419,180
Other non-current liabilities		4,576	4,576		4,147	4,147
Current						
Current financial liabilities		36,696	36,696		29,239	29,239
Trade payables		45,049	45,049		40,440	40,440
Other current liabilities	908	41,830	42,737	898	32,694	33,592
Financial liabilities	**908**	**640,328**	**641,236**	**898**	**525,700**	**526,598**

The fair value of trade receivables and trade payables is the amount reported in the statement of financial position, given the short-term nature of these assets and liabilities. The same applies to other receivables and payables.

The fair value of swaps corresponds to their valuation by their issuing bank. Financial liabilities are recognised at amortised cost using the effective interest method. The Group's bank loans are contracted at variable rates based on Euribor and their fair value is deemed to correspond to their value at the closing date.

6.28.6.2 Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: fair value is based on quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: fair value is measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e. inferred from observable prices).

- Level 3: fair value is measured using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Breakdown by category			
(In thousands of euro)	**Level 1**	**Level 2**	**Level 3**	**Total**
At 31 December 2014				
Liabilities				
Cash equivalents	64,100			64,100
Derivative instruments		908		908
Total financial liabilities	64,100	908	—	65,008
At 31 December 2013				
Liabilities				
Cash equivalents	63,764			63,764
Derivative instruments		898		898
Total financial liabilities	**63,764**	**898**	**—**	**64,662**

6.28.7 Operating Leases

Future minimum lease payments under non-cancellable operating leases at 31 December 2014 are shown in the following table:

(In thousands of euro)	**31 December 2014**	**< 1 year**	**1 to 5 years**	**More than 5 years**
Lease agreements	13,468	3,286	8,562	1,620
Total	**13,468**	**3,286**	**8,562**	**1,620**

Operating leases are entered into at market rates and accounted for as operating leases (see Note 6.4.5).

The Group uses operating leases for industrial equipment (mainly vehicles and transport equipment) when there is no economic justification for acquiring the assets in question.

The Group has no contingent lease commitments or sub-letting agreements.

6.29 Off-balance sheet commitments

6.29.1 Commitments given

Entities (In thousands of euro)	Nature	Value at 31 December 2014	Value at 31 December 2013
Cerba European Lab	Guarantees	11	8
(formerly Financière Gaillon 12)	Mortgages and pledges	705,844	601,307
CEFID	Mortgages and pledges	71,480	60,146
CERBA	Mortgages and pledges	106,454	64,691
	Others		3,692
BARC NV	Mortgages and pledges	124,594	128,062
CRI	Mortgages and pledges	68,353	70,707
LBS	Mortgages and pledges	31,297	37,856
LLAM SA	Guarantees	461	163
	Commitments under no-cancellable lease	3,639	4,693
	Mortgages and pledges	12,957	2,026
	Others	21,525	1,778
BIOTOP	Guarantees	4,782	6,515
	Commitments under no-cancellable lease	4,220	5,178
BIOLILLE	Commitments under no-cancellable lease	1,340	1,677
	Mortgages and pledges	1,050	1,419
BIOREUNION	Commitments under no-cancellable lease	2,214	2,832
CBCV	Commitments under no-cancellable lease	2,055	2,518
	Mortgages and pledges	486	592

Commitments given mainly relate to non-cancellable operating lease commitments measured at the amount of the future minimum lease payments.

Pledges are mostly pledges of securities and financial commitments given as part of the high-yield bond issue in January 2013 and the additional draw in May 2014.

6.29.2 Commitments received

(In thousands of euro)	Nature	Value at 31 December 2014	Value at 31 December 2013
Group CEL	Others	50,000	50,000
CERBA	Guarantees Mortgages and pledges	1,928	3,097
BIOPYRENEES	Guarantees	458	1,188
BIOREUNION	Guarantees		358
BIOTOP	Guarantees		4,894
CBCV	Guarantees	338	408
LLAM SA	Guarantees		2
	Total	**52,724**	**59,947**

Commitments are received in the normal course of business and essentially concern the revolving line of credit and bank guarantees received when certain investments were acquired.

6.30 Related parties

6.30.1 Parent company and Group reporting entity

Related parties identified by the Group are as follows:

- Financière Gaillon 13, parent company of Cerba HealthCare;
- Cerberus Nightingale 2, parent company of Financière Gaillon 13.
- Cerberus Nightingale 1, parent company of Cerberus Nightingale 2.
- Financière Gaillon 0, parent company of Cerberus Nightingale 1
- MGCI, management company with an interest in Financière Gaillon 0;
- Biopart, whose General Manager also manages one of the Group's subsidiaries;

A breakdown of the balances and transactions between Group companies and associates is presented below:

(In thousands of euro)	Nature	Partners	31 December 2014	31 December 2013
Consolidated statement of Financial Position				
Other current assets	*Cash advances*	*Cerberus Nightingale 2*		5820
Current financial liabilities	*Shareholder loans*	*Cerberus Nightingale 2*		4876
Current financial liabilities	*Shareholder loans*	*Financière Gaillon 13*	6072	
Non-current financial liabilities and equity	*Convertible bonds including equity instruments*	*Cerberus Nightingale 2*		11076
Non-current financial liabilities	*Other bond issues*	*BIOPART*		10691

(In thousands of euro)	Nature	Partners	31 December 2014	31 December 2013
Income statement				
Other financial incomes	*Related to the cash advances*	*MGCI*		16
Cost of net debt	*Related to the shareholder loans*	*Cerberus Nightingale 2*		−555
Cost of net debt	*Related to the shareholder loans*	*Financière Gaillon 13*	−550	
Cost of net debt	*Related to the convertible bonds*	*Financière Gaillon 13*	−1128	
Cost of net debt	*Related to the convertible bonds*	*Cerberus Nightingale 2*		−1574
Cost of net debt	*Related to the other bond issues*	*BIOPART*		−1181

6.31 Auditor's fees

	31 December 2014					
(In thousands of euro)	PWC	%	Grant Thornton	%	Other	%
Audit						
Statutory audit, certification, audit of separate and consolidated financial statements	440	58%	324	68%	92	79%
Cerba European Lab	*138*	*18%*	*125*	*26%*	—	
Fully-consolidated subsidiaries	*302*	*40%*	*199*	*41%*	*92*	*79%*
Other audit-related work and services	322	42%	156	33%	—	0%
Cerba European Lab	*161*	*21%*	*131*	*27%*	—	*0%*
Fully-consolidated subsidiaries	*161*	*21%*	*25*	*5%*	—	*0%*
Total	**762**	**100%**	**480**	**100%**	**92**	**79%**
Other services rendered by the audit networks to fully-consolidated subsidiaries						
Legal, tax, payroll-related	—		—		24	21%
Other						
Total	**—**		**—**		**24**	**21%**
Total fees	**762**		**480**		**116**	

6.32 Executive management compensation

Given the Group's structure, key management compensation has not been disclosed as it would mean revealing individual salaries.

6.33 Subsequent events

Launch of the legal process of simplification within the Business Unit "Marseille" following the acquisition of the JS Bio Group in May 2014.

6.33.1 Subsequent events in 2015

6.33.1.1 Acquisition

The Group completed the acquisition of the laboratory network Novescia dated Tuesday, March 10, 2015.

The resulting network will rely on multidisciplinary teams. It will introduce complementarities and synergies enabling it to reach new heights in terms of quality, harmonisation of practices, efficacy of care and medical expertise, while retaining a local, personalised service and improving its availability and medical support offer.

Cerba HealthCare's innovation platform will provide the group with new biomarkers and new services, enabling it to meet the sector's medical and economic requirements.

Given the proximity of the group's acquisition transaction, we are not in a position to provide more information at this stage that the grouping accounting work is in progress.

6.33.1.2 Creation of entities

- GEIE CEL Gestion, structure involving the costs of central functions;
- Cerbavet whose Veterinary Medical Biology activity started on December 10th 2015

6.33.1.3 Financing structure

The Group has issued bonds High Yield 3 to 28 February 2015, €230 million to finance the acquisition of Novescia Group by the entity "Financière de l'Equerre 1".

- The loan was issued for €85M by Cerba HealtCare (interest 7%, due 2020) and €145 million by Cerberus Nightingale 1 (interest at 8.25% due 2020)
- The €145M borrowed by Cerberus Nightingale 1 were re-loaned to Cerba HealtCare via Cerberus Nightingale 2 (interest at 8.50% due 2020).

6.33.2 Subsequent events in 2016

6.33.2.1 Acquisition

Acquisition of laboratory network Menalab Group ("United Arab Emirates" Area) at the end of August 2016.

6.33.2.2 Financing structure

The Group has issued bonds High Yield 4 to 27th September 2016, €40 million to finance the previous acquisitions in 2016.

The Revolving Credit Facility contracted in January 2013 has been solved in September 2016 for €50 Million.

6.33.3 Subsequent events in 2017

6.33.3.1 Process of changing shareholders

PAI Partners has entered exclusive negotiations with Partners Group, the global private markets investment manager, and the Public Sector Pensions Investment Board ("PSP Investments"), one of Canada's largest pension investment managers, for the sale of Cerba HealthCare.

6.33.3.2 Restructuring of Net Debt

As part of this change in control, the group will anticipate to proceed during the beginning of 2017 to refinance the High Yield debt.

6.33.3.3 Acquisitions

The group conducted in January 2017 and February the acquisition of:

- **DeltaMedica in Italy:**

Created in 1983, DELTAMEDICA is a group consisting of 3 consultation centers, 8 sampling centers and a technical platform. Particularly specialized in sports medicine and wellness, this group has a notoriety all over Lombardy.

DELTAMEDICA generates 8 million euros of turnover, employs about thirty employees and in 2016 hosted more than 170,000 patients in its centers.

- **Lexobio in France (Normandy district):**

Laboratoire de biologie médicale
Lexobio

The Lexobio company realizes 9,237 k € of net sales in 2015, the activity being spread over six sites in Normandy, three of which are located near CBM sites and thus generating synergies.

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ANNEX A: INTERCREDITOR AGREEMENT

Date: [●] 2017

INTERCREDITOR AGREEMENT

NEWCO SAB BIDCO S.A.S.
as the Company

with

NATIXIS

acting as Senior Agent

and

U.S. BANK TRUSTEES LIMITED

acting as Security Agent

and others

KIRKLAND & ELLIS INTERNATIONAL LLP
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TABLE OF CONTENTS

THIS AGREEMENT is dated [●] 2017 and made between:

(1) **NEWCO SAB BIDCO S.A.S**, a *société par actions simplifiée* (*société à associé unique*) incorporated under the laws of France with registered number 824 988 117 RCS (the "**Company**");

(2) **THE COMPANIES** named in Schedule 4 (*The Original Debtors*) as Original Debtors (the "**Original Debtors**");

(3) **THE COMPANIES** named in Schedule 5 (*The Original Intra-Group Lenders*) as Original Intra-Group Lenders (the "**Original Intra-Group Lenders**");

(4) **NEWCO SAB MIDCO S.A.S.**, a *société par actions simplifiée* (*société à associé unique*) incorporated under the laws of France with registered number 401 899 349 RCS (as the "**Original Topco Subordinated Creditor**", "**Topco**", and "**Original Third Party Security Provider**");

(5) **NEWCO SAB PIKCO S.A.S**, a *société par actions simplifiée* (*société à associé unique*) incorporated under the laws of France with registered number 827 777 897 RCS (as the "**Original Investor Subordinated Creditor**" and "**Original Topco Independent Obligor**");

(6) **BNP PARIBAS**, **CREDIT SUISSE INTERNATIONAL**, **DEUTSCHE BANK AG, LONDON BRANCH**, **J.P. MORGAN LIMITED** and **NATIXIS** as senior arrangers (the "**Senior Arrangers**");

(7) **THE FINANCIAL INSTITUTIONS** named on the signing pages as Original Senior Lenders (the "**Original Senior Lenders**");

(8) **NATIXIS** as Senior Agent (the "**Senior Agent**");

(9) **U.S. BANK TRUSTEES LIMITED** as security agent for the Secured Parties (the "**Security Agent**");

(10) **U.S. BANK TRUSTEES LIMITED** as notes trustee under the Topco Notes Indenture dated on or about the date of this Agreement (the "**Original Topco Notes Trustee**");

(11) Upon accession each "**Senior Secured Notes Trustee**";

(12) Upon accession each "**Cash Management Facility Agent**";

(13) Upon accession each "**Cash Management Facility Lender**";

(14) Upon accession each "**Cash Management Facility Arranger**";

(15) Upon accession each "**Second Lien Agent**";

(16) Upon accession each "**Second Lien Lender**";

(17) Upon accession each "**Second Lien Arranger**";

(18) Upon accession each "**Second Lien Notes Trustee**";

(19) Upon accession each "**Topco Lender**";

(20) Upon accession each "**Topco Arranger**";

(21) Upon accession each "**Topco Agent**";

(22) Upon accession each "**Hedge Counterparty**"; and

(23) Upon accession each "**Unsecured Creditor**".

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

"1992 ISDA Master Agreement" means the Master Agreement (Multicurrency-Cross Border) as published by the International Swaps and Derivatives Association, Inc.

"2002 ISDA Master Agreement" means the 2002 Master Agreement as published by the International Swaps and Derivatives Association, Inc.

"Acceleration Event" means a Senior Acceleration Event, a Super Senior Acceleration Event, a Cash Management Facility Acceleration Event, a Senior Secured Notes Acceleration Event, a Second Lien Lender Acceleration Event, a Second Lien Notes Acceleration Event, a Topco Lender Acceleration Event or a Topco Notes Acceleration Event.

"Additional Facility"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Second Lien Facility Agreement or Permitted Super Senior Secured Facilities Agreement,

as the context requires.

"Affiliate"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or Second Lien Facility Agreement,

as the context requires.

"Agent" means, at any time as applicable, each Senior Agent, each Super Senior Agent, each Senior Secured Notes Trustee, each Second Lien Agent, each Second Lien Notes Trustee, each Topco Agent and each Topco Notes Trustee at that time.

"Agent Liabilities" means all present and future liabilities and obligations, whether actual or contingent and whether incurred solely or jointly, of any Debtor and Third Party Security Provider to any Agent under the Debt Documents, including (without double-counting), any Notes Trustee Amounts.

"Agreed Security Principles"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or Second Lien Facility Agreement,

as the context requires.

"Ancillary Document"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement,

as the context requires.

"**Ancillary Facility**"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement,

as the context requires.

"**Ancillary Lender**" means each Creditor (or an Affiliate of a Creditor) which makes an Ancillary Facility available pursuant to the terms of the Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement as the context requires and which becomes a Party as an Ancillary Lender pursuant to Clause 21.7 (*New Ancillary Lender*).

"**Arranger**" means each Senior Arranger, Super Senior Arranger, each Second Lien Arranger and each Topco Arranger.

"**Arranger Liabilities**" means all present and future liabilities and obligations (whether actual and contingent and whether incurred solely or jointly) of any Debtor and Third Party Security Provider to any Arranger under the Debt Documents.

"**Available Cash Management Facility Commitment**" means in relation to a Cash Management Facility, a Cash Management Facility Lender's Cash Management Facility Commitment (which in the case of a multi-account overdraft, for the purpose of this definition, shall be the Designated Net Amount, unless, in relation to any Cash Management Facility Commitment, otherwise agreed between the Company and the relevant Cash Management Facility Lender) less the Cash Management Facility Outstandings in relation to that Cash Management Facility.

"**Available Commitment**" means any Available Senior Commitment, any Available Cash Management Facility Commitment, any Available Second Lien Commitment and any Available Topco Commitment, as the context requires.

"**Available Second Lien Commitment**" has the meaning given to the term "**Available Commitment**" in a Second Lien Facility Agreement or any substantially equivalent term having substantially the same meaning.

"**Available Senior Commitment**"

(a) has the meaning given to the term "*Available Commitment*" in the Senior Facilities Agreement; and

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement,

as the context requires.

"**Available Topco Commitment**" has the meaning given to the term "**Available Commitment**" in a Topco Facility Agreement or any substantially equivalent term having substantially the same meaning.

"**Board of Directors**" has the meaning given to that term in the Senior Facilities Agreement.

"**Borrowing Liabilities**" means, in relation to a member of the Group or Third Party Security Provider, the liabilities (not being Guarantee Liabilities) it may have as a principal debtor to a Creditor or Debtor (including, as the context so determines, any party that is to accede to this Agreement as a Creditor or Debtor pursuant to Clause 21 (*Changes to the Parties*)) in respect of

indebtedness arising under the Debt Documents (including, as the context so determines, any new indebtedness incurred or to be incurred under any document or arrangement intended by the Company to be designated as a Debt Document subject to the provisions of Clause 18 (*New Debt Financings*) and any facility or commitment in relation thereto) (whether incurred solely or jointly and including, without limitation, liabilities as a Borrower under and as defined in the Senior Finance Documents, as a Borrower under and as defined in the Second Lien Lender Finance Documents, as a borrower or issuer under the Unsecured Finance Documents, as Notes Issuer under the Senior Secured Notes Finance Documents, as Notes Issuer under the Second Lien Notes Finance Documents and/or as Borrower under any Topco Proceeds Loan Agreement, as the context requires).

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

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

(b) (in relation to any date for payment or purchase of euro) any TARGET Day.

"**Cash Management Facility**" means any facility made available by one or more Cash Management Facility Lenders for working capital and/or general corporate purposes of the Group, including any of the following (or any combination of the following):

(a) an overdraft, cheque clearing, automatic payment or other current account facility;

(b) a guarantee, bonding or documentary or stand by letter of credit facility;

(c) a short term loan facility;

(d) a derivatives facility;

(e) a foreign exchange facility; and

(f) any other facility or accommodation as may be required or desirable in connection with the business of the Group and which is agreed by the Company and each relevant Cash Management Facility Lender.

"**Cash Management Facility Acceleration Event**" means:

(a) a Cash Management Facility Lender (or, as applicable, any requisite class thereof specified in the applicable Cash Management Facility Documents) exercising any rights to accelerate amounts outstanding under the relevant Cash Management Facility pursuant to any Cash Management Facility Document; or

(b) any Cash Management Facility Liabilities becoming due and payable by operation of any automatic acceleration provisions in any Cash Management Facility Document,

in each case, for the avoidance of doubt, not including any declaration that any amount is payable on demand but including the exercise of any right to demand payment of an amount previously placed on demand.

"**Cash Management Facility Agent**" means a Senior Agent in respect of any Cash Management Facility.

"**Cash Management Facility Arranger**" means a Senior Arranger in respect of any Cash Management Facility.

"**Cash Management Facility Cash Cover**" has the meaning given to any substantially equivalent position, in any Cash Management Facility Document, to the term "**cash cover**" in paragraph (e) of clause 1.2 (*Construction*) of the Senior Facilities Agreement.

"**Cash Management Facility Cash Cover Document**" means, in relation to any Cash Management Facility Cash Cover, any Cash Management Facility Document which creates or evidences, or is expressed to create or evidence, the Security required to be provided over that Cash Management Facility Cash Cover.

"**Cash Management Facility Commitment**" means, in relation to a Cash Management Facility Lender and a Cash Management Facility, the maximum Common Currency Amount which that Cash Management Facility Lender has agreed (whether or not subject to satisfaction of conditions precedent) to make available from time to time under a Cash Management Facility to the extent that amount is not cancelled or reduced under the Cash Management Facility Documents relating to that Cash Management Facility.

"**Cash Management Facility Creditors**" means the Cash Management Facility Arrangers, the Cash Management Facility Agents, any Issuing Bank in respect of any Cash Management Facility and the Cash Management Facility Lenders.

"**Cash Management Facility Debt Purchase Transaction**" has the meaning given to any substantially equivalent term, in the relevant Cash Management Facility Document, to the term "Debt Purchase Transaction" in the Senior Facilities Agreement.

"**Cash Management Facility Debtor**" means each borrower of a Cash Management Facility and each Cash Management Facility Guarantor.

"**Cash Management Facility Default**" means a Default under one or more Cash Management Facility Documents.

"**Cash Management Facility Discharge Date**" means the first date on which all Cash Management Facility Liabilities have been fully and finally discharged to the satisfaction of the Cash Management Facility Lenders (including by way of defeasance in accordance with the Cash Management Facility Documents), whether or not as the result of an enforcement, and the Cash Management Facility Lenders (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under any of the Debt Documents.

"**Cash Management Facility Document**" means each document relating to or evidencing the terms of a Cash Management Facility and which is designated as such by the Company (in its discretion) in each case by written notice to each Cash Management Facility Lender who is a party to this Agreement at such time (or the relevant Cash Management Facility Agent on their behalf, if appointed) and the Agents; and the entry into which is not prohibited by the terms of the Finance Documents at the time the relevant agreement is entered into.

"**Cash Management Facility Event of Default**" means an Event of Default under one or more Cash Management Facility Documents.

"**Cash Management Facility Finance Documents**" has the meaning given to any substantially equivalent term, in the relevant Cash Management Facility Document, to the term "Finance Document" in the Senior Facilities Agreement.

"**Cash Management Facility Guarantor**" means each Debtor which provides a guarantee, indemnity or other assurance against loss in respect of Cash Management Facility Liabilities for the benefit of the Cash Management Facility Lenders.

"**Cash Management Facility LC**" means any letter of credit, guarantee, indemnity or other instrument in a form requested by a borrower of a Cash Management Facility and agreed by the relevant Cash Management Facility Lenders (or any Issuing Bank on their behalf).

"**Cash Management Facility Lender**" means each person which makes a Cash Management Facility available pursuant to the terms of, and each Issuing Bank under, a Cash Management Facility Document.

"**Cash Management Facility Liabilities**" means the Liabilities owed by the Debtors and the Third Party Security Providers to the Cash Management Facility Creditors under or in connection with the Cash Management Facility Finance Documents.

"**Cash Management Facility Mandatory Prepayment**" means a mandatory prepayment of any of the Cash Management Facility Liabilities pursuant to the Cash Management Facility Documents.

"**Cash Management Facility Outstanding**" means, at any time, in relation to a Cash Management Facility Lender and a Cash Management Facility then in force the aggregate of the equivalents in the Common Currency of the following outstanding amounts under that Cash Management Facility:

(a) the principal amount under each overdraft facility and on demand short term loan facility (provided that, for the purposes of this definition, any amount of any outstanding utilisation under any BACS facility, other intra-day exposure facilities (or similar) made available by a Cash Management Facility Lender shall be excluded, unless, in relation to that Cash Management Facility, otherwise agreed between the Company and the relevant Cash Management Facility Lender);

(b) the principal amount of each guarantee, bond and letter of credit under that Cash Management Facility; and

(c) the amount fairly representing the aggregate exposure or equivalent outstanding (excluding interest and similar charges) of that Cash Management Facility Lender under each other type of accommodation provided under that Cash Management Facility,

in each case net of any credit balances on any account of any borrower of a Cash Management Facility with the Cash Management Facility Lender making available that Cash Management Facility to the extent that the credit balances are freely available to be set off by that Cash Management Facility Lender against liabilities owed to it by that borrower under that Cash Management Facility and in each case as determined by such Cash Management Facility Lender, acting reasonably and in accordance with the relevant Cash Management Facility Document, or (if not provided for in the relevant Cash Management Facility Document), after consultation with the relevant borrower, in accordance with its normal banking practice and in accordance with the relevant Cash Management Facility Document.

For the purposes of this definition:

(i) in relation to any utilisation (howsoever described) denominated in the Common Currency, the amount of that utilisation (howsoever described) (determined as described in paragraphs (a) to (c) above) shall be used; and

(ii) in relation to any utilisation or outstanding (howsoever described) not denominated in the Common Currency, the equivalent (calculated as specified in the relevant Cash Management Facility Document or, if not so specified, as the relevant Cash Management Facility Lender may specify, in each case in accordance with its usual practice at that time for calculating that equivalent in the Common Currency (acting reasonably)) of the amount of that utilisation (determined as described in paragraphs (a) to (c) above) shall be used.

"**Cash Management Facility Payment Default**" means any Cash Management Facility Event of Default arising by reason of any non-payment under a Cash Management Facility Document in respect of an amount: (a) constituting principal, interest or fees or (b) otherwise exceeding €1,000,000 (or its equivalent in other currencies).

"**Charged Property**" means all of the assets which from time to time are, or are expressed to be, the subject of the Transaction Security, and/or (where the context requires) Topco Independent Transaction Security.

"**Close-Out Netting**" means:

(a) in respect of a Hedging Agreement or a Hedging Ancillary Document based on a 1992 ISDA Master Agreement, any step involved in determining the amount payable in respect of an Early Termination Date (as defined in the 1992 ISDA Master Agreement) under section 6(e) of the 1992 ISDA Master Agreement before the application of any subsequent Set-off (as defined in the 1992 ISDA Master Agreement);

(b) in respect of a Hedging Agreement or a Hedging Ancillary Document based on a 2002 ISDA Master Agreement, any step involved in determining an Early Termination Amount (as defined in the 2002 ISDA Master Agreement) under section 6(e) of the 2002 ISDA Master Agreement; and

(c) in respect of a Hedging Agreement or a Hedging Ancillary Document not based on an ISDA Master Agreement, any step involved on a termination of the hedging transactions under that Hedging Agreement or Hedging Ancillary Document pursuant to any provision of that Hedging Agreement which has a similar effect to either provision referenced in paragraphs (a) and (b) above.

"**Common Assurance**" means any guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, the benefit of which (however conferred) is, to the extent legally possible and subject to any Agreed Security Principles, given to all the Secured Parties (other than the Topco Creditors) in respect of Secured Obligations (excluding paragraph (b) of the definition thereof).

"**Common Topco Assurance**" means any guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, the benefit of which (however conferred) is, to the extent legally possible and subject to any Agreed Security Principles, given to all the Secured Parties in respect of Secured Obligations (excluding paragraph (a) of the definition thereof).

"**Common Currency**" means euros.

"**Common Currency Amount**" means, in relation to an amount, that amount converted (to the extent not already denominated in the Common Currency) into the Common Currency at the Security Agent's Spot Rate of Exchange on the Business Day prior to the relevant calculation.

"**Competitive Sales Process**" means any public auction or other competitive sale process conducted and run in accordance with the advice of a reputable, independent and internationally recognised investment bank, firm of accountants or third party professional firm which is regularly engaged in such sale processes with a view to obtaining the best price reasonably obtainable taking into account all relevant circumstances in which the Second Lien Creditors and the Topco Creditors are entitled to participate as prospective buyers and/or financiers (including as part of a consortium).

For the purposes of this definition, "**entitled to participate**" shall be interpreted to mean:

(a) that any offer, or indication of a potential offer, that a holder of any Second Lien Liabilities or Topco Liabilities (as applicable) makes shall be considered by those running the Competitive Sales Process against the same criteria as any offer, or indication of a potential offer, by any other bidder or potential bidder; and

(b) any holder of any Second Lien Liabilities or Topco Liabilities (as applicable) that is considering making an offer in any Competitive Sales Process is provided with the same information, including any due diligence reports, and access to management that is being provided to any other bidder at the same stage of the process.

If, after having applied the same criteria referred to in paragraph (a) above, the offer or indication of a potential offer made by a holder of any Second Lien Liabilities or Topco Liabilities (as applicable) is not considered by those running the Competitive Sales Process to be sufficient

to continue in the sales process, such consideration being against the same criteria as any offer, or indication of a potential offer, by any other bidder or potential bidder (such continuation may include being invited to review additional information or being invited to have an opportunity to make a subsequent or revised offer, whether in another round of bidding or otherwise), then the right of a holder of any Second Lien Liabilities or Topco Liabilities (as applicable) under this Agreement to so participate shall be deemed to be satisfied. The Second Lien Creditors and Topco Creditors shall not have access to any due diligence report commissioned by the Senior Secured Creditors or any agent or adviser on their behalf, whether or not any such due diligence report is addressed to, or capable of being relied upon by, any member of the Group or any Holding Company of the Company, which relates to the possible implementation of any Enforcement Action, debt restructuring and/or sales process which may or will involve the release and/or compromise of any of the Second Lien Liabilities and/or Topco Liabilities, any guarantees given for the Second Lien Liabilities and/or Topco Liabilities or any Transaction Security (the "**Senior Secured Enforcement Advice**"). Where any due diligence report that has been shared with any potential third-party purchaser under a Competitive Sales Process includes any Senior Secured Enforcement Advice, the Second Lien Creditors and Topco Creditors shall have access to the relevant report with the Senior Secured Enforcement Advice redacted. Senior Secured Creditors shall have access to reports commissioned by the Second Lien Creditors and/or Topco Creditors on the same basis only.

"**Consent**" means any consent, approval, release or waiver or agreement to any amendment.

"**Corresponding Debt**" has the meaning given to that term in paragraph (b) of Clause 19.3 (*Parallel Debt (Covenant to Pay the Security Agent)*).

"**Creditor/Agent Accession Undertaking**" means:

(a) an undertaking substantially in the form set out in Schedule 2 (*Form of Creditor/Agent Accession Undertaking*);

(b) a Transfer Certificate or an Assignment Agreement (or any substantially equivalent terms) in each case each as defined in the Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, any Second Lien Facility Agreement or any Topco Facility Agreement, as the context requires;

(c) an Increase Confirmation (or any substantially equivalent terms) in each case as defined in the Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, any Second Lien Facility Agreement or any Topco Facility Agreement, as the context requires; or

(d) an Additional Facility Notice (or any substantially equivalent terms) in each case as defined in the Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, any Second Lien Facility Agreement or any Topco Facility Agreement, as the context requires,

as the context may require, (and provided that in the case of paragraphs (b), (c) and (d) above, such document includes accession wording to this Agreement substantially in the form set out in the undertaking referred to in paragraph (a) above) or,

(e) in the case of an acceding Debtor which is expressed to accede as an Intra-Group Lender in the relevant Debtor/Third Party Security Provider Accession Undertaking, that Debtor/Third Party Security Provider Accession Undertaking.

"**Creditor Conflict**" means, at any time prior to the Priority Discharge Date, a conflict between:

(a) the interests of any Super Senior Creditor and the interests of any Senior Secured Creditor (other than a Super Senior Creditor), any Second Lien Creditor or any Topco Creditor;

(b) the interests of any Senior Secured Creditor and the interests of any Second Lien Creditor or any Topco Creditor; or

(c) the interests of any Second Lien Creditor and the interests of any Senior Secured Creditor, or any Topco Creditor.

"**Creditors**" means the Senior Lenders, the Super Senior Lenders, the Senior Secured Noteholders, the Cash Management Facility Lenders, the Hedge Counterparties, the Agents, the Arrangers, the Second Lien Lenders, the Second Lien Noteholders, the Unsecured Creditors, the Topco Lenders, the Topco Noteholders, the Intra-Group Lenders, the Subordinated Creditors and the Topco Investors, as the context so determines.

"**Credit Participation**" means the Super Senior Credit Participations, Senior Secured Credit Participations, the Second Lien Credit Participations, the Unsecured Credit Participations and the Topco Credit Participations.

"**Credit Related Close-Out**" means any Permitted Hedge Close-Out which is not a Non-Credit Related Close-Out.

"**Debt Document**" means each of this Agreement, the Senior Secured Finance Documents, the Second Lien Finance Documents, the Topco Finance Documents, any Topco Proceeds Loan Agreement, the Unsecured Finance Documents, the Security Documents, any agreement evidencing the terms of the Subordinated Liabilities or the Intra-Group Liabilities and any other document designated as such by the Security Agent and the Company, as the context so determines.

"**Debtor**" means each Original Debtor and any person which becomes a Party as a Debtor in accordance with the terms of Clause 21 (*Changes to the Parties*).

"**Debtor/Third Party Security Provider Accession Undertaking**" means:

(a) a deed substantially in the form set out in Schedule 1 (*Form of Debtor/Third Party Security Provider Accession Undertaking*);

(b) (only in the case of a member of the Group which is acceding as a borrower or guarantor under the Senior Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or any Permitted Senior Secured Facilities Agreement) an Accession Deed as defined in the Senior Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or any Permitted Senior Secured Facilities Agreement, as the context requires;

(c) (only in the case of a member of the Group which is acceding as a borrower or guarantor under a Second Lien Facility Agreement) an Accession Deed as defined in the Second Lien Facility Agreement; or

(d) (only in the case of a member of the Group which is acceding as a guarantor under a Topco Facility Agreement) an Accession Deed (as defined in the Topco Facility Agreement).

"**Debtor Liabilities**" means, in relation to a member of the Topco Group, any Liabilities owed to any Debtor (whether actual or contingent and whether incurred solely or jointly) by that member of the Topco Group.

"**Debtor Resignation Request**" means a notice substantially in the form set out in Schedule 3 (*Form of Debtor Resignation Request*).

"**Default**" means an Event of Default or any event which would (with the expiry of a grace period or the giving of notice provided for in the relevant definition of event of default under the relevant Debt Document or any combination of the foregoing) be an Event of Default **provided that** any such event or circumstance which requires the satisfaction of a condition as to materiality before it becomes an Event of Default shall not be a Default or an Event of Default until such condition is satisfied.

"**Defaulting Cash Management Facility Lender**" means, in relation to a Cash Management Facility Lender, a Cash Management Facility Lender which is a Defaulting Lender under, and as defined in, the relevant Cash Management Facility Document.

"**Defaulting Lender**" means a Defaulting Senior Lender, a Defaulting Cash Management Facility Lender, a Defaulting Second Lien Lender or a Defaulting Topco Lender, as the context requires.

"**Defaulting Second Lien Lender**" means, in relation to a Second Lien Lender, a Second Lien Lender which is a Defaulting Lender under, and as defined in, a Second Lien Facility Agreement.

"**Defaulting Senior Lender**" means, in relation to a Senior Lender or a Super Senior Lender, a Senior Lender or a Super Senior Lender which is a Defaulting Lender under, and as defined in, the Senior Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, or any Permitted Senior Secured Facilities Agreement, as the context requires.

"**Defaulting Topco Lender**" means, in relation to a Topco Lender, a Topco Lender which is a Defaulting Lender under, and as defined in, a Topco Facility Agreement.

"**Delegate**" means any delegate, agent, attorney, co-trustee or co-security agent appointed by the Security Agent.

"**Designated Gross Amount**" means, in relation to a Multi-account Overdraft Facility, that Multi-account Overdraft Facility's maximum gross amount.

"**Designated Net Amount**" means, in relation to a Multi-account Overdraft Facility, that Multi-account Overdraft Facility's maximum net amount.

"**Designation Date**" means the first date after the date hereof that the Company designates any Liabilities as Super Senior Liabilities in accordance with, and subject to satisfaction of the requirements of, Clause 18 (*New Debt Financings*).

"**Discharge Date**" means a Final Discharge Date, a Priority Discharge Date, a Second Lien Discharge Date, a Second Lien Lender Discharge Date, a Second Lien Notes Discharge Date, a Senior Discharge Date, a Super Senior Discharge Date, a Super Senior Lender Discharge Date, a Senior Lender Discharge Date, a Senior Secured Discharge Date, a Senior Secured Notes Discharge Date, a Designation Date, a Topco Discharge Date, a Topco Facility Discharge Date or a Topco Notes Discharge Date.

"**Distressed Disposal**" means a disposal of an asset or shares of, or other financial securities issued by, a member of the Group or, in the case of a Third Party Security Provider any Topco Shared Security, which is:

(a) being effected at the request of an Instructing Group in circumstances where the Transaction Security has become enforceable as a result of an Acceleration Event which was continuing at the time the request for enforcement was made;

(b) being effected by enforcement of the Transaction Security as a result of an Acceleration Event which was continuing at the time the request for enforcement was made; or

(c) being effected after the occurrence of a Distress Event, by a Debtor or a Third Party Security Provider to a person or persons which is not a member of the Topco Group.

"**Distress Event**" means any of:

(a) an Acceleration Event which has occurred and is continuing; or

(b) the enforcement of any Transaction Security as a result of an Acceleration Event which has occurred and is continuing.

"**Enforcement**" means the enforcement of the Transaction Security, the requesting of a Distressed Disposal and/or the release or disposal of claims and/or Transaction Security on a Distressed Disposal under Clause 15.2 (*Distressed Disposals*), the giving of instructions as to actions with respect to the Transaction Security following an Insolvency Event under Clause 9.7 (*Security Agent Instructions*) and the taking of any other actions consequential on (or necessary to effect) any of those actions (but excluding the delivery of an Initial Enforcement Notice).

"**Enforcement Action**" means:

(a) in relation to any Liabilities (other than Unsecured Liabilities):

(i) the acceleration of any Liabilities or the making of any declaration that any Liabilities are prematurely due and payable (other than as a result of it becoming unlawful for a Secured Creditor to perform its obligations under, or of any voluntary or mandatory prepayment arising under, the Debt Documents);

(ii) the making of any declaration that any Liabilities are payable on demand;

(iii) the making of a demand in relation to a Liability that is payable on demand;

(iv) the making of any demand against any member of the Topco Group in relation to any Guarantee Liabilities of that member of the Topco Group;

(v) the exercise of any right to require any member of the Group or any Third Party Security Provider to acquire any Liability (including exercising any put or call option against any member of the Group or any Third Party Security Provider for the redemption or purchase of any Liability but excluding any such right which arises as a result of clause 30 (*Restriction on Debt Purchase Transactions)* of the Senior Facilities Agreement or any substantially equivalent provisions in any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, the Senior Secured Notes Finance Documents, any Second Lien Lender Finance Documents, the Second Lien Notes Finance Documents or any Topco Finance Document (as relevant) and excluding any mandatory offer arising as a result of a change of control or asset sale (howsoever described) as set out in the Secured Debt Documents);

(vi) the exercise of any right of set-off, account combination or payment netting against any member of the Group or any Third Party Security Provider in respect of any Liabilities other than the exercise of any such right:

(A) as Close-Out Netting by a Hedge Counterparty or by a Hedging Ancillary Lender;

(B) as Payment Netting by a Hedge Counterparty or by a Hedging Ancillary Lender;

(C) as Inter-Hedging Agreement Netting by a Hedge Counterparty;

(D) as Inter-Hedging Ancillary Document Netting by a Hedging Ancillary Lender; or

(E) which is otherwise expressly permitted under the Secured Debt Documents to the extent that the exercise of that right gives effect to a Permitted Payment; and

(vii) the suing for, commencing or joining of any legal or arbitration proceedings against any member of the Group or a Third Party Security Provider to recover any Liabilities;

(b) the premature termination or close-out of any hedging transaction under any Hedging Agreement save to the extent permitted by this Agreement;

(c) the taking of any steps to enforce or require the enforcement of any Transaction Security (including the crystallisation of any floating charge forming part of the Transaction Security) as a result of an Acceleration Event which was continuing at the time the request for enforcement was made;

(d) the entering into of any composition, compromise, assignment or similar arrangement with any Third Party Security Provider or any member of the Group which owes any Liabilities, or has given any Security, guarantee or indemnity or other assurance against loss in respect of the Liabilities (other than any action permitted under Clause 21 (*Changes to the Parties*) or any debt buy-backs pursuant to open market debt repurchases, tender offers or exchange offers entered into in accordance with the Secured Debt Documents, and not undertaken as part of an announced restructuring or turnaround plan or while a Default was outstanding under the relevant Secured Debt Document); or

(e) the petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer) in relation to, the winding up, dissolution, administration or reorganisation of any Third Party Security Provider or member of the Group which owes any Liabilities, or has given any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities, or any of such Third Party Security Provider's or member of the Group's assets or any suspension of payments or moratorium of any indebtedness of any such Third Party Security Provider or member of the Group, or any analogous procedure or step in any jurisdiction,

except that the following shall not constitute Enforcement Action:

(i) the taking of any action falling within paragraph (a)(vii) or (e) above which is necessary (but only to the extent necessary) to preserve the validity, existence or priority of claims in respect of Liabilities, including the registration of such claims before any court or governmental authority and the bringing, supporting or joining of proceedings to prevent any loss of the right to bring, support or join proceedings by reason of applicable limitation periods;

(ii) any discussions or consultations between, or proposals made by, any of the Priority Secured Parties with respect to instructions to enforce any Transaction Security pursuant to, prior to the Designation Date, Clause 12 (*Enforcement of Transaction Security prior to the Designation Date*) or, on and from the Designation Date, Clause 13 (*Enforcement of Transaction Security on or after the Designation Date*);

(iii) bringing legal proceedings against any person in connection with any securities violation, securities or listing regulations or common law fraud or to restrain any actual or putative breach of the Debt Documents or for specific performance with no claims for damages;

(iv) a Secured Party bringing legal proceedings against any person solely for the purpose of:

(A) obtaining injunctive relief (or any analogous remedy outside England and Wales) to restrain any actual or putative breach of any Debt Document to which it is a party;

(B) obtaining specific performance (other than specific performance of an obligation to make a payment) with no claim for damages; or

(C) requesting judicial interpretation of any provision of any Debt Document to which it is a party with no claim for damages;

(v) a demand made by a Subordinated Creditor or an Intra-Group Lender in relation to the Subordinated Liabilities or Intra-Group Liabilities to the extent:

(A) any resulting Payment would constitute a Permitted Subordinated Payment or a Permitted Intra-Group Payment, or

(B) any Subordinated Liability or Intra-Group Liability of a member of the Group being released or discharged in consideration for the issue of shares in that member of the Group **provided that** the ownership interest of the member of the Group prior to such issue is not diluted as a result and provided further that (in any such case) in the event that the shares of such member of the Group are subject to Transaction Security prior to such issue, then the percentage of shares in such Subsidiary subject to Transaction Security is not diluted; and

(vi) an Ancillary Lender, Cash Management Facility Lender, Hedge Counterparty, Issuing Bank, Second Lien Agent, Second Lien Notes Trustee, Topco Agent or Topco Notes Trustee bringing legal proceedings against any person solely for the purpose of:

(A) obtaining injunctive relief (or any analogous remedy outside England and Wales) to restrain any actual or putative breach of any Debt Document to which it is party;

(B) obtaining specific performance (other than specific performance of an obligation to make a payment) with no claim for damages;

(C) requesting judicial interpretation of any provision of any Debt Document to which it is party with no claim for damages; or

(D) bringing legal proceedings against any person in connection with any securities violation, securities or listing relations or common law fraud or to restrain any actual or putative breach of the Secured Debt Documents or for specific performance with no claims for damages.

"**Enforcement Instructions**" means, on or after the Designation Date, instructions as to Enforcement (including the manner and timing of such Enforcement) given by the Majority Super Senior Creditors or the Majority Senior Secured Creditors to the Security Agent as contemplated by the terms of this Agreement, provided that instructions not to undertake an enforcement or an absence of instructions as to enforcement shall not constitute "Enforcement Instructions".

"**Enforcement Objective**" has the meaning given to that term in Schedule 6 (*Enforcement Principles*).

"**Enforcement Principles**" means the principles set out in Schedule 6 (*Enforcement Principles*).

"**Enforcement Proceeds**" means any amount paid to or otherwise realised by a Secured Party under or in connection with any Enforcement and, following the occurrence of a Distress Event, any other proceeds of, or arising from, any of the Charged Property.

"**EUR**", "**€**" and "**euro**" denote the single currency of the Participating Member States.

"**Event of Default**" means any event or circumstance specified as such in the relevant Secured Debt Document.

"**Final Discharge Date**" means the latest to occur of the Super Senior Discharge Date, the Senior Secured Discharge Date, the Second Lien Discharge Date and the Topco Discharge Date.

"**Finance Documents**" means each of the Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, any Senior Secured Notes Indenture, any Second Lien Facility Agreement, any Second Lien Notes Indenture, any Topco Facility Agreement, any Topco Notes Indenture and any Unsecured Finance Documents.

"**French Cash Management Facility Guarantor**" means a Cash Management Facility Guarantor incorporated under the laws of France.

"**French Hedging Guarantor**" means a Hedging Guarantor incorporated under the laws of France.

"**French Law Transaction Security Document**" means any Security Document which is governed by the laws of France.

"**Gross Outstandings**" means, in relation to a Multi-account Overdraft Facility, the aggregate gross debit balance of overdrafts comprised in that Multi-account Overdraft Facility.

"**Group**" means the Company and each of its Subsidiaries from time to time.

"**Guarantee Liabilities**" means, in relation to a member of the Group or Third Party Security Provider, the liabilities under the Debt Documents (including, as the context so determines, any new indebtedness incurred or to be incurred under any document or arrangement intended by the Company to be designated as a Debt Document subject to the provisions of Clause 18 (*New Debt Financings*) and any facility or commitment in relation thereto) (present or future, actual or contingent and whether incurred solely or jointly) it may have to a Creditor or Debtor (including, as the context so determines, any party that is to accede to this Agreement as a Creditor or Debtor pursuant to Clause 21 (*Changes to the Parties*)) as or as a result of it being a guarantor or

surety including, without limitation, liabilities arising by way of guarantee, indemnity, contribution or subrogation and in particular any guarantee or indemnity arising under or in respect of the Secured Debt Documents or the Unsecured Finance Documents.

"**Guarantee Limitations**" means:

(a) in respect of a Debtor and any payments it is required to make in respect of its Guarantee Liabilities under the Debt Documents; and

(b) in respect of an Intra-Group Lender and any subordination it is subject to in accordance with the terms of this Agreement,

the limitations and restrictions applicable to such entity as set out in Schedule 7 (*Hedge Counterparties' Guarantee and Indemnity*) or Schedule 8 (*Cash Management Facility Creditors' Guarantee and Indemnity*) hereof or as set out in clause 23 (*Guarantees and Indemnity*) of the Senior Facilities Agreement or agreed to pursuant to clause 31.3 (*Additional Guarantors*) of the Senior Facilities Agreement, in each case as if references to the relevant "Obligor" or "Guarantor" under such provisions are references to the relevant "Debtor" or "Intra-Group Lender", as applicable and any substantially equivalent provisions in any Secured Debt Document or any Unsecured Debt Document.

"**Guarantor**" means a Senior Secured Guarantor, a Second Lien Guarantor, a Topco Guarantor, an Unsecured Guarantor and/or a Hedging Guarantor (as context requires).

"**Hedge Counterparty**" means any person which becomes Party as a Hedge Counterparty pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

"**Hedge Counterparty Obligations**" means the obligations owed by any Hedge Counterparty to the Debtors under or in connection with the Hedging Agreements.

"**Hedge Transfer**" means a transfer to the Second Lien Creditors or the Topco Creditors (or to a nominee or nominees of the Second Lien Creditors or the Topco Creditors) of each Hedging Agreement together with:

(a) all the rights and benefits in respect of the Hedging Liabilities owed by the Debtors and Third Party Security Providers to each Hedge Counterparty; and

(b) all the Hedge Counterparty Obligations owed by each Hedge Counterparty to the Debtors and Third Party Security Providers,

in accordance with Clause 21.3 (*Accession or Change of Hedge Counterparty*) as described in, and subject to Clause 3.9 (*Hedge Transfer: Senior Secured Creditors (Prior to the Designation Date)*), Clause 5.15 (*Hedge Transfer: Second Lien Creditors*) or Clause 6.15 (*Hedge Transfer: Topco Creditors*), as the context requires.

"**Hedging Agreement**" means, to the extent designated as such by the Company (in its discretion) and the relevant Hedge Counterparty by notice to the Security Agent, any agreement entered into or to be entered into by a Debtor (or any member of the Group that is to become a Debtor) and a Hedge Counterparty in relation to any derivative or hedging arrangement entered into (or which has or will be allocated), the entry into which is not prohibited by the terms of the Finance Documents at the time the relevant agreement is entered into.

"**Hedging Ancillary Document**" means an Ancillary Document which relates to or evidences the terms of a Hedging Ancillary Facility.

"**Hedging Ancillary Facility**" means an Ancillary Facility which is made available by way of a hedging facility.

"**Hedging Ancillary Lender**" means an Ancillary Lender to the extent that that Ancillary Lender makes available a Hedging Ancillary Facility.

"**Hedging Debtor**" means any Debtor to the Hedge Counterparties under or in connection with the Hedging Agreements.

"**Hedging Guarantor**" means, at any time, each Debtor which is a Senior Facilities Guarantor at such time.

"**Hedging Liabilities**" means:

(a) prior to the Designation Date, the Liabilities owed by any Debtor or Third Party Security Provider to the Hedge Counterparties under or in connection with the Hedging Agreements; and

(b) on and from the Designation Date, the Super Senior Hedging Liabilities and the Pari Passu Hedging Liabilities.

"**Hedging Purchase Amount**" means, in respect of a hedging transaction under a Hedging Agreement, the amount that would be payable to (expressed as a positive number) or by (expressed as a negative number) the relevant Hedge Counterparty on the relevant date if:

(a) that date was an Early Termination Date (as defined in the relevant ISDA Master Agreement); and

(b) the relevant Debtor was the Defaulting Party (under and as defined in the relevant ISDA Master Agreement),

in each case as certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

"**Holding Company**"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement, or Second Lien Facility Agreement,

as the context requires.

"**Impaired Agent**" means:

(a) a Senior Agent which is an "Impaired Agent" under, and as defined in, the Senior Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement and any Permitted Senior Secured Facilities Agreement, as the context requires;

(b) a Cash Management Agent which is an "Impaired Agent" under, and as defined in, the Cash Management Facility Documents;

(c) a Second Lien Agent which is an "Impaired Agent" under, and as defined in, a Second Lien Facility Agreement; or

(d) a Topco Agent which is an "Impaired Agent" under, and as defined in, a Topco Facility Agreement.

"**Indebtedness**"

(a) has the meaning given to that term in the Senior Facilities Agreement; and

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement, Second Lien Facility Agreement or Topco Facility Agreement,

as the context requires.

"**Initial Enforcement Notice**" has the meaning given in paragraph (b) of Clause 13.3 (*Enforcement Instructions—Transaction Security*).

"**Insolvency Event**" means, in relation to a Debtor, Material Subsidiary or Third Party Security Provider:

(a) any resolution is passed or order made for its insolvency, bankruptcy, winding up, dissolution, administration, examination or reorganisation;

(b) a composition, compromise, assignment, or arrangement with any class of creditors generally (other than any Secured Party) in connection with or as a result of any financial difficulty on the part of that Debtor, Material Subsidiary or Third Party Security Provider;

(c) a moratorium is declared in relation to any its indebtedness;

(d) the appointment of any liquidator, receiver, examiner, administrator, administrative receiver, compulsory manager or other similar officer in respect of it or any of its assets; or

(e) any analogous procedure or step is taken in any jurisdiction,

other than (in each case):

(i) any proceedings which are frivolous or vexatious and which, if capable of remedy, are discharged, stayed or dismissed within 20 Business Days of commencement or, if earlier, the date on which it is advertised (or such other period as agreed between the Company and the Instructing Group);

(ii) (in the case of an application to appoint an administrator or commence proceedings) any proceedings which the Security Agent is satisfied (acting on the instructions of the Instructing Group) will be withdrawn before it is heard or will be unsuccessful; and

(iii) as permitted in the Senior Facilities Agreement or in any Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or a Second Lien Facility Agreement, or otherwise not constituting a Default.

"**Instructing Group**" means:

(a) if the Designation Date has not occurred:

(i) prior to the Senior Secured Discharge Date, the Majority Senior Secured Creditors;

(ii) on or after the Senior Secured Discharge Date but before the Priority Discharge Date, the Majority Second Lien Creditors; and

(iii) on or after the Priority Discharge Date but before the Topco Discharge Date, the Majority Topco Creditors; and

(b) at any time on or after the occurrence of the Designation Date and:

(i) prior to the later of the Senior Secured Discharge Date and the Super Senior Discharge Date:

(A) subject to paragraph (B) below, the Majority Senior Secured Creditors and the Majority Super Senior Creditors; and

(B) in relation to instructions relating to Enforcement, the group of Secured Creditors entitled to give such instructions under Clause 13.3 (*Enforcement Instructions—Transaction Security*);

(ii) on or after the Senior Secured Discharge Date but before the Priority Discharge Date, the Majority Second Lien Creditors; and

(iii) on or after the Priority Discharge Date but before the Topco Discharge Date, the Majority Topco Creditors,

provided that, in each case, the Super Senior Credit Participations, the Senior Secured Credit Participations, the Second Lien Creditor Participations and the Topco Credit Participations of a Sponsor Affiliate (as applicable) shall, for the purposes of this definition, be deemed to be zero.

"**Intercreditor Amendment**" means any amendment or waiver which is subject to Clause 27 (*Consents, Amendments and Override*).

"**Inter-Hedging Agreement Netting**" means the exercise of any right of set-off, account combination, close-out netting or payment netting (whether arising out of a cross agreement, netting agreement or otherwise) by a Hedge Counterparty against liabilities owed to a Debtor by that Hedge Counterparty under a Hedging Agreement in respect of Hedging Liabilities owed to that Hedge Counterparty by that Debtor under another Hedging Agreement.

"**Inter-Hedging Ancillary Document Netting**" means the exercise of any right of set-off, account combination, close-out netting or payment netting (whether arising out of a cross agreement, netting agreement or otherwise) by a Hedging Ancillary Lender against liabilities owed to a Debtor by that Hedging Ancillary Lender under a Hedging Ancillary Document in respect of Senior Lender Liabilities owed to that Hedging Ancillary Lender by that Debtor under another Hedging Ancillary Document.

"**Intra-Group Lenders**" means each Original Intra-Group Lender and each member of the Group which has made a loan available to, granted credit to or made any other financial arrangement having similar effect with another member of the Group and which is required to become, or otherwise becomes, a party as an Intra-Group Lender in accordance with the terms of Clause 21 (*Changes to the Parties*).

"**Intra-Group Liabilities**" means the Liabilities owed by any member of the Group to any of the Intra-Group Lenders (but not including, for the avoidance of doubt, any Subordinated Liabilities).

"**Investors**"

(a) has the meaning given in the Senior Facilities Agreement; and

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in any other Finance Document,

as the context requires.

"**IPO Event**" means:

(a) means the listing or the admission to trading of all or any part of the share capital of any member of the Group or any Holding Company (the only material assets of which are shares or other investments (directly or indirectly in the Group)) of a member of the Group (other than the Investors) on any recognised investment exchange (as that term is used in the Financial Services and Markets Act 2000) or in or on any other exchange or market in any jurisdiction or country or any other sale or issue by way of listing, flotation or public offering or any equivalent circumstances in relation to any member of the Group or any such Holding Company of any member of the Group (other than the Investors and their Holding Companies) in any jurisdiction or country; or

(b) a listing of all or any part of the share capital of the Company or any Holding Company of the Company (other than the Investors) on Euronext, the New York Stock Exchange, NASDAQ, Deutsche Borse, the London Stock Exchange Group or on any other recognised investment exchange (as that term is used in the Financial Services and Markets Act 2000) or any other sale or issue by way of flotation or public offering in relation to the Company or any such Holding Company of the Company in any jurisdiction or country.

"**ISDA Master Agreement**" means a 1992 ISDA Master Agreement or a 2002 ISDA Master Agreement.

"**Issuing Bank**"

(a) has the meaning given in the Senior Facilities Agreement;

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement or a Permitted Super Senior Secured Facilities Agreement; or

(c) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Cash Management Facility Document,

as the context requires.

"**Legal Reservations**"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement or a Permitted Super Senior Secured Facilities Agreement and (as applicable) Second Lien Facility Agreement,

as the context requires.

"**Letter of Credit**"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement and each Permitted Super Senior Secured Facilities Agreement; or

(c) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Cash Management Facility Document,

as the context requires.

"**Liabilities**" means all present and future liabilities and obligations at any time of any member of the Group or any Third Party Security Provider to any Creditor under the Debt Documents (including by way of the grant of Security under such documents), both actual and contingent and whether incurred solely or jointly or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations:

(a) any refinancing, novation, deferral or extension;

(b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition;

(c) any claim for damages or restitution; and

(d) any claim as a result of any recovery by any Debtor or Third Party Security Provider of a Payment on the grounds of preference or otherwise,

and any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any insolvency or other proceedings.

"**Liabilities Acquisition**" means, in relation to a person and to any Liabilities, a transaction where that person:

(a) purchases by way of assignment or transfer;

(b) enters into any sub-participation in respect of; or

(c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of,

the rights and benefits in respect of those Liabilities.

"**Lower Ranking Security**" means all Transaction Security which, in accordance with the applicable law of such Transaction Security, is expressed to be lower ranking.

"**Luxembourg Cash Management Facility Guarantor**" means a Cash Management Facility Guarantor incorporated under the laws of the Grand Duchy of Luxembourg.

"**Luxembourg Hedging Guarantor**" means a Hedging Guarantor incorporated under the laws of the Grand Duchy of Luxembourg.

"**Majority Second Lien Creditors**" means those Second Lien Creditors whose Second Lien Credit Participations at that time aggregate more than 50 per cent. of the total Second Lien Credit Participations at that time.

"**Majority Second Lien Lenders**" has the meaning given to the term "Majority Lenders" (or any substantially equivalent term) in a Second Lien Facility Agreement after the application of provisions which are substantially equivalent to:

(a) clause 41.6 (*Excluded Commitments*);

(b) clause 30.1 (*Permitted Debt Purchase Transactions*); and

(c) clause 41.7 (*Disenfranchisement of Defaulting Lenders*),

of the Senior Facilities Agreement as contained in that Second Lien Facility Agreement.

"**Majority Second Lien Noteholders**" means, at any time, those Second Lien Noteholders whose Second Lien Participations at that time aggregate more than 50 per cent. of the total Second Lien Credit Participations under paragraph (b) of the definition thereof at that time.

"**Majority Senior Lenders**" has the meaning given to the term "Majority Lenders" (or any substantially equivalent term) in the Senior Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or any Permitted Senior Secured Facilities Agreement, as the context requires after the application of:

(a) clause 41.6 (*Excluded Commitments*);

(b) clause 30.1 (*Permitted Debt Purchase Transactions*); and

(c) clause 41.7 (*Disenfranchisement of Defaulting Lenders*),

of the Senior Facilities Agreement or any substantially equivalent provisions in a Permitted Super Senior Secured Facilities Agreement or a Permitted Senior Secured Facilities Agreement, as the context requires.

"**Majority Senior Secured Creditors**" means, at any time, those Senior Secured Creditors (other than the Super Senior Creditors) whose Senior Secured Credit Participations at that time aggregate more than 50 per cent. of the total Senior Secured Credit Participations at that time.

"**Majority Senior Secured Noteholders**" means, at any time, those Senior Secured Noteholders whose Senior Secured Credit Participations under paragraph (b) of the definition thereof at that time aggregate more than 50 per cent. of the total Senior Secured Credit Participations under paragraph (b) of the definition thereof at that time.

"**Majority Super Senior Creditors**" means, at any time, those Super Senior Creditors whose Super Senior Credit Participations at that time aggregate more than 50 per cent. of the total Super Senior Credit Participations at that time.

"**Majority Topco Creditors**" means those Topco Creditors whose Topco Credit Participations at that time aggregate more than 50 per cent. of the total Topco Credit Participations at that time.

"**Majority Topco Lenders**" has the meaning given to the term "Majority Lenders" (or any substantially equivalent term) in any Topco Facility Agreement after the application of provisions which are substantially equivalent to:

(a) clause 41.6 (*Excluded Commitments*);

(b) clause 30.1 (*Permitted Debt Purchase Transactions*); and

(c) clause 41.7 (*Disenfranchisement of Defaulting Lenders*),

of the Senior Facilities Agreement as contained in that Topco Facility Agreement.

"**Majority Topco Noteholders**" means, at any time, those Topco Noteholders whose Topco Credit Participations under paragraph (b) of the definition thereof at that time aggregate more than 50 per cent. of the total Topco Credit Participations under paragraph (b) of the definition thereof at that time.

"**Majority Unsecured Creditors**" means those Unsecured Creditors whose Unsecured Credit Participations at that time aggregate more than 50 per cent. of the total Unsecured Credit Participations at that time.

"**Mandatory Prepayment**" means a Senior Mandatory Prepayment, a Cash Management Facility Mandatory Prepayment, a Senior Secured Notes Mandatory Prepayment, a Second Lien Mandatory Prepayment, a Second Lien Notes Mandatory Prepayment, a Topco Loan Mandatory Prepayment, a Topco Notes Mandatory Prepayment or any similar or other mandatory prepayment of any other Liabilities required pursuant to any of the Debt Documents.

"**Material Adverse Effect**" has the meaning given in the Senior Facilities Agreement whether or not the Senior Lender Discharge Date has occurred.

"**Material Event of Default**" means:

(a) a Senior Secured Payment Default;

(b) a Senior Acceleration Event is continuing under paragraph (b)(i) or (b)(ii) of clause 28.7 (*Acceleration*) of the Senior Facilities Agreement as a result of a breach of clause 26.2 (*Financial condition*) of the Senior Facilities Agreement or a breach of a substantially equivalent provision in any Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement, as the context requires;

(c) an Event of Default under:

  (i) paragraphs 1(d) or (e) of schedule 18 (*Events of Default*), clause 28.5 (*Intercreditor*), or clause 28.6 (*Cross Default for failure to pay principal or interest*) of the Senior Facilities Agreement; or

  (ii) provisions substantially equivalent to those stated in paragraph (i) above contained in any other Senior Secured Finance Document;

(d) any other Event of Default under the Senior Facilities Agreement or any other Senior Secured Finance Document (other than an Event of Default under paragraph 1(a) or 1(b) of schedule 18 (*Events of Default*) of the Senior Facilities Agreement or a substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)) which has or is reasonably likely to have a Material Adverse Effect;

(e) the Senior Agent exercising any of its rights under paragraph (a)(i) or (a)(ii) of clause 28.7 (*Acceleration*) of the Senior Facilities Agreement (any clause references or references to terms defined in the Senior Facilities Agreement shall include references to substantially equivalent provisions and terms contained in any other Senior Secured Finance Document); or

(f) the occurrence of a Senior Secured Notes Acceleration Event.

"**Material Subsidiary**" has the meaning given in the Senior Facilities Agreement whether or not the Senior Lender Discharge Date has occurred.

"**Multi-account Overdraft Facility**" means:

(a) in relation to an Ancillary Facility, an Ancillary Facility which is an overdraft facility comprising more than one account; and

(b) in relation to a Cash Management Facility, a Cash Management Facility which is an overdraft facility comprising more than one account,

as the context requires.

"**Multi-account Overdraft Liabilities**" means Liabilities arising under any Multi-account Overdraft Facility.

"**Net Outstandings**" means, in relation to a Multi-account Overdraft Facility, the aggregate debit balance of overdrafts comprised in that Multi-account Overdraft Facility, net of any credit balances on any account comprised in that Multi-account Overdraft Facility, to the extent that the credit balances are freely available to be set-off by the relevant Ancillary Lender or Cash Management Facility Creditor against Liabilities owed to it by the relevant Debtor under that Multi-account Overdraft Facility.

"**New Debt Financing**" means any existing, additional, supplemental or new financing, guarantee or debt arrangement and related security including, without limitation, by way of refinancing, replacement, exchange, set-off, discharge or increase of any new, existing, additional or supplemental financing, guarantee or debt arrangement under a Debt Document (in each case, whether or not in existence at the time of any accessions to this Agreement in respect thereof and including arrangements existing at the time a person becomes a member of the Group (whether by acquisition, merger, consolidation or combination) or is assumed in connection with the acquisition of assets, merger, consolidation or combination or otherwise); including by way of any loan, note (including senior or second lien secured, senior unsecured, senior subordinated or subordinated notes, whether in each case in a public or private offering, Rule 144A or other offering), bond or otherwise (including, in each case, term or revolving); issued or incurred, made available or committed and together with any guarantee, security or other credit support by any member of the Topco Group and including any Permitted Structural Adjustment or Permitted Acquired Indebtedness (each as defined in the Senior Facilities Agreement) or any substantial equivalent term in any other Debt Document).

"**Non-Credit Related Close-Out**" means a Permitted Hedge Close-Out described in any of paragraph (a)(i), (a)(iii), (a)(v) or (a)(vi) of Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*).

"**Non Distressed Disposal**" has the meaning given to that term in Clause 15.1 (*Non-Distressed Disposals*).

"**Noteholders**" means the Senior Secured Noteholders, the Second Lien Noteholders and/or any Topco Noteholders, as the context requires.

"**Notes**" means any Senior Secured Notes, any Second Lien Notes and/or any Topco Notes, as the context requires.

"**Notes Finance Documents**" means:

(a) in respect of the Senior Secured Notes, the Senior Secured Notes Finance Documents; and

(b) in respect of the Second Lien Notes, the Second Lien Notes Finance Documents; and

(c) in respect of the Topco Notes, the Topco Notes Finance Documents.

"**Notes Indenture**" means:

(a) in respect of any Senior Secured Notes, the applicable Senior Secured Notes Indenture;

(b) in respect of any Second Lien Notes, the applicable Second Lien Notes Indenture; and

(c) in respect of any Topco Notes, the applicable Topco Notes Indenture.

"**Notes Issuer**" means any issuer of Senior Secured Notes, Second Lien Notes and/or Topco Notes, as the context requires.

"**Notes Trustee**" means:

(a) in respect of the Senior Secured Notes, each Senior Secured Notes Trustee;

(b) in respect of the Second Lien Notes, each Second Lien Notes Trustee; and

(c) in respect of the Topco Notes, each Topco Notes Trustee.

"**Notes Trustee Amounts**" means the Senior Secured Notes Trustee Amounts, the Second Lien Notes Trustee Amounts and/or the Topco Notes Trustee Amounts, as the context requires.

"**Obligor**"

(a) has the meaning given to that term in the Senior Facilities Agreement; and/or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Second Lien Facility Agreement or Permitted Super Senior Secured Facilities Agreement,

as the context requires.

"**Other Liabilities**" means, in relation to a member of the Group or a Third Party Security Provider, any trading and other liabilities (not being Borrowing Liabilities or Guarantee Liabilities) it may have to any Agent or any Arranger under the Debt Documents or to an Intra-Group Lender, Debtor or Third Party Security Provider.

"**Parallel Debt**" has the meaning given to that term in paragraph (b) of Clause 19.3 (*Parallel Debt (Covenant to Pay the Security Agent)*).

"**Pari Passu Hedge Counterparty**" means, on or after the Designation Date, each Hedge Counterparty to the extent it is owed Pari Passu Hedging Liabilities.

"**Pari Passu Hedging Liabilities**" means, on or after the Designation Date, the Hedging Liabilities to the extent they are not Super Senior Hedging Liabilities.

"**Participating Member State**" means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

"**Party**" means a party to this Agreement.

"**Payment**" means, in respect of any Liabilities (or any other liabilities or obligations), a payment, prepayment, repayment, redemption, repurchase, defeasance or discharge of those Liabilities (or other liabilities or obligations).

"**Payment Netting**" means:

(a) in respect of a Hedging Agreement or a Hedging Ancillary Document based on an ISDA Master Agreement, netting under section 2(c) of the relevant ISDA Master Agreement; and

(b) in respect of a Hedging Agreement or a Hedging Ancillary Document not based on an ISDA Master Agreement, netting pursuant to any provision of that Hedging Agreement or a Hedging Ancillary Document which has a similar effect to the provision referenced in paragraph (a) above.

"**Perfection Requirements**" has the meaning given in the Senior Facilities Agreement, whether or not the Senior Lender Discharge Date has occurred.

"**Permitted Administration Costs**" means the reasonable and ordinary course administrative and maintenance costs, expenses and taxes of any Holding Company of any member of the Group (in acting as a holding company for the Group and in acting as the borrower or issuer of the Topco Liabilities), including any reporting or listing requirements.

"**Permitted Hedge Close-Out**" means, in relation to a hedging transaction under a Hedging Agreement, a termination or close-out of that hedging transaction which is permitted pursuant to Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*).

"**Permitted Hedge Payments**" means the Payments permitted by Clause 4.3 (*Permitted Payments: Hedging Liabilities*).

"**Permitted Intra-Group Payments**" means the Payments permitted by Clause 8.2 (*Permitted Payments: Intra-Group Liabilities*).

"**Permitted Payment**" means a Permitted Hedge Payment, a Permitted Intra-Group Payment, a Permitted Second Lien Payment, Permitted Senior Secured Credit Payment, a Permitted Subordinated Payment or a Permitted Topco Payment or any other Payments to any person not prohibited to be made by this Agreement, as the context requires.

"**Permitted Second Lien Payment**" means the Payments permitted by Clause 5.2 (*Permitted Second Lien Payments*).

"**Permitted Senior Secured Credit Payment**" means the Payments permitted by Clause 3.1 (*Payments of Senior Secured Creditor Liabilities*).

"**Permitted Senior Secured Facilities Agreement**" means subject to compliance with the requirements of Clause 18 (*New Debt Financings*), each facility agreement or other document or instrument evidencing the terms of loan, credit or debt facility which is not prohibited under the terms of the Debt Documents, to rank *pari passu* with the Senior Secured Creditor Liabilities, but excluding the Senior Facilities Agreement, any Cash Management Facility Document and any Permitted Super Senior Secured Facilities Agreement, and which is designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Permitted Subordinated Payments**" means the Payments permitted by Clause 7.2 (*Permitted Payments: Subordinated Liabilities*).

"**Permitted Super Senior Secured Facilities Agreement**" means, subject to compliance with the requirements of Clause 18 (*New Debt Financings*), each facility agreement or other document or instrument evidencing the terms of any loan, credit or debt facility or securities offering or other New Debt Financing and which is designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Permitted Topco Payment**" means the Payments permitted by Clause 6.2 (*Permitted Topco Payments*).

"**Priority Discharge Date**" means the later to occur of the Super Senior Discharge Date, the Senior Secured Discharge Date and the Second Lien Discharge Date.

"**Priority Secured Liabilities**" means the Senior Secured Liabilities and the Second Lien Liabilities.

"**Priority Secured Parties**" means the Secured Parties other than the Topco Creditors.

"**Prior Ranking Financing Agreements**" means:

(a) when used in relation to the Second Lien Liabilities, the Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement or any Senior Secured Notes Indenture;

(b) when used in relation to the Topco Liabilities, the Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, any Senior Secured Notes Indenture, any Second Lien Facility Agreement or any Second Lien Notes Indenture; and

(c) when used in relation to the Subordinated Liabilities or Intra-Group Liabilities, the Senior Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Senior Secured Notes Indenture, any Second Lien Facility Agreement, any Second Lien Notes Indenture, any Topco Facility Agreement or any Topco Notes Indenture.

"**Qualifying IPO Condition**"

(a) has the meaning given in the Senior Facilities Agreement; and

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in any other Finance Document,

as the context requires.

"**Receiver**" means a receiver or receiver and manager or administrative receiver of the whole or any part of the Charged Property, as the context may require.

"**Recoveries**" has the meaning given to that term in Clause 16.1 (*Order of Application—Transaction Security*).

"**Report**"

(a) has the meaning given to "Tax Structure Memorandum" in the Senior Facilities Agreement; and

(b) has the meaning given to any substantially equivalent term or concept to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement or a Permitted Super Senior Secured Facilities Agreement and (as applicable) Second Lien Facility Agreement,

as the context requires.

"**Relevant Ancillary Lender**" means, in respect of any SFA Cash Cover, the Ancillary Lender (if any) for which that SFA Cash Cover is provided.

"**Relevant Cash Management Facility Creditor**" means, in respect of any Cash Management Facility Cash Cover, each Cash Management Facility Lender (if any) for which that Cash Management Facility Cash Cover is provided or the relevant Cash Management Facility Agent (if any) on its behalf.

"**Relevant Document**" has the meaning given to that term in Clause 18.3 (*Further assurance*).

"**Relevant Issuing Bank**" means:

(a) in respect of any SFA Cash Cover, the Issuing Bank (if any) for which that SFA Cash Cover is provided; or

(b) in respect of any Cash Management Facility Cash Cover, the Issuing Bank (if any) for which that Cash Management Facility Cash Cover is provided,

as the context requires.

"**Relevant Liabilities**" means:

(a) in the case of a Creditor:

(i) the Arranger Liabilities owed to an Arranger ranking (in accordance with the terms of this Agreement) pari passu with or in priority to that Creditor;

(ii) the Liabilities owed to Creditors ranking (in accordance with the terms of this Agreement) pari passu with or in priority to that Creditor together with all Agent Liabilities owed to the Agent of those Creditors; and

(iii) all present and future liabilities and obligations, actual and contingent, of the Debtors and Third Party Security Providers to the Security Agent; and

(b) in the case of a Debtor or Third Party Security Provider, the Liabilities owed to the Creditors together with the Agent Liabilities owed to the Agent of those Creditors, the Arranger Liabilities and all present and future liabilities and obligations, actual and contingent, of the Debtors or, as the case may be, Third Party Security Provider to the Security Agent.

"**Required Creditor Consent**" means the Required Super Senior Consent, the Required Senior Consent, the Required Second Lien Consent, and/or the Required Topco Consent, as the context requires.

"**Required Second Lien Consent**" means, in relation to any proposed matter, step or action (the "**Second Lien Proposed Action**"), the prior consent of:

(a) if the Second Lien Proposed Action is prohibited by the terms of a Second Lien Facility Agreement, the Majority Second Lien Lenders under the relevant agreement; and

(b) if any Second Lien Notes are outstanding and the Second Lien Proposed Action is prohibited by the terms of the relevant Second Lien Notes Indenture, the relevant Second Lien Notes Trustee acting on behalf of the requisite Second Lien Noteholders.

"**Required Senior Consent**" means, in relation to any proposed matter, step or action (the "**Senior Secured Proposed Action**"), the prior consent of:

(a) if the Senior Secured Proposed Action is prohibited by the terms of the Senior Facilities Agreement or any Permitted Senior Secured Facilities Agreement, the Majority Senior Lenders under the relevant agreement; and

(b) if any Senior Secured Notes are outstanding and the Senior Secured Proposed Action is prohibited by the terms of the relevant Senior Secured Notes Indenture, the relevant Senior Secured Notes Trustee acting on behalf of the requisite Senior Secured Noteholders.

"**Required Super Senior Consent**" means, in relation to any proposed matter, step or action (the "**Super Senior Proposed Action**"), the prior consent of, if the Super Senior Proposed Action is prohibited by the terms of a Permitted Super Senior Secured Facilities Agreement, the Majority Senior Lenders under the relevant agreement.

"**Required Topco Consent**" means, in relation to any proposed matter, step or action (the "**Topco Proposed Action**"), the prior consent of:

(a) if the Topco Proposed Action is prohibited by the terms of a Topco Facility Agreement, the Majority Topco Lenders under that Topco Facility Agreement; and

(b) if any Topco Notes are outstanding and the Topco Proposed Action is prohibited by the terms of the relevant Topco Notes Indenture, the relevant Topco Notes Trustee acting on behalf of the requisite Topco Noteholders.

"**Responsible Officer**" means any officer within the corporate trust and securities services department (however described) of any Notes Trustee, including any director, associate director, vice president, assistant vice president, assistant treasurer, trust officer or any other officer of such Notes Trustee who customarily performs functions similar to those performed by such officers, or to whom any corporate trust matter is referred because of such individual's knowledge of and familiarity with the particular subject, and who shall have direct responsibility for the administration of this Agreement and any Senior Secured Notes Indenture, Second Lien Notes Indenture or Topco Notes Indenture (as applicable) to which that Notes Trustee is a party.

"**Retiring Security Agent**" has the meaning given to that term in paragraph (d) of Clause 20.1 (*Resignation of the Security Agent*).

"**Revolving Facility**"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in any Permitted Senior Secured Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement,

as the context requires.

"**Second Lien Additional Facility Commitments**" has the meaning given to the term "**Additional Facility Commitments**" or any substantially equivalent term in a Second Lien Facility Agreement.

"**Second Lien Agent**" means the facility agent or any substantially equivalent term under and as defined in a Second Lien Facility Agreement, which has acceded to this Agreement as the Second Lien Agent of those Second Lien Lenders pursuant to Clause 21.12 (*Accession of Second Lien Lenders under New Second Lien Facility*).

"**Second Lien Agent Liabilities**" means the Agent Liabilities owed by the Debtors and Third Party Security Providers to the Second Lien Agent or Second Lien Notes Trustee under or in connection with the Second Lien Finance Documents.

"**Second Lien Arranger**" means any arranger or any substantially equivalent term under and as defined in a Second Lien Facility Agreement, which has acceded to this Agreement pursuant to Clause 21.12 (*Accession of Second Lien Lenders under New Second Lien Facility*).

"**Second Lien Arranger Liabilities**" means the Arranger Liabilities or any substantially equivalent term owed by the Debtors and Third Party Security Providers to any Second Lien Arranger under or in connection with the Second Lien Finance Documents.

"**Second Lien Borrower**" has the meaning given to the term "Borrower" or any substantially equivalent term in any Second Lien Facility Agreement.

"**Second Lien Commitment**" has the meaning given to the term "Commitment" or any substantially equivalent term in a Second Lien Facility Agreement.

"**Second Lien Creditor Liabilities Transfer**" means a transfer of the Second Lien Lender Liabilities and the Second Lien Notes Liabilities to the Topco Creditors as described in Clause 6.14 (*Option to Purchase: Topco Creditors*).

"**Second Lien Creditor Representative**" means:

(a) in relation to the Second Lien Lenders under any Second Lien Facility Agreement, the relevant Second Lien Agent; and

(b) in relation to the Second Lien Noteholders, the relevant Second Lien Notes Trustee.

"**Second Lien Creditors**" means the Second Lien Lenders and the Second Lien Noteholders.

"**Second Lien Credit Participation**" means:

(a) in relation to a Second Lien Lender, its aggregate (drawn and undrawn) Second Lien Commitments; and

(b) in relation to a Second Lien Noteholder, the principal amount of outstanding Second Lien Notes held by that Second Lien Noteholder.

"**Second Lien Debt Purchase Transaction**" has the meaning given to the term "Debt Purchase Transaction" or any substantially equivalent term in a Second Lien Facility Agreement.

"**Second Lien Default**" means a Default or any substantially equivalent term under a Second Lien Facility Agreement or a Second Lien Notes Default.

"**Second Lien Discharge Date**" means the first date on which all Second Lien Liabilities have been fully and finally discharged to the satisfaction of each Second Lien Notes Trustee (in the case of the Second Lien Notes Liabilities) and Second Lien Agent (in the case of the Second Lien Lender Liabilities), whether or not as the result of an enforcement, and the Second Lien Creditors (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under any of the Debt Documents.

"**Second Lien Enforcement Notice**" has the meaning given to that term in paragraph (a)(ii) of Clause 5.10 (*Permitted Second Lien Enforcement*).

"**Second Lien Event of Default**" means a Second Lien Lender Event of Default or a Second Lien Notes Event of Default.

"**Second Lien Facility**" means any credit facility made available to a member of the Group where any:

(a) agent of the lenders in respect of the credit facility becomes a Party as a Second Lien Agent;

(b) arranger of the credit facility becomes a Party as a Second Lien Arranger; and

(c) lender in respect of the credit facility becomes a Party as a Second Lien Lender,

in respect of that credit facility pursuant to Clause 21.12 (*Accession of Second Lien Lenders under New Second Lien Facility*) and is designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Second Lien Facility Agreement**" means each facility agreement or other document or instrument evidencing the terms of loan, credit or debt facility documenting a Second Lien Facility, **provided that** any reference to "Second Lien Facility Agreement" in this Agreement includes any facilities agreement or agreements under which facilities are made available (each an "**Additional Second Lien Facility Agreement**") and which:

(a) does not breach the terms of the Debt Documents at that time; and

(b) is designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time,

and (unless the context requires otherwise) references in this Agreement to provisions of a "**Second Lien Facility Agreement**" shall be construed as including reference to the corresponding provisions (if any) from each Additional Second Lien Facility Agreement.

"**Second Lien Facility Finance Party**" has the meaning given to the term "Finance Party" or any substantially equivalent term in a Second Lien Facility Agreement.

"**Second Lien Facility Guarantor**" has the meaning given to the term "Guarantor" or any substantially equivalent term in a Second Lien Facility Agreement.

"**Second Lien Finance Documents**" means the Second Lien Notes Finance Documents and the Second Lien Lender Finance Documents.

"**Second Lien Finance Parties**" means the Second Lien Facility Finance Parties and Second Lien Notes Finance Parties.

"**Second Lien Guarantor**" means a Second Lien Facility Guarantor or a Second Lien Notes Guarantor.

"**Second Lien Lender Acceleration Event**" means the Second Lien Agent exercising any of its rights under any equivalent provision(s) of any Second Lien Facility Agreement which is similar in meaning and effect as the Senior Acceleration Event.

"**Second Lien Lender Discharge Date**" means the first date on which all Second Lien Lender Liabilities have been fully and finally discharged to the satisfaction of the relevant Second Lien Agent, whether or not as the result of an enforcement, and the Second Lien Lenders (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Second Lien Lender Event of Default**" means an Event of Default or any substantially equivalent term under a Second Lien Facility Agreement.

"**Second Lien Lender Finance Documents**" means those documents referred to in the definition of "Finance Document" or any substantially equivalent term in a Second Lien Facility Agreement.

"**Second Lien Lender Liabilities**" means the Liabilities owed by the Debtors and the Third Party Security Providers to the Second Lien Lenders under or in connection with the Second Lien Lender Finance Documents, including, for the avoidance of doubt, any such Liabilities in connection with any Second Lien Additional Facility Commitments.

"**Second Lien Lender Mandatory Prepayment**" means a mandatory prepayment of any of the Second Lien Lender Liabilities which is of the same type as a Senior Mandatory Prepayment.

"**Second Lien Lenders**" means each "Lender" or any substantially equivalent term under, and as defined in, the relevant Second Lien Facility Agreement.

"**Second Lien Liabilities**" means the Second Lien Lender Liabilities and the Second Lien Notes Liabilities.

"**Second Lien Mandatory Prepayment**" means a Second Lien Lender Mandatory Prepayment or a Second Lien Notes Mandatory Prepayment, as the context requires.

"**Second Lien Noteholders**" means the registered holders, from time to time, of the Second Lien Notes, as determined in accordance with the relevant Second Lien Notes Indenture.

"**Second Lien Notes**" means any notes, securities or other debt instruments issued or to be issued by a member of the Group and which are designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Second Lien Notes Acceleration Event**" means:

(a) the Second Lien Notes Trustee (or any of the Second Lien Noteholders) exercising any rights to accelerate amounts outstanding under the Second Lien Notes pursuant to any Second Lien Notes Indenture; or

(b) any Second Lien Notes Liabilities becoming due and payable by operation of any automatic acceleration provisions in any Second Lien Notes Finance Documents,

in each case, for the avoidance of doubt, not including any declaration that any amount is payable on demand but including the exercise of any right to demand payment of an amount previously placed on demand.

"**Second Lien Notes Creditors**" means the Second Lien Noteholders and each Second Lien Notes Trustee.

"**Second Lien Notes Default**" means a Second Lien Notes Event of Default or any event or circumstances which would (with the expiry of a grace period, the giving of notice, the making of any determination provided for in the relevant definition of such Second Lien Notes Event of Default or any combination of the foregoing, **provided that** any such event or circumstance which requires any determination as to materiality before it may become a Second Lien Notes Event of Default shall not be a Second Lien Notes Default until such determination is made) be an Event of Default.

"**Second Lien Notes Discharge Date**" means the first date on which all Second Lien Notes Liabilities have been fully and finally discharged to the satisfaction of the relevant Second Lien Notes Trustee.

"**Second Lien Notes Event of Default**" means an Event of Default under the relevant Second Lien Notes Indenture.

"**Second Lien Notes Finance Documents**" means the Second Lien Notes, each Second Lien Notes Indenture, the Second Lien Notes Guarantees in respect of the Second Lien Notes, this Agreement, the Transaction Security Documents and any other document entered into in connection with the Second Lien Notes (which, for the avoidance of doubt, excludes any document to the extent it sets out rights of the initial purchasers of the Second Lien Notes (in their capacities as initial purchasers) against any member of the Group) and designated a Second Lien Notes Finance Document by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Second Lien Notes Finance Parties**" means any Second Lien Notes Trustee (on behalf of itself and the Second Lien Noteholders which it represents) and the Security Agent.

"**Second Lien Notes Guarantee**" means each guarantee granted by a Second Lien Notes Guarantor in favour of any Second Lien Notes Creditor contained in any Second Lien Notes Finance Document.

"**Second Lien Notes Guarantors**" means each member of the Group which becomes a guarantor of Second Lien Notes in accordance with a Second Lien Notes Indenture.

"**Second Lien Notes Indenture**" means the indenture or indentures pursuant to which any Second Lien Notes are issued.

"**Second Lien Notes Issue Date**" means, in respect of each Second Lien Notes Indenture, the first date on which a Second Lien Note is issued pursuant to that Second Lien Notes Indenture.

"**Second Lien Notes Liabilities**" means all present and future moneys, debts and liabilities due, owing or incurred by the Debtors and the Third Party Security Providers to any Second Lien Notes Finance Party or Second Lien Noteholder under or in connection with the Second Lien Notes or the Second Lien Notes Finance Documents (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise) **provided that** the definition of "Second Lien Notes Liabilities" shall not include the Second Lien Notes Trustee Amounts.

"**Second Lien Notes Mandatory Prepayment**" means a mandatory prepayment, repurchase or redemption (including any requirement to make an offer to repurchase) of any of the Second Lien Notes Liabilities which is of the same type as a Second Lien Lender Mandatory Prepayment.

"**Second Lien Prepayment Waiver**" means any amendment or waiver of the requirement to make a Second Lien Mandatory Prepayment (excluding a waiver of a prepayment by a Second Lien Lender or Second Lien Noteholder where, within the agreed re-investment period set out in the relevant Second Lien Finance Document of the date of the waiver, the prepayment amount so waived is applied to repay any Second Lien Liabilities outstanding with any other Senior Creditor in accordance with the Second Lien Finance Documents), the amount being the amount which would have been required to be prepaid pursuant to that Second Lien Mandatory Prepayment in the absence of that amendment or waiver.

"**Second Lien Notes Outstandings**" means the principal amount of outstanding Second Lien Notes held by the Second Lien Noteholders.

"**Second Lien Notes Trustee**" means any entity acting as trustee or agent under any issue of Second Lien Notes and which accedes to this Agreement pursuant to Clause 21.16 (*Accession of Second Lien Notes Trustee*).

"**Second Lien Notes Trustee Amounts**" means, in relation to a Second Lien Notes Trustee, amounts payable to that Second Lien Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee under the Second Lien Notes Finance Documents, any provisions (including indemnity provisions) for costs and expenses in favour of that Second Lien Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee contained in the Second Lien Notes Finance Documents, all compensation for services provided by that Second Lien Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee which is payable to that Second Lien Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee pursuant to the terms of the Second Lien Notes Finance Documents and all out-of-pocket costs and expenses properly incurred by that Second Lien Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee in carrying out its duties or performing any service pursuant to the terms of the Second Lien Notes Finance Documents, including, without limitation:

(a) compensation for the costs and expenses of the collection by that Second Lien Notes Trustee of any amount payable to that Second Lien Notes Trustee for the benefit of the Second Lien Noteholders; and

(b) costs and expenses of that Second Lien Notes Trustee's advisers, receivers, delegates, attorneys, agents or appointees,

but excluding:

(i) any payment in relation to any unpaid costs and expenses incurred in respect of any litigation initiated by that Second Lien Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee on behalf of that Second Lien Notes Trustee against any of the Senior Secured Notes Finance Parties; and

(ii) any payment made directly or indirectly on or in respect of any amounts owing under any Second Lien Notes (including principal, interest, premium or any other amounts) to any of the Second Lien Noteholders including VAT where applicable.

"**Second Lien Payment Default**" means:

(a) in respect of any Second Lien Facility, any Second Lien Lender Event of Default under any clause or provision substantially equivalent to paragraph 1(a) or 1(b) of schedule 18 (*Events of Default*) of the Senior Facilities Agreement as contained in a Second Lien Facility Agreement in respect of an amount: (i) constituting principal, interest or fees; or (ii) otherwise exceeding €2,500,000 (or its equivalent in other currencies); or

(b) in respect of any Second Lien Notes, any Second Lien Notes Default arising by reason of any non-payment under a Second Lien Notes Finance Document in respect of an amount: (i) constituting principal or interest (as applicable); or (ii) otherwise exceeding €2,500,000 (or its equivalent in other currencies).

"**Second Lien Payment Stop Notice**" has the meaning given to that term in paragraph (a) of Clause 5.3 (*Issue of Second Lien Payment Stop Notice*).

"**Second Lien Standstill Period**" has the meaning given to it in paragraph (a)(ii)(A) of Clause 5.10 (*Permitted Second Lien Enforcement*).

"**Secured Creditors**" means:

(a) the Senior Secured Creditors;

(b) the Second Lien Creditors; and

(c) the Topco Creditors.

"**Secured Debt Documents**" means the Senior Finance Documents, the Super Senior Finance Documents, the Senior Secured Notes Finance Documents, the Second Lien Lender Finance Documents, the Second Lien Notes Finance Documents, the Topco Facility Finance Documents, the Topco Notes Finance Documents and the Hedging Agreements and any other document designated as such by the Security Agent and the Company.

"**Secured Liabilities**" means the Senior Secured Liabilities, the Second Lien Liabilities and the Topco Liabilities.

"**Secured Obligations**" means:

(a) in the case of Transaction Security other than Topco Shared Security, all Liabilities and all other present and future obligations at any time due, owing or incurred by any member of the Group and by each Debtor and any Third Party Security Provider to any Secured Party (other than a Topco Creditor) under the Secured Debt Documents (other than the Topco Finance Documents) (including to the Security Agent under the Parallel Debt pursuant to Clause 19.3 (*Parallel Debt (Covenant to Pay the Security Agent)*), both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity; and

(b) in the case of Topco Shared Security, all Liabilities and all other present and future obligations at any time due, owing or incurred by any member of the Topco Group and by each Debtor and any Third Party Security Provider to any Secured Party under the Secured Debt Documents (including to the Security Agent under the Parallel Debt pursuant to Clause 19.3 (*Parallel Debt (Covenant to Pay the Security Agent)*), both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"**Secured Parties**" means the Security Agent, each of the Agents, any Receiver or Delegate, the Arrangers and the Secured Creditors from time to time but, in the case of each Agent, Arranger or any Secured Creditor, only if it is a party to this Agreement or has acceded to this Agreement, in the appropriate capacity, pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

"**Security**" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"**Security Agent's Spot Rate of Exchange**" means, in respect of the conversion of one currency (the "**First Currency**") into another currency (the "**Second Currency**"), the Security Agent's spot rate of exchange for the purchase of the Second Currency with the First Currency in the London foreign exchange market at or about 11:00 a.m. (London time) on a particular day, which shall be notified by the Security Agent in accordance with paragraph (d) of Clause 19.10 (*Security Agent's Obligations*).

"**Security Cost**" means necessary costs and expenses of any holder of Security in relation to the protection, preservation or enforcement of such Security.

"**Security Documents**" means:

(a) each of the Transaction Security Documents and Topco Independent Transaction Security Documents;

(b) any other document entered into at any time by any of the Debtors, Third Party Security Providers or Topco Independent Obligors creating any guarantee, indemnity, Security or other assurance against financial loss in favour of any of the Secured Parties or Topco Secured Parties as security for any of the Secured Obligations or Topco Independent Secured Obligations; and

(c) any Security granted under any covenant for further assurance in any of the documents set out in paragraphs (a) and (b) above.

"**Security Property**" means:

(a) the Transaction Security expressed to be granted in favour of the Security Agent as agent or trustee for the Secured Parties (or pursuant to any joint and several creditorship or parallel debt provisions set out in Clause 19 (*The Security Agent*)) for the benefit of the Secured Parties and all proceeds of that Transaction Security;

(b) all obligations expressed to be undertaken by a Debtor or Third Party Security Provider to pay amounts in respect of the Liabilities to the Security Agent as agent or trustee for the Secured Parties (or pursuant to any joint and several creditorship or parallel debt provisions set out in Clause 19 (*The Security Agent*)) and secured by the Transaction Security together with all representations and warranties expressed to be given by a Debtor and Third Party Security Provider in favour of the Security Agent as agent or trustee for (or otherwise for the benefit of) the Secured Parties;

(c) the Security Agent's interest in any trust fund created pursuant to Clause 10 (*Turnover of Receipts*);

(d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Agent is required by the terms of the Debt Documents to hold as trustee on trust for (or otherwise for the benefit of) the Secured Parties.

"**Senior Acceleration Event**" means the Senior Agent exercising any of its rights under paragraphs (a)(i), (a)(ii), (b)(i) or (b)(ii) of clause 28.7 (*Acceleration*) of the Senior Facilities Agreement or any substantially equivalent provisions to those referred to above in each Permitted Senior Secured Facilities Agreement, as the context requires.

"**Senior Agent**" means:

(a) the Agent under and as defined in the Senior Facilities Agreement;

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in any Permitted Senior Secured Facilities Agreement; or

(c) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in any Cash Management Facility Document,

as the context requires, which is an original party to this Agreement or has acceded to this Agreement as a Senior Agent of those Senior Lenders pursuant to Clause 21.10 (*Accession of Senior Lenders under New Senior Facilities*) or pursuant to Clause 21.11 (*Accession of Cash Management Facility Lenders under New Cash Management Facilities*).

"**Senior Agent Liabilities**" means the Agent Liabilities owed by the Debtors and Third Party Security Providers to the Senior Agent or Senior Secured Notes Trustee under or in connection with the Senior Finance Documents.

"**Senior Arranger**":

(a) has the meaning given to the term "**Arranger**" in the Senior Facilities Agreement;

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement; or

(c) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Cash Management Facility Document,

as the context requires, which is an original party to this Agreement or has acceded to this Agreement as a Senior Arranger pursuant to Clause 21.10 (*Accession of Senior Lenders under New Senior Facilities*) or pursuant to Clause 21.11 (*Accession of Cash Management Facility Lenders under New Cash Management Facilities*).

"**Senior Arranger Liabilities**" means the Arranger Liabilities owed by the Debtors and Third Party Security Providers to any Senior Arranger under or in connection with the Senior Finance Documents.

"**Senior Borrower**"

(a) has the meaning given to the term "**Borrower**" in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement; or

(c) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Cash Management Facility Document,

as the context requires.

"**Senior Commitment**"

(a) has the meaning given to the term "**Commitment**" in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement,

as the context requires.

"**Senior Credit Participation**" means, in relation to a Senior Creditor, the aggregate of:

(a) prior to the Designation Date:

(i) its aggregate (drawn and undrawn) Senior Commitments, if any;

(ii) its aggregate (drawn and undrawn) Cash Management Facility Commitments, if any; and

(iii) in respect of any hedging transaction of that Senior Creditor under any Hedging Agreement that has, as of the date the calculation is made, been terminated or closed out in accordance with the terms of this Agreement, the amount, if any, payable to it under any Hedging Agreement in respect of that termination or close-out as of the date of termination or close-out (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid (that amount to be certified by the relevant Senior Creditor and as calculated in accordance with the relevant Hedging Agreement); and

(b) on and following the Designation Date:

(i) its aggregate (drawn and undrawn) Senior Commitments, if any;

(ii) its aggregate (drawn and undrawn) Cash Management Facility Commitments, if any; and

(iii) in respect of any hedging transaction of that Pari Passu Hedge Counterparty under any Hedging Agreement constituting Pari Passu Hedging Liabilities that has, as of the date the calculation is made, been terminated or closed out in accordance with the terms of this Agreement, the amount, if any, payable to it under any Hedging Agreement constituting Pari Passu Hedging Liabilities in respect of that termination or close-out as of the date of termination or close-out (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid (that amount to be certified by the relevant Senior Creditor and as calculated in accordance with the relevant Hedging Agreement constituting Pari Passu Hedging Liabilities); and

(c) (solely to the extent the later of the Super Senior Discharge Date and the Senior Lender Discharge Date has occurred) in respect of any hedging transaction of that Hedge

Counterparty under any Hedging Agreement that has, as of the date the calculation is made, not been terminated or closed out:

(i) if the relevant Hedging Agreement is based on an ISDA Master Agreement the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

(ii) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant Debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

that amount, in each case in respect of all Hedging Liabilities or (after the Designation Date) Pari Passu Hedging Liabilities, to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

"**Senior Creditor Representative**" means:

(a) in relation to the Senior Lenders under the Senior Facilities Agreement or any Permitted Senior Secured Facilities Agreement, the relevant Senior Agent;

(b) in relation to the Super Senior Lenders under any Permitted Super Senior Secured Facilities Agreement, the relevant Super Senior Agent;

(c) in relation to the Senior Secured Noteholders, the relevant Senior Secured Notes Trustee; and

(d) in relation to a Cash Management Facility Lender, the relevant Cash Management Facility Agent (if appointed) or other the relevant Cash Management Facility Lender.

"**Senior Creditors**" means:

(a) prior to the Designation Date, the Senior Lenders, the Cash Management Facility Lenders and the Hedge Counterparties; and

(b) on or after the Designation Date, the Senior Lenders, the Cash Management Facility Lenders and the Pari Passu Hedge Counterparties.

"**Senior Debt Purchase Transaction**"

(a) has the meaning given to the term "Debt Purchase Transaction" in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement,

as the context requires.

"**Senior Default**" means a Default under the Senior Facilities Agreement, a Permitted Super Senior Secured Facilities Agreement or Permitted Senior Secured Facilities Agreement, as the context requires.

"**Senior Discharge Date**" means the first date on which all Senior Liabilities have been fully and finally discharged to the satisfaction of the Senior Agent (in the case of the Senior Lender

Liabilities), each Cash Management Facility Lender (in respect of its Cash Management Facility Liabilities) (or the relevant Cash Management Facility Agent on its behalf, if appointed) and each Hedge Counterparty (in the case of its Hedging Liabilities), whether or not as the result of an enforcement, and the Senior Creditors (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Senior Event of Default**" means an Event of Default under the Senior Facilities Agreement, a Permitted Super Senior Secured Facilities Agreement or Permitted Senior Secured Facilities Agreement, as the context requires.

"**Senior Facilities Agreement**" means the senior facilities agreement made between, among others, the Company and the Senior Agent on or about the date of this Agreement.

"**Senior Facilities Basket**" means any basket or threshold in respect of any negative covenant or general undertaking set out in the Senior Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement or any Permitted Senior Secured Facilities Agreement.

"**Senior Facilities Guarantor**" means:

(a) each party referred to in the definition of "**Guarantor**" in the Senior Facilities Agreement; and

(b) any party referred to in a substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or Senior Secured Notes Indenture,

as the context requires.

"**Senior Facility**"

(a) has the meaning given to the term "**Facility**" in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement,

as the context requires.

"**Senior Finance Documents**" means:

(a) those documents referred to in the definition of "**Finance Document**" in the Senior Facilities Agreement;

(b) any documents referred to in a substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement; and

(c) any documents referred to in a substantially equivalent term to that referred to in paragraph (a) above in each Cash Management Facility Document,

as the context requires.

"**Senior Finance Party**" means:

(a) each party referred to in the definition of "**Finance Party**" in the Senior Facilities Agreement; and

(b) any party referred to in a substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement,

as the context requires.

"**Senior Lender Discharge Date**" means the first date on which all Senior Lender Liabilities have been fully and finally discharged to the satisfaction of the Senior Agent, whether or not as the result of an enforcement, and the Senior Lenders (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under any of the Debt Documents.

"**Senior Lender Liabilities**" means the Liabilities owed by the Debtors and the Third Party Security Providers to the Senior Lenders under or in connection with the Senior Finance Documents, including, for the avoidance of doubt, any such Liabilities in connection with any Additional Facility.

"**Senior Lenders**" means each Original Senior Lender and each Lender, Issuing Bank and Ancillary Lender as defined in the Senior Facilities Agreement and any substantially equivalent term to that in each Permitted Senior Secured Facilities Agreement, as the context requires.

"**Senior Liabilities**" means:

(a) prior to the Designation Date, the Senior Lender Liabilities, the Cash Management Facility Liabilities and the Hedging Liabilities; and

(b) on or after the Designation Date, the Senior Lender Liabilities, the Cash Management Facility Liabilities and the Pari Passu Hedging Liabilities.

"**Senior Liabilities Transfer**" means a transfer of the Senior Lender Liabilities as described in Clause 3.8 (*Option to Purchase: Senior Secured Creditors (Prior to the Designation Date)*).

"**Senior Mandatory Prepayment**" means a mandatory prepayment of any of the Senior Lender Liabilities pursuant to paragraph (c) of clause 11.1 (*Illegality*), clause 12 (*Mandatory Prepayment*) or section 5 (*Limitation on Sales of Assets and Subsidiary Stock*) of Schedule 17 (*General Undertakings*) of the Senior Facilities Agreement or any substantially equivalent provision in each Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement, as the context requires.

"**Senior Mandatory Prepayment Waiver**" means any amendment or waiver of the requirement to make a Senior Mandatory Prepayment (excluding a waiver of a prepayment by a Senior Lender or Super Senior Lender where, within the agreed re-investment period set out in the Senior Facilities Agreement or each Permitted Senior Secured Facilities Agreement or each Permitted Super Senior Secured Facilities Agreement of the date of the waiver, the prepayment amount so waived is applied to repay any Senior Liabilities or Super Senior Liabilities outstanding with any other Senior Creditor in accordance with the Senior Facilities Agreement or any substantially equivalent provision in each Permitted Senior Secured Facilities Agreement or each Permitted Super Senior Secured Facilities Agreement (as the context requires)), the amount being the amount which would have been required to be prepaid pursuant to that Senior Mandatory Prepayment in the absence of that amendment or waiver.

"**Senior Payment Default**" means an Event of Default under paragraphs 1(a) or 1(b) of schedule 18 (*Events of Default*) of the Senior Facilities Agreement (or any substantially equivalent provision in each Permitted Senior Secured Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement, as the context requires) in respect of an amount: (a) constituting principal, interest or fees; or (b) otherwise exceeding €1,000,000 (or its equivalent in other currencies).

"**Senior Secured Creditor**" means, at any time, the Senior Creditors, the Super Senior Creditors and the Senior Secured Notes Creditors, at such time.

"**Senior Secured Creditor Liabilities**" means the Senior Lender Liabilities, the Super Senior Lender Liabilities, the Cash Management Facility Liabilities and the Senior Secured Notes Liabilities.

"**Senior Secured Creditor Liabilities Transfer**" means a transfer of the Senior Lender Liabilities, the Super Senior Lender Liabilities, the Senior Secured Notes Liabilities and the Cash Management Facility Liabilities to the Second Lien Creditors or the Topco Creditors as described in Clause 5.14 (*Option to Purchase: Second Lien Creditors*) or Clause 6.14 (*Option to Purchase: Topco Creditors*), as the context requires.

"**Senior Secured Credit Participation**" means:

(a) in relation to a Senior Creditor, its Senior Credit Participation; and

(b) in relation to a Senior Secured Noteholder, the principal amount of outstanding Senior Secured Notes held by that Senior Secured Noteholder.

"**Senior Secured Discharge Date**" means the first date on which the Senior Discharge Date and the Senior Secured Notes Discharge Date has occurred.

"**Senior Secured Event of Default**" means a Senior Event of Default, a Cash Management Facility Event of Default or a Senior Secured Notes Event of Default.

"**Senior Secured Finance Documents**" means the Senior Finance Documents (including any Permitted Senior Secured Facilities Agreement), the Super Senior Finance Documents, the Cash Management Facility Documents, the Hedging Agreements and the Senior Secured Notes Finance Documents.

"**Senior Secured Guarantor**" means a Senior Facilities Guarantor, a Cash Management Facility Guarantor or a Senior Secured Notes Guarantor.

"**Senior Secured Liabilities**" means, at any time, the Senior Liabilities, the Super Senior Liabilities and the Senior Secured Notes Liabilities, at such time.

"**Senior Secured Noteholders**" means the registered holders, from time to time, of the Senior Secured Notes, as determined in accordance with the relevant Senior Secured Notes Indenture.

"**Senior Secured Notes**" means any notes, securities or other debt instruments issued or to be issued by a member of the Group and which are designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Senior Secured Notes Acceleration Event**" means:

(a) the Senior Secured Notes Trustee (or any of the Senior Secured Noteholders) exercising any rights to accelerate amounts outstanding under the Senior Secured Notes pursuant to any applicable Senior Secured Notes Indenture; or

(b) any Senior Secured Notes Liabilities becoming due and payable by operation of any automatic acceleration provisions in any Senior Secured Notes Finance Documents,

in each case, for the avoidance of doubt, not including any declaration that any amount is payable on demand but including the exercise of any right to demand payment of an amount previously placed on demand.

"**Senior Secured Notes Creditors**" means the Senior Secured Noteholders and each Senior Secured Notes Trustee.

"**Senior Secured Notes Default**" means a Senior Secured Notes Event of Default or any event or circumstances which would (with the expiry of a grace period, the giving of notice, the making of any determination provided for in the relevant definition of such Senior Secured Notes Event of Default or any combination of the foregoing, **provided that** any such event or circumstance which requires any determination as to materiality before it may become a Senior Secured Notes Event of Default shall not be a Senior Secured Notes Default until such determination is made) be a Senior Secured Notes Event of Default.

"**Senior Secured Notes Discharge Date**" means the first date on which all Senior Secured Notes Liabilities have been fully and finally discharged to the satisfaction of each applicable Senior Secured Notes Trustee.

"**Senior Secured Notes Event of Default**" means an event of default under the relevant Senior Secured Notes Indenture.

"**Senior Secured Notes Finance Documents**" means the Senior Secured Notes, each Senior Secured Notes Indenture, the Senior Secured Notes Guarantees in respect of the Senior Secured Notes, this Agreement, the Transaction Security Documents and any other document entered

into in connection with the Senior Secured Notes (which, for the avoidance of doubt, excludes any document to the extent it sets out rights of the initial purchasers of the Senior Secured Notes (in their capacities as initial purchasers) against any member of the Group) and designated a Senior Secured Notes Finance Document by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Senior Secured Notes Finance Parties**" means any Senior Secured Notes Trustee (acting on behalf of itself and the Senior Secured Noteholders which it represents) and the Security Agent.

"**Senior Secured Notes Guarantee**" means each guarantee granted by a Senior Secured Notes Guarantor in favour of any Senior Secured Notes Creditor contained in any Senior Secured Notes Finance Document.

"**Senior Secured Notes Guarantors**" means each member of the Group which becomes a guarantor of Senior Secured Notes in accordance with a Senior Secured Notes Indenture and which is a Guarantor under (and as defined in) the Senior Facilities Agreement or any substantially equivalent provision in any Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement, as the context requires.

"**Senior Secured Notes Indenture**" means the indenture or indentures pursuant to which any Senior Secured Notes are issued.

"**Senior Secured Notes Issue Date**" means, in respect of each Senior Secured Notes Indenture, the first date on which a Senior Secured Note is issued pursuant to that Senior Secured Notes Indenture.

"**Senior Secured Notes Liabilities**" means all present and future moneys, debts and liabilities due, owing or incurred by the Debtors and the Third Party Security Providers to any Senior Secured Notes Finance Party or Senior Secured Noteholder under or in connection with the Senior Secured Notes or the Senior Secured Notes Finance Documents (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise) **provided that** the definition of "**Senior Secured Notes Liabilities**" shall not include the Senior Secured Notes Trustee Amounts.

"**Senior Secured Notes Mandatory Prepayment**" means a mandatory prepayment, repurchase or redemption (including any requirement to make an offer to repurchase) of any of the Senior Secured Notes Liabilities which is of the same type as a Senior Mandatory Prepayment.

"**Senior Secured Notes Outstandings**" means the principal amount of outstanding Senior Secured Notes held by the Senior Secured Noteholders.

"**Senior Secured Notes Trustee**" means any person acting as trustee or agent under any issue of Senior Secured Notes and which accedes to this Agreement pursuant to Clause 21.15 (*Accession of Senior Secured Notes Trustee*).

"**Senior Secured Notes Trustee Amounts**" means, in relation to a Senior Secured Notes Trustee, amounts payable to that Senior Secured Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee under the Senior Secured Notes Finance Documents, any provisions (including indemnity provisions) for fees, costs and expenses in favour of that Senior Secured Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee contained in the Senior Secured Notes Finance Documents, all compensation for services provided by that Senior Secured Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee which is payable to that Senior Secured Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee pursuant to the terms of the Senior Secured Notes Finance Documents and all out-of-pocket costs and expenses (including VAT where applicable) properly incurred (including reimbursement for expenses incurred) by that Senior Secured Notes Trustee or any adviser,

receiver, delegate, attorney, agent or appointee in carrying out its duties or performing any service pursuant to the terms of the Senior Secured Notes Finance Documents, including, without limitation:

(a) compensation for the costs and expenses of the collection by that Senior Secured Notes Trustee of any amount payable to that Senior Secured Notes Trustee for the benefit of the Senior Secured Noteholders; and

(b) costs and expenses of that Senior Secured Notes Trustee's advisers, receivers, delegates, attorneys, agents or appointees,:

but excluding

(i) any payment in relation to any unpaid costs and expenses incurred in respect of any litigation initiated by that Senior Secured Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee on behalf of that Senior Secured Notes Trustee against any of the Senior Finance Parties; and

(ii) any payment made directly or indirectly on or in respect of any amounts owing under any Senior Secured Notes (including principal, interest, premium or any other amounts to any of the Senior Secured Noteholders) including VAT where applicable.

"**Senior Secured Payment Default**" means:

(a) any Senior Payment Default;

(b) any Cash Management Facility Payment Default; or

(c) any Senior Secured Notes Default arising by reason of any non-payment under a Senior Secured Notes Finance Document in respect of an amount: (i) constituting principal or interest (as applicable); or (ii) otherwise exceeding €2,500,000 (or its equivalent in other currencies).

"**SFA Cash Collateral**" means any cash collateral provided by a Senior Lender or Super Senior Lender to an Issuing Bank pursuant to clause 7.4 (*Cash collateral by Non-Acceptable L/C Lender*) of the Senior Facilities Agreement or any substantially equivalent provision in each Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement, as the context requires.

"**SFA Cash Cover**"

(a) has the meaning given to the term "**cash cover**" in paragraph (e) of clause 1.2 (*Construction*) of the Senior Facilities Agreement; and

(b) has the meaning given to any substantially equivalent provision to that referred to in paragraph (a) above in a Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or Second Lien Facility Agreement,

as the context requires.

"**SFA Cash Cover Document**" means, in relation to any SFA Cash Cover, any Senior Finance Document, Permitted Super Senior Secured Facilities Agreement or Permitted Senior Secured Facilities Agreement, as the context requires, which creates or evidences, or is expressed to create or evidence, the Security required to be provided over that SFA Cash Cover.

"**Soulte**" means the amount by which the value of the Charged Property so appropriated or foreclosed as a result of any Enforcement Action (as determined in accordance with the relevant Security Document) exceeds the amount of the Secured Obligations, or as the case may be, Topco Independent Secured Obligations, secured under the corresponding Security Document immediately prior to such Enforcement Action occurring.

"**Sponsor Affiliate**"

(a) has the meaning given in clause 1.1 (*Definitions*) of the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement or Second Lien Facility Agreement,

as the context requires.

"**STLDD Instructing Group"** means the Majority Super Senior Creditors or the Majority Senior Secured Creditors, in each case, to the extent such group is entitled to give enforcement instructions under paragraphs (b) to (f) of Clause 13.3 (*Enforcement Instructions—Transaction Security*) at the relevant time.

"**Subordinated Creditors**" means the Original Investor Subordinated Creditor, the Original Topco Subordinated Creditor and any other person that enters into a Creditor/Agent Accession Undertaking as a Subordinated Creditor (as defined in that Creditor/Agent Accession Undertaking).

"**Subordinated Documents**" means any agreement providing for a loan by a Subordinated Creditor to a member of the Topco Group and any other document or agreement providing for the payment of any amount by any member of the Topco Group to a Subordinated Creditor but excluding any amount due to an Affiliate of a Subordinated Creditor which is not itself a Subordinated Creditor or a member of the Topco Group, and excluding any Topco Proceeds Loan Agreement.

"**Subordinated Liabilities**" means all money and liabilities now or in the future due or owing to any Subordinated Creditor under or in connection with any Subordinated Document in any currency, whether actual or contingent, whether incurred solely or jointly with any other person and whether as principal or surety, together with all accruing interests and all related costs, charges and expenses but excluding any amount due to an Affiliate of a Subordinated Creditor which is not itself a Subordinated Creditor or a member of the Topco Group, and excluding any Topco Proceeds Loan Liabilities.

"**Subsidiary**"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or Second Lien Facility Agreement,

as the context requires.

"**Super Senior Acceleration Event**" means on and after the Designation Date, the creditor representative in relation to any Super Senior Facility exercising any equivalent rights under any equivalent provision(s) of the relevant Permitted Super Senior Secured Facilities Agreement which is similar in meaning and effect as the "Senior Acceleration Event".

"**Super Senior Agent**" means, on and after the Designation Date, "**Agent**" or any substantially equivalent term under and as defined in any Permitted Super Senior Secured Facilities Agreement, and where such party has acceded to this Agreement as a Super Senior Agent of the Super Senior Lenders pursuant to Clause 21.10 (*Accession of Senior Lenders under New Senior Facilities or Super Senior Lenders under New Super Senior Facilities*) or pursuant to Clause 21.11 (*Accession of Cash Management Facility Lenders under New Cash Management Facilities*).

"**Super Senior Agent Liabilities**" means, on and after the Designation Date, the Agent Liabilities owed by the Debtors and Third Party Security Providers to the Super Senior Agent under or in connection with the Super Senior Finance Documents.

"**Super Senior Arranger**" means, on and after the Designation Date, "**Arranger**" or any substantially equivalent term under and as defined in any Permitted Super Senior Secured Facilities Agreement and where such party has acceded to this Agreement as a Super Senior Arranger pursuant to Clause 21.10 (*Accession of Senior Lenders under New Senior Facilities or Super Senior Lenders under New Super Senior Facilities*) or pursuant to Clause 21.11 (*Accession of Cash Management Facility Lenders under New Cash Management Facilities*).

"**Super Senior Arranger Liabilities**" means, on and after the Designation Date, the Arranger Liabilities owed by the Debtors and Third Party Security Providers to any Super Senior Arranger under or in connection with the Super Senior Finance Documents.

"**Super Senior Borrower**" means, on and after the Designation Date, "**Borrower**" or any substantially equivalent term under and as defined in any Permitted Super Senior Secured Facilities Agreement.

"**Super Senior Commitment**" means, on and after the Designation Date, "**Commitment**" or any substantially equivalent term under and as defined in any Permitted Super Senior Secured Facilities Agreement.

"**Super Senior Credit Participation**" means, on and following the Designation Date, in relation to a Super Senior Creditor, the aggregate of:

(a)

(i) its aggregate (drawn and undrawn) Super Senior Commitments, if any; and

(ii) in respect of any hedging transaction of that Super Senior Hedge Counterparty under any Hedging Agreement constituting Super Senior Hedging Liabilities that has, as of the date the calculation is made, been terminated or closed out in accordance with the terms of this Agreement, the amount, if any, payable to it under any Hedging Agreement constituting Super Senior Hedging Liabilities in respect of that termination or close-out as of the date of termination or close-out (and before taking into account any interest accrued on that amount since the date of termination or close-out) to the extent that amount is unpaid (that amount to be certified by the relevant Super Senior Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement constituting Super Senior Hedging Liabilities); and

(b) (solely to the extent the Super Senior Lender Discharge Date has occurred) in respect of any hedging transaction of that Super Senior Hedge Counterparty under any Hedging Agreement that has, as of the date the calculation is made, not been terminated or closed out:

(i) if the relevant Hedging Agreement is based on an ISDA Master Agreement the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or

(ii) if the relevant Hedging Agreement is not based on an ISDA Master Agreement, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedging Agreement for which the relevant Debtor is in a position similar in meaning and effect (under that Hedging Agreement) to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

that amount, in each case, in respect of Super Senior Hedging Liabilities to be certified by the relevant Super Senior Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

"**Super Senior Creditor Representative**" means the Super Senior Agent.

"**Super Senior Creditors**" means, on or after the Designation Date, the Super Senior Lenders and the Super Senior Hedge Counterparties.

"**Super Senior Discharge Date**" means the first date on which all Super Senior Liabilities have been fully and finally discharged to the satisfaction of the Super Senior Agent (in the case of the Super Senior Lender Liabilities), and each Super Senior Hedge Counterparty (in the case of its Super Senior Hedging Liabilities), whether or not as the result of an enforcement, and the Super Senior Creditors (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Super Senior Facilities Guarantor**" means, on and after the Designation Date, "**Guarantor**" or any substantially equivalent term under and as defined in any Permitted Super Senior Secured Facilities Agreement.

"**Super Senior Facility**" means, on and after the Designation Date, "**Facility**" or any substantially equivalent term under and as defined in any Permitted Super Senior Secured Facilities Agreement.

"**Super Senior Finance Documents**" means "**Finance Document**" or any substantially equivalent term under and as defined in each Permitted Super Senior Secured Facilities Agreement.

"**Super Senior Finance Party**" means, on and after the Designation Date, "**Finance Party**" or any substantially equivalent term under and as defined in any Permitted Super Senior Secured Facilities Agreement.

"**Super Senior Hedge Counterparty**" means, on or after the Designation Date, each Hedge Counterparty to the extent it is owed Super Senior Hedging Liabilities.

"**Super Senior Hedge Transfer**" means a transfer to the Senior Secured Noteholders (or to a nominee or nominees of the Senior Secured Noteholders) of each Hedging Agreement together with:

(a) all the rights and benefits in respect of the Super Senior Hedging Liabilities owed by the Debtors and Third Party Security Providers to each Super Senior Hedge Counterparty; and

(b) all the Hedge Counterparty Obligations owed by each Super Senior Hedge Counterparty to the Debtors and Third Party Security Providers,

in accordance with Clause 21.3 (*Accession or Change of* Hedge Counterparty) as described in, and subject to Clause 3.11 (*Super Senior Hedge Transfer: Senior* Secured Creditors).

"**Super Senior Hedging Discharge Date**" means the first date on which all Super Senior Hedging Liabilities have been fully and finally discharged to the satisfaction of each Super Senior Hedge Counterparty, whether or not as the result of an enforcement, and the Super Senior Hedge Counterparties (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under any of the Debt Documents.

"**Super Senior Hedging Liabilities**" means all Liabilities under a Hedging Agreement designated as such by the Company (in its discretion) in accordance with Clause 18.1 (*New Debt Financings*) on or after the Designation Date by written notice to the relevant Hedge Counterparty and each Agent who is a party to this Agreement at such time.

"**Super Senior Lender**" means, on and after the Designation Date, "**Lender**", "**Issuing Bank**", and "**Ancillary Lender**" or any substantially equivalent term under and as defined in any Permitted Super Senior Secured Facilities Agreement.

"**Super Senior Lender Discharge Date**" means the first date on which all Super Senior Lender Liabilities have been fully and finally discharged to the satisfaction of the Super Senior Agent, whether or not as the result of an enforcement, and the Super Senior Creditors (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Super Senior Lender Liabilities**" means the Liabilities owed by the Debtors and the Third Party Security Providers to the Super Senior Lenders under or in connection with the Super Senior Finance Documents, including, for the avoidance of doubt, any such Liabilities in connection with any Additional Facility.

"**Super Senior Liabilities**" means the Super Senior Lender Liabilities and the Super Senior Hedging Liabilities.

"**Super Senior Liabilities Transfer**" means a transfer of the Super Senior Lender Liabilities as described in Clause 3.10 (*Option to Purchase: Senior Secured Creditors (Following the Designation Date)*).

"**Super Senior Secured Creditors**" means the Super Senior Lenders and the Super Senior Hedge Counterparties.

"**TARGET2**" means the Trans European Automated Real time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

"**TARGET Day**" means any day on which TARGET2 is open for the settlement of payments in euro.

"**Tax**"

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent provision to that referred to in paragraph (a) above in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement or Second Lien Facility Agreement,

as the context requires and "**Taxes**" shall be construed accordingly.

"**Third Party Security Provider**" means:

(a) the Original Third Party Security Provider;

(b) any Holding Company of the Company that has provided Transaction Security over any or all of its assets (including Topco Shared Security) but is not a Debtor in respect of any of the Liabilities (other than Topco Liabilities); or

(c) any member of the Group that has provided Transaction Security over any of its assets but is not a Debtor in respect of any of the Borrowing Liabilities or Guarantee Liabilities,

and, in each case, which entity has not ceased to be a Third Party Security Provider in accordance with the terms of this Agreement.

"**Topco Agent**" means the Agent under and as defined in a Topco Facility Agreement, which has acceded to this Agreement as the Topco Agent of those Topco Lenders pursuant to Clause 21.13 (*Accession of Topco Facility Creditors under New Topco Facility*).

"**Topco Agent Liabilities**" means the Agent Liabilities owed by the Debtors and the Third Party Security Providers to the Topco Agent or Topco Notes Trustee under or in connection with the Topco Finance Documents.

"**Topco Agreed Security Principles**" has the meaning given to the term "**Agreed Security Principles**" or any substantially equivalent term in the Topco Facilities Agreement in relation to Topco Independent Transaction Security.

"**Topco Arranger**" means any arranger of any Topco Facility which becomes a Party pursuant to Clause 21.13 (*Accession of Topco Facility Creditors under New Topco Facility*).

"**Topco Borrower**" means Topco or any of the Company's Holding Companies which is the issuer or borrower of any Topco Liabilities and which is designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Topco Commitment**" means "**Commitment**" under and as defined in the relevant Topco Facility Agreement or any substantially equivalent term.

"**Topco Creditor Representative**" means:

(a) in relation to the Topco Lenders under any Topco Facility, the relevant Topco Agent; and

(b) in relation to the Topco Noteholders, the relevant Topco Notes Trustee.

"**Topco Creditors**" means the Topco Notes Creditors and the Topco Facility Creditors.

"**Topco Credit Participation**" means:

(a) in relation to a Topco Lender, the aggregate of its aggregate (drawn and undrawn) Topco Commitments, if any; and

(b) in relation to a Topco Noteholder, the principal amount of outstanding Topco Notes held by that Topco Noteholder.

"**Topco Default**" means a Default or any substantially equivalent term under a Topco Facility Agreement or a Topco Notes Default.

"**Topco Discharge Date**" means the first date on which all Topco Liabilities have been fully and finally discharged to the satisfaction of each Topco Notes Trustee (in the case of the Topco Notes Liabilities) and Topco Agent (in the case of the Topco Facility Liabilities), whether or not as the result of an enforcement, and the Topco Creditors (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under any of the Debt Documents.

"**Topco Enforcement Notice**" has the meaning given to it in paragraph (b) of Clause 6.10 (*Permitted Topco Enforcement*).

"**Topco Event of Default**" means a Topco Facility Event of Default, a Topco Notes Event of Default or a Topco Proceeds Loan Event of Default.

"**Topco Facility**" means any credit facility made available to a Topco Borrower where any:

(a) agent of the lenders in respect of the credit facility become a Party as a Topco Agent;

(b) arranger of the credit facility become a Party as a Topco Arranger; and

(c) lender in respect of the credit facility has become a Party as a Topco Lender,

in respect of that credit facility pursuant to Clause 21.13 (*Accession of Topco Facility Creditors under New Topco Facility*) and is designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time.

"**Topco Facility Agreement**" means each facility agreement or other document or instrument evidencing the terms of loan, credit or debt facility documenting a Topco Facility, **provided that** any reference to "**Topco Facility Agreement**" in this Agreement includes any facilities agreement or agreements under which facilities are made available (each an "**Additional Topco Facility Agreement**") and which:

(a) does not breach the terms of the Debt Documents at that time; and

(b) is designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time,

and (unless the context requires otherwise) references in this Agreement to provisions of "**the Topco Facility Agreement**" shall be construed as including reference to the corresponding provisions (if any) from each Additional Topco Facility Agreement.

"**Topco Facility Creditors**" means each Topco Creditor Representative in relation to a Topco Facility, each Topco Arranger and each Topco Lender.

"**Topco Facility Discharge Date**" means the first date on which all Topco Facility Liabilities have been fully and finally discharged to the satisfaction of the relevant Topco Creditor Representative, whether or not as the result of an enforcement, and the Topco Lenders (in that capacity) are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

"**Topco Facility Event of Default**" means an Event of Default or any substantially equivalent term under the relevant Topco Facility Agreement.

"**Topco Facility Finance Documents**" has the meaning given to the term "**Finance Documents**" or any substantially equivalent term in a Topco Facility Agreement

"**Topco Facility Finance Party**" has the meaning given to the term "**Finance Party**" or any substantially equivalent term in a Topco Facility Agreement.

"**Topco Facility Guarantor**" means any member of the Topco Group that provides a guarantee in favour of any Topco Facility Creditor in connection with any Topco Facility.

"**Topco Facility Liabilities**" means the Liabilities owed by any Debtor to the Topco Facility Creditors under or in connection with the Topco Finance Documents.

"**Topco Finance Documents**" means the Topco Notes Finance Documents and the Topco Facility Finance Documents.

"**Topco Finance Party**" means a Topco Facility Finance Party and a Topco Notes Finance Party.

"**Topco Group**" means a Topco Borrower and each of its Subsidiaries from time to time.

"**Topco Group Liabilities**" means the Topco Liabilities and any Topco Proceeds Loan Liabilities.

"**Topco Guarantor**" means a Topco Facility Guarantor or a Topco Notes Guarantor.

"**Topco Independent Obligors**" means the Original Topco Independent Obligor, the Topco Borrower or any of its Affiliates (other than a member of the Group).

"**Topco Independent Secured Obligations**" means all Liabilities and all other present and future obligations at any time due, owing or incurred by any Topco Independent Obligor to any Topco Secured Party under the Topco Finance Documents (including to the Security Agent under the Parallel Debt pursuant to Clause 19.3 (*Parallel Debt (Covenant to Pay the Security Agent)*)), both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity.

"**Topco Independent Security Property**" means:

(a) Topco Independent Transaction Security expressed to be granted by a Topco Independent Obligor in favour of the Security Agent as agent or trustee for the Topco Secured Parties (or pursuant to any joint and several creditorship or parallel debt provisions set out in Clause 19 (*The Security Agent*)) for the benefit of the Topco Secured Parties and all proceeds of that Topco Independent Transaction Security;

(b) all obligations expressed to be undertaken by a Topco Independent Obligor to pay amounts in respect of the Topco Liabilities to the Security Agent as agent or trustee for the Topco

Secured Parties (or pursuant to any joint and several creditorship or parallel debt provisions set out in Clause 19 (*The Security Agent*)) and secured by the Topco Independent Transaction Security together with all representations and warranties expressed to be given by a Topco Independent Obligor in favour of the Security Agent as agent or trustee for (or otherwise for the benefit of) the Topco Secured Parties;

(c) the Independent Security Agent's interest in any trust fund created pursuant to Clause 10 (*Turnover of Receipts*); and

(d) any other amounts or property, whether rights, entitlements, choses in action or otherwise, actual or contingent, which the Security Agent is required by the terms of the Topco Finance Documents to hold as trustee on trust for (or otherwise for the benefit of) the Topco Secured Parties,

excluding, for the avoidance of doubt the Topco Shared Security.

"**Topco Independent Transaction Security**" means any Security over any Topco Independent Security Property which, to the extent legally possible and subject to any Topco Agreed Security Principles and the provisions of this Agreement:

(a) is created, or expressed to be created, in favour of the Security Agent as agent or trustee for the other Topco Secured Parties (or a class of Topco Secured Parties) in respect of the Topco Independent Secured Obligations; or

(b) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Independent Security Agent as agent or trustee for the Topco Secured Parties (or a class of Topco Secured Parties) is created, or expressed to be created, in favour of:

(i) all the Topco Secured Parties (or a class of Topco Secured Parties) in respect of the Topco Independent Secured Obligations; or

(ii) the Security Agent under a parallel debt and/or joint and several creditorship structure for the benefit of all the Topco Secured Parties (or a class of Topco Secured Parties) in respect of the Topco Independent Secured Obligations,

and which ranks in the order of priority contemplated in Clause 2.3 (Topco Independent Secured Obligations and Unsecured Liabilities).

"**Topco Independent Transaction Security Documents**" means any Security Document in relation to Topco Independent Secured Obligations granted by a Topco Independent Obligor and designated as such by the Company by written notice to each Agent who is a party to this Agreement at such time.

"**Topco Investor**" means Topco and each party that enters into a Creditor/Accession Undertaking as a Topco Investor (as defined in that Creditor/Accession Undertaking).

"**Topco Lender Acceleration Event**" means the Topco Creditor Representative in relation to any Topco Facility exercising any rights under any equivalent provision(s) of the relevant Topco Facility Agreement which is similar in meaning and effect as the Senior Acceleration Event.

"**Topco Lenders**" means each "**Lender**" (under, and as defined in, the relevant Topco Facility Agreement).

"**Topco Liabilities**" means the Topco Notes Liabilities and the Topco Facility Liabilities.

"**Topco Loan Mandatory Prepayment**" means a mandatory prepayment of any of the Topco Facility Liabilities which is of the same type as a Senior Mandatory Prepayment.

"**Topco Loans**" means any loan made under a Topco Facility.

"**Topco Noteholders**" means the registered holders, from time to time, of the Topco Notes, as determined in accordance with the relevant Topco Notes Indenture.

"**Topco Notes**" means:

(a) the €180,000,000 senior unsecured notes issued by Topco pursuant to a Topco Notes Indenture dated on or about the date of this Agreement and any additional notes issued thereunder from time to time; and

(b) any other notes, securities or other debt instruments issued or to be issued by a Topco Borrower and which are designated as such by the Company (in its discretion) by written notice to each Agent who is a party to this Agreement at such time, where any trustee in respect of the notes becomes a Party as a Topco Notes Trustee pursuant to Clause 21.13 (*Accession of Topco Facility Creditors under New Topco Facility*).

"**Topco Notes Acceleration Event**" means:

(a) the Topco Notes Trustee (or any of the Topco Noteholders) exercising any rights to accelerate amounts outstanding under the Topco Notes pursuant to any Topco Notes Indenture; or

(b) any Topco Notes Liabilities becoming due and payable by operation of any automatic acceleration provisions in any Topco Notes Finance Documents,

in each case, for the avoidance of doubt, not including any declaration that any amount is payable on demand but including the exercise of any right to demand payment of an amount previously placed on demand.

"**Topco Notes Creditors**" means the Topco Noteholders and each Topco Notes Trustee.

"**Topco Notes Default**" means a Topco Notes Event of Default or any event which would (with the expiry of a grace period, the giving of notice or the making of any determination provided for in the relevant definition of event of default in the relevant Topco Notes Finance Documents or any combination of the foregoing, **provided that** any such event or circumstance which requires any determination as to materiality before it becomes a Topco Notes Event of Default shall not be a Topco Notes Default unless that condition is satisfied) be a Topco Notes Event of Default.

"**Topco Notes Discharge Date**" means the date on which all Topco Notes Liabilities have been fully and finally discharged to the satisfaction of each Topco Notes Trustee.

"**Topco Notes Event of Default**" means an Event of Default or any substantially equivalent term under the relevant Topco Notes Indenture.

"**Topco Notes Finance Documents**" means the Topco Notes, each Topco Notes Indenture, the Topco Notes Guarantees in respect of the Topco Notes, this Agreement, the Topco Transaction Security Documents and any other document entered into in connection with the Topco Notes (which, for the avoidance of doubt, excludes any document to the extent it sets out rights of the initial purchasers of the Topco Notes (in their capacities as initial purchasers)) by any member of the Topco Group and designated a Topco Notes Finance Document by the Company by written notice to each Agent who is a party to this Agreement at such time.

"**Topco Notes Finance Parties**" means any Topco Notes Trustee (on behalf of itself and the Topco Noteholders that it represents) and the Security Agent.

"**Topco Notes Guarantee**" means each guarantee by a Topco Notes Guarantor of the obligations of the Topco Borrower under the Topco Notes Finance Documents which contains provisions in relation to payment blockage, subordination and turnover that substantially replicate those provisions of this Agreement relating to each Topco Notes Guarantee or shall be made expressly subject to the provisions of this Agreement in a legally binding manner.

"**Topco Notes Guarantors**" means any member of the Group that provides a guarantee in favour of any Topco Notes Creditor in connection with any Topco Notes.

"**Topco Notes Indenture**" means the indenture or indentures pursuant to which any Topco Notes are issued.

"**Topco Notes Issue Date**" means, in respect of each Topco Notes Indenture, the first date on which a Topco Note is issued pursuant to that Topco Notes Indenture.

"**Topco Notes Liabilities**" means all present and future moneys, debts and liabilities due, owing or incurred by the Debtors to any Topco Notes Finance Party or Topco Noteholder under or in connection with the Topco Notes or the Topco Notes Finance Documents (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise) **provided that** the definition of "**Topco Notes Liabilities**" shall not include the Topco Notes Trustee Amounts.

"**Topco Notes Mandatory Prepayment**" means a mandatory prepayment, repurchase or redemption (including any requirement to make an offer to repurchase) of any of the Topco Notes Liabilities which is of the same type as a Senior Mandatory Prepayment.

"**Topco Notes Trustee**" means:

(a) the Original Topco Notes Trustee; and

(b) any entity acting as trustee under any issue of Topco Notes and which accedes to this Agreement pursuant to Clause 21.13 (*Accession of Topco Facility Creditors under New Topco Facility*).

"**Topco Notes Trustee Amounts**" means, in relation to a Topco Notes Trustee, amounts payable to that Topco Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee under the Topco Notes Finance Documents, any provisions (including indemnity provisions) for costs and expenses in favour of that Topco Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee contained in the Topco Notes Finance Documents, all compensation for services provided by that Topco Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee which is payable to that Topco Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee pursuant to the terms of the Topco Notes Finance Documents and all out-of-pocket costs and expenses properly incurred by that Topco Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee in carrying out its duties or performing any service pursuant to the terms of the Topco Notes Finance Documents, including, without limitation:

(a) compensation for the costs and expenses of the collection by that Topco Notes Trustee of any amount payable to that Topco Notes Trustee for the benefit of the Topco Noteholders; and

(b) costs and expenses of that Topco Notes Trustee's advisers, receivers, delegates, attorneys, agents or appointees, but excluding:

    (i) any payment in relation to any unpaid costs and expenses incurred in respect of any litigation initiated by that Topco Notes Trustee or any adviser, receiver, delegate, attorney, agent or appointee on behalf of that Topco Notes Trustee against any of the Senior Finance Parties; and

    (ii) any payment made directly or indirectly on or in respect of any amounts owing under any Topco Notes (including principal, interest, premium or any other amounts to any of the Topco Noteholders) including VAT where applicable.

"**Topco Payment Default**" means a payment default under the relevant Topco Finance Documents.

"**Topco Payment Stop Notice**" has the meaning given to that term in Clause 6.3 (*Issue of Topco Payment Stop Notice*).

"**Topco Proceeds Loan**" means any loan made by a Topco Investor to the Company for the purposes of on lending the proceeds of any Topco Loans or Topco Notes together with any additional or replacement loan made on substantially the same terms.

"**Topco Proceeds Loan Agreement**" means a loan agreement, instrument or other agreement documenting a Topco Proceeds Loan.

"**Topco Proceeds Loan Event of Default**" means an Event of Default under any Topco Proceeds Loan Agreement.

"**Topco Proceeds Loan Liabilities**" means the Liabilities owed by the Company to a Topco Investor under any Topco Proceeds Loan Agreement.

"**Topco Secured Parties**" means the Security Agent, each of the Topco Agent, any Receiver or Delegate, the Topco Arrangers and the Topco Creditors from time to time but, in the case of each Topco Agent, Topco Arranger or any Topco Creditor, only if it is a party to this Agreement or has acceded to this Agreement, in the appropriate capacity, pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

"**Topco Shared Security**" means the Security over the shares in the Company held by Topco and all receivables owed to a Topco Investor or Subordinated Creditor by the Company (including the Topco Proceeds Loan and related Topco Proceeds Loan Liabilities as the case may be).

"**Topco Standstill Period**" has the meaning given to it in Clause 6.11 (*Topco Standstill Period*).

"**Topco Transaction Security Documents**" means Topco Independent Transaction Security Documents and the Transaction Security Documents in respect of Topco Shared Security.

"**Transaction Security**" means any Security (including in relation to Topco Shared Security) which, to the extent legally possible and subject to any Agreed Security Principles and the provisions of this Agreement:

(a) is created, or expressed to be created, in favour of the Security Agent as agent or trustee for the other Secured Parties (or a class of Secured Parties) in respect of the Secured Obligations; or

(b) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Security Agent as agent or trustee for the Secured Parties (or a class of Secured Parties), is created, or expressed to be created, in favour of:

    (i) all the Secured Parties (or a class of Secured Parties) in respect of the Secured Obligations; or

    (ii) the Security Agent under a parallel debt and/or joint and several creditorship structure for the benefit of all the Secured Parties (or a class of Secured Parties) in respect of the Secured Obligations,

and which ranks in the order of priority contemplated in Clause 2.2 (*Transaction Security*).

"**Transaction Security Documents**" means any document entered into by any Debtor or Third Party Security Provider creating or expressed to create Transaction Security.

"**Unrestricted Subsidiary**":

(a) has the meaning given in the Senior Facilities Agreement; or

(b) has the meaning given to any substantially equivalent term to that referred to in paragraph (a) above in each Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or Second Lien Facility Agreement,

as the context requires.

"**Unsecured Creditors**" means any person which accedes to this Agreement as an Unsecured Creditor by executing a Creditor/Agent Accession Undertaking and has not ceased to be an Unsecured Creditor in accordance with this Agreement.

"**Unsecured Credit Participation**" means, in relation to an Unsecured Creditor, the aggregate amount of:

(a) its drawn and undrawn commitments under any loan agreement or similar instrument; and

(b) any notes subscribed for by it under any indenture or similar instrument.

"**Unsecured Default**" means a Default under an Unsecured Finance Document.

"**Unsecured Finance Documents**" any document designated as an Unsecured Finance Document in accordance with Clause 21.18 (*Accession of Unsecured Facility Creditors*).

"**Unsecured Guarantor**" means any member of the Group that provides a guarantee in favour of any Unsecured Creditor in connection with any Unsecured Finance Documents.

"**Unsecured Liabilities**" means all present and future moneys, debts and liabilities due, owing or incurred by the Debtors to any Unsecured Creditor under or in connection with the Unsecured Finance Documents (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise).

"**Unsecured Payment Default**" means a payment default under the relevant Unsecured Finance Documents.

"**VAT**" means:

(a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax as amended (EC Directive 2006/112); and

(b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

1.2 Construction

(a) Unless a contrary indication appears, a reference in this Agreement to:

(i) any Agent, Ancillary Lender, Arranger, Cash Management Facility Agent, Cash Management Facility Arranger, Cash Management Facility Creditor, Cash Management Facility Debtor, Cash Management Facility Guarantor, Cash Management Facility Lender, the Company, Creditor, Debtor, Hedge Counterparty, Third Party Security Provider, Intra-Group Lender, Issuing Bank, Secured Creditor, Security Agent, Second Lien Guarantor, Second Lien Notes Trustee, Second Lien Noteholder, Second Lien Lender, Second Lien Agent, Second Lien Arranger, Senior Agent, Senior Arranger, Senior Borrower, Senior Creditor, Senior Lender, Senior Secured Guarantor, Senior Secured Notes Trustee, Senior Secured Noteholder, Super Senior Agent, Super Senior Arranger, Super Senior Borrower, Super Senior Creditor, Super Senior Creditor Representative, Super Senior Facilities Guarantor, Super Senior Hedge Counterparty, Super Senior Lender, Topco Agent, Topco Arranger, Topco Borrower, Topco Creditor, Topco Facility Guarantor, Topco Lender, Topco Notes Guarantor, Topco Investor, Topco Notes Trustee, Topco Noteholder, Subordinated Creditor, Unsecured Creditor, Unsecured Guarantor or (in relation to paragraph (B) below) any other person, shall be construed:

(A) to be a reference to it in its capacity as such and not in any other capacity; and

(B) so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being appointed as the Security Agent in accordance with this Agreement;

(ii) assets includes present and future properties, revenues and rights of every description;

(iii) a Debt Document or any other agreement or instrument is (other than a reference to a Debt Document or any other agreement or instrument in original form) a reference to that Debt Document, or other agreement or instrument, as amended, novated, supplemented, extended or restated (however fundamentally) and includes any increase in, addition to or extension of or other change to any facility made available under any such agreement or instrument (in each case to the extent not prohibited by this Agreement);

(iv) enforcing (or any derivation) the Transaction Security shall include the appointment of an administrator of a Debtor or a Third Party Security Provider by the Security Agent;

(v) indebtedness includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(vi) the original form of a Debt Document or any other agreement or instrument is a reference to that Debt Document, agreement or instrument as originally entered into and, unless specified otherwise, a reference to the original form of the Senior Facilities Agreement, Senior Secured Notes Indenture or Topco Notes Indenture is a reference to the Senior Facilities Agreement, Senior Secured Notes Indenture or Topco Notes Indenture entered into on or around the date of this Agreement;

(vii) a person includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality) or two or more of the foregoing;

(viii) a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organisation;

(ix) Senior Secured Liabilities, Second Lien Liabilities, Hedging Liabilities and Topco Liabilities include the amount of any Soulte paid or owed but not yet paid by the Creditors pursuant to the provisions of Clause 10.7 (*Payment of the Soulte*);

(x) **"shares"** or **"share capital"** includes equivalent ownership interests (and **"shareholder"** and similar expressions shall be construed accordingly);

(xi) a provision of law is a reference to that provision as amended or re-enacted; and

(xii) any corporation into which the Security Agent may be merged or converted, or any corporation with which the Security Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Security Agent shall be a party, or any corporation, including affiliated corporations, to which the Security Agent shall sell or otherwise transfer:

(A) all or substantially all of its assets; or

(B) all or substantially all of its corporate trust business,

shall, on the date when the merger, conversion, consolidation or transfer becomes effective and to the extent permitted by any applicable laws become the successor Security Agent under this Agreement without the execution or filing of any paper or any further act on the part of the parties to this Agreement, unless otherwise required by the Company, and after the said effective date all references in this Agreement to the Security Agent shall be deemed to be references to such successor corporation. Written notice of any such merger, conversion, consolidation or transfer shall immediately be given.

(b) Section, Clause and Schedule headings are for ease of reference only.

(c) A Default or an Event of Default is "**continuing**" if it has not been remedied or waived.

(d) "**disposal**" means any sale, lease, licence, transfer (including any transfer of any property interest in any asset) and any grant of Security or quasi Security or conveyance of any asset, undertaking or business.

(e) An Acceleration Event is "**continuing**" if it has not been revoked or otherwise ceases to be continuing in accordance with the terms of the relevant Debt Document.

(f) The right or requirement of any Party to take or not take any action on or following the occurrence of an Insolvency Event shall cease to apply if the relevant Insolvency Event is no longer continuing (unless an Acceleration Event has occurred and is continuing and without prejudice to any action taken or not taken in accordance with the terms of this Agreement while that Insolvency Event is continuing).

(g) The determination that a Second Lien Payment Stop Notice is "**outstanding**" is to be made by reference to the provisions of Clause 5.3 (*Issue of Second Lien Payment Stop Notice*).

(h) The determination that a Second Lien Standstill Period is "**outstanding**" is to be made by reference to the provisions of Clause 5.10 (*Permitted Second Lien Enforcement*).

(i) The determination that a Topco Payment Stop Notice is "**outstanding**" is to be made by reference to the provisions of Clause 6.3 (*Issue of Topco Payment Stop Notice*).

(j) The determination that a Topco Standstill Period is "**outstanding**" is to be made by reference to the provisions of Clause 6.11 (*Topco Standstill Period*).

(k) Secured Parties may only benefit from Recoveries to the extent that the Liabilities of such Secured Parties have the benefit of the guarantees or security under which such Recoveries are received and **provided that**, in all cases, the rights of such Secured Parties shall in any event be subject to the priorities set out in Clause 16 (*Application of Proceeds*) and provided further, however, that this shall not:

(i) prevent any Senior Creditor Representative from claiming and being paid Senior Agent Liabilities, any Second Lien Creditor Representative from claiming and being paid Second Lien Agent Liabilities or any Topco Creditor Representative from claiming and being paid Topco Agent Liabilities;

(ii) subject to paragraph (iii) below, prevent any Secured Party benefiting from such Recoveries where it was not legally possible or otherwise as a result of the Agreed Security Principles, the Guarantee Limitations or the terms of this Agreement for that Secured Party to obtain the relevant guarantees or security; or

(iii) affect or limit, in any way, the operation of Clause 1.9 (*Waiver and Termination*), Clause 2.7 (*Additional and/or Refinancing Debt*) and Clause 18 (*New Debt Financings*).

(l) In determining whether or not any Liabilities have been fully and finally discharged, contingent liabilities (such as the risk of clawback flowing from a preference) shall be disregarded except to the extent that there is a reasonable likelihood that those liabilities will become actual liabilities.

(m) Any reference in this Agreement to a Debtor, member of the Group or Third Party Security Provider being able to make any Payment or take any other action not prohibited by the Debt Documents shall include a reference to that Debtor, member of the Group or Third Party Security Provider being permitted to make any arrangement in respect of that Payment or action or take any step or enter into any transaction to facilitate the making of that Payment or the taking of that action.

(n) Notwithstanding anything to the contrary, where any provision of this Agreement refers to or otherwise contemplates any consent, approval, release, waiver, agreement, notification or other step or action (each an "**Action**") which may be required from or by any person:

(i) which is not a Party at such time;

(ii) in respect of any agreement which is not in existence at such time;

(iii) in respect of any indebtedness which has not been committed or incurred (or an agreement in relation thereto) at such time; or

(iv) in respect of Liabilities or Creditors (or other persons) for which the relevant Discharge Date has occurred at or prior to such time or concurrently with any Action coming into effect,

unless otherwise agreed or specified by the Company, that consent, approval, release, waiver, agreement, notification or other step or action shall not be required (or be required from any person that is a party thereto) and no such provision shall, or shall be construed so as to, in any way prohibit or restrict the rights or actions of any member of the Group. Further, for the avoidance of doubt, no references to any agreement which is not in existence (or under which debt obligations have not been actually incurred by a member of the Group) shall, or shall be construed so as to, in any way prohibit or restrict the rights or actions of any member of the Group (and no consent, approval, release, waiver, agreement, notification or other step or action shall be required from any party thereto).

(o) Where any consent is required under this Agreement from:

(i) a Senior Lender or Senior Finance Party where such consent is required after the Senior Lender Discharge Date;

(ii) a Super Senior Creditor where such consent is required after the Super Senior Discharge Date or before any person in such capacity has acceded to this Agreement;

(iii) a Cash Management Facility Lender where such consent is required after the Cash Management Facility Discharge Date or before any person in such capacity has acceded to this Agreement;

(iv) a Senior Secured Creditor where such consent is required after the Senior Secured Discharge Date;

(v) a Senior Secured Notes Creditor where such consent is required after the Senior Secured Notes Discharge Date;

(vi) a Second Lien Lender or Second Lien Agent where such consent is required after the Second Lien Lender Discharge Date or before any person in such capacity has acceded to this Agreement;

(vii) a Second Lien Notes Creditor where such consent is required after the Second Lien Notes Discharge Date or before any person in such capacity has acceded to this Agreement;

(viii) a Topco Lender or Topco Finance Party where such consent is required after the Topco Facility Discharge Date or before any person in such capacity has acceded to this Agreement;

(ix) a Topco Notes Creditor where such consent is required after the Topco Notes Discharge Date; or

(x) an Unsecured Creditor after the Unsecured Liabilities owing to that Unsecured Creditor have been discharged in full or before any person in such capacity has acceded to this Agreement,

such consent requirement will cease to apply.

(p) References to the Senior Secured Notes Trustee acting on behalf of the Senior Secured Noteholders means such Senior Secured Notes Trustee acting on behalf of the Senior Secured Noteholders which it represents or, if applicable, with the consent of the requisite number of Senior Secured Noteholders required under and in accordance with the applicable Senior

Secured Notes Indenture. A Senior Secured Notes Trustee will be entitled to seek instructions from the Senior Secured Noteholders which it represents to the extent required by the applicable Senior Secured Notes Indenture as to any action to be taken by it under this Agreement.

(q) References to the Second Lien Notes Trustee acting on behalf of the Second Lien Noteholders means such Second Lien Notes Trustee acting on behalf of the Second Lien Noteholders which it represents or, if applicable, with the consent of the requisite number of Second Lien Noteholders required under and in accordance with the applicable Second Lien Notes Indenture. A Second Lien Notes Trustee will be entitled to seek instructions from the Second Lien Noteholders which it represents to the extent required by the applicable Second Lien Notes Indenture as to any action to be taken by it under this Agreement.

(r) References to the Topco Notes Trustee acting on behalf of the Topco Noteholders means such Topco Notes Trustee acting on behalf of the Topco Noteholders which it represents or, if applicable, with the consent of the requisite number of Topco Noteholders required under and in accordance with the applicable Topco Notes Indenture. A Topco Notes Trustee will be entitled to seek instructions from the Topco Noteholders which it represents to the extent required by the applicable Topco Notes Indenture as to any action to be taken by it under this Agreement.

(s) Notwithstanding anything to the contrary in this Agreement or any other Debt Document, nothing in this Agreement or any Debt Document shall prohibit a non-cash contribution of any asset (including, without limitation, any participation, claim, commitment, rights, benefits and/or obligations in respect of any Liabilities and/or any other indebtedness borrowed or issued by any member of the Group from time to time) by a person that is not a member of the Group to the Company, **provided that** to the extent such transaction results in any indebtedness or claim being outstanding from the Company to any of its direct or indirect shareholders, such indebtedness or claim constitutes Subordinated Liabilities or is otherwise subordinated in accordance with the Finance Documents.

(t) If the terms of any Debt Document:

(i) require the relevant Creditors to provide approval (or deemed approval to have been provided) for a particular matter, step or action (for the avoidance of doubt, excluding any such terms which expressly entitle the relevant Creditors to withhold their approval for that matter, step or action) and such approval has been given pursuant to the terms of that Debt Document; or

(ii) do not seek to regulate a particular matter, step or action (which shall be the case if the relevant matter, step or action is not the subject of an express requirement or restriction in that Debt Document),

for the purposes of this Agreement that matter, step or action shall not be prohibited by the terms of that Debt Document.

(u) In determining whether any indebtedness or other amount (including, without limitation, any Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement, Second Lien Finance Documents or Unsecured Finance Documents) is prohibited by the terms of any Debt Document or to the extent any amendment or waiver is sought for or to permit any step or other action, the terms of any Debt Document which:

(i) relate to any Liabilities which are to be refinanced or otherwise replaced with such indebtedness or other amount or that will be refinanced or otherwise replaced following such step or action for which such amendment or waiver is sought; or

(ii) will not exist or will cease to be in effect on the date on which such indebtedness or other amount is incurred by a member of the Group or following the taking effect of such amendment or waiver,

shall not be taken into account (including for the purposes of any vote or consent of any class (including an Instructing Group) for the purposes of any Debt Document in respect of any such amendment or waiver).

(v) References to any matter being "**permitted**" under one or more of the Debt Documents shall include references to such matters not being prohibited or otherwise approved under those Debt Documents.

(w) Any requirement that consent be given under this Agreement shall mean such consent is to be given in writing, which, for the purposes of this Agreement, will be deemed to include any instructions, waivers or consents or provided through any applicable clearance system in accordance with the terms of the relevant Debt Documents.

(x) Until the relevant proceeds are released from such escrow, the provisions of this Agreement shall not apply to or create any restriction in respect of any escrow arrangement pursuant to which the proceeds of any Debt Document are subject and this Agreement shall not govern the rights and obligations of the Creditors concerned until such proceeds are released from such escrow arrangement in accordance with its terms.

(y) Any references to terms in this Agreement that are defined in any Debt Document, (the "**Defined Term**") shall include not only the definition but also terms or mechanics which are equivalent or similar to the manner in which such Defined Term is interpreted under this Agreement.

(z) For the avoidance of doubt and notwithstanding anything to the contrary in this Agreement or any other Debt Document, nothing in this Agreement shall prohibit any debt exchange, non-cash rollover or other similar or equivalent transaction in relation to any Liabilities.

(aa) To the extent any step or action is permitted under this Agreement (or permitted subject to the consent of specified Parties under this Agreement), the Parties hereto agree that such step or action will be permitted under the other Debt Documents (or permitted thereunder subject to the consent of such specified Parties) and if there is any conflict between the terms of, or the requirement for any conditions in, this Agreement and any other Debt Document, the terms of, or the requirement for any conditions in, this Agreement will prevail (save to the extent that to do so would result in or have the effect of any member of the Group contravening any applicable law or regulation, or present a material risk of liability for any member of the Group and/or its directors or officers, or give rise to a material risk of breach of fiduciary or statutory duties), in each case notwithstanding any restriction or prohibition to the contrary, any provision expressed or purported to override any provision of this Agreement or the requirement to fulfil any additional conditions, in each case, in any other Debt Document.

(bb) To the extent that in this Agreement the consent of any Agent under any Debt Document or the relevant Creditors under any Debt Document is required, then such consent is hereby expressly given to the extent that the matter, step or action requiring approval is not prohibited by the terms of that Debt Document, including for the avoidance of doubt, for the purposes of determining the Instructing Group, the Majority Second Lien Creditors, the Majority Second Lien Lenders, the Majority Super Senior Creditors, the Majority Senior Lenders, the Majority Senior Secured Creditors, the Majority Topco Creditors, the Majority Topco Lenders, the Majority Unsecured Creditors or any other class, group or percentage of any Creditors (including, for the avoidance of doubt, unanimity).

(cc) References to any Creditors (or any class, group or percentage of any Creditors (including, for the avoidance of doubt, unanimity)) giving any Consent under this Agreement means (in each case) acting through the applicable Agent, if any, or, as applicable, the Security Agent.

1.3 Third Party Rights

(a) Unless expressly provided to the contrary in this Agreement, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the "**Third Parties Rights Act**") to enforce or to enjoy the benefit of any term of this Agreement.

(b) Notwithstanding any term of this Agreement, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

(c) Any Receiver, Delegate or any other person described in Clause 19.13 (*No Proceedings*) may, subject to this Clause 1.3 and the Third Parties Rights Act, rely on any Clause of this Agreement which expressly confers rights on it.

(d) The Third Parties Rights Act shall apply to this Agreement in respect of any Noteholder, which, by holding a Note, as the case may be, has effectively agreed to be bound by the provisions of this Agreement and will be deemed to receive the benefits hereof, and be subject to the terms and conditions hereof, as if such person was a Party hereto. For the purposes of the preceding sentence, upon any such person becoming a Noteholder, that person shall be deemed a Party to this Agreement, **provided that** such person is deemed to be a Party to this Agreement under the terms of the relevant Notes Indenture. In relation to any amendment or waiver of this Agreement, no such person that is deemed to be a party to this Agreement by virtue of this Clause 1.3 is required to consent to or execute any amendment or waiver in order for such amendment or waiver to be effective.

1.4 French Terms

In this Agreement, where it relates to any French person, a reference to:

(a) a person being unable to pay its debts includes that French entity being in a state of *cessation des paiements* as defined in article L. 631-1 of the French Commercial Code;

(b) a guarantee includes any type of *sûreté personnelle* as defined in article 2287-1 of the French Civil Code;

(c) a corporate reorganisation includes any contribution of part of its business in consideration of shares (*apport partiel d'actifs*), any merger (*fusions*) or demerger (*scission*) implemented in accordance with articles L.236-1 to L.236-24 of the French Commercial Code;

(d) a winding-up, dissolution or administration includes a *redressement judiciaire*, *cession totale de l'entreprise*, a *liquidation judiciaire*, a *sauvegarde* (including a *sauvegarde accélérée* or a *sauvegarde financière accélérée*) under the Livre VI of the French Commercial Code;

(e) a composition, compromise, assignment or similar arrangement with any creditor includes a *conciliation* or a *mandat ad hoc* under articles L. 611-3 to L. 611-15 of the French Commercial Code;

(f) a liquidator, receiver, administrative receiver, administrator, compulsory or interim manager or other similar officer includes an *administrateur judiciaire*, *mandataire ad hoc*, *conciliateur*, *mandataire liquidateur* or any other person appointed as a result of any proceedings described in paragraphs (d), (e) and (f) above;

(g) a lease includes an *opération de crédit-bail*;

(h) a Security or security interest includes any type of security (*sûreté réelle*) and assignment or transfer by way of security;

(i) control, when used with respect to a French company, has the meaning given to it in article L. 233-3 of the French Commercial Code;

(j) merger includes, when used by reference to a French company, any "fusion" implemented in accordance with articles L.236-1 to L.236-24 of the French Commercial Code; and

(k) acting in concert has the meaning given to it in article L. 233-10 of the French Commercial Code.

1.5 Luxembourg Terms

In this Agreement, where it relates to a Luxembourg person or the context so requires, a reference to:

(a) a ***winding-up***, ***liquidation, insolvency, administration*** or ***dissolution*** includes, without limitation, bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (liquidation *volontaire ou judiciaire*), composition with creditors (concordat *préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), general settlement with creditors, reorganisation or similar laws affecting the rights of creditors generally;

(b) a ***receiver***, ***administrative receiver***, ***administrator, liquidator*** or the like includes, without limitation, a *juge délégué*, expert-*vérificateur, commissaire, juge-commissaire*, *mandataire ad hoc, administrateur provisoire, liquidateur or curateur*;

(c) a ***lien*** or ***security interest*** includes any *hypothèque*, *nantissement*, gage, *privilège*, *sûreté réelle*, droit de retention and any type of real security in rem (*sûreté réelle*) or agreement or arrangement having a similar effect and any transfer of title by way of security;

(d) ***by-laws*** or ***constitutional documents*** includes its up-to-date (restated) articles of association (*statuts coordonnés*);

(e) a ***person being unable to pay its debts*** includes that person being in a state of cessation of payments (*cessation de paiements*) and which has lost its creditworthiness (*ébranlement de credit*); and

(f) a ***director*** includes a *gérant* or an *administrateur*.

1.6 Spanish terms

In this Agreement, where it relates to any Spanish person, a reference to:

(a) an insolvency proceeding or insolvency event includes a *declaración de concurso, con independencia de su carácter necesario o voluntario*, any notice to a competent court pursuant to Article 5 Bis of the Spanish Insolvency Law and its request for its declaration of insolvency (*solicitud de inicio de procedimiento de concurs*o), whether mandatory or voluntary, a court decision declaring insolvency (*auto de declaración de concurso*), a judicial or extrajudicial creditors agreement (*convenio judicial o extrajudicial con acreedores) and (transacción judicial o extrajudicial*);

(b) a winding-up, administration or dissolution includes, without limitation, *disolución, liquidación, procedimiento concursal* or any other similar proceedings;

(c) a receiver, administrative receiver, administrator or the like includes, without limitation, *administración del concurso, administrador concursal* or any other person performing the same function;

(d) a composition, compromise, assignment or arrangement with any creditor includes, without limitation, the celebration of a *convenio de acreedores* in the context of a *concurso*;

(e) a matured obligation includes, without limitation, any *crédito líquido vencido y exigible*;

(f) a person being unable to pay its debts includes that person being in a state of *insolvencia* or *concurso*.

1.7 Creditor Rights prior to relevant Debt Issuance

To the extent that this Agreement grants rights for the benefit of any Secured Party, or Unsecured Creditor, no such rights shall accrue or be enforceable against any other party prior to

the incurrence of the relevant indebtedness with respect thereto in such capacity and accession to this Agreement by such party in such capacity.

1.8 Holding Company Debt

Notwithstanding any term of this Agreement, no provision of this Agreement shall (a) regulate, restrict or prohibit a Topco Independent Obligor from incurring any indebtedness, granting any Security over its assets (other than assets subject to the Transaction Security) or providing any guarantees, or (b) require any creditor in respect of such indebtedness to become a party to (or be bound by) the provisions of this Agreement other than where such creditor is a Secured Party (in such capacity).

1.9 Waiver and Termination

(a) Notwithstanding anything to the contrary in this Agreement or any other Debt Document, any Party may, together with exercising any right pursuant to paragraph (f) of Clause 27.1 (*Required Consents*), unilaterally waive, relinquish, or otherwise release or decline the right to receive or benefit from, any right in relation to a Debt Document, including in relation to Transaction Security or any guarantee, indemnity or other assurance against loss in respect of any Liabilities owed to it by a Debtor or Third Party Security Provider with the prior consent of the Company; and by written notice from the Company to each Agent party to this Agreement and the Security Agent at such time (a "**Unilateral Waiver**").

(b) Following a Unilateral Waiver by a Party in accordance with paragraph (a) above, the Security Agent shall (i) be deemed to have unilaterally waived, relinquished, or otherwise released or declined the right to receive or benefit from the same or any substantially equivalent right to the rights subject to such Unilateral Waiver, in connection with any Parallel Debt or other parallel debt and/or joint and several creditorship structure relating to the relevant Liabilities; and (ii) at the request and cost of the Company, take any action or execute any document reasonably requested by the Company which is necessary or desirable to give effect to or evidence the releases and other actions described in this Clause 1.9.

(c) Any Unilateral Waiver by a Party in accordance with paragraph (a) above shall also be deemed to constitute a waiver of the rights of such Party (and the Security Agent, as relevant) under Clause 16 (*Application of Proceeds*), Clause 17 (*Equalisation*) and any other equalisation or loss sharing provisions under any Debt Document in so far as such provisions relate to the rights subject to such Unilateral Waiver, including such that to the extent that the Liabilities of a Creditor would, but for the Unilateral Waiver, have had the benefit of any guarantee, indemnity or other assurance against loss or Transaction Security under which Recoveries are received by the Security Agent or other Creditors, that Creditor will not benefit from the application of, or receive any payments in respect of, such Recoveries pursuant to Clause 16 (*Application of Proceeds*) in respect of those Liabilities; and if, as a result of this paragraph (c), the amount of a payment to a Creditor pursuant to Clause 16 (*Application of Proceeds*) is lower than the amount which would have been so payable to that Creditor if no Unilateral Waiver was given (the difference for that Creditor being its "**Shortfall**"), for the purposes of Clause 17 (*Equalisation*) its Senior Secured Exposure, Second Lien Exposure or Topco Exposure (as applicable) will be deemed to be reduced by an amount equal to the Shortfall.

(d) To the extent that the consent of any Creditor or other Party (in each case other than the Company and each Party granting such Unilateral Waiver) would be required to give effect to any Unilateral Waiver or any other action or matter set out in this Clause 1.9, such Creditor or other Party shall be deemed to have given such consent.

(e) Notwithstanding anything to the contrary in this Agreement or any other Debt Document:

(i) no breach of any representation, warranty, undertaking, obligation or other term of (or Default or Event of Default under) a Debt Document shall be deemed or construed to

have occurred as a direct or indirect result of a Unilateral Waiver or any actions or steps implemented or taken to give effect to that Unilateral Waiver; and

(ii) for the purpose of testing or satisfying any requirement (or any qualifier or definition based upon such a requirement) in any Debt Document that any guarantee, indemnity or other assurance against loss or any Transaction Security must, to the extent legally possible or subject to the Agreed Security Principles (or both), be given, or expressed to be given, to all Secured Parties in respect of their Liabilities, any Liabilities the subject of a Unilateral Waiver shall be deemed to have been given or expressed to have been given that guarantee, indemnity or other assurance against loss or any Transaction Security (as applicable).

1.10 No Investor Recourse

No Secured Creditor will have any recourse to or shall make any claim or demand for payment from any Investor or any other person that is not party to a Finance Document (and to the extent an Investor or any other person is a party to a Finance Document there shall only be recourse to the extent of its liability under the terms of such Finance Document) in respect of any term of any Finance Document, any statements by Investors, or otherwise.

1.11 Personal Liability

Where any natural person gives a certificate or other document or otherwise gives a representation or statement on behalf of any of the parties to the Debt Documents pursuant to any provision thereof and such certificate or other document, representation or statement proves to be incorrect, the individual shall incur no personal liability in consequence of such certificate, other document, representation or statement being incorrect save where such individual acted fraudulently in giving such certificate, other document, representation or statement (in which case any liability of such individual shall be determined in accordance with applicable law) and each such individual may rely on this Clause subject to Clause 1.3 (*Third Party Rights*) and the provisions of the Third Parties Act.

1.12 IPO and IPO Pushdown

(a) On or following an IPO Event where the Qualifying IPO Condition has been satisfied, the Company shall be entitled to require (subject to receipt of the Required Creditor Consent being obtained from the applicable Secured Creditors and notified to the relevant Agent) (by written notice to each Agent and each Hedge Counterparty (an "**IPO Pushdown Notice**")) that the terms of the Debt Documents shall automatically operate (with effect from the date specified in the relevant IPO Pushdown Notice (the "**IPO Pushdown Date**")) on the basis of the following principles as the context so determines:

(i) the Group (and all related provisions) shall comprise only the IPO Pushdown Entity and its Subsidiaries from time to time, provided that:

(A) if the Topco Notes are not refinanced in full on or before the IPO Pushdown Date (x) the Topco Borrower shall be the IPO Pushdown Entity and the Topco Group (and all related provisions) shall comprise the IPO Pushdown Entity and its Subsidiaries from time to time and (y) for the purposes of the Second Lien Liabilities and/or the Senior Secured Liabilities, the Group (and all related provisions) shall comprise the direct Subsidiary of the IPO Pushdown Entity and its Subsidiaries from time to time; or

(B) if the Topco Notes have been refinanced in full on or before the IPO Pushdown Date but the Senior Secured Notes have not been refinanced in full on or before the IPO Pushdown Date, the Company shall be the IPO Pushdown Entity and the Group (and all related provisions) shall continue to comprise the Company and its Subsidiaries from time to time;

(ii) all financial ratio calculations shall be made excluding any Holding Company of the IPO Pushdown Entity and all reporting obligations shall be assumed at the level of the IPO Pushdown Entity;

(iii) each reference in this Agreement or any other Debt Document to the Company or any Holding Company of the IPO Pushdown Entity (including as a Borrower, Guarantor, Debtor or counterparty to a Hedging Agreement) shall be deemed to be a reference to the IPO Pushdown Entity (to the extent applicable and unless the context requires otherwise) and provided that nothing in this paragraph (a), including the deeming construct contemplated by this paragraph (iii) and any action taken by the IPO Pushdown Entity prior to it being deemed to be the Company, shall, or shall be deemed to, directly or indirectly constitute or result in a breach of any representation, warranty, undertaking or other term in the Debt Documents or a Default or an Event of Default;

(iv) none of the representations, warranties, undertakings or Events of Default in the Debt Documents shall apply to any Holding Company of the IPO Pushdown Entity (whether in its capacity as a Debtor or otherwise);

(v) no event, matter or circumstance relating to any Holding Company of the IPO Pushdown Entity (whether in its capacity as an Debtor or otherwise) shall, or shall be deemed to, directly or indirectly constitute or result in a breach of any representation, warranty, undertaking or other term in the Debt Documents or a Default or an Event of Default;

(vi) each Holding Company of the IPO Pushdown Entity shall be irrevocably and unconditionally released from all obligations under the Debt Documents (including any Transaction Security granted by any such Holding Company or as a Borrower, Guarantor or Debtor);

(vii) unless otherwise notified by the Company:

(A) each Subordinated Creditor, Third Party Security Provider, Investor or Topco Independent Obligor (or in any capacity in referred to in any of the aforementioned definitions) (each in such capacity, a **"Released Person"**) shall be irrevocably and unconditionally released from this Agreement and all obligations and restrictions under this Agreement (and from the date specified by the Company that person shall cease to be Party in the applicable capacity as a Released Person and shall have no further rights or obligations under this Agreement in that capacity); and

(B) there shall be no obligation or requirement for any person to become party to this Agreement as a Released Person,

and **provided that** the IPO Pushdown Notice confirms that the Board of Directors of the IPO Pushdown Entity have approved the IPO Event.

In the event that any person is released from or ceases to be or become a Party as a Released Person as a consequence of this paragraph (a), any term of any Debt Document which requires or assumes that any person be a Released Person or that any liabilities or obligations to such person be subject to this Agreement or otherwise subordinated shall cease to apply.

(b) Each Party (other than a member of the Group) shall be required to enter into any amendment to, release of, or replacement of any Debt Document required by the Company and/or take such other action as is required by the Company in order to facilitate or reflect any of the matters contemplated by paragraph (a) above, provided that such amendment, replacement or other document or instrument does not impose personal obligations on the Security Agent or, affect the rights, duties, liabilities, indemnification or immunity of the Security Agent under such amendment, replacement or other document or instrument. The Agent and the Security Agents are each irrevocably authorised and instructed by each

applicable Party to execute any such amended or replacement Debt Document and/or take other such action on behalf of such Parties (and shall do so on the request of the Company).

(c) Following an IPO Event, with the consent of each of the Majority Senior Lenders, the Majority Senior Secured Noteholders, the Majority Second Lien Lenders, the Majority Second Lien Noteholders, the Majority Topco Lenders and the Majority Topco Noteholders (in such percentages pro forma to their participations in the applicable Debt Documents after the IPO Event to the extent continuing and as applicable for the purposes of those definitions at such time), each Subsidiary of the IPO Pushdown Entity shall be irrevocably and unconditionally released from all obligations as Debtor and Guarantor under the Debt Documents and any Transaction Security granted by any such Subsidiary.

(d) Each Hedge Counterparty agrees that the occurrence of an IPO Event (or the operation of any of the steps in paragraph (a), (b) and (c) above) shall not give rise to a right by such Hedge Counterparty to terminate or close-out in whole or in part any hedging transaction under a Hedging Agreement irrespective of the terms of the Hedging Agreement.

(e) If the Company delivers an IPO Pushdown Notice pursuant to paragraph (a) above in relation to a contemplated IPO Event, it shall be entitled to revoke that IPO Pushdown Notice at any time prior to the occurrence of the relevant IPO Event by written notice to each Agent, the Security Agent and each Hedge Counterparty. In the event that any IPO Pushdown Notice is revoked in accordance with this paragraph (e):

(i) the provisions of paragraphs (a)(i) to (a)(vii) above shall cease to apply in relation to that IPO Pushdown Notice;

(ii) if any Transaction Security has been released pursuant to paragraphs (b) or (c) above in reliance on that IPO Pushdown Notice, if required by the Majority Senior Secured Creditors, the Majority Second Lien Creditors and the Majority Topco Creditors (acting reasonably) by prior written notice to the Company and subject to the Agreed Security Principles, the relevant member of the Group shall as soon as reasonably practicable execute a replacement Transaction Security Document in respect of that Transaction Security; and

(iii) if any Party in the capacity of a Released Person has been released from this Agreement pursuant to paragraphs (a)(vi), (a)(vii) or (c) above in reliance on that IPO Pushdown Notice, if required by the Majority Senior Secured Creditors, the Majority Second Lien Creditors and the Majority Topco Creditors (acting reasonably) by prior written notice to the Company and that person, that person shall as soon as reasonably practicable accede to this Agreement as the applicable Released Person by executing a Creditor/Agent Accession Undertaking.

For the avoidance of doubt:

(A) nothing in this paragraph (e) shall prohibit or otherwise restrict the Company from delivering a further IPO Pushdown Notice in relation to any actual or contemplated IPO Event; and

(B) revocation of an IPO Pushdown Notice shall not, and shall not be deemed to, directly or indirectly constitute or result in a breach of any representation, warranty, undertaking or other term in a Debt Document or a Default or an Event of Default (whether by reason of any action or step taken by any person, or any matter or circumstance arising or committed, while that IPO Pushdown Notice was effective or otherwise).

For the purpose of this Clause 1.12, the "**IPO Pushdown Entity**" shall be any member of the Group or a Holding Company of the Company notified to each Agent, the Security Agent and each Hedge Counterparty by the Company in writing as the person to be treated as the

IPO Pushdown Entity in relation to the relevant IPO Event, **provided that** the IPO Pushdown Entity shall be the member of the Group or a Holding Company of the Company who will issue shares, or whose shares are to be sold, pursuant to that IPO Event.

2. RANKING AND PRIORITY

2.1 Creditor Liabilities

Each of the Parties agrees that the Liabilities owed by:

(a) the Debtors (other than a Debtor that is a Topco Borrower) and the Third Party Security Providers (other than a Third Party Security Provider that is a Topco Borrower) to the Secured Creditors shall rank in right and priority of payment in the following order and are postponed and subordinated to any prior ranking Liabilities as follows:

(i) ***first***, the Senior Lender Liabilities, the Super Senior Liabilities, the Senior Secured Notes Liabilities, the Cash Management Facility Liabilities, the Hedging Liabilities, the Second Lien Lender Liabilities, the Second Lien Notes Liabilities and the Agent Liabilities, pari passu and without any preference between them; and

(ii) ***second***, the Topco Liabilities and Topco Proceeds Loan Liabilities, pari passu between themselves and without any preference between them; and

(b) the Topco Borrowers to the Secured Creditors shall rank pari passu in right and priority of payment and without any preference between them in respect of the Senior Lender Liabilities, the Super Senior Liabilities, the Senior Secured Notes Liabilities, the Cash Management Facility Liabilities, the Hedging Liabilities, the Second Lien Lender Liabilities, the Second Lien Notes Liabilities, the Topco Liabilities, the Topco Proceeds Loan Liabilities and the Agent Liabilities.

2.2 Transaction Security

Each of the Parties agrees that the Transaction Security (irrespective of whether the related Transaction Security Documents are themselves expressed to be first ranking or of any Lower Ranking Security) shall rank and secure the following Liabilities (only to the extent that such Transaction Security is expressed to secure those Liabilities, but in the case of the Senior Lender Liabilities, the Super Senior Liabilities, the Senior Secured Notes Liabilities, the Cash Management Facility Liabilities and the Hedging Liabilities, without prejudice to Clause 17 (*Equalisation*)) in the following order:

(a) prior to the Designation Date:

(i) first, the Liabilities owed to the Security Agent and the Agent Liabilities pari passu and without any preference between them;

(ii) second, the Senior Lender Liabilities, the Senior Secured Notes Liabilities, the Cash Management Facility Liabilities and the Hedging Liabilities pari passu and without any preference between them;

(iii) third, the Second Lien Lender Liabilities and the Second Lien Notes Liabilities pari passu and without any preference between them; and

(iv) fourth (to the extent of the Topco Shared Security), the Topco Liabilities pari passu and without any preference between them; and

(b) on and from the Designation Date:

(i) first, the Liabilities owed to the Security Agent and the Agent Liabilities pari passu and without any preference between them;

(ii) second, the Super Senior Liabilities, the Senior Lender Liabilities, the Senior Secured Notes Liabilities, the Cash Management Facility Liabilities and the Pari Passu Hedging Liabilities pari passu and without any preference between them;

(iii) third, the Second Lien Lender Liabilities and the Second Lien Notes Liabilities pari passu and without any preference between them; and

(iv) fourth (to the extent of the Topco Shared Security), the Topco Liabilities pari passu and without any preference between them.

2.3 Topco Independent Secured Obligations and Unsecured Liabilities

(a) Each of the Parties agree that the Topco Independent Transaction Security created pursuant to the Topco Independent Transaction Security Documents shall rank and secure the Topco Independent Secured Obligations pari passu in right and priority of payment and without any preference between them (but only to the extent such Topco Independent Transaction Security is expressed to secure these Liabilities).

(b) This Agreement does not purport to rank any of the Unsecured Liabilities as between themselves.

2.4 Intra-Group Liabilities

(a) Each of the Parties agrees that the Intra-Group Liabilities are postponed and subordinated to the Liabilities owed by the Debtors and the Third Party Security Providers to the Secured Creditors.

(b) This Agreement does not purport to rank any of the Intra-Group Liabilities as between themselves.

2.5 Subordinated Liabilities

(a) Each of the Parties agrees that the Subordinated Liabilities are postponed and subordinated to the Liabilities owed by the Debtors and the Third Party Security Providers to the Secured Creditors and the Subordinated Liabilities are postponed and subordinated to the Liabilities owed by the Debtors and the Third Party Security Providers to the Unsecured Creditors and the Intra-Group Lenders.

(b) This Agreement does not purport to rank any of the Subordinated Liabilities as between themselves.

2.6 Topco Independent Obligors

This Agreement does not rank or restrict the payment by any Topco Independent Obligor (other than a Topco Borrower) of any liabilities of any Topco Independent Obligor (other than a Topco Borrower).

2.7 Additional and/or Refinancing Debt

The Creditors hereby acknowledge and agree that the Debtors (or any of them) shall be permitted, subject to Clause 18 (*New Debt Financings*), to:

(a) incur incremental Borrowing Liabilities and/or Guarantee Liabilities in respect of New Debt Financings including any incremental Borrowing Liabilities; or

(b) refinance, replace or otherwise restructure (in whole or in part from time to time) Borrowing Liabilities (or any other liabilities and obligations subject to the terms of this Agreement from time to time) with the proceeds of such New Debt Financings and/or incur Guarantee Liabilities in respect of any such refinancing, replacement or restructuring of Borrowing Liabilities, Guarantee Liabilities and/or other liabilities, including by way of New Debt Financings,

which in any such case is intended to rank pari passu with or in priority to any existing Liabilities and/or share pari passu with or in priority to any existing Security and/or to rank behind any existing Liabilities and/or to share in any existing Security behind such existing Liabilities. Provided that, in all cases, the incurring of any indebtedness including any New Debt Financing and the grant of the applicable Security in relation thereto is not prohibited under the Finance Documents, each Party irrevocably consents and agrees that any such incurrence of indebtedness and the grant of applicable Security in relation thereto is permitted to be made by any member of the Group or Third Party Security Provider subject only to the conditions set out in Clause 18 (*New Debt Financings*) and notwithstanding anything else to the contrary in this Agreement or any other Debt Document (including any provisions of this Agreement or any other Debt Document expressed or purporting to override any other provisions of this Agreement or any other Debt Document as a condition or otherwise to the taking of any action or step).

3. SENIOR SECURED CREDITOR AND SENIOR SECURED LIABILITIES

3.1 Payments of Senior Secured Creditor Liabilities

The Debtors and the Third Party Security Providers may make Payments in respect of the Senior Secured Creditor Liabilities at any time **provided that**, following the occurrence of a Super Senior Acceleration Event, a Senior Acceleration Event, a Senior Secured Notes Acceleration Event or an Insolvency Event, no Debtor or Third Party Security Provider may make (and no Senior Secured Creditor may receive) Payments of the Senior Secured Creditor Liabilities except from Recoveries distributed in accordance with Clause 16 (*Application of Proceeds*).

3.2 Amendments and Waivers

(a) Subject to Clause 4.6 (*Amendments and Waivers: Hedging Agreements*) and paragraph (b) below, the relevant Senior Secured Creditors, the Debtors and the Third Party Security Providers may amend or waive the terms of the Senior Secured Finance Documents in accordance with their terms (and subject to any consent required under them) at any time; and nothing in this Agreement or any other Debt Document shall restrict any amendments and waivers made or granted in accordance with Clause 18 (*New Debt Financings*).

(b) The repayment profile for the Senior Secured Liabilities (other than the Cash Management Facility Liabilities) shall be, at the option of the Company, a bullet repayment, an amortising repayment or a revolving facility, provided that prior to the Senior Lender Discharge Date it is consistent with (or not prohibited by) the provisions of paragraph (a) of the definition of "Permitted Alternative Debt" in the Senior Facilities Agreement, it being acknowledged that the Senior Secured Liabilities may have customary optional redemption, change of control, asset sale and mandatory redemption provisions.

3.3 Security and Guarantees: Senior Secured Creditors

Other than as set out in Clause 3.4 (*Security: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders*), the Senior Lenders, the Super Senior Lenders, the Senior Secured Notes Creditors and the Cash Management Facility Lenders may take, accept or receive the benefit of:

(a) any Security from any member of the Group or from a Third Party Security Provider in respect of the Senior Lender Liabilities, the Super Senior Liabilities, the Senior Secured Notes Liabilities or the Cash Management Facility Liabilities in addition to the Transaction Security if (except for any Security permitted by Clause 3.4 (*Security: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders*) or the terms of the Finance Documents) and to the extent legally possible and subject to any Agreed Security Principles, at the same time it is also offered either:

    (i) to the Security Agent as agent or trustee for the other Priority Secured Parties in respect of their Liabilities; or

(ii) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Security Agent as agent or trustee for the Priority Secured Parties:

(A) to the other Priority Secured Parties in respect of their Liabilities; or

(B) to the Security Agent under a parallel debt structure, joint and several creditor structure or agency structure for the benefit of the other Priority Secured Parties,

and ranks in the same order of priority as that contemplated in Clause 2.2 (*Transaction Security*), **provided that** all amounts received or recovered by any Senior Secured Creditor with respect to such Security are immediately paid to the Security Agent and held and applied in accordance with Clause 16 (*Application of Proceeds*); and

(b) any guarantee, indemnity or other assurance against loss from any member of the Group or from a Third Party Security Provider in respect of the Senior Lender Liabilities, the Super Senior Liabilities, the Cash Management Facility Liabilities or the Senior Secured Notes Liabilities in addition to those in:

(i) the original form of Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement, any Senior Secured Notes Indenture or any Cash Management Facility Document;

(ii) this Agreement; or

(iii) any Common Assurance,

if (except for any guarantee, indemnity or other assurance against loss permitted under Clause 3.4 (*Security: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders*)) and to the extent legally possible and subject to any Agreed Security Principles, at the same time it is also offered to the other Priority Secured Parties in respect of their Liabilities and ranks in the same order of priority as that contemplated in Clause 2 (*Ranking and Priority*) and all amounts received or recovered by any Senior Secured Creditor with respect to such guarantee, indemnity or other assurance against loss are immediately paid to the Security Agent and held and applied in accordance with Clause 16 (*Application of Proceeds*).

3.4 Security: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders

No Ancillary Lender, Issuing Bank or Cash Management Facility Lender will, unless the prior consent of the Majority Senior Lenders is obtained, take, accept or receive from any member of the Group or, from a Third Party Security Provider the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities owed to it other than:

(a) the Transaction Security;

(b) each guarantee, indemnity or other assurance against loss contained in:

(i) the original form of Senior Facilities Agreement or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement;

(ii) this Agreement; or

(iii) any Common Assurance;

(c) indemnities and assurances against loss contained in the Ancillary Documents no greater in extent than any of those referred to in paragraph (b) above;

(d) indemnities and assurances against loss contained in the Cash Management Facility Finance Documents no greater in extent than any of those referred to in paragraph (b) above;

(e) any SFA Cash Cover permitted under the Senior Facilities Agreement or any Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement relating to any Ancillary Facility or for any Letter of Credit;

(f) any Cash Management Facility Cash Cover permitted under the Cash Management Facility Finance Documents relating to any Cash Management Facility or for any Cash Management Facility LC issued by the Cash Management Facility Lender;

(g) the indemnities or any netting or set-off arrangement contained in an ISDA Master Agreement;

(h) any Security, guarantee, indemnity or other assurance against loss giving effect to, or arising as a result of the effect of, any netting or set-off arrangement relating to the Ancillary Facilities for the purpose of netting debit and credit balances arising under the Ancillary Facilities; or

(i) any Security, guarantee, indemnity or other assurance against loss giving effect to, or arising as a result of the effect of, any netting or set-off arrangement relating to any Cash Management Facility for the purpose of netting debit and credit balances arising under the Cash Management Facilities.

3.5 Restriction on Enforcement: Senior Lenders, Super Senior Lenders and Senior Secured Notes Creditors

No Senior Secured Creditor may take any Enforcement Action under paragraph (c) of that definition without the prior written consent of an Instructing Group.

3.6 Restriction on Enforcement: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders

Subject to Clause 3.7 (*Permitted Enforcement: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders*), so long as any of the Senior Liabilities or Super Senior Liabilities (other than any Liabilities owed to the Ancillary Lenders, Issuing Banks or the Cash Management Facility Lenders) are or may be outstanding, neither the Ancillary Lenders, the Issuing Banks nor the Cash Management Facility Creditors shall be entitled to take any Enforcement Action in respect of any of the Liabilities owed to it.

3.7 Permitted Enforcement: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders

(a) The Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders may take Enforcement Action if:

(i) at the same time as, or prior to, that action, Enforcement Action has been taken in respect of the Senior Lender Liabilities (excluding the Liabilities owing to Ancillary Lenders and the Issuing Banks), in which case the Ancillary Lenders, the Issuing Banks and the Cash Management Facility Creditors may take the same Enforcement Action as has been taken in respect of those Senior Lender Liabilities;

(ii) that action is contemplated by, and can be taken by the Ancillary Lenders and Issuing Banks under, the Senior Facilities Agreement or any Permitted Senior Secured Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement (including under clause 9.4 (*Repayment of Ancillary Facility or Fronted Ancillary Facility*) of the Senior Facilities Agreement or any substantially equivalent provision in any Permitted Senior Secured Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement (as the context requires)) or Clause 3.4 (*Security: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders*);

(iii) the action is contemplated by, and can be taken by the Cash Management Facility Creditors under Clause 3.4 (*Security: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders*);

(iv) that Enforcement Action is taken in respect of SFA Cash Cover which has been provided in accordance with the Senior Facilities Agreement or any Permitted Senior Secured Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement (as the context requires);

(v) that Enforcement Action is taken in respect of Cash Management Facility Cash Cover which has been provided in accordance with the relevant Cash Management Facility Document;

(vi) at the same time as or prior to that action, the consent of the Majority Senior Lenders for that Enforcement Action is obtained; or

(vii) to the extent permitted under applicable law, an Insolvency Event has occurred, in which case after the occurrence of that Insolvency Event, each Ancillary Lender, each Issuing Bank and each Cash Management Facility Creditor shall be entitled (if it has not already done so) to exercise any right it may otherwise have in respect of the relevant Debtor, Material Subsidiary or Third Party Security Provider to:

(A) accelerate any of that Debtor's, Material Subsidiary's or Third Party Security Provider's Senior Lender Liabilities and/or Cash Management Facility Liabilities (as the context requires) or declare them prematurely due and payable on demand;

(B) make a demand under any guarantee, indemnity or other assurance against loss given by that Debtor, Material Subsidiary or Third Party Security Provider in respect of any Senior Lender Liabilities and/or Cash Management Facility Liabilities (as the context requires);

(C) exercise any right of set-off or take or receive any Payment in respect of any Senior Lender Liabilities and/or Cash Management Facility Liabilities (as the context requires) of that Debtor, Material Subsidiary or Third Party Security Provider; or

(D) claim and prove in the liquidation, administration or other insolvency proceedings of that Debtor, Material Subsidiary or Third Party Security Provider for the Senior Lender Liabilities and/or Cash Management Facility Liabilities (as the context requires) owing to it.

(b) Clause 3.6 (*Restriction on Enforcement: Ancillary Lenders, Issuing Banks and Cash Management Facility Lenders*) shall not restrict any right of an Ancillary Lender or Cash Management Facility Creditor (as the context requires) to net or set-off in relation to a Multi-account Overdraft Facility, in accordance with the terms of the Senior Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement, any Permitted Senior Secured Facilities Agreement or Cash Management Facility Document (as the context requires), to the extent that the netting or set-off represents a reduction from the Gross Outstandings of that Multi-account Overdraft Facility to or towards an amount equal to its Net Outstandings.

3.8 Option to Purchase: Senior Secured Creditors (Prior to the Designation Date)

(a) Prior to the Designation Date and subject to paragraphs (b) and (c) below, a Senior Agent and/or a Senior Secured Notes Trustee (on behalf of one or more of the Senior Secured Creditors) (the "**Purchasing Senior Secured Creditors**") may after the occurrence of a Distress Event, by giving not less than ten (10) days' prior written notice to the Security Agent, require the transfer to the Purchasing Senior Secured Creditors (or to a nominee or nominees), in accordance with Clause 21.2 (*Change of Secured Creditors*), of all, but not part, of the rights, benefits and obligations in respect of the Senior Lender Liabilities if:

(i) that transfer is lawful and subject to paragraph (ii) below, otherwise permitted by the terms of the applicable Senior Finance Documents;

(ii) any conditions relating to such a transfer contained in the applicable Senior Finance Documents, as applicable, are complied with, other than:

(A) any requirement to obtain the consent of, or consult with, any Debtor, Third Party Security Provider or other member of the Group relating to such transfer, which consent or consultation shall not be required; and

(B) to the extent the Purchasing Senior Secured Creditors (acting as a whole) provide cash cover for any Letter of Credit, the consent of the Relevant Issuing Bank relating to such transfer;

(iii) the Senior Agent(s), on behalf of the Senior Lenders, is paid an amount equal to the aggregate of:

(A) any amounts provided as cash cover by the Purchasing Senior Secured Creditors for any Letter of Credit (as envisaged in paragraph (ii)(B) above as applicable);

(B) all of the Senior Lender Liabilities at that time (whether or not due), including all amounts that would have been payable under the Senior Finance Documents if the Senior Facilities were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees) incurred by the Senior Agent(s) and/or the Senior Lenders as a consequence of giving effect to that transfer.

(iv) as a result of that transfer the Senior Lenders have no further actual or contingent liability to any Debtor under the Senior Finance Documents;

(v) an indemnity is provided from (or on behalf of) the Purchasing Senior Secured Creditors (but, for the avoidance of doubt, this does not include a Senior Secured Notes Trustee) (or from another third party acceptable to all the Senior Lenders) in a form reasonably satisfactory to each Senior Lender in respect of all losses which may be sustained or incurred by each Senior Lender in consequence of any sum received or recovered by any Senior Lender from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Senior Lender for any reason; and

(vi) the transfer is made without recourse to, or representation or warranty from, the Senior Lenders.

(b) Subject to paragraph (b) of Clause 3.9 (*Hedge Transfer: Senior Secured Creditors (Prior to the Designation Date*)), a Senior Agent and/or Senior Secured Notes Trustee (as applicable and on behalf of the Purchasing Senior Secured Creditors) may only require a Senior Liabilities Transfer if, at the same time, they require a Hedge Transfer in accordance with Clause 3.9 (*Hedge Transfer: Senior Secured Creditors (Prior to the Designation Date)*) and if, for any reason, a Hedge Transfer cannot be made in accordance with Clause 3.9 (*Hedge Transfer: Senior Secured Creditors (Prior to the Designation Date)*), no Senior Liabilities Transfer may be required to be made. If more than one Purchasing Senior Secured Creditor wishes to exercise the option to purchase the Senior Lender Liabilities in accordance with paragraph (a) above, each such Purchasing Senior Secured Creditor shall acquire the Senior Lender Liabilities 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 Lender Liabilities shall inform the Senior Creditor Representatives in accordance with the terms of the Senior Secured Finance Documents, who will determine (consulting with each other as required) the appropriate share of the Senior Lender Liabilities to be acquired by each such Purchasing Senior Secured Creditor and who shall inform each such Purchasing Senior Secured Creditor accordingly. Furthermore, the Senior Creditor Representative(s) (as applicable) shall promptly inform the Senior Creditor Representatives of the Senior Lenders and the relevant Hedge Counterparties of the Purchasing Senior Secured Creditors' intention to exercise the option to purchase the Senior Lender Liabilities.

(c) At the request of the Senior Creditor Representative(s) (on behalf of all the Purchasing Senior Secured Creditors):

(i) the Senior Agent(s) shall notify the Purchasing Senior Secured Creditors of:

(A) the sum of the amounts described in paragraphs (a)(iii)(B) and (a)(iii)(C) above; and

(B) the amount of each Letter of Credit for which cash cover is to be provided by all the Purchasing Senior Secured Creditors (acting as a whole).

3.9 Hedge Transfer: Senior Secured Creditors (Prior to the Designation Date)

(a) Prior to the Designation Date, a Senior Creditor Representative (on behalf of the Purchasing Senior Secured Creditors, acting as a whole) may, by giving not less than 10 days' prior written notice to the Security Agent, require a Hedge Transfer:

(i) if either:

(A) the Purchasing Senior Secured Creditors require, at the same time, a Senior Liabilities Transfer under Clause 3.8 (*Option to Purchase: Senior Secured Creditors (Prior to the Designation Date)*); or

(B) all the Purchasing Senior Secured Creditors require that Hedge Transfer at any time on or after the later of the Senior Lender Discharge Date and the Cash Management Facility Discharge Date; and

(ii) if:

(A) that transfer is lawful and otherwise permitted by the terms of the Hedging Agreements in which case no Debtor, Third Party Security Provider or other member of the Group shall be entitled to withhold its consent to that transfer;

(B) any conditions (other than the consent of, or any consultation with, any Debtor, Third Party Security Provider or other member of the Group) relating to that transfer contained in the Hedging Agreements are complied with;

(C) each Hedge Counterparty is paid (in the case of a positive number) or pays (in the case of a negative number) an amount equal to the aggregate of (1) the Hedging Purchase Amount in respect of the hedging transactions under the relevant Hedging Agreement at that time and (2) all costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer;

(D) as a result of that transfer, the Hedge Counterparties have no further actual or contingent liability to any Debtor under the Hedging Agreements;

(E) an indemnity is provided from (or on behalf of) the Purchasing Senior Secured Creditors (but for the avoidance of doubt this does not include a Senior Secured Notes Trustee) which is receiving (or for which a nominee is receiving) that transfer (or from another third party acceptable to the relevant Hedge Counterparty) in a form reasonably satisfactory to the relevant Hedge Counterparty in respect of all losses which may be sustained or incurred by that Hedge Counterparty in consequence of any sum received or recovered by that Hedge Counterparty being required (or it being alleged that it is required) to be paid back by or clawed back from the Hedge Counterparty for any reason; and

(F) that transfer is made without recourse to, or representation or warranty from, the relevant Hedge Counterparty, except that the relevant Hedge Counterparty shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

(b) A Senior Creditor Representative (acting on behalf of the Purchasing Senior Secured Creditors) and any Hedge Counterparty may agree (in respect of the Hedging Agreements (or one or more of them) to which that Hedge Counterparty is a party) that a Hedge Transfer required by the Purchasing Senior Secured Creditors pursuant to paragraph (a) above shall not apply to that Hedging Agreement(s) or to the Hedging Liabilities and Hedge Counterparty Obligations under that Hedging Agreement(s).

(c) If a Senior Creditor Representative is entitled to require a Hedge Transfer under this Clause, the Hedge Counterparties shall, at the request of the Senior Creditor Representative, provide details of the amounts referred to in paragraph (a)(ii)(C) above.

3.10 Option to Purchase: Senior Secured Creditors (Following the Designation Date)

(a) On or after the Designation Date and subject to paragraphs (b) and (c) below a Senior Agent and/or a Senior Secured Notes Trustee (on behalf of one or more of the Senior Lenders, Cash Management Facility Lenders and/or the Senior Secured Noteholders) (the "**Purchasing Senior Secured Creditors**") may after the occurrence of a Distress Event, by giving not less than 10 days' prior written notice to the Security Agent, require the transfer to the Purchasing Senior Secured Creditors (or to a nominee or nominees), in accordance with Clause 21.2 (*Change of Secured Creditors*), of all, but not part, of the rights, benefits and obligations in respect of the Super Senior Lender Liabilities if:

(i) that transfer is lawful and subject to paragraph (ii) below, otherwise permitted by the terms of the Permitted Super Senior Secured Facilities Agreement;

(ii) any conditions relating to such a transfer contained in the Permitted Super Senior Secured Facilities Agreement, as applicable, are complied with, other than:

(A) any requirement to obtain the consent of, or consult with, any Debtor, Third Party Security Provider or other member of the Group relating to such transfer, which consent or consultation shall not be required; and

(B) to the extent the Purchasing Senior Secured Noteholders (acting as a whole) provide cash cover for any Letter of Credit, the consent of the Relevant Issuing Bank relating to such transfer;

(iii) the Super Senior Agent, on behalf of the Super Senior Lenders, is paid an amount equal to the aggregate of:

(A) any amounts provided as cash cover by the Purchasing Senior Secured Creditors for any Letter of Credit (as envisaged in paragraph (ii)(B) above as applicable);

(B) all of the Super Senior Lender Liabilities at that time (whether or not due), including all amounts that would have been payable under the Permitted Super Senior Secured Facilities Agreement if the Super Senior Facilities were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees) incurred by the Super Senior Agent and/or the Super Senior Lend
ers as a consequence of giving effect to that transfer.

(iv) as a result of that transfer the Super Senior Lenders have no further actual or contingent liability to any Debtor under the Super Senior Finance Documents;

(v) an indemnity is provided from (or on behalf of) the Purchasing Senior Secured Creditors (but, for the avoidance of doubt, this does not include a Senior Secured Notes Trustee) (or from another third party acceptable to all the Super Senior Lenders) in a form

reasonably satisfactory to each Super Senior Lender in respect of all losses which may be sustained or incurred by each Super Senior Lender in consequence of any sum received or recovered by any Super Senior Lender from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Super Senior Lender for any reason; and

(vi) the transfer is made without recourse to, or representation or warranty from, the Super Senior Lenders, except that each Super Senior Lender shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

(b) Subject to paragraph (b) of Clause 3.11 (*Super Senior Hedge Transfer: Senior Secured Creditors*), a Senior Agent and/or Senior Secured Notes Trustee (as applicable and on behalf of the Purchasing Senior Secured Creditors) may only require a Super Senior Liabilities Transfer if, at the same time, they require a Hedge Transfer in accordance with Clause 3.11 (*Super Senior Hedge Transfer: Senior* Secured Creditors) and if, for any reason, a Hedge Transfer cannot be made in accordance with Clause 3.11 (*Super Senior Hedge Transfer: Senior* Secured Creditors), no Super Senior Liabilities Transfer may be required to be made. If more than one Purchasing Senior Secured Creditor wishes to exercise the option to purchase the Super Senior Lender Liabilities in accordance with paragraph (a) above, each such Purchasing Senior Secured Creditor shall acquire the Super Senior Lender Liabilities 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 Super Senior Lender Liabilities shall inform the Senior Creditor Representatives in accordance with the terms of the Senior Secured Finance Documents, who will determine (consulting with each other as required) the appropriate share of the Super Senior Lender Liabilities to be acquired by each such Purchasing Senior Secured Creditor and who shall inform each such Purchasing Senior Secured Creditor accordingly. Furthermore, the Senior Creditor Representative(s) (as applicable) shall promptly inform the Super Senior Creditor Representative(s) and the relevant Hedge Counterparties of the Purchasing Senior Secured Noteholders' intention to exercise the option to purchase the Super Senior Lender Liabilities.

(c) At the request of the Senior Creditor Representative(s) (on behalf of all the Purchasing Senior Secured Creditors):

(i) the Super Senior Agent shall notify the Purchasing Senior Secured Creditors of:

(A) the sum of the amounts described in paragraphs (a)(iii)(B) and (a)(iii)(C) above; and

(B) the amount of each Letter of Credit for which cash cover is to be provided by all the Purchasing Senior Secured Creditors (acting as a whole).

3.11 Super Senior Hedge Transfer: Senior Secured Creditors (Following the Designation Date)

(a) On or after the Designation Date, a Senior Creditor Representative (on behalf of the Purchasing Senior Secured Creditors, acting as a whole) may, by giving not less than ten (10) days' prior written notice to the Security Agent, require a Super Senior Hedge Transfer:

(i) if either:

(A) the Purchasing Senior Secured Creditors require, at the same time, a Super Senior Liabilities Transfer under Clause 3.10 (*Option to Purchase: Senior Secured Creditors (Following the Designation Date)*)); or

(B) all the Purchasing Senior Secured Creditors require that Super Senior Hedge Transfer at any time on or after the later of the Senior Lender Discharge Date, the Super Senior Discharge Date and the Cash Management Facility Discharge Date; and

(ii) if:

(A) that transfer is lawful and otherwise permitted by the terms of the Hedging Agreements in which case no Debtor, Third Party Security Provider or other member of the Group shall be entitled to withhold its consent to that transfer;

(B) any conditions (other than the consent of, or any consultation with, any Debtor, Third Party Security Provider or other member of the Group) relating to that transfer contained in the Hedging Agreements are complied with;

(C) each Super Senior Hedge Counterparty is paid (in the case of a positive number) or pays (in the case of a negative number) an amount equal to the aggregate of (1) the Hedging Purchase Amount in respect of the hedging transactions under the relevant Hedging Agreement at that time and (2) all costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer;

(D) as a result of that transfer, the Super Senior Hedge Counterparties have no further actual or contingent liability to any Debtor under the Hedging Agreements;

(E) an indemnity is provided from (or on behalf of) the Purchasing Senior Secured Creditors (but for the avoidance of doubt this does not include a Senior Secured Notes Trustee) which is receiving (or for which a nominee is receiving) that transfer (or from another third party acceptable to the relevant Super Senior Hedge Counterparty) in a form reasonably satisfactory to the relevant Super Senior Hedge Counterparty in respect of all losses which may be sustained or incurred by that Super Senior Hedge Counterparty in consequence of any sum received or recovered by that Super Senior Hedge Counterparty being required (or it being alleged that it is required) to be paid back by or clawed back from the Super Senior Hedge Counterparty for any reason; and

(F) that transfer is made without recourse to, or representation or warranty from, the relevant Super Senior Hedge Counterparty, except that the relevant Super Senior Hedge Counterparty shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

(b) A Senior Creditor Representative (acting on behalf of the Purchasing Senior Secured Creditors) and any Super Senior Hedge Counterparty may agree (in respect of the Hedging Agreements (or one or more of them) to which that Super Senior Hedge Counterparty is a party) that a Super Senior Hedge Transfer required by the Purchasing Senior Secured Creditors pursuant to paragraph (a) above shall not apply to that Hedging Agreement(s) or to the Super Senior Hedging Liabilities and Hedge Counterparty Obligations under that Hedging Agreement(s).

(c) If a Senior Creditor Representative is entitled to require a Super Senior Hedge Transfer under this Clause, the Super Senior Hedge Counterparties shall, at the request of the Senior Secured Notes Trustee, provide details of the amounts referred to in paragraph (a)(ii)(C) above.

3.12 Cash Management Guarantee

Each Guarantor agrees it will be bound by the obligations set out in Schedule 8 (*Cash Management Facility Creditors' Guarantee and Indemnity*) unless (i) a substantially similar

guarantee is contained in the relevant Cash Management Facility Documents or (ii) otherwise elected by the Company by notice in writing to the Security Agent and the Cash Management Facility Lenders under that Cash Management Facility (or the relevant Cash Management Facility Agent on their behalf, if appointed).

4. HEDGE COUNTERPARTIES AND HEDGING LIABILITIES

4.1 Identity of Hedge Counterparties

(a) Subject to paragraph (b) below, no person providing hedging arrangements to any Debtor shall be entitled to share in any of the Transaction Security or in the benefit of any guarantee or indemnity from any member of the Group (or, in relation to Security, from a Third Party Security Provider over Topco Shared Security) in respect of any of the liabilities arising in relation to those hedging arrangements, nor shall those liabilities be treated as Hedging Liabilities unless that person is or becomes a party to this Agreement as a Hedge Counterparty.

(b) Paragraph (a) above shall not apply to a Hedging Ancillary Lender.

4.2 Restriction on Payment: Hedging Liabilities

Prior to the later of (a) the Senior Lender Discharge Date and (b) the Senior Secured Notes Discharge Date, neither the Debtors nor the Third Party Security Providers shall, and each shall procure that no other member of the Group will, make any Payment of the Hedging Liabilities at any time unless:

(a) that Payment is permitted under Clause 4.3 (*Permitted Payments: Hedging Liabilities*); or

(b) the taking or receipt of that Payment is permitted under paragraph (c) of Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*).

4.3 Permitted Payments: Hedging Liabilities

(a) Subject to paragraph (b) below, the Debtors shall have the right to make Payments to any Hedge Counterparty in respect of the Hedging Liabilities then due to that Hedge Counterparty under any Hedging Agreement in accordance with the terms of that Hedging Agreement:

(i) if the Payment is a scheduled Payment arising under the relevant Hedging Agreement (or another ordinary course payment under a Hedging Agreement, including any payment in relation to fees, costs and expenses);

(ii) to the extent that the relevant Debtor's obligation to make the Payment arises as a result of the operation of:

(A) any of sections 2(d) (*Deduction or Withholding for Tax*), 2(e) (*Default Interest; Other Amounts*), 8(a) (*Payment in the Contractual Currency*), 8(b) (*Judgments*) and 11 (*Expenses*) of the 1992 ISDA Master Agreement (if the Hedging Agreement is based on a 1992 ISDA Master Agreement);

(B) any of sections 2(d) (*Deduction or Withholding for Tax*), 8(a) (*Payment in the Contractual Currency*), 8(b) (*Judgments*), 9(h)(i) (*Prior to Early Termination*) and 11 (*Expenses*) of the 2002 ISDA Master Agreement (if the relevant Hedging Agreement is based on a 2002 ISDA Master Agreement); or

(C) any provision of a Hedging Agreement which is similar in meaning and effect to any provision listed in paragraph (A) or (B) above (if that Hedging Agreement is not based on an ISDA Master Agreement);

(iii) to the extent that the relevant Debtor's obligation to make the Payment arises from a Non-Credit Related Close-Out, or made at any time prior to Senior Acceleration Event or a Senior Secured Notes Acceleration Event;

(iv) to the extent that:

(A) the relevant Debtor's obligation to make the Payment arises from a Credit Related Close-Out in relation to that Hedging Agreement; and

(B) no Senior Event of Default or Senior Secured Notes Event of Default is continuing at the time of that Payment;

(v) if the Payment is a Payment pursuant to Clause 16.1 (*Order of Application—Transaction Security*); or

(vi) subject to Clause 4.13 (*On or After Senior Lender Discharge Date/Senior Secured Notes Discharge Date*), if the Majority Senior Secured Creditors give prior consent to the Payment being made.

(b) No Payment may be made to a Hedge Counterparty under paragraph (a) above if:

(i) any scheduled Payment due from that Hedge Counterparty to a Debtor under a Hedging Agreement to which they are both party is due and unpaid; or

(ii) a Super Senior Acceleration Event, a Senior Acceleration Event, a Senior Secured Notes Acceleration Event, Cash Management Facility Acceleration Event or an Insolvency Event has occurred except from Recoveries distributed in accordance with Clause 16 (*Application of Proceeds*),

unless the consent of the Majority Senior Secured Creditors is obtained.

(c) Failure by a Debtor to make a Payment to a Hedge Counterparty which results solely from the operation of paragraph (b) above shall, without prejudice to Clause 4.4 (*Payment Obligations Continue*), not result in a default (however described) in respect of that Debtor under that Hedging Agreement or any other Senior Secured Finance Document, Second Lien Finance Document, Unsecured Finance Document or Topco Finance Document (as applicable).

(d) Nothing in this Agreement obliges a Hedge Counterparty to make a payment to a Debtor under a Hedging Agreement to which they are both party if any scheduled Payment due from that Debtor to the Hedge Counterparty under that Hedging Agreement is due and unpaid. For the avoidance of doubt, this provision shall not affect any Payment which is due from a Hedge Counterparty to a Debtor as a result of a Hedging Agreement to which they are both a party being terminated or closed-out.

4.4 Payment Obligations Continue

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Clause 4.2 (*Restriction on Payment: Hedging Liabilities*) and Clause 4.3 (*Permitted Payments: Hedging Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of either of those Clauses.

4.5 No Acquisition of Hedging Liabilities

Without prejudice to Clause 4.6 (*Amendments and Waivers: Hedging Agreements*), neither the Third Party Security Provider or the Debtors shall, and each shall procure that no other member of the Group will:

(a) enter into any Liabilities Acquisition; or

(b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

unless the relevant Liabilities Acquisition relates to Hedging Liabilities in respect of which a Payment could be made under Clause 4.3 (*Permitted Payments: Hedging Liabilities*).

4.6 Amendments and Waivers: Hedging Agreements

(a) Subject to paragraph (b) below, the Hedge Counterparties may not, at any time, amend or waive any term of the Hedging Agreements.

(b) A Hedge Counterparty may amend or waive any term of a Hedging Agreement in accordance with the terms of that Hedging Agreement if that amendment or waiver gives rise to an obligation which if satisfied would not result in a breach of another term of this Agreement.

4.7 Security: Hedge Counterparties

The Hedge Counterparties may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any member of the Group (or, in relation to Security, from a Third Party Security Provider over Topco Shared Security) in respect of the Hedging Liabilities other than:

(a) the Transaction Security;

(b) any guarantee, indemnity or other assurance against loss contained in:

(i) the original form of Schedule 7 (*Hedge Counterparties' Guarantee and Indemnity*) or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires);

(ii) this Agreement (other than Schedule 7 (*Hedge Counterparties' Guarantee and Indemnity*));

(iii) any Common Assurance; or

(iv) the relevant Hedging Agreement (provided any such guarantee, indemnity or other assurance against loss is no greater in extent than any of those referred to in paragraphs (i) to (iii) above, ignoring for this purpose any limitations applicable to any guarantee, indemnity or other assurance referred to in paragraphs (i) to (iii) above);

(c) to the extent such Security, guarantee, indemnity or other assurance against loss has (or could have) been granted in compliance with or is as otherwise contemplated by Clause 3.3 (*Security and Guarantees: Senior Secured Creditors*); and

(d) the indemnities contained in the ISDA Master Agreements (in the case of a Hedging Agreement which is based on an ISDA Master Agreement) or any indemnities which, in terms of the rights to which they give rise, are similar to those indemnities (in the case of a Hedging Agreement which is not based on an ISDA Master Agreement).

4.8 Restriction on Enforcement: Hedge Counterparties

Subject to Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*) and Clause 4.10 (*Required Enforcement: Hedge Counterparties*) and without prejudice to each Hedge Counterparty's rights under Clause 12.3 (*Enforcement Instructions—Transaction Security*), Clause 12.4 (*Manner of Enforcement—Transaction Security*), Clause 13.3 (*Enforcement Instructions—Transaction Security*) and Clause 13.4 (*Manner of Enforcement—Transaction Security*), the Hedge Counterparties shall not take any Enforcement Action in respect of any of the Hedging Liabilities or any of the hedging transactions under any of the Hedging Agreements at any time.

4.9 Permitted Enforcement: Hedge Counterparties

(a) To the extent it is able to do so under the relevant Hedging Agreement, a Hedge Counterparty may terminate or close-out in whole or in part any hedging transaction under and in accordance with the terms of that Hedging Agreement prior to its stated maturity:

(i) if at any time prior to a Distress Event, provided that, if applicable, the Company has certified to that Hedge Counterparty that that termination or close out would not result in a breach of any minimum hedging requirements under any Finance Documents;

(ii) if a Distress Event has occurred;

(iii) if:

(A) in relation to a Hedging Agreement which is based on the 1992 ISDA Master Agreement:

(1) an Illegality or Tax Event or Tax Event Upon Merger (each as defined in the 1992 ISDA Master Agreement); or

(2) an event similar in meaning and effect to a Force Majeure Event (as defined in 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 paragraph (A) or (B) above has occurred under and in respect of that Hedging Agreement; and

(iv) if an Event of Default has occurred and is continuing under paragraph 1(e) of schedule 18 (*Events of Default*) of the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement, a Permitted Super Senior Secured Facilities Agreement or any Senior Secured Notes Finance Document (as the context requires)) in relation to a Debtor which is party to that Hedging Agreement, and the relevant Hedging Agreement provides for automatic termination of hedging transactions entered into under such Hedging Agreement upon or immediately prior to the occurrence of any such Event of Default;

(v) subject to Clause 4.13 (*On or After Senior Lender Discharge Date/Senior Secured Notes Discharge Date*), if the Majority Senior Secured Creditors give prior consent to that termination or close-out being made; or

(vi) for the purpose of ensuring the aggregate notional amount of all hedging entered into by the Group with one or more Hedge Counterparties in respect any specific indebtedness or exposure does not exceed the maximum aggregate amount of that indebtedness or other exposure from time to time (in each case to the extent agreed by the member of the Group party to that Hedging Agreement either in that Hedging Agreement or otherwise).

(b) If a Debtor has defaulted on any Payment due under a Hedging Agreement (after allowing any applicable notice or grace periods) and the default has continued unwaived for more than five Business Days after notice of that default has been given to the Security Agent pursuant to paragraph (p) of Clause 24.3 (*Notification of Prescribed Events*), the relevant Hedge Counterparty:

(i) may, to the extent it is able to do so under the relevant Hedging Agreement, terminate or close-out in whole or in part any hedging transaction under that Hedging Agreement; and

(ii) until such time as the Security Agent has given notice to that Hedge Counterparty that the Transaction Security is being enforced (or that any formal steps are being taken to enforce the Transaction Security), shall be entitled to exercise any right it might otherwise have to sue for, commence or join legal or arbitration proceedings against any Debtor to recover any Hedging Liabilities due under that Hedging Agreement.

(c) To the extent permitted under applicable law, after the occurrence of an Insolvency Event, each Hedge Counterparty shall be entitled to exercise any right it may otherwise have in respect of that Debtor, Material Subsidiary or Third Party Security Provider to:

(i) prematurely close-out or terminate any Hedging Liabilities of a member of the Group;

(ii) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group or Third Party Security Provider in respect of any Hedging Liabilities;

(iii) exercise any right of set-off or take or receive any Payment in respect of any Hedging Liabilities of that member of the Group or Third Party Security Provider; or

(iv) claim and prove in the liquidation of that member of the Group or Third Party Security Provider for the Hedging Liabilities owing to it.

4.10 Required Enforcement: Hedge Counterparties

(a) Subject to paragraph (b) below, a Hedge Counterparty shall promptly terminate or close-out in full any hedging transaction under all or any of the Hedging Agreements to which it is party prior to their stated maturity, following:

(i) the occurrence of a Super Senior Acceleration Event, a Senior Acceleration Event or a Senior Secured Notes Acceleration Event and delivery to it of a notice from the Security Agent that a Super Senior Acceleration Event, a Senior Acceleration Event or Senior Secured Notes Acceleration Event (as applicable) has occurred; and

(ii) delivery to it of a subsequent notice from the Security Agent (acting on the instructions of an Instructing Group) instructing it to do so.

(b) Paragraph (a) above shall not apply to the extent that that Senior Acceleration Event, Super Senior Acceleration Event or Senior Secured Notes Acceleration Event (as applicable) occurred as a result of an arrangement made between any Debtor or, as the case may be, Third Party Security Provider and any Secured Creditor or, as the case may be, Unsecured Creditor, with the purpose of bringing about that Super Senior Acceleration Event, Senior Acceleration Event or Senior Secured Notes Acceleration Event (as applicable).

(c) If a Hedge Counterparty is entitled to terminate or close-out any hedging transaction under paragraph (b) of Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*) (or would have been able to if that Hedge Counterparty had given the notice referred to in that paragraph) but has not terminated or closed out each such hedging transaction, that Hedge Counterparty shall promptly terminate or close-out in full each such hedging transaction following a request to do so by the Security Agent (acting on the instructions of an Instructing Group).

4.11 Treatment of Payments due to Debtors on Termination of Hedging Transactions

(a) If, on termination of any hedging transaction under any Hedging Agreement occurring after a Distress Event, a settlement amount or other amount (following the application of any Close-Out Netting, Payment Netting or Inter-Hedging Agreement Netting in respect of that Hedging Agreement) falls due from a Hedge Counterparty to the relevant Debtor, then that amount shall be paid by that Hedge Counterparty to the Security Agent, treated as the proceeds of enforcement of the Transaction Security and applied in accordance with the terms of this Agreement.

(b) The payment of that amount by the Hedge Counterparty to the Security Agent in accordance with paragraph (a) above shall discharge the Hedge Counterparty's obligation to pay that amount to that Debtor.

4.12 Terms of Hedging Agreements

The Hedge Counterparties (to the extent party to the Hedging Agreement in question) and the Debtors party to the Hedging Agreements shall ensure that, at all times:

(a) each Hedging Agreement is based either:

(i) on an ISDA Master Agreement; or

(ii) on another framework agreement which is similar in effect to an ISDA Master Agreement;

(b) in the event of a termination of the hedging transaction entered into under a Hedging Agreement, whether as a result of the occurrence of:

(i) a Termination Event or an Event of Default, each as defined in the relevant Hedging Agreement (where that Hedging Agreement is based on an ISDA Master Agreement); or

(ii) an event similar in meaning and effect to those described in paragraph (i) above (where that Hedging Agreement is not based on an ISDA Master Agreement),

that Hedging Agreement will:

(A) if it is based on a 1992 ISDA Master Agreement, provide for payments under the "**Second Method**" and will make no material amendment to section 6(e) (Payments on Early Termination) of the ISDA Master Agreement;

(B) if it is based on a 2002 ISDA Master Agreement, make no material amendment to the provisions of section 6(e) (Payments on Early Termination) of the ISDA Master Agreement; or

(C) if it is not based on an ISDA Master Agreement, provide for any other method of determining the amount, if any, payable in respect of that termination, the effect of which is that the party to which that event is referable will be entitled to receive payment under the relevant termination provisions if the net replacement value of all terminated transactions entered into under that Hedging Agreement is in its favour; and

(c) each Hedging Agreement shall provide that the relevant Hedge Counterparty will be entitled to designate an Early Termination Date (as defined in the relevant Hedging Agreement) or otherwise be able to terminate each transaction under such Hedging Agreement if so required pursuant to Clause 4.10 (*Required Enforcement: Hedge Counterparties*).

4.13 On or After Senior Lender Discharge Date/Senior Secured Notes Discharge Date

At any time on or after the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, any action which is permitted under any of Clause 4.3 (*Permitted Payments: Hedging Liabilities*), Clause 4.5 (*No Acquisition of Hedging Liabilities*) or Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*) by reason of the consent of the Majority Senior Secured Creditors will only be permitted to the extent that that action would not result in the Group ceasing to be in compliance with any minimum hedging requirements under any Second Lien Finance Document or Topco Finance Document.

4.14 Notice and Acknowledgement of Transaction Security

Each Hedge Counterparty, by its entry into this Agreement (or, as the case may be, by its entry into a Creditor/Agent Accession Undertaking as a Hedge Counterparty), acknowledges receipt of notice of assignment pursuant to the applicable Security Documents of the proceeds owing by that Hedge Counterparty to any Debtor pursuant to the Hedging Agreement(s) to which that Hedge Counterparty is a party.

4.15 Novation, Termination and Amendments: Hedging Agreements

Notwithstanding any other Clause in this Agreement, the Debtors and the Hedge Counterparties may terminate, close-out (in whole or in part), amend, assign, novate or otherwise modify any Hedging Agreement (in each case, subject to the terms set out in the relevant Hedging Agreement) in connection with any novation of any hedging arrangements **provided that** such termination, close-out, amendment, assignment, novation or other modification is not prohibited by the terms of the Debt Documents.

4.16 Hedge Counterparties' Guarantee and Indemnity

Each Hedging Guarantor agrees that it will be bound by the obligations set out in Schedule 7 (*Hedge Counterparties' Guarantee and Indemnity*).

5. SECOND LIEN CREDITORS AND SECOND LIEN LIABILITIES

5.1 Restriction on Payment and Dealings: Second Lien Liabilities

Until the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, neither the Company or a Third Party Security Provider shall (and the Company shall ensure that no member of the Group will):

(a) pay, repay, prepay, redeem, acquire or defease any principal, interest or other amount on or in respect of, or make any distribution in respect of, any Second Lien Liabilities in cash or in kind or apply any such money or property in or towards discharge of any Second Lien Liabilities except as permitted by Clause 2.7 (*Additional and/or Refinancing Debt*), Clause 5.2 (*Permitted Second Lien Payments*), Clause 5.10 (*Permitted Second Lien Enforcement*) or Clause 9.5 (*Filing of Claims*);

(b) exercise any set-off against any Second Lien Liabilities, except as permitted by Clause 2.7 (*Additional and/or Refinancing Debt*), Clause 5.2 (*Permitted Second Lien Payments*), Clause 5.10 (*Permitted Second Lien Enforcement*) or Clause 9.5 (*Filing of Claims*); or

(c) create or permit to subsist any Security over any assets of any member of the Group (or from a Third Party Security Provider over Topco Shared Security) or give any guarantee, indemnity or other assurance against loss (and no Second Lien Creditor Representative or Second Lien Creditor may accept the benefit of any such Security or guarantee, indemnity or other assurance against loss) from any member of the Group or Third Party Security Provider for, or in respect of, any Second Lien Liabilities other than to the extent permitted or not otherwise prohibited by the Debt Documents.

5.2 Permitted Second Lien Payments

(a) Prior to the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, the Debtors and the Third Party Security Providers shall have the right to make Payments to the Second Lien Creditors in respect of the Second Lien Liabilities then due in accordance with the Second Lien Finance Documents:

(i) if:

(A) the Payment is not prohibited by the Prior Ranking Financing Agreements or, to the extent prohibited, the Required Senior Consent has been obtained for any Payment;

(B) no Second Lien Payment Stop Notice is outstanding;

(C) no Senior Secured Payment Default has occurred and is continuing; and

(D) the Payment is:

(1) of any principal amount of the Second Lien Liabilities in accordance with:

X. Clause 15.1 (*Non-Distressed Disposals*) and Clause 15.3 (*Disposal Proceeds and other Proceeds (*before Distress Event))); or

Y. a provision (if any) in any Second Lien Facility Agreement which is substantially equivalent to clause 41.5 (*Replacement of Lender*) of the Senior Facilities Agreement;

(2) of a principal amount of the Second Lien Liabilities in an amount equal to the aggregate amount of a Senior Mandatory Prepayment that is the subject of a Senior Mandatory Prepayment Waiver;

(3) of cash interest in accordance with the terms of any Second Lien Finance Documents;

(4) made in pursuance of a debt buy-back programme in relation to Second Lien Liabilities that was established with the approval of the Majority Senior Secured Creditors and the Majority Super Senior Creditors;

(5) any other amount which is permitted to be paid subject to and in accordance with the provisions of the Prior Ranking Financing Agreements; or

(6) of any amount due under any fee letter or syndication strategy letter relating to any Second Lien Facility Agreement or any Second Lien Notes Indenture (as applicable);

(ii) if, notwithstanding that a Second Lien Payment Stop Notice is outstanding and/or a Senior Secured Payment Default has occurred and is continuing but **provided that** no Super Senior Acceleration Event, Senior Acceleration Event or Senior Secured Notes Acceleration Event or Insolvency Event has occurred:

(A) the Payment is of any principal amount of the Second Lien Liabilities in accordance with a provision (if any) in a Second Lien Finance Document which is substantially equivalent in meaning to:

(1) clause 11.1 (*Illegality*) of the Senior Facilities Agreement; or

(2) clause 11.6 (*Right of cancellation and repayment in relation to a single Lender or Issuing Bank*) of the Senior Facilities Agreement; or

(B) the Payment is of any other amount which is permitted to be paid subject to and in accordance with paragraph (iii) below;

(iii) if, notwithstanding that a Second Lien Payment Stop Notice is outstanding and/or a Senior Secured Payment Default has occurred and is continuing (and irrespective of whether a Super Senior Acceleration Event, Senior Acceleration Event or a Senior Secured Notes Acceleration Event has occurred) the Payment is:

(A) of any amount due under the original form of any fee letter(s) relating to any Second Lien Finance Documents but in any case only with respect to ongoing fees;

(B) in respect of commercially reasonable advisory fees and professional fees, costs or expenses for restructuring advice and valuations (including legal advice and the advice of other appropriate financial and/or restructuring advisors) and any fees, costs or expenses of the relevant Second Lien Creditor Representative not covered by paragraph (A) above in amount not exceeding €1,500,000 in aggregate, but excluding any fees, costs or expenses incurred in connection with any current, threatened or pending litigation against any Senior Secured Creditor or any Affiliate of any Senior Secured Creditor;

(C) if the Payment is of any Second Lien Agent Liabilities;

(D) if the Payment is of any Security Costs;

(E) if the Payment is of any costs, commissions, taxes, premiums, amendment, consent and/or waiver fees and any expenses incurred in respect of (or reasonably incidental

to) the Second Lien Finance Documents (including in relation to any reporting or listing requirements under the Second Lien Finance Documents);

(F) if the Payment is of any other amount not exceeding €2,500,000 (or its equivalent in other currencies) in aggregate in any 12 month period;

(G) of the Second Lien Liabilities outstanding which would have been payable but for the issue of a Second Lien Payment Stop Notice (which has since expired and where no new Second Lien Payment Notice has been issued) which has been capitalised and added to the principal amount of the Second Lien Liabilities or where that amount is outstanding as a result of the accrual of cash interest payable in respect of the Second Lien Liabilities during a period when a Second Lien Payment Stop Notice was outstanding **provided that** no such Payment may be made if any Material Event of Default is continuing or would occur as a result of making such payment;

(H) for so long as either a Senior Secured Event of Default or a Second Lien Event of Default is continuing, all or part of the Second Lien Liabilities being released or otherwise discharged solely in consideration for the issues of shares in any Holding Company of the Company or Topco (each a "**Debt for Equity Swap**") **provided that** (x) no cash or cash equivalent payment is made in respect of the Second Lien Liabilities, (y) it does not result in a Change of Control under and as defined in a Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement, Senior Secured Notes Indenture or a Second Lien Notes Indenture and (z) any Liabilities owed by a member of the Group to another member of the Group, the Subordinated Creditors or any other Holding Company of the Company that arise as a result of any such Debt for Equity Swap are subordinated to the Senior Secured Liabilities pursuant to this Agreement and the Senior Secured Creditors are granted Transaction Security in respect of any of those Liabilities owed by a member of the Group to the extent such Transaction Security is required to be granted pursuant to the terms of the Secured Debt Documents; or

(I) of non-cash interest made by way of the capitalisation of interest or by the issuance of a non-cash pay financial instrument evidencing the same which is subordinated to the Senior Secured Liabilities on the same terms as the Second Lien Liabilities; or

(iv) if the Majority Senior Secured Creditors and Majority Super Senior Creditors give prior consent to that Payment being made.

(b) On and after the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, the Debtors and the Third Party Security Providers may make Payments to the Second Lien Creditors in respect of the Second Lien Liabilities in accordance with the Second Lien Finance Documents.

5.3 Issue of Second Lien Payment Stop Notice

(a) A Second Lien Payment Stop Notice is "**outstanding**" during the period from the date on which, following the occurrence of a Material Event of Default, the Security Agent (acting on the instructions of the Majority Senior Secured Creditors) issues a notice (a "**Second Lien Payment Stop Notice**") to the Second Lien Creditor Representative(s) (with a copy to the Company) advising it that the relevant Material Event of Default has occurred and is continuing and suspending Payments of the Second Lien Liabilities until the first to occur of:

(i) the date falling 120 days after delivery of that Second Lien Payment Stop Notice;

(ii) the date on which a Second Lien Default occurs for failure to pay principal at the original scheduled maturity of the relevant Second Lien Liabilities;

(iii) if a Second Lien Standstill Period commences after the issue of a Second Lien Payment Stop Notice, the date on which that Second Lien Standstill Period expires;

(iv) the date on which the relevant Material Event of Default has been remedied or waived in accordance with the terms of the Senior Secured Finance Documents;

(v) the date on which the Security Agent (acting on the instructions of the Majority Senior Secured Creditors) delivers a notice to the Company and the Second Lien Creditor Representative(s) cancelling the Second Lien Payment Stop Notice;

(v) the later of the Super Senior Discharge Date and the Senior Secured Discharge Date; and

(vi) the date on which the Second Lien Creditors take any Enforcement Action that it is permitted to take under Clause 5.10 (*Permitted Second Lien Enforcement*).

(b) No Second Lien Payment Stop Notice may be served by the Security Agent in reliance on a particular Material Event of Default more than 45 days after the occurrence of the Event of Default constituting that Material Event of Default.

(c) No more than one Second Lien Payment Stop Notice may be served with respect to the same event or set of circumstances.

(d) No more than one Second Lien Payment Stop Notice may be served in any period of 360 days.

5.4 Effect of Material Event of Default or Senior Secured Payment Default

Any failure to make a Payment due under the Second Lien Finance Documents as a result of the issue of a Second Lien Payment Stop Notice or the occurrence of a Senior Secured Payment Default shall not prevent:

(a) the occurrence of an Event of Default as a consequence of that failure to make a Payment in relation to the relevant Second Lien Finance Document; or

(b) the issue of a Second Lien Enforcement Notice on behalf of the Second Lien Creditors.

5.5 Payment Obligations and Capitalisation of Interest Continue

(a) No Debtor or Third Party Security Provider shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Second Lien Finance Document by the operation of Clause 5.1 (*Restriction on Payment and Dealings: Second Lien Liabilities*) to Clause 5.4 (*Effect of Material Event of Default or Senior Secured Payment Default*) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

(b) The accrual and capitalisation of interest (if any) in accordance with the Second Lien Finance Documents shall continue notwithstanding the issue of a Second Lien Payment Stop Notice.

5.6 Cure of Payment Stop: Second Lien Creditors

If:

(a) at any time following the issue of a Second Lien Payment Stop Notice or the occurrence of a Senior Secured Payment Default, that Second Lien Payment Stop Notice ceases to be outstanding and/or (as the case may be) the Senior Secured Payment Default ceases to be continuing; and

(b) the relevant Debtor then promptly pays to the Second Lien Creditors an amount equal to any Payments which had accrued under the Second Lien Finance Documents and which would have been Permitted Second Lien Payments but for that Second Lien Payment Stop Notice or Senior Secured Payment Default,

then any Event of Default which may have occurred as a result of that suspension of Payments shall be waived and any Second Lien Enforcement Notice which may have been issued as a result of that Event of Default shall be waived, in each case without any further action being required on the part of the Second Lien Creditors.

5.7 Amendments and Waivers: Second Lien Creditors

(a) Subject to paragraph (b) below, the Second Lien Creditors, the Third Party Security Providers and the Debtors may amend or waive the terms of the Second Lien Finance Documents in accordance with their terms (and subject to any consent required under them) at any time and nothing in this Agreement or any other Debt Document shall restrict any amendments and waivers made or granted in accordance with Clause 18 (*New Debt Financings*).

(b) The repayment profile for the Second Lien Liabilities shall be, at the option of the Company, a bullet repayment or an amortising repayment, provided that prior to the Senior Lender Discharge Date it is consistent with (or not prohibited by) the provisions of paragraph (a) of the definition of "Permitted Alternative Debt" in the Senior Facilities Agreement, it being acknowledged that the Second Lien Liabilities may have customary optional redemption, change of control, asset sale and mandatory redemption provisions.

5.8 Security and Guarantees: Second Lien Creditors

The Second Lien Lenders and the Second Lien Notes Creditors may take, accept or receive the benefit of:

(a) any Security from any member of the Group or from a Third Party Security Provider in respect of the Second Lien Lender Liabilities or the Second Lien Notes Liabilities in addition to the Transaction Security or as permitted by the Finance Documents if and to the extent legally possible and subject to any Agreed Security Principles, at the same time it is also offered either:

    (i) to the Security Agent as agent or trustee for the other Priority Secured Parties in respect of their Liabilities; or

    (ii) in the case of any jurisdiction in which effective Security cannot be granted in favour of the Security Agent as agent or trustee for the Priority Secured Parties:

        (A) to the other Priority Secured Parties in respect of their Liabilities; or

        (B) to the Security Agent under a parallel debt structure, joint and several creditor structure or agency structure for the benefit of the other Priority Secured Parties,

    and ranks in the same order of priority as that contemplated in Clause 2.2 (*Transaction Security*), **provided that** all amounts received or recovered by any Second Lien Creditor with respect to such Security are immediately paid to the Security Agent and held and applied in accordance with Clause 16 (*Application of Proceeds*); and

(b) any guarantee, indemnity or other assurance against loss from any member of the Group or from a Third Party Security Provider in respect of the Second Lien Lender Liabilities or the Second Lien Notes Liabilities in addition to those in:

    (i) the original form of Second Lien Facility Agreement or the Second Lien Notes Indenture;

    (ii) this Agreement; or

    (iii) any Common Assurance,

    if and to the extent legally possible and subject to any Agreed Security Principles, at the same time it is also offered to the other Priority Secured Parties in respect of their Liabilities and ranks in the same order of priority as that contemplated in Clause 2 (*Ranking and*

Priority) and all amounts received or recovered by any Second Lien Creditor with respect to such guarantee, indemnity or other assurance against loss are immediately paid to the Security Agent and held and applied in accordance with Clause 16 (*Application of Proceeds*).

5.9 Restrictions on Enforcement by Second Lien Creditors

Until the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, except with the prior consent of or as required by an Instructing Group, no Second Lien Creditor shall take or require the taking of any Enforcement Action against a member of the Group or Third Party Security Provider in relation to the Second Lien Liabilities, except as permitted under Clause 5.10 (*Permitted Second Lien Enforcement*) **provided that** no such action required by an Instructing Group need be taken except to the extent that such Instructing Group otherwise is entitled under this Agreement to direct such action.

5.10 Permitted Second Lien Enforcement

(a) Each Second Lien Creditor may take any Enforcement Action available to it but for Clause 5.9 (*Restrictions on Enforcement by Second Lien Creditors*) in respect of any of the Second Lien Liabilities owed to it if at the same time as, or prior to, that action:

(i) a Super Senior Acceleration Event or a Senior Acceleration Event or a Senior Secured Notes Acceleration Event has occurred in which case each Second Lien Creditor may take the same Enforcement Action (but in respect of the Second Lien Liabilities) as constitutes that Super Senior Acceleration Event or Senior Acceleration Event or Senior Secured Notes Acceleration Event;

(ii) a Second Lien Creditor Representative has given notice (a "**Second Lien Enforcement Notice**") to the Security Agent specifying that a Second Lien Event of Default (save and except arising pursuant to a breach of any substantially equivalent provisions in the relevant Second Lien Facility Agreement to clause 28.6 (*Cross Default for failure to pay principal or interest*) of the Senior Facilities Agreement) under the Second Lien Finance Documents in respect of which it is an agent has occurred and is continuing and:

(A) a period (a "**Second Lien Standstill Period**") of not less than:

(1) 90 days in the case of a failure to make a payment of an amount of principal, interest or fees representing the Second Lien Liabilities; or

(2) 120 days in the case of an Event of Default under any provision in any Second Lien Facility Agreement substantially equivalent to clause 26.2 (*Financial condition*) of the Senior Facilities Agreement; and

(3) 150 days in the case of any other Second Lien Event of Default,

or, in relation to any Second Lien Liabilities, such longer period (if any) as agreed between the Company (in its discretion) and the Second Lien Creditor Representative in relation to such Second Lien Liabilities and notified to the Security Agent in each case which has elapsed from the date on which that Second Lien Enforcement Notice becomes effective in accordance with Clause 25.4 (*Delivery*); and

(B) that Second Lien Event of Default is continuing at the end of the Second Lien Standstill Period; or

(iii) at the same time as or prior to that action the consent of the Majority Senior Secured Creditors for that Enforcement Action is obtained.

(b) To the extent permitted under applicable law, after the occurrence of an Insolvency Event, each Second Lien Creditor may (unless otherwise directed by the Security Agent or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of that

Second Lien Creditor in accordance with Clause 9.5 (*Filing of Claims*)) exercise any right they may otherwise have against that Debtor, Material Subsidiary or Third Party Security Provider to:

(i) accelerate any of that Debtor's or, as the case may be, Third Party Security Provider's or Material Subsidiary's Second Lien Liabilities or declare them prematurely due and payable or payable on demand;

(ii) make a demand under any guarantee, indemnity or other assurance against loss given by that Debtor or, as the case may be, Third Party Security Provider or Material Subsidiary in respect of any Second Lien Liabilities;

(iii) exercise any right of set–off or take or receive any Payment or claim in respect of any Second Lien Liabilities of that Debtor or, as the case may be, Third Party Security Provider or Material Subsidiary; or

(iv) claim and prove in the liquidation, administration or other insolvency proceedings of that Debtor or, as the case may be, Third Party Security Provider or Material Subsidiary for the Second Lien Liabilities owing to it.

5.11 Subsequent Second Lien Defaults

The Second Lien Finance Parties may take Enforcement Action under Clause 5.10 (*Permitted Second Lien Enforcement*) in relation to a Second Lien Event of Default even if, at the end of any relevant Second Lien Standstill Period or at any later time, a further Second Lien Standstill Period has begun as a result of any other Second Lien Event of Default.

5.12 Enforcement on behalf of Second Lien Creditors

(a) If the Security Agent has notified the Second Lien Creditor Representative that it is enforcing Security created pursuant to any Transaction Security Document over shares of a Debtor, no Second Lien Finance Party may take any action referred to in Clause 5.10 (*Permitted Second Lien Enforcement*) against that Debtor while the Security Agent is taking steps to enforce that Security in accordance with the instructions of the Instructing Group where such action might be reasonably likely to adversely affect such enforcement or the amount of proceeds to be derived therefrom.

(b) If the Second Lien Creditors are permitted to give instructions to the Security Agent to require the enforcement of the Security constituted pursuant to any Transaction Security Document in accordance with the provisions of this Clause 5.12, such Enforcement Action must require the realisation of the relevant Security by way of a sale or disposal conducted in compliance with the provisions of Clause 15.2 (*Distressed Disposals*).

5.13 Second Lien Equity Cure

To the extent that the Company does not elect to exercise its rights under paragraph (b) of clause 28.2 (*Financial covenant*) of the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)), any of the Second Lien Creditors may, with the prior agreement of the Company, exercise the rights of the Company under such clause as if they were the Company by providing to the Company cash (and, if required under the relevant Senior Secured Finance Documents, which may be on-lent to the Original Borrowers (as such term is defined in the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)) in the form of Equity Contributions (as such term is defined

in the Senior Facilities Agreement, (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or a Permitted Super Senior Secured Facilities Agreement (as the context requires)) **provided that** it does not result in:

(a) a Change of Control under and as defined in a Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement or a Senior Secured Notes Indenture; or

(b) a Change of Control under and as defined in a Second Lien Facility Agreement or a Second Lien Notes Indenture,

and such Second Lien Creditors have acceded to this Agreement each as an additional Subordinated Creditor whereby such Equity Contributions constitute (as applicable) Subordinated Liabilities.

5.14 Option to Purchase: Second Lien Creditors

(a) Subject to paragraphs (b) and (c) below a Second Lien Agent and Second Lien Notes Trustee (on behalf of one or more of the Second Lien Creditors) (the "**Purchasing Second Lien Creditors**") may after the occurrence of a Distress Event or for so long as either (i) a Second Lien Payment Stop Notice; or (ii) a Second Lien Standstill Period is outstanding, by giving not less than 10 days' prior written notice to the Security Agent, require the transfer to the Purchasing Second Lien Creditors (or to a nominee or nominees), in accordance with Clause 21.2 (*Change of Secured Creditors*), of all, but not part, of the rights, benefits and obligations in respect of the Senior Lender Liabilities, the Super Senior Lender Liabilities, the Senior Secured Notes Liabilities and the Cash Management Facility Liabilities if:

(i) that transfer is lawful and subject to paragraph (ii) below, otherwise permitted by the terms of the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or, as applicable, a Permitted Super Senior Secured Facilities Agreement) (in the case of the Senior Lender Liabilities or, as applicable, the Super Senior Lender Liabilities), the Senior Secured Notes Indenture(s) pursuant to which any Senior Secured Notes remain outstanding (in the case of the Senior Secured Notes Liabilities) and the facility agreement or indenture within the definition of Cash Management Facility Documents (in the case of the Cash Management Facility Liabilities), as applicable;

(ii) any conditions relating to such a transfer contained in the Senior Facilities Agreement or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement, or as applicable, a Permitted Super Senior Secured Facilities Agreement (in the case of the Senior Lender Liabilities, or, as applicable, the Super Senior Lender Liabilities) the Senior Secured Notes Indenture(s) pursuant to which any Senior Secured Notes remain outstanding (in the case of the Senior Secured Notes Liabilities) and the facility agreement or indenture within the definition of Cash Management Facility Documents (in the case of the Cash Management Facility Liabilities), as applicable, are complied with, other than:

(A) any requirement to obtain the consent of, or consult with, any Debtor, Third Party Security Provider or other member of the Group relating to such transfer, which consent or consultation shall not be required; and

(B) to the extent to the Purchasing Second Lien Creditors (acting as a whole) provide cash cover for any Letter of Credit or Cash Management Facility LC, the consent of the Relevant Issuing Bank relating to such transfer;

(iii) the Senior Agent, on behalf of the Senior Lenders, is paid an amount equal to the aggregate of:

(A) any amounts provided as cash cover by the Purchasing Second Lien Creditors for any Letter of Credit (as envisaged in paragraph (ii)(B) above, as applicable);

(B) all of the Senior Liabilities (other than the Cash Management Facility Liabilities and the Hedging Liabilities) at that time (whether or not due), including all amounts that would have been payable under the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement (as the context requires)) if the Senior Facilities were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees) incurred by the Senior Agent and/or the Senior Lenders as a consequence of giving effect to that transfer;

(iv) the Super Senior Agent, on behalf of the Super Senior Lenders, is paid an amount equal to the aggregate of:

(A) any amounts provided as cash cover by the Purchasing Second Lien Creditors for any Letter of Credit (as envisaged in paragraph (ii)(B) above, as applicable);

(B) all of the Super Senior Lender Liabilities at that time (whether or not due), including all amounts that would have been payable under the Permitted Super Senior Secured Facilities Agreement, if the Super Senior Facilities were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees) incurred by the Super Senior Agent and/or the Super Senior Lenders as a consequence of giving effect to that transfer;

(v) each Cash Management Facility Lender is paid an amount equal to the aggregate of:

(A) any amounts provided as cash cover by the Purchasing Second Lien Creditors for any Cash Management Facility LC (as envisaged in paragraph (ii)(B) above, as applicable);

(B) all of the Cash Management Facility Liabilities at that time (whether or not due), including all amounts that would have been payable under the Cash Management Facility Documents if the relevant Cash Management Facilities were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees) incurred by the Cash Management Facility Lenders as a consequence of giving effect to that transfer;

(vi) the Senior Secured Notes Trustee(s), on behalf of the Senior Secured Notes Creditors, is paid an amount equal to the aggregate of:

(A) all of the Senior Secured Notes Liabilities at that time (whether due or not due), including all amounts that would have been payable under a Senior Secured Notes Indenture if the Senior Secured Notes were being redeemed (as applicable) by the relevant Debtors on the date of that payment; and

(B) all costs and expenses (including legal fees) incurred by the Senior Secured Notes Trustee(s) and/or the Senior Secured Notes Creditors as a consequence of giving effect to that transfer;

(vii) as a result of that transfer the Senior Lenders, the Super Senior Lenders, Senior Secured Notes Creditors and Cash Management Facility Lenders have no further actual or contingent liability to any Debtor under the Senior Secured Finance Documents;

(viii) an indemnity is provided from (or on behalf of) the Purchasing Second Lien Creditors (but, for the avoidance of doubt, this does not include a Second Lien Agent or a Second Lien Notes Trustee) (or from another third party acceptable to all the Senior Lenders, Super Senior Lenders, Senior Secured Notes Creditors and Cash Management Facility Lenders) in a form reasonably satisfactory to each Senior Lender, each Super Senior Lender, each Senior Secured Notes Creditor and each Cash Management Facility Lender

in respect of all losses which may be sustained or incurred by any Senior Lender, any Super Senior Lender, Senior Secured Notes Creditor or Cash Management Facility Lender in consequence of any sum received or recovered by any Senior Lender, Super Senior Lender, Senior Secured Notes Creditor or Cash Management Facility Lender from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Senior Lender, Super Senior Lender, Senior Secured Notes Creditor or Cash Management Facility Lender for any reason; and

(ix) the transfer is made without recourse to, or representation or warranty from, the Senior Lenders, the Super Senior Lenders, Senior Secured Notes Creditors or Cash Management Facility Lenders, except that each Senior Lender, Super Senior Lenders, Senior Secured Notes Creditor and Cash Management Facility Lender shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

(b) Subject to paragraph (b) of Clause 5.15 (*Hedge Transfer: Second Lien Creditors*), a Second Lien Agent or Second Lien Notes Trustee (on behalf of the Purchasing Second Lien Creditors) may only require a Senior Secured Creditor Liabilities Transfer if, at the same time, they require a Hedge Transfer in accordance with Clause 5.15 (*Hedge Transfer: Second Lien Creditors*) and if, for any reason, a Hedge Transfer cannot be made in accordance with Clause 5.15 (*Hedge Transfer: Second Lien Creditors*), no Senior Secured Creditor Liabilities Transfer may be required to be made. If more than one Purchasing Second Lien Creditor wishes to exercise the option to purchase the Senior Lender Liabilities, the Super Senior Lender Liabilities, the Cash Management Facility Liabilities and the Senior Secured Notes Liabilities in accordance with paragraph (a) above, each such Purchasing Second Lien Creditor shall acquire the Senior Lender Liabilities, Super Senior Lender Liabilities, the Cash Management Facility Liabilities and the Senior Secured Notes pro rata, in the proportion that its Credit Participation bears to the aggregate Credit Participations of all the Purchasing Second Lien Creditors. Any Purchasing Second Lien Creditors wishing to exercise the option to purchase the Senior Lender Liabilities, the Super Senior Lender Liabilities, the Cash Management Facility Liabilities and the Senior Secured Notes Liabilities shall inform the Senior Creditor Representatives in accordance with the terms of the Senior Secured Finance Documents, who will determine (consulting with each other as required) the appropriate share of the Senior Lender Liabilities, the Super Senior Lender Liabilities, the Cash Management Facility Liabilities and the Senior Secured Notes to be acquired by each such Purchasing Second Lien Creditor and who shall inform each such Purchasing Second Lien Creditor accordingly. Furthermore, the Senior Creditor Representative(s) (as applicable) shall promptly inform the Senior Creditor Representatives and the relevant Hedge Counterparties of the Purchasing Second Lien Creditors intention to exercise the option to purchase the Senior Lender Liabilities, the Super Senior Lender Liabilities, the Cash Management Facility Liabilities and the Senior Secured Notes Liabilities.

(c) At the request of the Second Lien Agent or Second Lien Notes Trustee (on behalf of all the Purchasing Second Lien Creditors):

(i) the Senior Agent shall notify the Purchasing Second Lien Creditors of:

(A) the sum of the amounts described in paragraphs (a)(iii)(B) and (a)(iii)(C) above; and

(B) the amount of each Letter of Credit for which cash cover is to be provided by all the Purchasing Second Lien Creditors (acting as a whole);

(ii) the Super Senior Agent shall notify the Purchasing Second Lien Creditors of:

(A) the sum of the amounts described in paragraphs (a)(iv)(B) and (a)(iv)(C) above; and

(B) the amount of each Letter of Credit for which cash cover is to be provided by all the Purchasing Second Lien Creditors (acting as a whole);

(iii) the Senior Secured Notes Trustee(s) shall notify the Purchasing Second Lien Creditors of the sum of amounts described in paragraphs (a)(vi)(A) and (a)(vi)(B) above; and

(iv) each Cash Management Facility Lender shall notify the Purchasing Second Lien Creditors of:

(A) the sum of the amounts described in paragraphs (a)(v)(B) and (a)(v)(C) and above; and

(B) the amount of each Cash Management Facility LC for which cash cover is to be provided by all the Purchasing Second Lien Creditors (acting as a whole).

5.15 Hedge Transfer: Second Lien Creditors

(a) A Second Lien Agent or Second Lien Notes Trustee (on behalf of the Purchasing Second Lien Creditors, acting as a whole) may, by giving not less than 10 days' prior written notice to the Security Agent, require a Hedge Transfer:

(i) if either:

(A) the Purchasing Second Lien Creditors require, at the same time, a Senior Secured Creditor Liabilities Transfer under Clause 5.14 (*Option to Purchase: Second Lien Creditors*); or

(B) all the Purchasing Second Lien Creditors require that Hedge Transfer at any time on or after the later of the Senior Lender Discharge Date, the Super Senior Discharge Date, the Cash Management Facility Discharge Date and the Senior Secured Notes Discharge Date; and

(ii) if:

(A) that transfer is lawful and otherwise permitted by the terms of the Hedging Agreements in which case no Debtor, Third Party Security Provider or other member of the Group shall be entitled to withhold its consent to that transfer;

(B) any conditions (other than the consent of, or any consultation with, any Debtor, Third Party Security Provider or other member of the Group) relating to that transfer contained in the Hedging Agreements are complied with;

(C) each Hedge Counterparty is paid (in the case of a positive number) or pays (in the case of a negative number) an amount equal to the aggregate of (1) the Hedging Purchase Amount in respect of the hedging transactions under the relevant Hedging Agreement at that time and (2) all costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer;

(D) as a result of that transfer, the Hedge Counterparties have no further actual or contingent liability to any Debtor under the Hedging Agreements;

(E) an indemnity is provided from (or on behalf of) the Purchasing Second Lien Creditor (but for the avoidance of doubt this does not include a Second Lien Agent or a Second Lien Notes Trustee) which is receiving (or for which a nominee is receiving) that transfer (or from another third party acceptable to the relevant Hedge Counterparty) in a form reasonably satisfactory to the relevant Hedge Counterparty in respect of all losses which may be sustained or incurred by that Hedge Counterparty in consequence of any sum received or recovered by that Hedge Counterparty being required (or it being alleged that it is required) to be paid back by or clawed back from the Hedge Counterparty for any reason; and

(F) that transfer is made without recourse to, or representation or warranty from, the relevant Hedge Counterparty, except that the relevant Hedge Counterparty shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

(b) A Second Lien Agent or Second Lien Notes Trustee (acting on behalf of the Purchasing Second Lien Creditors) and any Hedge Counterparty may agree (in respect of the Hedging Agreements (or one or more of them) to which that Hedge Counterparty is a party) that a Hedge Transfer required by the Purchasing Second Lien Creditors pursuant to paragraph (a) above shall not apply to that Hedging Agreement(s) or to the Hedging Liabilities and Hedge Counterparty Obligations under that Hedging Agreement(s).

(c) If a Second Lien Agent or Second Lien Notes Trustee is entitled to require a Hedge Transfer under this Clause, the Hedge Counterparties shall, at the request of the Second Lien Agent or Second Lien Notes Trustee, provide details of the amounts referred to in paragraph (a)(ii)(C) above).

6. TOPCO CREDITORS, TOPCO LIABILITIES AND TOPCO GROUP LIABILITIES

6.1 Restriction on Payment and Dealings: Topco Group Liabilities

Until the Priority Discharge Date (except with the Required Creditor Consent), neither the Company nor any Topco Borrower nor any Third Party Security Provider shall (and the Company shall ensure that no member of the Group will):

(a) pay, repay, prepay, redeem, acquire or defease any principal, interest or other amount on or in respect of, or make any distribution in respect of, Topco Group Liabilities in cash or in kind or apply any such money or property in or towards discharge of any Topco Group Liabilities except as permitted by Clause 2.7 (*Additional and/or Refinancing Debt*), Clause 6.2 (*Permitted Topco Payments*), Clause 6.10 (*Permitted Topco Enforcement*) or Clause 9.5 (*Filing of Claims*);

(b) exercise any set-off against any Topco Group Liabilities, except as permitted by Clause 6.2 (Permitted Topco Payments), Clause 6.9 (*Restrictions on Enforcement by Topco Finance Party*) or Clause 9.5 (*Filing of Claims*); or

(c) create or permit to subsist any Security over any assets of any member of the Group or from a Third Party Security Provider or give any guarantee, indemnity or other assurance against loss (and none of the Topco Creditor Representative, Topco Creditor and Topco Investor may accept the benefit of any such Security or guarantee, indemnity or other assurance against loss) from any member of the Group for, or in respect of, any Topco Group Liabilities, other than to the extent not prohibited by the Debt Documents (which shall include, for the avoidance of doubt, any permissions under this Clause 6).

6.2 Permitted Topco Payments

(a) Prior to the Priority Discharge Date, the Debtors, the Topco Borrowers and Third Party Security Providers shall have the right to make Payments to the Topco Creditors (in respect of the Topco Liabilities) or a Topco Investor (in respect of any Topco Proceeds Loan Liabilities only) then due in accordance with the Topco Finance Documents or any Topco Proceeds Loan Agreement (as applicable):

(i) if:

(A) the Payment is not prohibited by the Prior Ranking Financing Agreements or, to the extent prohibited, the Required Creditor Consent has been obtained for any Payment;

(B) no Topco Payment Stop Notice is outstanding;

(C) no Senior Secured Payment Default or Second Lien Payment Default has occurred and is continuing; and

(D) the Payment is:

(1) of any principal amount of the Topco Liabilities in accordance with:

X. Clause 15.1 (*Non-Distressed Disposals*) and Clause 15.3 (*Disposal Proceeds and other Proceeds (*before Distress Event))); or

Y. a provision (if any) in any Topco Facility Agreement which is substantially equivalent to clause 41.5 (*Replacement of Lender*) of the Senior Facilities Agreement;

(2) of a principal amount of the Topco Liabilities in an amount equal to the aggregate amount of a Senior Mandatory Prepayment that is the subject of a Senior Mandatory Prepayment Waiver and a Second Lien Mandatory Prepayment that is the subject of a Second Lien Mandatory Prepayment Waiver;

(3) of cash interest in accordance with the terms of any Topco Finance Documents;

(4) made in pursuance of a debt buy-back programme in relation to Topco Liabilities that was established with the approval of the Majority Senior Secured Creditors, the Majority Second Lien Creditors and the Majority Super Senior Creditors;

(5) any other amount which is permitted to be paid subject to and in accordance with the provisions of the Prior Ranking Financing Agreements; or

(6) of any amount due under any fee letter or syndication strategy letter relating to any Topco Facility Agreement or Topco Notes Indenture (as applicable);

(ii) if, notwithstanding that a Topco Payment Stop Notice is outstanding and/or a Senior Secured Payment Default and/or Second Lien Payment Default has occurred and is continuing but **provided that** no Super Senior Acceleration Event, Senior Acceleration Event, Senior Secured Notes Acceleration Event, Second Lien Lender Acceleration Event, Second Lien Notes Acceleration Event or Insolvency Event has occurred:

(A) the Payment is of any principal amount of the Topco Liabilities in accordance with a provision (if any) in a Topco Finance Document which is substantially equivalent in meaning to:

(1) clause 11.1 (*Illegality*) of the Senior Facilities Agreement; or

(2) clause 11.6 (*Right of cancellation and repayment in relation to a single Lender or Issuing Bank*) of the Senior Facilities Agreement; or

(B) the Payment is of any other amount which is permitted to be paid subject to and in accordance with paragraph (iii) below;

(iii) if, notwithstanding that a Topco Payment Stop Notice is outstanding and/or a Senior Secured Payment Default and/or Second Lien Payment Default has occurred and is continuing (and irrespective of whether a Super Senior Acceleration Event, a Senior Acceleration Event, a Senior Secured Notes Acceleration Event, a Second Lien Lender Acceleration Event or a Second Lien Notes Acceleration Event has occurred) the Payment is:

(A) of any amount due under the original form of any fee letter(s) relating to any Topco Finance Documents but in any case only with respect to ongoing fees;

(B) in respect of commercially reasonable advisory fees and professional fees, costs or expenses for restructuring advice and valuations (including legal advice and the advice of other appropriate financial and/or restructuring advisors) and any fees, costs or expenses of the relevant Topco Agent not covered by paragraph (A) above in amount not exceeding €1,500,000 in aggregate, but excluding any fees, costs or expenses incurred in connection with any current, threatened or pending litigation against any Senior Secured Creditor or Second Lien Creditor (or any Affiliate of any Senior Secured Creditor or Second Lien Creditor);

(C) if the Payment is of any Topco Agent Liabilities;

(D) if the Payment is of any Security Costs;

(E) if the Payment is of any costs, commissions, taxes, premiums, amendment, consent and/or waiver fees and any expenses incurred in respect of (or reasonably incidental to) the Topco Finance Documents (including in relation to any reporting or listing requirements under the Topco Finance Documents);

(F) if the Payment is of any other amount not exceeding €2,500,000 (or its equivalent in other currencies) in aggregate in any 12 month period;

(G) of the Topco Liabilities outstanding which would have been payable but for the issue of a Topco Payment Stop Notice (which has since expired and no new Topco Payment Stop Notice is outstanding) which has been capitalised and added to the principal amount of the Topco Liabilities or where that amount is outstanding as a result of the accrual of cash interest payable in respect of the Topco Liabilities during a period when a Topco Payment Stop Notice was outstanding or any other amount referred to in paragraph (a)(i)(D) above **provided that** no such Payment may be made if a Senior Secured Event of Default or Second Lien Event of Default is continuing or would occur as a result of making such payment;

(H) for so long as either a Senior Secured Event of Default, a Second Lien Event of Default or a Topco Event of Default is continuing, all or part of the Topco Liabilities being released or otherwise discharged solely in consideration for the issues of shares in any Holding Company of the Company (each a "**Debt for Equity Swap**") **provided that** (x) no cash or cash equivalent payment is made in respect of the Topco Liabilities, (y) it does not result in a Change of Control under and as defined in a Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement, Senior Secured Notes Indenture, Second Lien Facility Agreement, Second Lien Notes Indenture, Topco Facilities Agreement or Topco Notes Indenture and (z) any Liabilities owed by a member of the Group to another member of the Group, the Subordinated Creditors or any other Holding Company of the Company that arise as a result of any such Debt for Equity Swap are subordinated to the Senior Secured Liabilities and Second Lien Liabilities pursuant to this Agreement and the Senior Secured Creditors and Second Lien Creditors are granted Transaction Security in respect of any of those Intra-Group Liabilities or Subordinated Liabilities (as applicable) owed by a member of the Group; or

(I) of non-cash interest made by way of the capitalisation of interest or by the issuance of a non-cash pay financial instrument evidencing the same which is subordinated to the Priority Secured Liabilities on the same terms as the Topco Liabilities; or

(iv) if the Majority Senior Secured Creditors, Majority Super Senior Creditors and the Majority Second Lien Creditors give prior consent to that Payment being made.

(b) On or after the Priority Discharge Date, the Debtors, the Topco Borrowers and the Third Party Security Providers may make Payments to the Topco Creditors (in respect of Topco

Liabilities) or a Topco Investor (in respect of the Topco Proceeds Loan Liabilities only) in respect of the Topco Group Liabilities in accordance with the Topco Finance Documents and Topco Proceeds Loan Agreement (as applicable).

6.3 Issue of Topco Payment Stop Notice

(a) A Topco Payment Stop Notice is "**outstanding**" during the period from the date on which, following the occurrence of a Senior Secured Event of Default or a Second Lien Event of Default, the Security Agent (acting on the instructions of the Majority Senior Secured Creditors or, as the case may be, the Majority Second Lien Creditors) issues a notice (a "**Topco Payment Stop Notice**") to the Topco Agent(s) to the Topco Notes Trustee(s) (with a copy to the Company and the relevant Topco Borrower) advising that that Senior Secured Event of Default or the Second Lien Event of Default has occurred and is continuing and suspending Payments by the Group of the Topco Group Liabilities until the first to occur of:

(i) the date falling 179 days after delivery of that Topco Payment Stop Notice;

(ii) the date on which a Topco Default occurs for failure to pay principal at the original scheduled maturity of the relevant Topco Liabilities;

(iii) if a Topco Standstill Period commences after the issue of a Topco Payment Stop Notice, the date on which that Topco Standstill Period expires;

(iv) the date on which the relevant Senior Secured Event of Default or Second Lien Event of Default has been remedied or waived in accordance with the Senior Secured Finance Documents or the Second Lien Finance Documents (as applicable);

(v) the date on which the Security Agent (acting on the instructions of the Majority Senior Secured Creditors or, as the case may be, the Majority Second Lien Creditors) delivers a notice to Topco Borrower, the Topco Agent(s) and the Topco Notes Trustees(s) cancelling the Topco Payment Stop Notice;

(vi) the Priority Discharge Date; and

(vii) the date on which the Topco Creditors take any Enforcement Action that it is permitted to take under Clause 6.10 (*Permitted Topco Enforcement*).

(b) No Topco Payment Stop Notice may be served by the Security Agent in reliance on a particular Senior Secured Event of Default or Second Lien Event of Default more than 45 days after the occurrence of the Event of Default constituting that Senior Secured Event of Default or Second Lien Event of Default.

(c) No more than one Topco Payment Stop Notice may be served with respect to the same event or set of circumstances.

(d) No more than one Topco Payment Stop Notice may be served in any period of 360 days.

6.4 Effect of Topco Payment Stop Notice, Senior Secured Payment Default or Second Lien Payment Default

Any failure to make a Payment due under the Topco Finance Documents or Topco Proceeds Loan Agreement as a result of the issue of a Topco Payment Stop Notice or the occurrence of a Senior Secured Payment Default or Second Lien Payment Default shall not prevent:

(a) the occurrence of an Event of Default as a consequence of that failure to make a Payment in relation to the relevant Topco Finance Document or Topco Proceeds Loan Agreement; or

(b) the issue of a Topco Enforcement Notice on behalf of the Topco Creditors.

6.5 Payment Obligations and Capitalisation of Interest Continue

(a) No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Topco Finance Document or Topco

Proceeds Loan Agreement by the operation of Clause 6.1 (*Restriction on Payment and Dealings: Topco Group Liabilities*) to Clause 6.4 (*Effect of Topco Payment Stop Notice, Senior Secured Payment Default or Second Lien Payment Default*) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

(b) The accrual and capitalisation of interest (if any) in accordance with the Topco Finance Documents or Topco Proceeds Loan Agreement shall continue notwithstanding the issue of a Topco Payment Stop Notice.

6.6 Cure of Payment Stop: Topco Creditors

If:

(a) at any time following the issue of a Topco Payment Stop Notice or the occurrence of a Senior Secured Payment Default or Second Lien Payment Default, that Topco Payment Stop Notice ceases to be outstanding and/or (as the case may be) the Senior Secured Payment Default or Second Lien Payment Default ceases to be continuing; and

(b) the relevant Debtor or Topco Borrower then promptly pays to the Topco Creditors or relevant Topco Investor (in respect of the Topco Proceeds Loan Liabilities only) an amount equal to any Payments which had accrued under the Topco Finance Documents or the Topco Proceeds Loan Agreement (as applicable) and which would have been Permitted Topco Payments but for that Topco Payment Stop Notice or Senior Secured Payment Default or Second Lien Payment Default,

then any Topco Event of Default which may have occurred as a result of that suspension of Payments shall be waived and any Topco Enforcement Notice which may have been issued as a result of that Topco Event of Default shall be waived, in each case without any further action being required on the part of the Topco Creditors or relevant Topco Investor (in respect of the Topco Proceeds Loan Liabilities only).

6.7 Amendments and Waivers: Topco Creditors

(a) Subject to paragraph (b) below, the Topco Creditors may amend or waive the terms of the Topco Finance Documents in accordance with their terms (and subject to any consent required under them) at any time; and nothing in this Agreement or any Debt Document shall restrict any amendments and waivers made or granted in accordance with Clause 18 (*New Debt Financings*).

(b) The repayment profile for the Topco Liabilities shall be, at the option of the Topco Borrower, a bullet repayment or an amortising repayment, provided that prior to the Senior Lender Discharge Date it is consistent with (or not prohibited by) the provisions of paragraph (a) of the definition of "Permitted Alternative Debt" in the Senior Facilities Agreement, it being acknowledged that the Topco Liabilities may have customary optional redemption, change of control, asset sale and mandatory redemption provisions.

6.8 Guarantees and Security: Topco Creditors

(a) The Topco Lenders and the Topco Notes Creditors shall have the right to take, accept or receive the benefit of any guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Topco Facility Liabilities or the Topco Notes Liabilities in addition to those in:

(i) the original form of Topco Facility Agreement or the Topco Notes Indenture;

(ii) this Agreement; or

(iii) any Common Topco Assurance,

if and to the extent legally possible and subject to any Agreed Security Principles, at the same time it is also offered to the Priority Secured Parties in respect of their Liabilities and ranks in the same order of priority as that contemplated in Clause 2 (*Ranking and Priority*) and all amounts received or recovered by any Topco Creditor with respect to such guarantee, indemnity or other assurance against loss are immediately paid to the Security Agent and held and applied in accordance with Clause 16 (*Application of Proceeds*).

(b) No Security (other than pursuant to the Topco Transaction Security Documents) shall be granted by a member of the Group in respect of any Topco Liabilities.

6.9 Restrictions on Enforcement by Topco Finance Party

(a) Until the Priority Discharge Date, except with the prior consent of or as required by an Instructing Group:

(i) no Topco Finance Party nor Topco Investor shall direct the Security Agent to enforce or otherwise (to the extent applicable), require the enforcement of, any Transaction Security Documents; and

(ii) no Topco Finance Party nor Topco Investor shall take or require the taking of any Enforcement Action against a member of the Group or any Third Party Security Provider in relation to the Topco Group Liabilities,

except as permitted under Clause 6.10 (*Permitted Topco Enforcement*) and **provided that** no such action required by an Instructing Group need be taken except to the extent that such Instructing Group otherwise is entitled under this Agreement to direct such action.

(b) Any Topco Creditors may at any time take any Enforcement Action available against any Topco Investor, Topco Borrower or any Topco Guarantor which is not a member of the Group, in each case in accordance with the terms of the Topco Finance Documents.

6.10 Permitted Topco Enforcement

(a) Subject to Clause 6.13 (*Enforcement on behalf of Topco Finance Parties*), the restrictions in Clause 6.9 (*Restrictions on Enforcement by Topco Finance Party*) will not apply in respect of the Topco Group Liabilities or the Transaction Security Documents (if any) which secure Topco Group Liabilities (as applicable) as permitted by paragraph (c) of Clause 6.1 (*Restriction on Payment and Dealings: Topco Group Liabilities*) if:

(i) a Topco Event of Default (the "**Relevant Topco Default**") is continuing;

(ii) the Senior Agent, the Senior Secured Notes Trustee(s), the Second Lien Agent and the Second Lien Notes Trustee(s) have received notice of the Relevant Topco Default specifying the event or circumstance in relation to the Relevant Topco Default from the relevant Topco Agent, Topco Notes Trustee or Topco Borrower;

(iii) a Topco Standstill Period has elapsed; and

(iv) the Relevant Topco Default is continuing at the end of the relevant Topco Standstill Period.

(b) Promptly upon becoming aware of a Topco Event of Default, the relevant Topco Agent(s), Topco Notes Trustee(s) or Topco Investor (as the case may be) may by notice (a "**Topco Enforcement Notice**") in writing notify the Senior Agent, the Senior Secured Notes Trustee(s), the Second Lien Agent and the Second Lien Notes Trustee(s) of the existence of such Topco Default.

6.11 Topco Standstill Period

In relation to a Relevant Topco Default, a Topco Standstill Period shall mean the period beginning on the date (the "**Topco Standstill Start Date**") the relevant Topco Agent(s), Topco

Notes Trustee(s) or Topco Investor serves a Topco Enforcement Notice on the Senior Agent, the Senior Secured Notes Trustee(s), the Second Lien Agent and the Second Lien Notes Trustee(s) in respect of such Relevant Topco Default and ending on the earlier to occur of:

(a) the date falling 179 days after the Topco Standstill Start Date (the "**Topco Standstill Period**");

(b) the date the Priority Secured Parties take any Enforcement Action in relation to a particular Debtor or Third Party Security Provider **provided that**:

(i) if a Topco Standstill Period ends pursuant to this paragraph (b), the Topco Finance Parties or a Topco Investor (in respect of the Topco Proceeds Loan Liabilities only) may only take the same Enforcement Action in relation to the Topco Guarantor as the Enforcement Action taken by the Priority Secured Parties against such Topco Guarantor and not against any other member of the Group or Third Party Security Provider; and

(ii) Enforcement Action for the purpose of this paragraph (b) shall not include action taken to preserve or protect any Security as opposed to realise it;

(c) the date of an Insolvency Event in relation to a particular Topco Guarantor against whom Enforcement Action is to be taken; and

(d) the expiry of any other Topco Standstill Period outstanding at the date such first mentioned Topco Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy).

6.12 Subsequent Topco Defaults

The Topco Finance Parties or a Topco Investor (in respect of the Topco Proceeds Loan Liabilities only) may take Enforcement Action under Clause 6.10 (*Permitted Topco Enforcement*) in relation to a Relevant Topco Default even if, at the end of any relevant Topco Standstill Period or at any later time, a further Topco Standstill Period has begun as a result of any other Topco Default.

6.13 Enforcement on behalf of Topco Finance Parties

(a) If the Security Agent has notified the Topco Agents, Topco Notes Trustees or a relevant Topco Investor that it is enforcing Security created pursuant to any Security Document over shares of a Debtor, no Topco Finance Party or that Topco Investor may take any action referred to in Clause 6.10 (*Permitted Topco Enforcement*) against that Debtor while the Security Agent is taking steps to enforce that Security in accordance with the instructions of the Instructing Group where such action might be reasonably likely to adversely affect such enforcement or the amount of proceeds to be derived therefrom.

(b) If the Topco Creditors (or any of them) are permitted to give instructions to the Security Agent to require the enforcement of the Security constituted pursuant to any Security Document in accordance with the provisions of this Clause 6.13, such Enforcement Action must require the realisation of the relevant Security by way of a sale or disposal conducted in compliance with the provisions of Clause 15.2 (*Distressed Disposals*).

6.14 Option to Purchase: Topco Creditors

(a) Subject to paragraphs (b) and (c) below, the Topco Creditor Representative(s) (on behalf of one or more of the Topco Creditors) (the "**Purchasing Topco Creditors**") may after a Distress Event, by giving not less than 10 days' prior written notice to the Security Agent, require the transfer to the Purchasing Topco Creditors (or to a nominee or nominees), in accordance with Clause 21.2 (*Change of Secured Creditors*), of all, but not part, of the rights, benefits and

obligations in respect of the Senior Lender Liabilities, Super Senior Lender Liabilities, the Senior Secured Notes Liabilities, the Cash Management Facility Liabilities, the Second Lien Lender Liabilities and the Second Lien Notes Liabilities if:

(i) that transfer is lawful and, subject to paragraph (ii) below, otherwise permitted by the relevant Secured Debt Document;

(ii) any conditions relating to such a transfer contained in the relevant Secured Debt Document, other than:

(A) any requirement to obtain the consent of, or consult with, any Debtor, Third Party Security Provider or other member of the Group relating to such transfer, which consent or consultation shall not be required; and

(B) to the extent the Purchasing Topco Creditors (acting as a whole) provide cash cover for any Letter of Credit or Cash Management Facility LC the consent of the Relevant Issuing Bank relating to such transfer;

(iii) each Agent, on behalf of the Senior Lenders, the Super Senior Lenders, the Senior Secured Notes Creditors, the Second Lien Lenders and the Second Lien Noteholders (as applicable) and each Cash Management Facility Lender, is paid an amount equal to the aggregate of:

(A) any amounts provided as cash cover by the Purchasing Topco Creditors for any Letter of Credit or Cash Management Facility LC (as envisaged in paragraph (ii)(B) above);

(B) all of the Liabilities to such Creditors outstanding as at the date the amount is to be paid (whether or not due), including all amounts that would have been payable under the relevant Debt Document if the Liabilities under such Debt Document were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees) incurred by each such Agent and/or such Creditors as a consequence of giving effect to that transfer;

(iv) as a result of that transfer the Senior Lenders, the Super Senior Lenders, the Senior Secured Notes Creditors, the Second Lien Lenders and the Second Lien Notes Creditors and the Cash Management Facility Lenders have no further actual or contingent liability to any Debtor under the relevant Debt Documents;

(v) an indemnity is provided from (or on behalf of) the Purchasing Topco Creditor (but, for the avoidance of doubt, this does not include a Topco Creditor Representative) (or from another third party acceptable to all the Senior Lenders, the Super Senior Lenders, the Senior Secured Notes Creditors, the Second Lien Lenders, the Second Lien Notes Creditors and each Cash Management Facility Lender) in a form reasonably satisfactory to each Senior Lender, Super Senior Lender, Senior Secured Notes Creditor, Second Lien Lender, Second Lien Notes Creditor and each Cash Management Facility Lender in respect of all losses which may be sustained or incurred by any Senior Lender, Super Senior Lender, Senior Secured Notes Creditor, Second Lien Lender, Second Lien Notes Creditor or Cash Management Facility Lender in consequence of any sum received or recovered by any Senior Lender, Super Senior Lender, Senior Secured Notes Creditor, Second Lien Lender, Second Lien Notes Creditor or Cash Management Facility Lender from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Senior Lender, Super Senior Lender, Senior Secured Notes Creditor, Second Lien Lender, Second Lien Notes Creditor or Cash Management Facility Lender for any reason; and

(vi) the transfer is made without recourse to, or representation or warranty from, the Senior Lenders, the Super Senior Lenders, the Senior Secured Notes Creditors, the Second Lien Lenders, the Second Lien Notes Creditors or Cash Management Facility Lenders, except that each Senior Lender, Super Senior Lender, Senior Secured Notes Creditor, Second

Lien Lender, Second Lien Notes Creditor or Cash Management Facility Lender shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

(b) Subject to paragraph (b) of Clause 6.15 (*Hedge Transfer: Topco Creditors*), the Topco Creditor Representative (on behalf of the Purchasing Topco Creditors) may only require a Senior Secured Creditor Liabilities Transfer and a Second Lien Creditor Liabilities Transfer if, at the same time, they require a Hedge Transfer in accordance with Clause 6.15 (*Hedge Transfer: Topco Creditors*) and if, for any reason, a Hedge Transfer cannot be made in accordance with Clause 6.15 (*Hedge Transfer: Topco Creditors*), no Senior Secured Creditor Liabilities Transfer or and a Second Lien Creditor Liabilities Transfer may be required to be made. If more than one Purchasing Topco Creditor wishes to exercise the option to purchase the Senior Lender Liabilities, Super Senior Lender Liabilities, Senior Secured Notes Liabilities, Second Lien Lender Liabilities, Second Lien Notes Liabilities or Cash Management Facility Liabilities in accordance with paragraph (a) above, each such Purchasing Topco Creditor shall acquire the Senior Lender Liabilities, Super Senior Lender Liabilities, Senior Secured Notes, Second Lien Lender Liabilities, Second Lien Notes and Cash Management Facility Liabilities pro rata, in the proportion that its Credit Participation bears to the aggregate Credit Participations of all the Purchasing Topco Creditors. Any Purchasing Topco Creditors wishing to exercise the option to purchase the Senior Lender Liabilities, Super Senior Lender Liabilities, Senior Secured Notes Liabilities, Second Lien Lender Liabilities, Second Lien Notes Liabilities or Cash Management Facility Liabilities shall inform the Senior Creditor Representatives and the Super Senior Creditor Representatives in accordance with the terms of the Senior Secured Finance Documents and the Second Lien Creditor Representatives in accordance with the terms of the Second Lien Finance Documents who will determine (consulting with each other as required) the appropriate share of the Senior Lender Liabilities, Super Senior Lender Liabilities, Senior Secured Notes Liabilities, Second Lien Lender Liabilities, Second Lien Notes Liabilities and Cash Management Facility Liabilities to be acquired by each such Purchasing Topco Creditor and who shall inform each such Purchasing Topco Creditor accordingly. Furthermore, the Topco Creditor Representative(s) (as applicable) shall promptly inform the Senior Creditor Representatives, the Super Senior Creditor Representatives and the Secured Lien Creditor Representatives of the Senior Secured Creditors and Second Lien Creditors of the Purchasing Topco Creditors intention to exercise the option to purchase the Senior Lender Liabilities, Super Senior Lender Liabilities, Senior Secured Notes Liabilities, Second Lien Lender Liabilities, Second Lien Notes Liabilities and Cash Management Facility Liabilities.

(c) At the request of the Topco Creditor Representative (on behalf of all the Purchasing Topco Creditors):

(i) the Senior Agent and the Cash Management Facility Lenders (as applicable) shall notify the Purchasing Topco Creditors of:

(A) the sum of the amounts described in paragraphs (a)(iii)(B) and (a)(iii)(C) above; and

(B) the amount of each Letter of Credit and each Cash Management Facility LC (as applicable) for which cash cover is to be provided by all the Purchasing Topco Creditors (acting as a whole);

(ii) the Super Senior Agent shall notify the Purchasing Second Lien Creditors of:

(A) the sum of the amounts described in paragraphs (a)(iii)(B) and (a)(iii)(C) above; and

(B) the amount of each Letter of Credit and each Cash Management Facility LC (as applicable) for which cash cover is to be provided by all the Purchasing Topco Creditors (acting as a whole);

(iii) the Senior Secured Notes Trustee(s) shall notify the Purchasing Topco Creditors of the sum of amounts described in paragraphs (a)(iii)(B) and (a)(iii)(C) above;

(iv) the Second Lien Agent shall notify the Purchasing Topco Creditors of the sum of the amounts described in paragraphs (a)(iii)(B) and (a)(iii)(C) above; and

(v) the Second Lien Notes Trustee(s) shall notify the Purchasing Topco Creditors of the sum of amounts described in paragraphs (a)(iii)(B) and (a)(iii)(C) above.

6.15 Hedge Transfer: Topco Creditors

(a) The Topco Creditor Representative(s) (on behalf of the Purchasing Topco Creditors, acting as a whole) may, by giving not less than 10 days' prior written notice to the Security Agent, require a Hedge Transfer:

(i) if either:

(A) the Purchasing Topco Creditors require, at the same time, a Senior Secured Creditor Liabilities Transfer and a Second Lien Creditor Liabilities Transfer under Clause 6.14 (*Option to Purchase: Topco Creditors*); or

(B) all the Purchasing Topco Creditors require that Hedge Transfer at any time on or after the latest of the Senior Lender Discharge Date, the Super Senior Discharge Date, the Cash Management Facility Discharge Date, the Senior Secured Notes Discharge Date and the Second Lien Discharge Date; and

(ii) if:

(A) that transfer is lawful and otherwise permitted by the terms of the Hedging Agreements, in which case no Debtor, Third Party Security Provider or other member of the Group shall be entitled to withhold its consent to that transfer;

(B) any conditions (other than the consent of, or any consultation with, any Debtor, Third Party Security Provider or other member of the Group) relating to that transfer contained in the Hedging Agreements are complied with;

(C) each Hedge Counterparty is paid (in the case of a positive number) or pays (in the case of a negative number) an amount equal to the aggregate of (1) the Hedging Purchase Amount in respect of the hedging transactions under the relevant Hedging Agreement at that time and (2) all costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer;

(D) as a result of that transfer, the Hedge Counterparties have no further actual or contingent liability to any Debtor under the Hedging Agreements;

(E) an indemnity is provided from (or on behalf of) Purchasing Topco Creditor (but, for the avoidance of doubt, this does not include a Topco Creditor Representative) which is receiving (or for which a nominee is receiving) that transfer (or from another third party acceptable to the relevant Hedge Counterparty) in a form reasonably satisfactory to the relevant Hedge Counterparty in respect of all losses which may be sustained or incurred by that Hedge Counterparty in consequence of any sum received or recovered by that Hedge Counterparty being required (or it being alleged that it is required) to be paid back by or clawed back from the Hedge Counterparty for any reason; and

(F) that transfer is made without recourse to, or representation or warranty from, the relevant Hedge Counterparty, except that the relevant Hedge Counterparty shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorise the making by it of that transfer.

(b) The Topco Creditor Representative(s) (acting on behalf of the Purchasing Topco Creditors) and any Hedge Counterparty may agree (in respect of the Hedging Agreements (or one or

more of them) to which that Hedge Counterparty is a party) that a Hedge Transfer required by the Purchasing Topco Creditors pursuant to paragraph (a) above shall not apply to that Hedging Agreement(s) or to the Hedging Liabilities and Hedge Counterparty Obligations under that Hedging Agreement(s).

(c) If the Topco Creditor Representative(s) are entitled to require a Hedge Transfer under this Clause 6.15, the Hedge Counterparties shall, at the request of the Topco Creditor Representative(s), provide details of the amounts referred to in paragraph (a)(iii)(C) above).

6.16 Security Interest in Holdco assets

Notwithstanding anything to the contrary in this Agreement but subject to the terms of such Security and Clause 14 (*Enforcement of Topco Independent Transaction Security*), in no event shall the Topco Creditors be prohibited from taking any Enforcement Action with respect to any Topco Independent Obligor or from taking any Security from any person that is not a member of the Group.

7. SUBORDINATED LIABILITIES

7.1 Restriction on Payment: Subordinated Liabilities

Prior to the Final Discharge Date, neither the Company nor any other Debtor will, and Topco shall procure that no other member of the Topco Group will, make any Payment of the Subordinated Liabilities at any time unless:

(a) that Payment is permitted under Clause 7.2 (*Permitted Payments: Subordinated Liabilities*); or

(b) the taking or receipt of that Payment is permitted under Clause 7.8 (*Permitted Enforcement: Subordinated Creditors*).

7.2 Permitted Payments: Subordinated Liabilities

(a) A member of the Topco Group may make any Payments in respect of the Subordinated Liabilities (whether of principal, interest or otherwise) if such payment is not prohibited by the Prior Ranking Financing Agreements or, to the extent prohibited, unless the Required Creditor Consent has been obtained.

(b) Payments in respect of the Subordinated Liabilities may not be made pursuant to paragraph (a) above if, at the time of the Payment, an Acceleration Event has occurred, unless the Required Creditor Consent has been obtained.

(c) Nothing in this Agreement or any of the Debt Documents shall prohibit or restrict any roll-up or capitalisation of any amount under any Subordinated Document or the issue of any payment in kind instruments in satisfaction of any amount under any Subordinated Document or any forgiveness, write-off or capitalisation of any Subordinated Liabilities or the release or other discharge of any such Subordinated Liabilities.

7.3 Payment obligations continue

Neither the Company nor any other Debtor or member of the Topco Group shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Subordinated Document by the operation of Clause 7.1 (*Restriction on Payment: Subordinated Liabilities*) and Clause 7.2 (*Permitted Payments: Subordinated Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of any of those Clauses.

7.4 No acquisition of Subordinated Liabilities

Prior to the Final Discharge Date, the Debtors shall not, and shall procure that no other member of the Topco Group will:

(a) enter into any Liabilities Acquisition; or

(b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any Subordinated Liabilities at any time unless the relevant Liabilities Acquisition relates to Subordinated Liabilities in respect of which a Payment could be made under Clause 7.2 (*Permitted Payments: Subordinated Liabilities*).

7.5 Amendments and Waivers: Subordinated Creditors

(a) Prior to the Final Discharge Date, subject to paragraph (b) below, the Subordinated Creditors and the Debtors shall not (and Topco shall ensure that no other member of the Topco Group shall) amend, waive or vary the terms of any of the documents or instruments pursuant to which the Subordinated Liabilities are constituted which would result in:

(i) the interests of any Secured Party being adversely affected in any material respect or the ranking and/or subordination contemplated by this Agreement being impaired;

(ii) any change to the principal amount, any scheduled repayment date or any mandatory prepayment provision under any Subordinated Document which would, in each case, make such amount payable before the Final Discharge Date;

(iii) any member of the Topco Group being subject to more onerous obligations (ignoring for this purpose any obligation to pay any additional amount) as a whole than those contained in the original form of the Subordinated Documents or obligations which would conflict with any provision of this Agreement; or

(iv) any change to provisions relating to acceleration, default, security (including enforcement), transferability, payments (including repayments and prepayments) and ranking of Subordinated Liabilities under a Subordinated Document.

(b) Paragraph (a) above does not apply to any amendment, waiver or consent:

(i) which (or to the extent such term following such amendment, waiver or consent) is not prohibited by the Prior Ranking Financing Agreements or, to the extent prohibited, in respect of which the Required Creditor Consent has been obtained;

(ii) which has been made with the prior Required Creditor Consent; or

(iii) which is minor, (subject to Clause 7.5(a)(i) (*Amendments and Waivers: Subordinated Creditors*)) technical or administrative or corrects a manifest error.

7.6 Security: Subordinated Creditors

The Subordinated Creditors may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss from any member of the Topco or from any Topco Investor Group in respect of any of the Subordinated Liabilities prior to the Final Discharge Date.

7.7 Restriction on Enforcement: Subordinated Creditors

Subject to Clause 7.8 (*Permitted Enforcement: Subordinated Creditors*), no Subordinated Creditor shall be entitled to take any Enforcement Action in respect of any of the Subordinated Liabilities at any time prior to the Final Discharge Date, unless:

(a) such Enforcement Action is solely a demand for payment, set-off, account combination or payment netting which is permitted by Clause 7.2 (*Permitted Payments: Subordinated Liabilities*); or

(b) otherwise directed by the Security Agent.

7.8 Permitted Enforcement: Subordinated Creditors

After the occurrence of an Insolvency Event in relation to a member of the Topco Group, each Subordinated Creditor may only (unless otherwise directed by the Security Agent or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of that Subordinated Creditor in accordance with Clause 9.5 (*Filing of Claims*)) exercise any right it may otherwise have in respect of that member of the Topco Group to:

(a) accelerate any of that member of the Topco Group's Subordinated Liabilities or declare them prematurely due and payable or payable on demand;

(b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Topco Group in respect of any Subordinated Liabilities;

(c) exercise any right of set off or take or receive any Payment in respect of any Subordinated Liabilities of that member of the Topco Group; or

(d) claim and prove in the liquidation, administration or other insolvency proceedings of that member of the Topco Group for the Subordinated Liabilities owing to it,

but shall not take any other Enforcement Action.

7.9 Representations: Subordinated Creditor

Each Subordinated Creditor represents and warrants to each Secured Party on the date of this Agreement (or, if it becomes a Party after such date, the date of the Creditor/Agent Accession Undertaking) that:

(a) it is duly incorporated (or, as the case may be, organised) and validly established under the laws of its jurisdiction of incorporation (or, as the case may be, organisation);

(b) subject to the Legal Reservations and Perfection Requirements, the obligations expressed to be assumed by it in this Agreement are valid, legally binding and enforceable obligations; and

(c) subject to the Legal Reservations and Perfection Requirements, the entry into and performance by it of, and the transactions contemplated by, this Agreement do not contravene:

(i) any law or regulation applicable to it;

(ii) its constitutional documents; or

(iii) any agreement or instrument binding upon it or any of its assets,

in each case, to an extent which would have a Material Adverse Effect.

8. INTRA-GROUP LENDERS AND INTRA-GROUP LIABILITIES

8.1 Restriction on Payment: Intra-Group Liabilities

Prior to the Final Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the Intra-Group Liabilities at any time unless:

(a) that Payment is permitted under Clause 8.2 (*Permitted Payments: Intra-Group Liabilities*); or

(b) the taking or receipt of that Payment is permitted under Clause 8.7 (*Permitted Enforcement: Intra-Group Lenders*).

8.2 Permitted Payments: Intra-Group Liabilities

(a) Subject to paragraph (b) below, the Debtors may make Payments (including by way of set-off or conversion to equity, **provided that** in the event that the equity of such Debtor is subject

to Transaction Security prior to such issue, then the percentage of equity in such Debtor subject to Transaction Security is not diluted) in respect of the Intra-Group Liabilities (whether of principal, interest or otherwise) from time to time.

(b) Payments in respect of the Intra-Group Liabilities may not be made pursuant to paragraph (a) above if, at the time of the Payment, an Acceleration Event has occurred, unless:

(i) an Instructing Group consents to that Payment being made; or

(ii) that Payment is made to facilitate the Payment of any:

(A) Senior Secured Creditor Liabilities, Hedging Liabilities, Agent Liabilities or Arranger Liabilities;

(B) Second Lien Creditor Liabilities, following the later of the Super Senior Discharge Date and the Senior Secured Discharge Date;

(C) Liabilities owed to the Security Agent; or

(D) Topco Liabilities or Topco Proceeds Loan Liabilities following the Priority Discharge Date.

8.3 Payment Obligations Continue

No Debtor shall be released from the liability to make any Payment (including of default interest, which shall continue to accrue) under any Intra Group Liabilities by the operation of Clause 8.1 (*Restriction on Payment: Intra-Group Liabilities*) and Clause 8.2 (*Permitted Payments: Intra-Group Liabilities*) even if its obligation to make that Payment is restricted at any time by the terms of either of those Clauses.

8.4 Acquisition of Intra-Group Liabilities

Each Debtor may, and may permit any other member of the Group to:

(a) enter into any Liabilities Acquisition; or

(b) beneficially own all or any part of the share capital of a company that is party to a Liabilities Acquisition,

in respect of any Intra-Group Liabilities at any time unless an Acceleration Event has occurred at the time of the relevant Liabilities Acquisition and the Instructing Group has not consented to such Liabilities Acquisition.

8.5 Security: Intra-Group Lenders

Prior to the Final Discharge Date, the Intra-Group Lenders may not take, accept or receive the benefit of any Security, guarantee, indemnity or other assurance against loss in respect of the Intra-Group Liabilities unless that Security, guarantee, indemnity or other assurance against loss is not prohibited by the Prior Ranking Financing Agreements or, to the extent prohibited, the Required Creditor Consent has been obtained.

8.6 Restriction on Enforcement: Intra-Group Lenders

Subject to Clause 8.7 (*Permitted Enforcement: Intra-Group Lenders*), (other than the demand for any payment, set-off, account combination or payment netting in relation to any payment permitted by Clause 8.2 (*Permitted Payments: Intra-Group Liabilities*)) none of the Intra-Group Lenders shall be entitled to take any Enforcement Action in respect of any of the Intra-Group Liabilities at any time prior to the Final Discharge Date unless otherwise directed by the Security Agent.

8.7 Permitted Enforcement: Intra-Group Lenders

After the occurrence of an Insolvency Event, each Intra-Group Lender may (unless otherwise directed by the Security Agent or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of that Intra-Group Lender in accordance with Clause 9.5 (*Filing of Claims*)), exercise any right it may otherwise have against that member of the Group to:

(a) accelerate any of that member of the Group's Intra-Group Liabilities or declare them prematurely due and payable or payable on demand;

(b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Intra-Group Liabilities;

(c) exercise any right of set-off or take or receive any Payment in respect of any Intra-Group Liabilities of that member of the Group; or

(d) claim and prove in the liquidation, administration or other insolvency proceedings of that member of the Group for the Intra-Group Liabilities owing to it.

8.8 Representations: Intra-Group Lenders

Each Intra-Group Lender which is not a Debtor represents and warrants to the Secured Parties on the date of this Agreement (or, if it becomes a Party after such date, the date of the Creditor/ Agent Accession Undertaking) that:

(a) it is duly incorporated (or, as the case may be, organised) and validly established under the laws of its jurisdiction of incorporation (or, as the case may be, organised);

(b) subject to the Legal Reservations and Perfection Requirements, the obligations expressed to be assumed by it in this Agreement are valid, legally binding and enforceable obligations; and

(c) subject to the Legal Reservations and Perfection Requirements, the entry into and performance by it of, and the transactions contemplated by, this Agreement do not contravene:

(i) any law or regulation applicable to it;

(ii) its constitutional documents; or

(iii) any agreement or instrument binding upon it or any of its assets,

in each case, to an extent which would have a Material Adverse Effect.

9. EFFECT OF INSOLVENCY EVENT

9.1 Cash Cover

This Clause 9 is subject to Clause 16.3 (*Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral*) and, in the case of each Notes Trustee, to paragraphs (a) and (c) of Clause 28.1 (*Liability*).

9.2 Payment of Distributions

(a) After the occurrence of an Insolvency Event, any Party entitled to receive a distribution out of the assets of that Debtor, Material Subsidiary or Third Party Security Provider (in the case of a Secured Creditor on or after the Designation Date, only to the extent that such amounts constitute Enforcement Proceeds) in respect of Liabilities owed to that Party shall, to the extent it is able to do so, direct the person responsible for the distribution of the assets of that Debtor, Material Subsidiary or member of the Group or Third Party Security Provider to pay that distribution to the Security Agent until the Liabilities owing to the Secured Parties have been paid in full.

(b) The Security Agent shall apply distributions paid to it under paragraph (a) above in accordance with Clause 16 (*Application of Proceeds*).

9.3 Set-Off

(a) Subject to paragraph (b) below, to the extent that any member of the Group's or Third Party Security Provider's Liabilities are discharged by way of set-off (mandatory or otherwise) after the occurrence of an Insolvency Event, any Creditor which benefited from that set-off shall (in the case of a Secured Creditor on or after the Designation Date, only to the extent that such amounts constitute Enforcement Proceeds) pay an amount equal to the amount of the Liabilities owed to it which are discharged by that set-off to the Security Agent for application in accordance with Clause 16 (*Application of Proceeds*).

(b) Paragraph (a) above shall not apply to:

(i) any such discharge of the Multi-account Overdraft Liabilities to the extent that the relevant discharge represents a reduction of the Gross Outstandings of a Multi-account Overdraft Facility to or towards an amount equal to its Net Outstandings;

(ii) any Close-Out Netting by a Hedge Counterparty or a Hedging Ancillary Lender;

(iii) any Payment Netting by a Hedge Counterparty or a Hedging Ancillary Lender;

(iv) any Inter-Hedging Agreement Netting by a Hedge Counterparty; and

(v) any Inter-Hedging Ancillary Document Netting by a Hedging Ancillary Lender.

9.4 Non-Cash Distributions

If the Security Agent or any other Secured Party receives a distribution in a form other than in cash in respect of any of the Liabilities, the Liabilities will not be reduced by that distribution until and except to the extent that the realisation proceeds are actually applied towards the Liabilities.

9.5 Filing of Claims

Without prejudice to any Ancillary Lender's and Cash Management Facility Lenders' right of netting or set-off relating to a Multi-account Overdraft Facility (to the extent that the netting or set-off represents a reduction of the Gross Outstandings of that Multi-account Overdraft Facility to or towards an amount equal to its Net Outstandings), after the occurrence of an Insolvency Event, each Creditor irrevocably authorises the Security Agent (acting in accordance with Clause 9.7 (*Security Agent Instructions*) and with express faculty of self-contracting, sub-empowering or multiple representation), on its behalf, to:

(a) take any Enforcement Action (in accordance with the terms of this Agreement) against that Debtor or member of the Group or Third Party Security Provider;

(b) demand, sue, prove and give receipt for any or all of that member of the Group's, that Debtor's or Third Party Security Provider's Liabilities;

(c) collect and receive all distributions on, or on account of, any or all of that member of the Group's, that Debtor's or Third Party Security Provider's Liabilities; and

(d) file claims, take proceedings and do all other things the Security Agent considers reasonably necessary to recover that member of the Group's, that Debtor's or Third Party Security Provider's Liabilities.

9.6 Creditors' Actions

Each Creditor will:

(a) do all things that the Security Agent (acting in accordance with Clause 9.7 (*Security Agent Instructions*)) reasonably requests in order to give effect to this Clause 9; and

(b) if the Security Agent is not entitled to take any of the actions contemplated by this Clause 9 or if the Security Agent (acting in accordance with Clause 9.7 (*Security Agent Instructions*)) requests that a Creditor take that action, undertake that action itself in accordance with the instructions of the Security Agent (acting in accordance with Clause 9.7 (*Security Agent Instructions*)) or grant a power of attorney to the Security Agent (on such terms as the Security Agent (acting in accordance with Clause 9.7 (*Security Agent Instructions*)) may reasonably require, although no Notes Trustee shall be under any obligation to grant such powers of attorney) to enable the Security Agent to take such action.

9.7 Security Agent Instructions

For the purposes of Clause 9.5 (*Filing of Claims*) and Clause 9.6 (*Creditors' Actions*), the Security Agent shall act:

(a) on the instructions of the group of Secured Creditors entitled, at that time, to give instructions under:

(i) prior to the Designation Date, Clause 12.3 (*Enforcement Instructions—Transaction Security*) or Clause 12.4 (*Manner of Enforcement—Transaction Security*); or

(ii) on and from the Designation Date, Clause 13.3 (*Enforcement Instructions—Transaction Security*) or Clause 13.4 (*Manner of Enforcement—Transaction Security*); or

(iii) otherwise provided by this Agreement; or

(b) in the absence of any such instructions, as the Security Agent sees fit (which may include taking no action).

9.8 Limitation by Applicable Laws

Each of the provisions of this Clause 9 shall apply only to the extent permitted by applicable laws.

10. TURNOVER OF RECEIPTS

10.1 Cash Cover

This Clause 10 is subject to Clause 16.3 (*Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral*) and, in the case of each Notes Trustee, to paragraphs (a) and (c) of Clause 28.1 (*Liability*).

10.2 Turnover by the Creditors

Subject to Clause 10.3 (*Exclusions*) and Clause 10.4 (*Permitted Assurance and Receipts*) and, in the case of Notes Trustee Amounts, to paragraphs (a) and (c) of Clause 28.1 (*Liability*):

(a) if at any time prior to the Final Discharge Date and prior to the Designation Date, any Creditor receives or recovers from any Debtor, any member of the Group or any Third Party Security Provider:

(i) any Payment or distribution of, or on account of or in relation to, any of the Liabilities which is not either:

(A) a Permitted Payment; or

(B) made in accordance with Clause 16 (*Application of Proceeds*);

(ii) other than where Clause 9.3 (*Set-Off*) applies, any amount by way of set-off in respect of any of the Liabilities owed to it which does not give effect to a Permitted Payment;

(iii) notwithstanding paragraphs (i) and (ii) above, and other than where Clause 9.3 (*Set-Off*) applies, any amount:

(A) on account of, or in relation to, any of the Liabilities:

(1) after the occurrence of a Distress Event; or

(2) as a result of any other litigation or proceedings against a Debtor, a member of the Group or any Third Party Security Provider (other than after the occurrence of an Insolvency Event); or

(B) by way of set-off in respect of any of the Liabilities owed to it after the occurrence of a Distress Event,

other than, in each case, any amount received or recovered in accordance with Clause 16 (*Application of Proceeds*);

(iv) any *soulte*, except, in each case, to the extent paid pursuant to and in accordance with Clause 16 (*Application of Proceeds*);

(v) the proceeds of any enforcement of any Transaction Security except in accordance with Clause 16 (*Application of Proceeds*); or

(vi) other than where Clause 9.3 (*Set-Off*) applies, any distribution in cash or in kind or Payment of, or on account of or in relation to, any of the Liabilities owed by any Debtor, any member of the Group or any Third Party Security Provider which is not in accordance with Clause 16 (*Application of Proceeds*) and which is made as a result of, or after, the occurrence of an Insolvency Event; or

(b) if at any time on or after the Designation Date but prior to the Final Discharge Date, any Creditor receives or recovers any Enforcement Proceeds or any other amounts which should otherwise be received or recovered by the Security Agent for application under Clause 16 (*Application of Proceeds*) (whether before or after an Insolvency Event) except in accordance with Clause 16 (*Application of Proceeds*) from any Debtor, any member of the Group or any Third Party Security Provider,

that Creditor will:

(i) in relation to receipts and recoveries not received or recovered by way of set-off:

(A) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or if less, the amount received or recovered) on trust for (or otherwise on behalf and for the account of) the Security Agent and promptly pay or distribute that amount to the Security Agent for application in accordance with the terms of this Agreement; and

(B) promptly pay or distribute an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the Security Agent for application in accordance with the terms of this Agreement; and

(ii) 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 this Agreement.

10.3 Exclusions

Clause 10.2 (*Turnover by the Creditors*) shall not apply to any receipt or recovery:

(a) by way of:

(i) Close-Out Netting by a Hedge Counterparty or a Hedging Ancillary Lender;

(ii) Payment Netting by a Hedge Counterparty or a Hedging Ancillary Lender;

(iii) Inter-Hedging Agreement Netting by a Hedge Counterparty; or

(iv) Inter-Hedging Ancillary Document Netting by a Hedging Ancillary Lender;

(b) by an Ancillary Lender by way of that Ancillary Lender's right of netting or set-off relating to a Multi-account Overdraft Facility (to the extent that that netting or set-off represents a reduction from the Gross Outstandings of that Multi-account Overdraft Facility to or towards an amount equal to its Net Outstandings);

(c) by a Cash Management Facility Lender by way of that Cash Management Facility Lender's right of netting or set-off relating to a Multi-account Overdraft Facility (to the extent that that netting or set-off represents a reduction of the Gross Outstandings of that Multi-account Overdraft Facility to or towards an amount equal to its Net Outstandings);

(d) made in accordance with Clause 17 (*Equalisation*);

(e) made in accordance with Clause 2.7 (*Additional and/or Refinancing Debt*) and/or Clause 18 (*New Debt Financings*); or

(f) by a Topco Creditor from any Topco Independent Obligor except in so far as it is a receipt or recovery from Enforcement Proceeds from Topco Shared Security in which case Clause 10.2 (*Turnover by the Creditors*) shall apply.

10.4 Permitted Assurance and Receipts

Nothing in this Agreement shall restrict the ability of any Secured Creditor to:

(a) arrange with any person which is not a member of the Group, a Third Party Security Provider or a Holding Company of any member of the Group any assurance against loss in respect of, or reduction of its credit exposure to, a Debtor (including assurance by way of credit-based derivative or sub-participation); or

(b) make any assignment or transfer permitted by Clause 21 (*Changes to the Parties*), which:

(i) is permitted by the Secured Debt Documents under which the relevant Liabilities were incurred; and

(ii) is not in breach of Clause 4.5 (*No Acquisition of Hedging Liabilities*) or any provision of (if prior to the Senior Discharge Date) the Senior Facilities Agreement or any Permitted Senior Secured Facilities Agreement, (if prior to the Super Senior Discharge Date) any Permitted Super Senior Secured Facilities Agreement, (if prior to the Senior Secured Notes Discharge Date) the Senior Secured Notes Indenture(s) pursuant to which any Senior Secured Notes remain outstanding, (if prior to the Second Lien Notes Discharge Date) the Second Lien Notes Indenture(s) pursuant to which any Second Lien Notes remain outstanding, (if prior to the Second Lien Lender Discharge Date) a Second Lien Facility Agreement, (if prior to the Topco Facility Discharge Date in respect of the Topco Facility) a Topco Facility Agreement and (if prior to the Topco Discharge Date in respect of the Topco Notes) the Topco Notes Indenture(s) pursuant to which any Topco Notes remain outstanding (as applicable),

and that Secured Creditor shall not be obliged to account to any other Party for any sum received by it as a result of that action.

10.5 Sums received by Debtors and Third Party Security Providers

If any of the Debtors, any Third Party Security Provider or any Topco Independent Obligor receives or recovers any sum which, under the terms of any of the Debt Documents, should have been paid to the Security Agent, or any *Soulte*, that Debtor, Third Party Security Provider or, as the case may be, Topco Independent Obligor will:

(a) hold an amount of that receipt or recovery equal to the Relevant Liabilities (or, if less, the amount received or recovered) on trust for (or otherwise on behalf and for the account of) the Security Agent and promptly pay that amount to the Security Agent for application in accordance with the terms of this Agreement; and

(b) promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Liabilities to the Security Agent for application in accordance with the terms of this Agreement.

10.6 Saving Provision

If, for any reason, any of the trusts expressed to be created in this Clause 10 should fail or be unenforceable, the affected Creditor, Debtor, Third Party Security Provider or Topco Independent Obligor will promptly pay an amount equal to that receipt or recovery to the Security Agent to be held on trust by the Security Agent for application in accordance with the terms of this Agreement.

10.7 Payment of the *Soulte*

If in the context of an Enforcement Action, a *Soulte* is owed by the Secured Parties to any Topco Independent Obligor, Third Party Security Provider or Debtor, such *Soulte* shall be payable:

(a) only by the relevant Creditors having participated in the relevant Enforcement Action (pro rata to the amount of Liabilities which have been discharged as a result of such Enforcement Action); and

(b) only on the earlier of:

(i) the Final Discharge Date; and

(ii) the date falling 12 months, after the date of such Enforcement Action (in which case, the *Soulte* shall be paid to the Security Agent in accordance with the provisions of Clause 10.5 (*Sums received by Debtors and Third Party Security Providers*)).

11. REDISTRIBUTION

11.1 Recovering Creditor's Rights

(a) Any amount paid by a Creditor (a "**Recovering Creditor**") to the Security Agent under Clause 9 (*Effect of Insolvency Event*) or Clause 10 (*Turnover of Receipts*) shall be treated as having been paid by the relevant Debtor or, as the case may be, Third Party Security Provider and distributed to the Security Agent, Agents, Arrangers and Secured Creditors (each, a "**Sharing Creditor**") in accordance with the terms of this Agreement.

(b) On a distribution by the Security Agent under paragraph (a) above of a Payment received by a Recovering Creditor from a Debtor or Third Party Security Provider, as between the relevant Debtor or, as the case may be, Third Party Security Provider and the Recovering Creditor, an amount equal to the amount received or recovered by the Recovering Creditor and paid to the Security Agent (as the case may be) (the "**Shared Amount**") will be treated as not having been paid by that Debtor, or as the case may be, Third Party Security Provider.

11.2 Reversal of Redistribution

(a) If any part of the Shared Amount received or recovered by a Recovering Creditor becomes repayable to a Debtor or, as the case may be, Third Party Security Provider and is repaid by that Recovering Creditor to that Debtor, or as the case may be, Third Party Security Provider, then:

(i) each Sharing Creditor shall (subject in the case of Notes Trustee Amounts to paragraphs (a) and (c) of Clause 28.1 (*Liability*)), upon request of the Security Agent, pay to that Security Agent for the account of that Recovering Creditor an amount equal to the appropriate part of its share of the Shared Amount (together with an amount as is necessary to reimburse that Recovering Creditor for its proportion of any interest on the Shared Amount which that Recovering Creditor is required to pay) (the "**Redistributed Amount**"); and

(ii) as between the relevant Debtor or Third Party Security Provider and each relevant Sharing Creditor, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by that Debtor or Third Party Security Provider.

(b) The Security Agent shall not be obliged to pay any Redistributed Amount to a Recovering Creditor under paragraph (a) above until it has been able to establish to its satisfaction that it has actually received that Redistributed Amount from the relevant Sharing Creditor.

11.3 Deferral of Subrogation

No Creditor, Debtor or Third Party Security Provider will exercise any rights which it may have by reason of the performance by it of its obligations under the Debt Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights under the Debt Documents of any Creditor which ranks ahead of it in accordance with the priorities set out in Clause 2 (*Ranking and Priority*) until such time as all of the Liabilities owing to each prior ranking Creditor (or, in the case of any Debtor or Third Party Security Provider, owing to each Creditor) have been irrevocably paid in full.

12. ENFORCEMENT OF TRANSACTION SECURITY PRIOR TO THE DESIGNATION DATE

12.1 Designation Date

The provisions of this Clause 12 shall only apply to any instruction given or action taken prior to the Designation Date. On or after the Designation Date, the provisions of Clause 13 (*Enforcement of Transaction Security on or after the Designation Date*) shall apply in substitution for the provisions of this Clause 12 for any instructions or action thereafter and this Clause 12 shall cease to apply.

12.2 Cash Cover

This Clause 12 is subject to Clause 16.3 (*Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral*).

12.3 Enforcement Instructions—Transaction Security

(a) The Security Agent may refrain from enforcing the Transaction Security unless instructed otherwise by:

(i) the Instructing Group; or

(ii) if required under paragraph (c) below, the Second Lien Agent or Second Lien Notes Trustee (acting on the instructions of the Majority Second Lien Creditors as applicable); or

(iii) if required under paragraph (d) below, the Topco Creditor Representative(s) (acting on the instructions of the Majority Topco Creditors, as applicable).

(b) Subject to the Transaction Security having become enforceable in accordance with its terms:

(i) the Instructing Group; or

(ii) to the extent permitted to enforce or to require the enforcement of the Transaction Security prior to the Senior Discharge Date under Clause 5.10 (*Permitted Second Lien Enforcement*), or Clause 6.10 *(Permitted Topco Enforcement),* the Second Lien Agent or Second Lien Notes Trustee (acting on the instructions of the Majority Second Lien Creditors) or the Topco Creditor Representative(s) (acting on the instructions of the Majority Topco Creditors) as applicable,

may give or refrain from giving instructions to the Security Agent to enforce, or refrain from enforcing, the Transaction Security as they see fit.

(c) Prior to the Senior Secured Discharge Date:

(i) if the Instructing Group has instructed the Security Agent not to enforce or to cease enforcing the Transaction Security; or

(ii) in the absence of instructions from the Instructing Group,

and, in each case, the Instructing Group has not required any Debtor or Third Party Security Provider to make a Distressed Disposal, the Security Agent shall give effect to any instructions to enforce the Transaction Security which the Majority Second Lien Creditors are then entitled to give to the Security Agent under Clause 5.10 (*Permitted Second Lien Enforcement*).

(d) Prior to the Priority Discharge Date:

(i) if the Instructing Group (or the Majority Second Lien Creditors pursuant to paragraph (c) above) has instructed the Security Agent not to enforce or to cease enforcing the Transaction Security; or

(ii) in the absence of instructions from the Instructing Group (or the Majority Second Lien Creditors pursuant to paragraph (c) above),

and, in each case, the Instructing Group (or the Majority Second Lien Creditors pursuant to paragraph (c) above) has not required any Debtor or Third Party Security Provider to make a Distressed Disposal, the Security Agent shall give effect to any instructions to enforce the Transaction Security which the Majority Topco Creditors are then entitled to give to the Security Agent under Clause 6.10 (*Permitted Topco Enforcement*) respectively.

(e) Notwithstanding paragraphs (c) and (d) above, if at any time any Second Lien Agent or Second Lien Notes Trustee or Topco Creditor Representative is then entitled to give the Security Agent instructions to enforce the Transaction Security pursuant to the preceding paragraphs (c) and (d) and the Second Lien Agent, the Second Lien Notes Trustee and/or the Topco Creditor Representative (as applicable) give such instruction or indicate any intention to give such instruction, then the Instructing Group may give instructions to the Security Agent to enforce the Transaction Security as the Instructing Group sees fit in lieu of any instructions to enforce given by the Second Lien Agent, the Second Lien Notes Trustee or the Topco Creditor Representative under this Agreement and Security Agent shall act on such instructions received from the Instructing Group.

(f) The Security Agent is entitled to rely on and comply with instructions given, or deemed to be given, in accordance with this Clause 12.3.

(g) No Secured Party shall have any independent power to enforce, or to have recourse to, any Transaction Security or any Topco Independent Transaction Security or to exercise any rights or powers arising under the Security Documents except through the Security Agent.

12.4 Manner of Enforcement—Transaction Security

If the Transaction Security is being enforced pursuant to Clause 12.3 (*Enforcement Instructions—Transaction Security*), the Security Agent shall enforce the Transaction Security in such manner (including, without limitation, the selection of any administrator of any Debtor or Third Party Security Provider to be appointed by the Security Agent):

(a) as the Instructing Group shall instruct;

(b) prior to the Senior Secured Discharge Date, if:

(i) the Security Agent has, pursuant to paragraph (c) of Clause 12.3 (*Enforcement Instructions—Transaction Security*), received instructions given by the Majority Second Lien Creditors to enforce the Transaction Security; and

(ii) the Instructing Group has not given instructions as to the manner of enforcement of the Transaction Security,

as the Majority Second Lien Creditors shall instruct; or

(c) prior to the Priority Discharge Date, if:

(i) the Security Agent has pursuant to paragraph (d) of Clause 12.3 (*Enforcement Instructions—Transaction Security*), received instructions given by the Majority Topco Creditors to enforce the relevant Transaction Security; and

(ii) neither the Instructing Group nor the Majority Second Lien Creditors have given instructions to the manner of enforcement of the Transaction Security,

as the Majority Topco Creditors shall instruct; or

(d) in the absence of any such instructions, as the Security Agent sees fit (which may include taking no action).

12.5 Exercise of Voting Rights

(a) Each Creditor and the Company, each Topco Investor, each Intra-Group Lender, each Third Party Security Provider and each Subordinated Creditor agrees (to the fullest extent permitted by law at the relevant time) with the Security Agent that it will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any member of the Group or, as the case may be, Third Party Security Provider, as instructed by the Security Agent.

(b) Subject to paragraph (c) below, the Security Agent shall give instructions for the purposes of paragraph (a) of this Clause 12.5 as directed by an Instructing Group provided such instructions have been given in accordance with Clause 12.3 (*Enforcement Instructions—Transaction Security*).

(c) Nothing in this Clause 12.5 entitles any party to exercise or require any other Secured Party to exercise such power of voting or representation to waive, reduce, discharge or extend the due date for (or change the basis for accrual of any) payment of or reschedule any of the Liabilities owed to that Secured Party.

12.6 Waiver of Rights

To the extent permitted under applicable law and subject to Clause 12.3 (*Enforcement Instructions—Transaction Security*), Clause 12.4 (*Manner of Enforcement—Transaction Security*), Clause 16 (*Application of Proceeds*) and paragraph (c) of Clause 15.2 (*Distressed Disposals*), each Secured Party, Third Party Security Provider and Debtor waives all rights it may otherwise have to require that the Transaction Security be enforced in any particular order or manner or at any particular time or that any sum received or recovered from any person, or by virtue of the enforcement of any of the Transaction Security or of any other security interest, which is capable of being applied in or towards discharge of any of the Secured Obligations is so applied.

12.7 Duties Owed

(a) Each of the Secured Parties, the Third Party Security Providers and the Debtors acknowledges that, in the event that the Security Agent enforces or is instructed to enforce any Transaction Security prior to the Senior Secured Discharge Date, the duties of the Security Agent and of any Receiver or Delegate owed to the Second Lien Creditors and the Topco Creditors in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Transaction Security shall, subject to paragraph (g) of Clause 15.2 (*Distressed Disposals*), be no different to or greater than the duty that is

owed by the Security Agent (or, as the case may be, that Receiver or that Delegate) to the Debtors or Third Party Security Providers under general law. The duty of care owed (whether under this Agreement or under general law) by the Security Agent to the Second Lien Creditors and the Topco Creditors shall be the same whether or not the Second Lien Creditors and the Topco Creditors are creditors at the relevant entity at which enforcement is being conducted or are beneficiaries of the Security that is being enforced. The Security Agent shall promptly upon becoming aware provide the Second Lien Creditors and the Topco Creditors notification of the scheduling of any court or administrative hearings relating to any Enforcement Action with respect to the Transaction Security.

(b) Each of the Secured Parties, Third Party Security Providers and the Debtors acknowledges that, in the event that the Security Agent enforces or is instructed to enforce the Transaction Security after the Senior Secured Discharge Date but prior to the Priority Discharge Date, the duties of the Security Agent and of any Receiver or Delegate owed to any Secured Party in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Transaction Security shall, subject to paragraph (c) of Clause 15.2 (*Distressed Disposals*), be no different to or greater than the duty that is owed by the Security Agent, Receiver or Delegate to the Debtors or Third Party Security Providers under general law.

12.8 Security held by other Creditors

If any Transaction Security is held by a Creditor other than the Security Agent, then creditors may only enforce that Transaction Security in accordance with instructions given by an Instructing Group in accordance with this Clause 12 (and for this purpose references to the Security Agent shall be construed as references to that Creditor).

12.9 Consultation Period

(a) Subject to paragraph (b) below, before giving any instructions to the Security Agent to enforce the Transaction Security or take any other Enforcement Action, the Agent(s) of the Creditors represented in the Instructing Group concerned shall consult with each other Agent (provided that a Topco Agent or Topco Notes Trustee need only be consulted if such Enforcement Action relates to Topco Shared Security) and the Security Agent in good faith about the instructions to be given by the Instructing Group for a period of up to ten Business Days (or such shorter period as each other Agent and the Security Agent shall agree) (the "**Consultation Period**"), and only following the expiry of a Consultation Period, shall the Instructing Group be entitled to give any instructions to the Security Agent to enforce the Transaction Security or take any other Enforcement Action.

(b) No Agent shall be obliged to consult in accordance with paragraph (a) above and the Instructing Group shall be entitled to give any instructions to the Security Agent to enforce the Transaction Security or take any other Enforcement Action prior to the end of a Consultation Period if:

(i) the Transaction Security has become enforceable as a result of an Insolvency Event; or

(ii) the Instructing Group or any Agent of the Creditors represented in the Instructing Group determines in good faith (and notifies each Agent and the Security Agent) that to enter into such consultation and delay the commencement of enforcement of the Transaction Security could reasonably be expected to have a material adverse effect on:

(A) the Security Agent's ability to enforce any of the Transaction Security; or

(B) the realisation proceeds of any enforcement of the Transaction Security.

13. ENFORCEMENT OF TRANSACTION SECURITY ON OR AFTER THE DESIGNATION DATE

13.1 Designation Date

The provisions of this Clause 13 shall only apply on and from the Designation Date (without prejudice to the continuing validity of any instruction given or action taken prior to such date).

13.2 Cash Cover

This Clause 13 is subject to Clause 16.3 (*Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral*).

13.3 Enforcement Instructions—Transaction Security

(a) The Security Agent may refrain from enforcing the Transaction Security unless instructed otherwise:

(i) in accordance with paragraph (c) below; or

(ii) by, if required under paragraph (g) below, the Second Lien Agent or Second Lien Notes Trustee (acting on the instructions of the Majority Second Lien Creditors as applicable); or

(iii) by, if required under paragraph (h) below, the Topco Creditor Representative(s) (acting on the instructions of the Majority Topco Creditors, as applicable).

(b) Subject to the Transaction Security having become enforceable in accordance with its terms, if either the Majority Super Senior Creditors or the Majority Senior Secured Creditors wish to issue Enforcement Instructions, the Agents (and, if applicable, Hedge Counterparties) representing the Secured Creditors comprising the Majority Super Senior Creditors or Majority Senior Secured Creditors (as the case may be) shall deliver a copy of those proposed Enforcement Instructions (an "**Initial Enforcement Notice**") to the Security Agent, each Senior Agent, each Super Senior Agent, each Senior Secured Notes Trustee and each Hedge Counterparty which did not deliver such Initial Enforcement Notice, and those Enforcement Instructions shall be consistent with the Enforcement Principles.

(c) Subject to paragraphs (d), (e) and (f) below, the Security Agent will act in accordance with Enforcement Instructions received from the Majority Senior Secured Creditors, provided that such instructions are consistent with the Enforcement Principles (and the Security Agent shall be entitled to assume that such instructions are consistent with the Enforcement Principles) and failure to give Enforcement Instructions will be deemed to be an instruction not to take any Enforcement Action.

(d) If:

(i) the Majority Senior Secured Creditors have not either made a determination as to the method of Enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) within three months of the date of the Initial Enforcement Notice; or

(ii) the Super Senior Discharge Date has not occurred within six months of the date of the Initial Enforcement Notice,

then the Security Agent will act in accordance with Enforcement Instructions received from the Majority Super Senior Creditors until the Super Senior Discharge Date has occurred.

(e) If an Insolvency Event (other than an Insolvency Event directly caused by any Enforcement Action taken by or at the request or direction of a Super Senior Creditor) is continuing then the Security Agent will, to the extent the Majority Super Senior Creditors elect to provide such Enforcement Instructions, act in accordance with Enforcement Instructions received from the Majority Super Senior Creditors until the Super Senior Discharge Date has occurred.

(f) If the Majority Senior Secured Creditors have not made a determination as to the method of Enforcement they wish to instruct the Security Agent to pursue (and notified the Security Agent of that determination in writing) and the Majority Super Senior Creditors:

(i) determine in good faith (and notify the other Senior Agents, each Senior Secured Notes Trustee, the Hedge Counterparties and the Security Agent) that a delay in issuing Enforcement Instructions could reasonably be expected to have a material adverse effect on the Security Agent's ability to enforce any of the Transaction Security or on the expected realisation proceeds of any enforcement of the Transaction Security; and

(ii) deliver Enforcement Instructions which they reasonably believe to be consistent with the Enforcement Principles and necessary or advisable to enhance the prospects of achieving the Enforcement Objective before the Security Agent has received any Enforcement Instructions from the Majority Senior Secured Creditors,

then the Security Agent will act in accordance with the Enforcement Instructions received from the Majority Super Senior Creditors until the Super Senior Discharge Date has occurred.

(g) Prior to the later of the Senior Secured Discharge Date and the Super Senior Discharge Date:

(i) if both the Majority Senior Secured Creditors and the Majority Super Senior Creditors have instructed the Security Agent not to enforce or to cease enforcing the Transaction Security; or

(ii) in the absence of instructions from either STLDD Instructing Group,

and, in each case, neither STLDD Instructing Group has required any Debtor or Third Party Security Provider to make a Distressed Disposal, the Security Agent shall give effect to any instructions to enforce the Transaction Security which the Majority Second Lien Creditors are then entitled to give to the Security Agent under Clause 5.10 (*Permitted Second Lien Enforcement*).

(h) Prior to the Priority Discharge Date:

(i) if both the Majority Senior Secured Creditors and the Majority Super Senior Creditors (or the Majority Second Lien Creditors pursuant to paragraph (g) above) have instructed the Security Agent not to enforce or to cease enforcing the Transaction Security; or

(ii) in the absence of instructions from either STLDD Instructing Group (or the Majority Second Lien Creditors pursuant to paragraph (g) above),

and, in each case, neither STLDD Instructing Group (nor the Majority Second Lien Creditors pursuant to paragraph (g) above) has required any Debtor or Third Party Security Provider to make a Distressed Disposal, the Security Agent shall give effect to any instructions to enforce the Transaction Security which the Majority Topco Creditors are then entitled to give to the Security Agent under Clause 6.10 (*Permitted Topco Enforcement*) respectively.

(i) Notwithstanding paragraphs (g) and (h) above, if at any time any Second Lien Agent or Second Lien Notes Trustee or Topco Creditor Representative is then entitled to give the Security Agent instructions to enforce the Transaction Security pursuant to the preceding paragraph (g) and (h) and the Second Lien Agent, the Second Lien Notes Trustee and/or the Topco Creditor Representative (as applicable) give such instruction or indicate any intention to give such instruction, then each STLDD Instructing Group may give instructions to the Security Agent to enforce the Transaction Security as such STLDD Instructing Group sees fit in lieu of any instructions to enforce given by the Second Lien Agent, the Second Lien Notes Trustee or the Topco Creditor Representative under this Agreement and Security Agent shall act on such instructions received from such STLDD Instructing Group.

(j) The Security Agent is entitled to rely on and comply with instructions given, or deemed to be given, in accordance with this Clause 13.3.

(k) No Secured Party shall have any independent power to enforce, or to have recourse to, any Transaction Security or to exercise any rights or powers arising under the Transaction Security Documents except through the Security Agent.

13.4 Manner of Enforcement—Transaction Security

If the Transaction Security is being enforced pursuant to Clause 13.3 (*Enforcement Instructions—Transaction Security*), the Security Agent shall enforce the Transaction Security in such manner (including, without limitation, the selection of any administrator of any Debtor or Third Party Security Provider to be appointed by the Security Agent):

(a) as the Instructing Group shall instruct;

(b) prior to the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, if:

(i) the Security Agent has, pursuant to paragraph (g) of Clause 13.3 (*Enforcement Instructions—Transaction Security*), received instructions given by the Majority Second Lien Creditors to enforce the Transaction Security; and

(ii) neither STLDD Instructing Group has given instructions as to the manner of enforcement of the Transaction Security,

as the Majority Second Lien Creditors shall instruct; or

(c) prior to the Priority Discharge Date, if:

(i) the Security Agent has pursuant to paragraph (h) of Clause 13.3 (*Enforcement Instructions—Transaction Security*), received instructions given by the Majority Topco Creditors to enforce the relevant Transaction Security; and

(ii) neither STLDD Instructing Group nor the Majority Second Lien Creditors have given instructions to the manner of enforcement of the Transaction Security,

as the Majority Topco Creditors shall instruct; or

(d) in the absence of any such instructions, as the Security Agent sees fit (which may include taking no action).

13.5 Exercise of Voting Rights

(a) Each Creditor and the Company, each Topco Investor, each Intra-Group Lender, each Third Party Security Provider and Subordinated Creditor agrees (to the fullest extent permitted by law at the relevant time) with the Security Agent that it will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any insolvency, pre-insolvency or rehabilitation or similar proceedings relating to any member of the Group or, as the case may be, Third Party Security Provider, as instructed by the Security Agent.

(b) Subject to paragraph (c) below, the Security Agent shall give instructions for the purposes of paragraph (a) of this Clause 13.5 as directed by an Instructing Group provided such instructions have been given in accordance with Clause 13.3 (*Enforcement Instructions—Transaction Security*).

(c) Nothing in this Clause 13.5 entitles any party to exercise or require any other Secured Party to exercise such power of voting or representation to waive, reduce, discharge or extend the due date for (or change the basis for accrual of any) payment of or reschedule any of the Liabilities owed to that Secured Party.

13.6 Waiver of Rights

To the extent permitted under applicable law and subject to Clause 13.3 (*Enforcement Instructions—Transaction Security*), Clause 13.4 (*Manner of Enforcement—Transaction Security*), Clause 16 (*Application of Proceeds*) and paragraph (c) of Clause 15.2 (*Distressed Disposals*), each Secured Party, Third Party Security Provider and Debtor waives all rights it may otherwise have to require that the Transaction Security be enforced in any particular order or manner or at any particular time or that any sum received or recovered from any person, or by virtue of the enforcement of any of the Transaction Security or of any other security interest, which is capable of being applied in or towards discharge of any of the Secured Obligations is so applied.

13.7 Duties Owed

(a) Each of the Secured Parties, the Third Party Security Providers and the Debtors acknowledges that, in the event that the Security Agent enforces or is instructed to enforce any Transaction Security prior to the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, the duties of the Security Agent and of any Receiver or Delegate owed to the Second Lien Creditors and the Topco Creditors in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Transaction Security shall, subject to paragraph (g) of Clause 15.2 (*Distressed Disposals*), be no different to or greater than the duty that is owed by the Security Agent (or, as the case may be, that Receiver or that Delegate) to the Debtors or Third Party Security Providers under general law. The duty of care owed (whether under this Agreement or under general law) by the Security Agent to the Second Lien Creditors and the Topco Creditors shall be the same whether or not the Second Lien Creditors and the Topco Creditors are creditors at the relevant entity at which enforcement is being conducted or are beneficiaries of the Security that is being enforced. The Security Agent shall promptly upon becoming aware provide the Second Lien Creditors and the Topco Creditors notification of the scheduling of any court or administrative hearings relating to any Enforcement Action with respect to the Transaction Security.

(b) Each of the Secured Parties, Third Party Security Providers and the Debtors acknowledges that, in the event that the Security Agent enforces or is instructed to enforce the Transaction Security after the later of the Super Senior Discharge Date and the Senior Secured Discharge Date but prior to the Priority Discharge Date, the duties of the Security Agent and of any Receiver or Delegate owed to any Secured Party in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Transaction Security shall, subject to paragraph (c) of Clause 15.2 (*Distressed Disposals*), be no different to or greater than the duty that is owed by the Security Agent, Receiver or Delegate to the Debtors or Third Party Security Providers under general law.

13.8 Security held by other Creditors

If any Transaction Security is held by a Creditor other than the Security Agent, then creditors may only enforce that Transaction Security in accordance with instructions given by an Instructing Group in accordance with this Clause 13 (and for this purpose references to the Security Agent shall be construed as references to that Creditor).

13.9 Enforcement through Security Agent Only

The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the Security Documents except through the Security Agent.

14. ENFORCEMENT OF TOPCO INDEPENDENT TRANSACTION SECURITY

14.1 Enforcement of Topco Independent Transaction Security

The Topco Creditors shall not give instructions to the Security Agent as to the enforcement of the Topco Independent Transaction Security other than in accordance with this Agreement.

14.2 Enforcement Instructions—Topco Independent Transaction Security

(a) The Security Agent may refrain from enforcing the Topco Independent Transaction Security unless instructed otherwise by the Majority Topco Creditors.

(b) Subject to the Topco Independent Transaction Security having become enforceable in accordance with its terms, the Topco Creditor Representative(s) (acting on the instructions of the Majority Topco Creditors) may give or refrain from giving instructions to the Security Agent to enforce, or refrain from enforcing, the Topco Independent Transaction Security as they see fit.

(c) The Security Agent is entitled to rely on and comply with instructions given, or deemed to be given, in accordance with this Clause 14.2.

(d) No Topco Creditor shall have any independent power to enforce, or to have recourse to, any Topco Independent Transaction Security or to exercise any rights or powers arising under the Security Documents except through the Security Agent.

14.3 Manner of Enforcement—Topco Independent Transaction Security

If the Topco Independent Transaction Security is being enforced pursuant to Clause 14.2 (*Enforcement Instructions—Topco Independent Transaction Security*), the Security Agent shall enforce the Topco Independent Transaction Security in such manner (including, without limitation, the selection of any administrator of any Debtor or Third Party Security Provider to be appointed by the Security Agent) as the Majority Topco Creditors shall instruct or, in the absence of any such instructions, as the Security Agent sees fit (which may include taking no action).

14.4 Waiver of Rights

To the extent permitted under applicable law and subject to Clause 14.2 (*Enforcement Instructions—Topco Independent Transaction Security*), Clause 14.3 (*Manner of Enforcement—Topco Independent Transaction Security*), Clause 16 (*Application of Proceeds*) and paragraph (c) of Clause 15.2 (*Distressed Disposals*), each Secured Party, Third Party Security Provider and Debtor waives all rights it may otherwise have to require that the Topco Independent Transaction Security be enforced in any particular order or manner or at any particular time or that any sum received or recovered from any person, or by virtue of the enforcement of any of the Topco Independent Transaction Security or of any other security interest, which is capable of being applied in or towards discharge of any of the Topco Independent Secured Obligations is so applied.

14.5 Duties Owed with respect to Topco Independent Transaction Security

Each of the Secured Parties, the Third Party Security Providers and the Debtors acknowledges that, in the event that the Security Agent enforces or is instructed to enforce any Topco Independent Transaction Security prior to the Topco Date, the duties of the Security Agent and of any Receiver or Delegate owed to the Topco Creditors in respect of the method, type and timing of that enforcement or of the exploitation, management or realisation of any of that Topco Independent Transaction Security shall, subject to paragraph (g) of Clause 15.2 (*Distressed Disposals*), be no different to or greater than the duty that is owed by the Security Agent (or, as the case may be, that Receiver or that Delegate) to the Debtors or Third Party Security Providers under general law. The duty of care owed (whether under this Agreement or under general law)

by the Security Agent to the Topco Creditors shall be the same whether or not the Topco Creditors are creditors at the relevant entity at which enforcement is being conducted or are beneficiaries of the Topco Independent Transaction Security that is being enforced. The Security Agent shall promptly upon becoming aware provide the Topco Creditors notification of the scheduling of any court or administrative hearings relating to any Enforcement Action with respect to the Topco Independent Transaction Security.

14.6Topco Independent Transaction Security held by other Creditors

If any Topco Independent Transaction Security is held by a Creditor other than the Security Agent, then creditors may only enforce that Transaction Security in accordance with instructions given by the Majority Topco Creditors in accordance with this Clause 14 (and for this purpose references to the Security Agent shall be construed as references to that Creditor).

15. NON-DISTRESSED DISPOSALS, DISTRESSED DISPOSALS AND DISPOSAL PROCEEDS

15.1 Non-Distressed Disposals

(a) Notwithstanding anything to the contrary in this Agreement or any other Debt Document (including any provisions in this Agreement or any other Debt Document which are expressed or purport to override any other provisions of this Agreement or any other Debt Document as a condition or otherwise to the taking of any action or step), if:

(i) a Debtor resigns in accordance with Clause 21.23 (*Resignation of a Debtor*) or a Guarantor resigns in accordance with the provisions of the applicable Finance Documents or this Agreement; or

(ii) in respect of a disposal or in respect of:

(A) an asset of a Debtor; or

(B) an asset which is subject to Transaction Security,

the Company certifies to the Security Agent (or any applicable Creditor party to a Transaction Security Document) that as at the date of completion thereof, or at the option of the Company, on the date that the definitive agreement for such disposal or similar transaction is entered into (including by reference to any basket or ratio calculated on that date on a pro forma basis after giving effect to such disposal or similar transaction):

(1) the disposal is not prohibited under the Finance Documents or (to the extent any applicable Finance Document prohibits such disposal) the applicable Agent authorises the release in accordance with the terms of the applicable Finance Document or the Required Creditor Consent for such disposal has been obtained; and

(2) the disposal is not a Distressed Disposal,

(each of (i) and (ii) a "**Non-Distressed Disposal**"),

in each case, the Security Agent (and any applicable Agent or Creditor) is irrevocably authorised, instructed and obliged by each of the Parties and the other Secured Creditors within three (3) Business Days of receipt of a written request (a "**Release Request**") from a Debtor, Guarantor or, as the case may be, Third Party Security Provider (the "**Release Applicant**") and without any consent, agreement, sanction, authority, instruction, direction, confirmation, payment, certification or other document, request or information from or on behalf of or in favour of the Security Agent, any Creditor, Secured Party, Third Party Security Provider or any Debtor, but subject to Clause 15.2 below, promptly to enter into documentation reasonably required by the Company:

(1) to release (or procure that any other relevant person releases) the Transaction Security or any other claim (including relating to a Debt Document) over that asset;

(2) where a Debtor or Guarantor resigns or that asset consists of shares in the capital of a Debtor or Guarantor or a Third Party Security Provider, to release the Transaction Security and any other claim, including, without limitation, any Guarantee Liabilities or Other Liabilities (relating to a Debt Document) over or in respect of that Debtor or Guarantor or its shares or assets and (if any) the Subsidiaries of that Debtor or Guarantor and their respective assets; and

(3) to execute and deliver or enter into any release of the Transaction Security or any claim described in paragraphs (1) and (2) above, issue any certificates of non-crystallisation of any floating charge and any consent to dealing and execute and deliver such other document and/or take such other action or step under or in relation to any Debt Document (or any asset subject or expressed to be subject to any Transaction Security or any Security Document) as is requested by the Release Applicant in order to complete, implement or facilitate the resignation or disposal and other transactions contemplated by the Release Request or to effect or evidence such release (including in any official register).

(b) If that Non-Distressed Disposal is not made, each release of Transaction Security or any claim described in paragraph (a) above shall have no effect and the Transaction Security or claim subject to that release shall continue in such force and effect as if that release had not been effected.

(c) Provided that in all cases such disposal or similar transaction is not prohibited by the Finance Documents (i) as at the date of completion thereof, or (ii) at the option of the Company, on the date that the definitive agreement for such disposal or similar transaction is entered into (including by reference to any circumstances, basket or ratio calculated on that date and on a pro forma basis after giving effect to such disposal or similar transaction, including the receipt of proceeds), each Party irrevocably consents to and agrees that: (A) any disposal or similar transaction which is a Non-Distressed Disposal is permitted to be made by any member of the Group or Third Party Security Provider or Topco Independent Obligor notwithstanding any other provision to the contrary in this Agreement or any other Debt Document; (B) (in the event of (c)(ii) above) any condition, test or determination in any Finance Document shall be required to be satisfied as at the date of entry into such definitive agreement and shall not be required to be satisfied at any time subsequent to such determination date and at or prior to the consummation of the relevant transaction; and as such any Default occurring, any fluctuation in any basket or ratio, or any change in any condition, test or determination (including in relation to fair market value) shall be ignored and shall not be tested at the time of the consummation of the relevant transaction; (C) in the case of such disposal or similar transaction of shares of any member of the Group which is a Guarantor and/or Debtor (and/or any Subsidiary thereof which is a Guarantor and/or Debtor) which is permitted to be made pursuant to paragraphs (A) and (B) above, notwithstanding any other provision to the contrary in this Agreement or any other Debt Document such member of the Group shall be permitted to resign as a Guarantor subject only to the delivery of the applicable resignation or similar letters to the applicable Agent which shall be required to accept, counter-sign or effect the same.

15.2 Distressed Disposals

(a) Subject to paragraphs (d), (e) and (f) below, if a Distressed Disposal of any asset is being effected, the Security Agent is irrevocably authorised (at the cost of the relevant Debtor, Third Party Security Provider and the Company and without any consent, sanction, authority or further confirmation from any Creditor, Third Party Security Provider or Debtor):

(i) **release of Security/non-crystallisation certificates**: to release the Transaction Security or any other claim over that asset and execute and deliver or enter into any release of that Transaction Security or claim and issue any letters of non-crystallisation of any floating charge or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable;

(ii) **release of liabilities and Security on a share sale (Debtor)**: 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:

(1) its Borrowing Liabilities;

(2) its Guarantee Liabilities; and

(3) its Other Liabilities;

(B) any Transaction Security granted by that Debtor or any Subsidiary of that Debtor over any of its assets; and

(C) any other claim of an Intra-Group Lender, a Topco Investor, a Subordinated Creditor, or another Debtor over that Debtor's assets or over the assets of any Subsidiary of that Debtor,

on behalf of the relevant Creditors, Third Party Security Providers and Debtors;

(iii) **release of liabilities and Security on a share sale (Holding Company):** 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:

(1) its Borrowing Liabilities;

(2) its Guarantee Liabilities; and

(3) its Other Liabilities;

(B) any Transaction Security granted by that Holding Company or any Subsidiary of that Holding Company over any of its assets; and

(C) any other claim of an Intra-Group Lender, a Topco Investor, a Subordinated Creditor or another Debtor over the assets of that Holding Company and any Subsidiary of that Holding Company,

on behalf of the relevant Creditors and Debtors;

(iv) **disposal of liabilities on a share sale:** if the asset which is disposed of consists of shares in the capital of a Debtor or the Holding Company of a Debtor and the Security Agent (acting in accordance with paragraph (c) below) decides to dispose of all or any part of:

(A) the Liabilities; or

(B) the Debtor Liabilities,

owed by that Debtor or Holding Company or any Subsidiary of that Debtor or Holding Company:

(1) (if the Security Agent (acting in accordance with paragraph (c) below) does not intend that any transferee of those Liabilities or Debtor Liabilities (the "**Transferee**") will be treated as a Secured Creditor or a Secured Party for the purposes of this Agreement), to execute and deliver or enter into any agreement to dispose of all or part of those Liabilities or Debtor Liabilities **provided that** notwithstanding any other provision of any Debt Document the Transferee shall not be treated as a Secured Creditor or a Secured Party for the purposes of this Agreement; and

(2) (if the Security Agent (acting in accordance with paragraph (c) below) does intend that any Transferee will be treated as a Secured Creditor or a Secured

Party for the purposes of this Agreement), to execute and deliver or enter into any agreement to dispose of:

(I) all (and not part only) of the Liabilities owed to the Secured Creditors; and

(II) all or part of any other Liabilities and the Debtor Liabilities,

on behalf of, in each case, the relevant Creditors, Third Party Security Providers and Debtors;

(v) **transfer of obligations in respect of liabilities on a share sale**: if the asset which is disposed of consists of shares in the capital of a Debtor or the Holding Company of a Debtor (the "**Disposed Entity**") and the Security Agent (acting in accordance with paragraph (c) below) decides to transfer to another Debtor (the "**Receiving Entity**") all or any part of the Disposed Entity's obligations or any obligations of any Subsidiary of that Disposed Entity in respect of:

(A) the Intra-Group Liabilities; or

(B) the Debtor Liabilities,

to execute and deliver or enter into any agreement to:

(1) agree to the transfer of all or part of the obligations in respect of those Intra-Group Liabilities or Debtor Liabilities on behalf of the relevant Intra-Group Lenders and Debtors to which those obligations are owed and on behalf of the Debtors which owe those obligations; and

(2) (provided the Receiving Entity is a Holding Company of the Disposed Entity which is also a Guarantor of Secured Liabilities) to accept the transfer of all or part of the obligations in respect of those Intra-Group Liabilities or Debtor Liabilities on behalf of the Receiving Entity or Receiving Entities to which the obligations in respect of those Intra-Group Liabilities or Debtor Liabilities are to be transferred.

(b) The net proceeds of each Distressed Disposal (and the net proceeds of any disposal of Liabilities or Debtor Liabilities pursuant to paragraphs (a)(iv) and (a)(v) above) shall be paid to the Security Agent (as the case may be) for application in accordance with Clause 16 (*Application of Proceeds*) as if those proceeds were the proceeds of an enforcement of the Transaction Security and, to the extent that any disposal of Liabilities or Debtor Liabilities has occurred pursuant to paragraphs (a)(iv) and (a)(v) above), as if that disposal of Liabilities or Debtor Liabilities had not occurred.

(c) In the case of a Distressed Disposal (or a disposal of Liabilities pursuant to paragraphs (a)(iv) and (a)(v) above) effected by or at the request of the Security Agent, the Security Agent shall take reasonable care to obtain a fair market price in the prevailing market conditions (although the Security Agent shall not have any obligation to postpone any such Distressed Disposal or disposal of Liabilities in order to achieve a higher price).

(d) If a Distressed Disposal is being effected at a time when the Majority Second Lien Creditors are entitled to give, and have given, instructions, prior to the Designation Date, under paragraph (c) of Clause 12.3 (*Enforcement Instructions—Transaction Security*) or Clause 12.4 (*Manner of Enforcement—Transaction Security*) or, on and from the Designation Date, under paragraph (g) of Clause 13.3 (*Enforcement Instructions—Transaction Security*) or Clause 13.4 (*Manner of Enforcement—Transaction Security*) the Security Agent is not authorised to release any Debtor, Subsidiary or Holding Company from any Borrowing Liabilities or Guarantee Liabilities owed to any Senior Secured Creditor unless those Borrowing Liabilities or Guarantee Liabilities and any other Senior Secured Liabilities will be paid (or repaid) in full (or, in the case of any contingent Liability relating to a Letter of Credit, Cash Management Facility LC, a Cash Management Facility or an Ancillary Facility made the subject of cash collateral arrangements acceptable to the relevant Senior Creditor), following that release.

(e) If a Distressed Disposal is being effected at a time when the Majority Topco Creditors are entitled to give, and have given, instructions, prior to the Designation Date, under paragraph (d) of Clause 12.3 (*Enforcement Instructions—Transaction Security*) or Clause 12.4 (*Manner of Enforcement—Transaction Security*), or, on and from the Designation Date, under paragraph (h) of Clause 13.3 (*Enforcement Instructions—Transaction Security*) or Clause 13.4 (*Manner of Enforcement—Transaction Security*) the Security Agent is not authorised to release any Debtor, Subsidiary or Holding Company from any Borrowing Liabilities or Guarantee Liabilities owed to any Senior Secured Creditor or any Second Lien Creditor unless those Borrowing Liabilities or Guarantee Liabilities and any other Senior Secured Liabilities and Second Lien Liabilities will be paid (or repaid) in full (or, in the case of any contingent Liability relating to a Letter of Credit, Cash Management Facility LC, a Cash Management Facility or an Ancillary Facility, made the subject of cash collateral arrangements acceptable to the relevant Senior Creditor), following that release.

(f) Where Borrowing Liabilities in respect of any Senior Secured Liabilities, any Second Lien Liabilities, any Topco Group Liabilities or any Unsecured Liabilities would otherwise be released pursuant to paragraph (a) above, the Creditor concerned may elect to have those Borrowing Liabilities transferred to a Holding Company of the Company, in which case the Security Agent is irrevocably authorised (at the cost of the relevant Debtor or the Company and without any consent, sanction, authority or further confirmation from any Creditor or Debtor) to execute such documents as are required to so transfer those Borrowing Liabilities.

(g) If, before the Second Lien Discharge Date or the Topco Discharge Date, a Distressed Disposal is being effected such that the Second Lien Liabilities or the Topco Liabilities and Transaction Security over shares in a Second Lien Borrower or issuer of Second Lien Notes or assets of a Second Lien Borrower, issuer of Second Lien Notes, Second Lien Guarantor or Topco Guarantor will be released under paragraph (a) above, it is a further condition to the release that either:

(i) the Second Lien Agent, the Second Lien Notes Trustee, the Topco Agent and the Topco Notes Trustee (as applicable) have approved the release; or

(ii) where shares or assets of a Second Lien Borrower, issuer of Second Lien Notes, Second Lien Guarantor or Topco Guarantor are sold:

(A) the proceeds of such sale or disposal are in cash (or substantially in cash) and/or other marketable securities or, if the proceeds of such sale or disposal are not in cash (or substantially in cash) and/or other marketable securities, the requirements of paragraph (C)(2) below are satisfied; and

(B) all claims of the Secured Creditors against a member of the Group (if any) all of whose shares are pledged in favour of the Priority Secured Parties and are being sold or disposed of pursuant to such Enforcement Action, are unconditionally released and discharged or sold or disposed of concurrently with such sale (and are not assumed by the purchaser or one of its Affiliates), and all Security under the Security Documents in respect of the assets that are sold or disposed of is simultaneously and unconditionally released and discharged concurrently with such sale, **provided that** in the event of a sale or disposal of any such claim (instead of a release or discharge):

(1) where the Senior Secured Creditors (or any group or class of Senior Secured Creditors) constitute the Instructing Group, the Senior Agent and Senior Secured Notes Trustee(s):

(I) determine acting reasonably and in good faith that the Senior Secured Creditors will recover more than if such claim was released or discharged but is nevertheless less than the outstanding Senior Secured Liabilities; and

(II) serve a notice on the Security Agent notifying the Security Agent of the same;

(2) where the Second Lien Creditors constitute the Instructing Group, the Second Lien Agent and the Second Lien Notes Trustee(s)):

(I) determine acting reasonably and in good faith that the Priority Secured Parties (collectively) will recover more than if such claim was released or discharged but is nevertheless less than the outstanding Priority Secured Liabilities; and

(II) serve a notice on the Security Agent notifying the Security Agent of the same;

(3) where the Topco Creditors constitute the Instructing Group, the Topco Agent and the Topco Notes Trustee(s)):

(I) determine acting reasonably and in good faith that the Priority Secured Parties and the Topco Creditors (collectively) will recover more than if such claim was released or discharged but is nevertheless less than the outstanding Priority Secured Liabilities and the Topco Liabilities (collectively); and

(II) serve a notice on the Security Agent notifying the Security Agent of the same,

in which case the Security Agent shall be entitled immediately to sell and transfer such claim to such purchaser (or an affiliate of such purchaser) and the consideration for such sale or transfer may be in the form of non-cash consideration by way of: (x) where the Senior Secured Creditors constitute the Instructing Group, the Senior Secured Creditors bidding by an appropriate mechanic all or part of the Senior Secured Liabilities (such that the Senior Secured Liabilities would, on completion, be discharged to the extent of an amount equal to the amount of the offer made by the relevant Senior Secured Creditors), (y) where the Second Lien Creditors constitute the Instructing Group, the Second Lien Creditors bidding by an appropriate mechanic all or part of the Second Lien Liabilities (such that the Second Lien Liabilities would, on completion, be discharged to the extent of an amount equal to the amount of the offer made by the relevant Second Lien Creditors), or (z) where the Topco Creditors constitute the Instructing Group, the Topco Creditors bidding by an appropriate mechanic all or part of the Topco Liabilities (such that the Topco Liabilities would, on completion, be discharged to the extent of an amount equal to the amount of the offer made by the relevant Topco Creditors); and

(C) such sale or disposal (including any sale or disposal of any claim) is made:

(1) pursuant to a Competitive Sales Process; or

(2) where a reputable, independent and internationally recognised investment bank, firm of accountants or third party professional firm which is regularly engaged in providing valuations in respect of the relevant type and size of the assets concerned, in each case selected by the Security Agent, has delivered an opinion (including an enterprise valuation of the Group which can be relied upon by the Security Agent and disclosed to the Senior Secured Creditors, the Second Lien Creditors and the Topco Creditors on a non-reliance basis) in respect of such sale or disposal that the amount received in connection therewith is fair from a financial point of view taking into account all relevant circumstances including the method of enforcement **provided that** the liability of such investment bank or internationally recognised firm of accountants or third party professional firm (as applicable) in giving such opinion may be limited to the amount of its fees in respect of such engagement.

(h) For the purposes of paragraphs (a)(iv), (a)(v), (c) and (g) above, the Security Agent shall act:

(i) if the relevant Distressed Disposal is being effected by way of enforcement of the Transaction Security, in accordance with, prior to the Designation Date, Clause 12.4 (*Manner of Enforcement—Transaction Security*) or, on and from the Designation Date, Clause 13.4 (*Manner of Enforcement—Transaction Security*); and

(ii) in any other case:

(A) on the instructions of the Instructing Group; or

(B) in the absence of any such instructions, as the Security Agent sees fit (which may include taking no action).

15.3 Disposal Proceeds and other Proceeds (before Distress Event)

(a) In this Clause 15.3:

"**Disposal Proceeds**" means (i) the Net Available Cash from an Asset Disposition (as each such term is defined in the Senior Facilities Agreement) required to be applied in prepayment, repayment or purchase of Indebtedness in accordance with section 5 (*Limitation on Sales of Assets and Subsidiary Stock*) of schedule 17 (*General Undertakings*) of the Senior Facilities Agreement, and (ii) the substantially equivalent meaning and application to that described in paragraph (i) above, given in each Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement or Second Lien Facility Agreement, as the context requires.

(b) If any Disposal Proceeds are required to be applied in mandatory prepayment of the Secured Liabilities or in relation to the proceeds of any other Mandatory Prepayment (**"Relevant Proceeds")**, those Relevant Proceeds shall be applied in accordance with the provisions of the Secured Debt Documents, **provided that**:

(i) if those Relevant Proceeds are required to be applied in mandatory prepayment of more than one class of Creditors under the Secured Debt Documents and the amount of such Proceeds is not sufficient to satisfy all such mandatory prepayment requirements:

(A) those Relevant Proceeds shall be paid to the relevant Creditors in the order set out at Clause 16.1 (*Order of Application—Transaction Security*) below as though such Proceeds were Recoveries (subject to any right of any Creditor in a Secured Debt Document to decline to receive such Relevant Proceeds); and

(B) no Default or Event of Default shall arise under any Debt Document to the extent that such Relevant Proceeds are applied in accordance with paragraph (A) above; and

(ii) no consent of any Party shall be required for that application.

15.4 Recoveries from Report Providers

(a) In this Clause 15.4:

"**Award Proceeds**" means, in relation to a Net Award, an amount equal to that Net Award.

"**Net Award**" means any amount received or recovered by any Party in relation to any Proceedings less reasonable legal costs and expenses incurred by that Party in pursuing such Proceedings and any tax payable by that Party directly as a result of that receipt or recovery.

"**Proceedings**" means any litigation, proceedings or other claim against a Report Provider with a view to obtaining a recovery from that Report Provider.

"**Report Provider**" means any professional adviser or other person who has provided a Report.

(b) If no Distress Event has occurred at the time of receipt of a Net Award, and the Award Proceeds are required by the terms of the Finance Documents to be applied in mandatory prepayment of the Secured Liabilities and/or the Unsecured Liabilities, those Award Proceeds shall be applied in accordance with the provisions of the Finance Documents, **provided that**:

(i) if those Award Proceeds are required to applied in mandatory prepayment of more than one class of Creditors under the Finance Documents and the amount of such Award Proceeds is not sufficient to satisfy all such mandatory prepayment requirements:

(A) those Award Proceeds shall be paid to the relevant Creditors in the order set out at Clause 16.1 (*Order of Application—Transaction Security*) below as though such Award Proceeds were Recoveries; and

(B) no Default or Event of Default shall arise under any Debt Document to the extent that such Award Proceeds are applied in accordance with paragraph (A) above; and

(ii) no consent of any Party shall be required for that application.

(c) If a Distress Event has occurred at the time of receipt of a Net Award, the recipient of that Net Award shall pay the Award Proceeds to the Security Agent and the Security Agent shall apply those Award Proceeds in accordance with the terms of Clause 16 (*Application of Proceeds*).

(d) The provisions of this Clause 15.4 shall apply until the Final Discharge Date.

15.5 Creditors', Third Party Security Providers' and Debtors' Actions

Each Creditor, Third Party Security Provider and Debtor will:

(a) do all things that the Security Agent reasonably requests in order to give effect to this Clause 14 (which shall include, without limitation, the execution of any assignments, transfers, releases, delegation of faculties, powers of attorney or other documents that the Security Agent may reasonably consider to be necessary to give effect to the releases or disposals contemplated by this Clause 14); and

(b) if the Security Agent is not entitled to take any of the actions contemplated by this Clause 14 or if the Security Agent requests that any Creditor, Third Party Security Provider or Debtor take any such action, take that action itself in accordance with the reasonable instructions of the Security Agent,

provided that the proceeds of those disposals are applied in accordance with Clause 15.1 (*Non-Distressed Disposals*) or Clause 15.2 (*Distressed Disposals*) (as the case may be).

16. APPLICATION OF PROCEEDS

16.1 Order of Application—Transaction Security

Subject to Clause 1.9 (*Waiver and Termination*), Clause 16.2 (*Prospective Liabilities*) and Clause 16.3 (*Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral*), all amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Debt Document (other than, for the avoidance of doubt, Topco Independent Transaction Security or in connection with the realisation or enforcement of any other Security which is not Transaction Security or any guarantees provided by any Holding Company of Topco or any Subsidiary of any Holding Company of the Company (other than a member of the Group) in respect of any of the Topco Liabilities or Topco Proceeds Loan Liabilities) or, in connection with the realisation or enforcement of all or any part of the Transaction Security (the "**Recoveries**") shall be applied at any time as the Security Agent (in its discretion) sees fit, to the extent

permitted by applicable law (and subject to the provisions of this Clause 16), in the following order of priority:

(a) in discharging any sums owing to a Senior Creditor Representative (in respect of the Senior Agent Liabilities or Super Senior Agent Liabilities), the Security Agent, any Receiver or any Delegate any Second Lien Creditor Representative (in respect of the Second Lien Agent Liabilities) and any Topco Creditor Representative (in respect of the Topco Agent Liabilities) on a pari passu basis;

(b) in payment of all costs and expenses incurred by any Agent or Secured Creditor in connection with any realisation or enforcement of the Transaction Security taken in accordance with the terms of this Agreement or any action taken at the request of the Security Agent under Clause 9.6 (*Creditors' Actions*);

(c) if the Designation Date has occurred, in payment to:

(i) each Super Senior Agent on its own behalf and on behalf of the relevant Super Senior Arrangers and the relevant Super Senior Lenders; and

(ii) the Super Senior Hedge Counterparties,

for application towards the discharge of:

(A) the Super Senior Arranger Liabilities and the Super Senior Lender Liabilities (in accordance with the terms of the Super Senior Finance Documents); and

(B) the Super Senior Hedging Liabilities (on a pro rata basis between the Super Senior Hedging Liabilities of each Super Senior Hedge Counterparty),

on a pro rata basis and ranking pari passu between paragraphs (A) and (B) above; and

if the Super Senior Discharge Date has occurred, in payment to:

(iii) each Senior Agent on its own behalf and on behalf of the relevant Senior Arrangers and the relevant Senior Lenders and Cash Management Facility Lenders;

(iv) each Senior Secured Notes Trustee on its own behalf and on behalf of the Senior Secured Notes Creditors;

(v) each Cash Management Facility Lender (to the extent no Cash Management Facility Agent is appointed in respect of the relevant Cash Management Facility Commitments); and

(vi) the Pari Passu Hedge Counterparties,

for application towards the discharge of:

(A) the Senior Arranger Liabilities and the Senior Lender Liabilities (in accordance with the terms of the Senior Finance Documents);

(B) the Senior Secured Notes Liabilities (in accordance with the terms of the Senior Secured Notes Finance Documents);

(C) the Cash Management Facility Liabilities (in accordance with the terms of the Cash Management Facility Documents); and

(D) the Pari Passu Hedging Liabilities (on a pro rata basis between the Pari Passu Hedging Liabilities of each Pari Passu Hedge Counterparty),

on a pro rata basis between paragraphs (A), (B), (C) and (D) above;

(d) if the Designation Date has not occurred, in payment to:

(i) each Senior Agent on its own behalf and on behalf of the relevant Senior Arrangers and the relevant Senior Lenders and Cash Management Facility Lenders;

(ii) each Senior Secured Notes Trustee on its own behalf and on behalf of the Senior Secured Notes Creditors;

(iii) each Cash Management Facility Lender (to the extent no Cash Management Facility Agent is appointed in respect of the relevant Cash Management Facility Commitments); and

(iv) the Hedge Counterparties,

for application towards the discharge of:

(A) the Senior Arranger Liabilities and the Senior Lender Liabilities (in accordance with the terms of the Senior Finance Documents);

(B) the Senior Secured Notes Liabilities (in accordance with the terms of the Senior Secured Notes Finance Documents);

(C) the Cash Management Facility Liabilities (in accordance with the terms of the Cash Management Facility Documents); and

(D) the Hedging Liabilities (on a pro rata basis between the Hedging Liabilities of each Hedge Counterparty),

on a pro rata basis and ranking pari passu between paragraphs (A), (B), (C) and (D) above;

(e) in payment to:

(i) each Second Lien Agent on its own behalf and on behalf of the Second Lien Arrangers and the Second Lien Lenders; and

(ii) each Second Lien Notes Trustee on its own behalf and on behalf of the Second Lien Notes Creditors,

for application towards the discharge of:

(A) the Second Lien Arranger Liabilities and the Second Lien Lender Liabilities (in accordance with the terms of the Second Lien Finance Documents); and

(B) the Second Lien Notes Liabilities (in accordance with the terms of the Second Lien Notes Finance Documents),

on a pro rata basis and ranking pari passu between paragraphs (A) and (B) above;

(f)

(i) subject to sub-paragraph (ii) below, in payment to:

(A) each Topco Agent on its own behalf and on behalf of the Topco Arrangers and the Topco Lenders; and

(B) each Topco Notes Trustee on its own behalf and on behalf of the Topco Notes Finance Parties,

for application towards the discharge of:

(1) the Topco Facility Liabilities (in accordance with the terms of the Topco Facility Finance Documents); and

(2) the Topco Notes Liabilities (in accordance with the terms of the Topco Notes Finance Documents),

on a pro rata basis and ranking pari passu between paragraphs (1) and (2) above;

(ii) this paragraph (f) shall only apply to any proceeds from the realisation or enforcement of (A) all or any part of the Topco Shared Security created, or expressed to be created, pursuant to the Transaction Security Documents, and (B) any guarantees provided by a Topco Guarantor that is a member of the Group or Third Party Security Provider in respect of any of the Topco Liabilities;

(g) on a pro rata basis and ranking pari passu between themselves, to any Third Party Security Provider or Debtor to which a *Soulte* has been paid or remains payable, in payment or distribution in an amount equal to such *Soulte* (and to the extent such *Soulte* has been already paid by any Secured Parties to such Third Party Security Provider or Debtor, only to the extent that such Third Party Security Provider or Debtor has turned such *Soulte* over to the Security Agent in accordance with Clause 10.5 (*Sums received by Debtors and Third Party Security Providers*);

(h) if none of the Debtors, or as the case may be, Third Party Security Providers are under any further actual or contingent liability under any Secured Debt Document, in payment to any other person to whom the Security Agent is obliged to pay in priority to any Debtor or Third Party Security Provider; and

(i) the balance, if any, in payment to the relevant Debtor.

16.2 Prospective Liabilities

Following a Distress Event or any enforcement of Topco Independent Transaction Security, the Security Agent may, in its discretion, hold any amount of the Recoveries (or, as applicable, Topco Recoveries) not in excess of the Expected Amount (as defined below) in an interest bearing suspense or impersonal account(s) in the name of the Security Agent with such financial institution (including itself) and for so long as that Security Agent shall think fit until otherwise directed by an Instructing Group (or the Majority Topco Secured Creditors in the case of Topco Independent Transaction Security) (the interest being credited to the relevant account) for later application under Clause 16.1 (*Order of Application—Transaction Security*) or Clause 16.9 (*Order of application—Topco Independent Transaction Security*) (as applicable) in respect of:

(a) any sum to the Security Agent, any Receiver or any Delegate; and

(b) any part of the Liabilities, the Agent Liabilities or the Arranger Liabilities (in each case only to the extent entitled to share in such Recoveries or Topco Recoveries),

that the Security Agent reasonably considers, in each case, might become due or owing at any time in the future (the "**Expected Amount**").

16.3 Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral

(a) Nothing in this Agreement shall prevent:

(i) any Issuing Bank or Ancillary Lender taking any Enforcement Action in respect of any SFA Cash Cover which has been provided for it in accordance with the Senior Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement or any Permitted Senior Secured Facilities Agreement (as the context requires); or

(ii) any Cash Management Facility Lender (or any Cash Management Facility Agent on its behalf) taking any Enforcement Action in respect of any Cash Management Facility Cash Cover which has been provided for it in accordance with the relevant Cash Management Facility Document.

(b) To the extent that any SFA Cash Cover is not held with the Relevant Issuing Bank or Relevant Ancillary Lender, all amounts from time to time received or recovered in connection with the

realisation or enforcement of that SFA Cash Cover shall be paid to the Security Agent and shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

(i) to the Relevant Issuing Bank or Relevant Ancillary Lender towards the discharge of the Senior Liabilities or Super Senior Liabilities for which that SFA Cash Cover was provided; and

(ii) the balance, if any, in accordance with Clause 16.1 (*Order of Application—Transaction Security*).

(c) To the extent that any SFA Cash Cover is held with the Relevant Issuing Bank or Relevant Ancillary Lender, nothing in this Agreement shall prevent that Relevant Issuing Bank or Relevant Ancillary Lender receiving and retaining any amount in respect of that SFA Cash Cover.

(d) To the extent that any Cash Management Facility Cash Cover is not held with the Relevant Issuing Bank or Relevant Cash Management Facility Creditor, all amounts from time to time received or recovered in connection with the realisation or enforcement of that Cash Management Facility Cash Cover shall be paid to the Security Agent and shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law, in the following order of priority:

(i) to the Relevant Issuing Bank or Relevant Cash Management Facility Creditor towards the discharge of the Cash Management Facility Liabilities for which that Cash Management Facility Cash Cover was provided; and

(ii) the balance, if any, in accordance with Clause 16.1 (*Order of Application—Transaction Security*).

(e) To the extent that any Cash Management Facility Cash Cover is held with the Relevant Issuing Bank or Relevant Cash Management Facility Creditor, nothing in this Agreement shall prevent that Relevant Issuing Bank or Relevant Cash Management Facility Creditor receiving and retaining any amount in respect of that Cash Management Facility Cash Cover.

(f) Nothing in this Agreement shall prevent any Issuing Bank receiving and retaining any amount in respect of any SFA Cash Collateral provided for it in accordance with the terms of the Senior Facilities Agreement, any Permitted Super Senior Secured Facilities Agreement or any Permitted Senior Secured Facilities Agreement (as the context requires).

16.4 Investment of Proceeds

Prior to the application of the proceeds of the Security Property in accordance with Clause 16.1 (*Order of Application—Transaction Security*) or as the case may be, Clause 16.9 (*Order of Application—Topco Independent Transaction* Security), the Security Agent may, in its discretion, hold all or part of those proceeds (but not in excess of the amounts due or to become due and while so held the excess of the interest charged on the Liabilities shall not exceed the interest earned on such suspect or impersonal account(s)) in an interest bearing suspense or impersonal account(s) in the name of that Security Agent with such financial institution (including itself) and for so long as that Security Agent shall think fit until otherwise directed by an Instructing Group (or the Majority Topco Secured Creditors in the case of Topco Independent Transaction Security) (the interest being credited to the relevant account) pending the application from time to time of those moneys in the Security Agent's discretion in accordance with the provisions of this Clause 16.

16.5 Currency Conversion

(a) For the purpose of, or pending the discharge of, any of the Secured Obligations, the Security Agent may convert any moneys received or recovered by it from one currency to another, at the Security Agent's Spot Rate of Exchange.

(b) The obligations of any Debtor or Third Party Security Provider to pay in the due currency shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

16.6 Permitted Deductions

The Security Agent shall be entitled, in its discretion, (a) to set aside by way of reserve amounts required to meet and (b) to make and pay, any deductions and withholdings (on account of taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement, and to pay all Taxes, fees and expenses which may be assessed against it in respect of any of the Charged Property, or as a consequence of performing its duties, or by virtue of its capacity as the Security Agent under any of the Debt Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).

16.7 Good Discharge

(a) Any payment to be made in respect of the Secured Obligations by the Security Agent:

(i) may be made to the relevant Agent on behalf of its Creditors;

(ii) may be made to the Relevant Issuing Bank, Relevant Ancillary Lender or Relevant Cash Management Facility Creditor in accordance with paragraph (b) or paragraph (d) of Clause 16.3 (*Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral*) (as applicable);

(iii) shall be made directly to the Hedge Counterparties,

and any payment made in that way shall be a good discharge, to the extent of that payment, by the Security Agent.

(b) The Security Agent is not under any obligation to make the payments to the Agents, the Cash Management Facility Lenders, the Relevant Issuing Banks, the Relevant Ancillary Lenders or the Hedge Counterparties under paragraph (a) above in the same currency as that in which the Liabilities owing to the relevant Creditor are denominated.

16.8 Calculation of Amounts

For the purpose of calculating any person's share of any sum payable to or by it, the Security Agent shall be entitled to:

(a) notionally convert the Liabilities owed to any person into a common base currency (decided in its discretion by the Security Agent), that notional conversion to be made at the spot rate at which the Security Agent is able to purchase the notional base currency with the actual currency of the Liabilities owed to that person at the time at which that calculation is to be made; and

(b) assume that all moneys received or recovered as a result of the enforcement or realisation of the Security Property are applied in discharge of the Liabilities in accordance with the terms of the relevant Debt Documents under which those Liabilities have arisen.

16.9 Order of Application—Topco Independent Transaction Security

Subject to Clause 1.9 (*Waiver and Termination*) and Clause 16.2 (*Prospective Liabilities*), all amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Topco Finance Document in connection with the realisation or enforcement of any Topco Independent Transaction Security or any guarantees provided by a Topco Guarantor (other than a member of the Group) (the "**Topco Recoveries**") shall be held by the Security Agent on trust

and applied at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Clause 16), in the following order of priority:

(a) in discharging any sums owing to any Topco Creditor Representative (in respect of the Topco Agent Liabilities to the extent related to such Topco Recoveries), the Security Agent, any Receiver or any Delegate on a pari passu basis;

(b) in payment of all costs and expenses incurred by any Topco Creditor Representative or Topco Creditor in connection with any realisation or enforcement of the Topco Independent Transaction Security taken in accordance with the terms of this Agreement or any action taken at the request of the Security Agent under Clause 9.6 (*Creditors' Actions*);

(c)

(i) subject to sub-paragraph (ii) below, in payment to:

(A) each Topco Agent on its own behalf and on behalf of the Topco Arrangers and the Topco Lenders; and

(B) each Topco Notes Trustee on its own behalf and on behalf of the Topco Notes Finance Parties,

for application towards the discharge of:

(1) the Topco Facility Liabilities (in accordance with the terms of the Topco Facility Finance Documents); and

(2) the Topco Notes Liabilities (in accordance with the terms of the Topco Notes Finance Documents),

on a pro rata basis and ranking pari passu between paragraphs (1) and (2) above;

(ii) this paragraph (c) shall only apply to any proceeds from the realisation or enforcement of (A) all or any part of the Topco Independent Transaction Security created, or expressed to be created, pursuant to the Topco Independent Transaction Security Documents, and (B) any guarantees provided by a Topco Guarantor (other than a member of the Group) in respect of any of the Topco Liabilities;

(d) on a pro rata basis and ranking pari passu between themselves, to any Third Party Security Provider or Debtor to which a *Soulte* has been paid or remains payable, in payment or distribution in an amount equal to such *Soulte* (and to the extent such *Soulte* has been already paid by any Secured Parties to such Third Party Security Provider or Debtor, only to the extent that such Third Party Security Provider or Debtor has turned such *Soulte* over to the Security Agent in accordance with Clause 10.5 (*Sums received by Debtors and Third Party Security Providers*);

(e) if none of the Debtors, or as the case may be, Third Party Security Providers are under any further actual or contingent liability under any Secured Debt Document, in payment to any other person to whom the Security Agent is obliged to pay in priority to any Debtor or Third Party Security Provider; and

(f) the balance, if any, in payment to the relevant Debtor.

17. EQUALISATION

17.1 Equalisation Definitions

For the purposes of this Clause 17:

"**Enforcement Date**" means the first date (if any) on which a Secured Creditor takes enforcement action of the type described in paragraphs (a)(i), (a)(iii), (a)(iv) or (c) of the definition of "**Enforcement Action**", to the extent not prohibited by this Agreement.

"**Second Lien Exposure**" means:

(a) in relation to a Second Lien Lender, the Second Lien Lender Liabilities owed by the Debtors and the Third Party Security Providers to that Second Lien Lender; and

(b) in relation to a Second Lien Notes Creditor, the Second Lien Notes Liabilities owed by the Debtors and the Third Party Security Providers to that Second Lien Notes Creditor.

"**Senior Secured Exposure**" means:

(a) in relation to a Senior Lender or Super Senior Lender, the aggregate amount of its participation (if any, and without double counting) in all Utilisations outstanding under the Senior Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement or any Permitted Senior Secured Facilities Agreement (as the context requires) at the Enforcement Date (assuming all contingent liabilities which have become actual liabilities since the Enforcement Date to have been actual liabilities at the Enforcement Date (but not including, for these purposes only, any interest that would have accrued from the Enforcement Date to the date of actual maturity in respect of those liabilities) and assuming any transfer of claims in respect of amounts outstanding under the Revolving Facility and each Ancillary Facility in accordance with clause 9.12 (*Adjustment for Ancillary Facilities upon acceleration*) of the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)) which has taken place since the Enforcement Date to have taken place at the Enforcement Date) together with the aggregate amount of all accrued interest, fees and commission owed to it under the Senior Facilities Agreement or any Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires) and amounts owed to it by a Debtor in respect of any Ancillary Facility but excluding:

    (i) any amount owed to it by a Debtor in respect of any Ancillary Facility to the extent that that amount would not be outstanding but for a breach by that Senior Lender or Super Senior Lender of any provision of clause 9 (*Ancillary Facilities*) of the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires));

    (ii) any amount owed to it by a Debtor in respect of any Ancillary Facility to the extent (and in the amount) that SFA Cash Cover has been provided by a Debtor in respect of that amount and is available to that Senior Lender or Super Senior Lender pursuant to the relevant SFA Cash Cover Document; and

    (iii) any amount outstanding in respect of a Letter of Credit to the extent (and in the amount) that SFA Cash Cover has been provided by a Debtor in respect of that amount and is available to the relevant Senior Finance Party pursuant to the relevant SFA Cash Cover Document;

(b) in relation to a Cash Management Facility Lender, the aggregate amount of its participation (if any, and without double counting) in all utilisations (howsoever described) outstanding under the Cash Management Facility Documents at the Enforcement Date (assuming all contingent liabilities which have become actual liabilities since the Enforcement Date to have been actual liabilities at the Enforcement Date (but not including, for these purposes only, any interest that would have accrued from the Enforcement Date to the date of actual maturity in respect of those liabilities) together with the aggregate amount of all accrued interest, fees and commission owed to it under the Cash Management Facility Documents and amounts owed to it by a Debtor in respect of any Cash Management Facility but excluding:

    (i) any amount owed to it by a Debtor in respect of any Cash Management Facility to the extent (and in the amount) that Cash Management Facility Cash Cover has been

provided by a Debtor in respect of that amount and is available to that Cash Management Facility Lender pursuant to the relevant Cash Management Facility Cash Cover Document; and

(ii) any amount outstanding in respect of a Cash Management Facility LC to the extent (and in the amount) that Cash Management Facility Cash Cover has been provided by a Debtor in respect of that amount and is available to the relevant Cash Management Facility Lender pursuant to the relevant Cash Management Facility Cash Cover Document

(c) in relation to a Senior Secured Notes Creditor, the Senior Secured Notes Liabilities owed by the Debtors or, as the case may be, Third Party Security Provider to that Senior Secured Notes Creditor; and

(d) in relation to a Hedge Counterparty:

(i) if that Hedge Counterparty has terminated or closed out any hedging transaction under any Hedging Agreement in accordance with the terms of this Agreement on or prior to the Enforcement Date, the amount, if any, payable to it under that Hedging Agreement in respect of that termination or close-out as of the date of termination or close-out (taking into account any interest accrued on that amount) to the extent that amount is unpaid at the Enforcement Date (that amount to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement); and

(ii) if that Hedge Counterparty has not terminated or closed out any hedging transaction under any Hedging Agreement on or prior to the Enforcement Date, the amount, if any, which would be payable to it under that Hedging Agreement in respect of that hedging transaction if the Enforcement Date was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement), that amount, in each case, to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

"**Topco Exposure**" means:

(a) in relation to a Topco Lender, the Topco Facility Liabilities owed by the Debtors and the Third Party Security Providers to that Topco Lender; and

(b) in relation to a Topco Notes Creditor, the Topco Notes Liabilities owed by the Debtors and the Third Party Security Providers to that Topco Notes Creditor.

"**Utilisation**" has the meaning given to the term "**Utilisation**" in the Senior Facilities Agreement or any substantially equivalent term in each Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires).

17.2 Implementation of Equalisation

The provisions of this Clause 17 shall be applied at such time or times after the Enforcement Date as the Security Agent shall consider appropriate. Without prejudice to the generality of the preceding sentence, if the provisions of this Clause 17 have been applied before all the Liabilities have matured and/or been finally quantified, the Security Agent may elect to re-apply those provisions on the basis of (to the extent applicable):

(a) revised Senior Secured Exposures and the Senior Secured Creditors or Super Senior Creditors (as applicable) shall make appropriate adjustment payments amongst themselves;

(b) revised Second Lien Exposures and the Second Lien Creditors shall make appropriate adjustment payments amongst themselves; or

(c) revised Topco Exposures and the Topco Creditors shall make appropriate adjustment payments amongst themselves.

17.3 Equalisation

(a) If the Enforcement Date occurs prior to the Designation Date and if, for any reason, any Senior Secured Liabilities remain unpaid after the Enforcement Date and the resulting losses are not borne by the Senior Secured Creditors in the proportions which their respective Senior Secured Exposures at the Enforcement Date bore to the aggregate Senior Secured Exposures of all the Senior Secured Creditors at the Enforcement Date, subject to Clause 1.9 (*Waiver and Termination*) the Senior Secured Creditors (subject, in the case of Notes Trustee Amounts, to paragraphs (a) and (c) of Clause 28.1 (*Liability*)) will make such payments amongst themselves as the Security Agent shall require to put the Senior Secured Creditors in such a position that (after taking into account such payments) those losses are borne in those proportions.

(b) If the Enforcement Date occurs on or after the Designation Date and:

(i) if, for any reason, any Senior Secured Liabilities remain unpaid after the Enforcement Date and the resulting losses are not borne by the Senior Secured Creditors (other than the Super Senior Creditors) in the proportions which their respective Senior Secured Exposures at the Enforcement Date bore to the aggregate Senior Secured Exposures of all the Senior Secured Creditors (other than the Super Senior Creditors) at the Enforcement Date, subject to Clause 1.9 (*Waiver and Termination*) the Senior Creditors (other than the Super Senior Creditors) will make such payments amongst themselves as the Security Agent shall require to put the Senior Secured Creditors (other than the Super Senior Creditors) in such a position that (after taking into account such payments) those losses are borne in those proportions; and

(ii) if, for any reason, any Super Senior Liabilities remain unpaid after the Enforcement Date and the resulting losses are not borne by the Super Senior Creditors (as applicable) in the proportions which their respective Senior Secured Exposures at the Enforcement Date bore to the aggregate Senior Secured Exposures of all the Super Senior Creditors (as applicable) at the Enforcement Date, subject to Clause 1.9 (*Waiver and Termination*) the Super Senior Creditors will make such payments amongst themselves as the Security Agent shall require to put the Super Senior Creditors (as applicable) in such a position that (after taking into account such payments) those losses are borne in those proportions.

(c) If, for any reason, any Second Lien Liabilities remain unpaid after the Enforcement Date and the resulting losses are not borne by the Second Lien Creditors in the proportions which their respective Second Lien Exposures at the Enforcement Date bore to the aggregate Second Lien Exposures of all the Second Lien Creditors at the Enforcement Date, the Second Lien Creditors (subject in the case of Notes Trustee Amounts, to (a) and (c) of Clause 28.1 (*Liability*)) will make such payments amongst themselves as the Security Agent shall require to put the Second Lien Creditors in such a position that (after taking into account such payments) those losses are borne in those proportions.

(d) If, for any reason, any Topco Liabilities remain unpaid after the Enforcement Date and the resulting losses are not borne by the Topco Creditors in the proportions which their respective Topco Exposures at the Enforcement Date bore to the aggregate Topco Exposures of all the Topco Creditors at the Enforcement Date, the Topco Creditors (subject in the case of Notes Trustee Amounts, to (a) and (c) of Clause 28.1 (*Liability*)) will make such payments amongst themselves as the Security Agent shall require to put the Topco Creditors in such a position that (after taking into account such payments) those losses are borne in those proportions, provided that no Topco Creditor shall be obliged to make any payment under this Clause in respect of (a) any amount received by it from a person who is not a member of the Topco Group or (b) the proceeds of any Enforcement Action taken by it with respect to any Topco Independent Transaction Security Document (other than to the extent such Topco Independent Transaction Security Document is expressed to secure the Topco Liabilities owed to other Subordinated Creditors)

17.4 Turnover of Enforcement Proceeds

If:

(a) the Security Agent or any Agent is not entitled, for reasons of applicable law, to pay amounts received pursuant to the making of a demand under any guarantee, indemnity or other assurance against loss or the enforcement of the Transaction Security (or, in the case of the Topco Creditors, the Topco Shared Security and the Topco Independent Transaction Security only) to the Senior Secured Creditors, the Second Lien Creditors or the Topco Creditors (as applicable) but is entitled to distribute those amounts to Creditors (such Creditors, the "**Receiving Creditors**") who, in accordance with the terms of this Agreement, are subordinated in right and priority of payment to the Senior Secured Creditors, the Second Lien Creditors or the Topco Creditors (as the case may be); and

(b) the Senior Secured Discharge Date, the Super Senior Discharge Date, the Second Lien Discharge Date or the Topco Discharge Date (as applicable) has not yet occurred (nor would occur after taking into account such payments),

then, subject to Clause 1.9 (*Waiver and Termination*), the Receiving Creditors shall make such payments to the Senior Secured Creditors, the Second Lien Creditors or the Topco Creditors (as applicable) as the Security Agent shall require to place the Senior Secured Creditors, the Second Lien Creditors or the Topco Creditors (as applicable) in the position they would have been in had such amounts been available for application against the Senior Secured Liabilities, the Second Lien Liabilities or the Topco Liabilities (as applicable) provided that this Clause 17.4 shall not apply to any receipt or recovery that has been distributed by a Senior Secured Notes Trustee to the applicable Senior Secured Noteholders in accordance with the relevant Senior Secured Finance Documents unless that Senior Secured Notes Trustee had received at least two Business Days' prior written notice (in accordance with this Agreement) that an Acceleration Event or Insolvency Event in relation to a Debtor or Third Party Security Provider had occurred or that the receipt or recovery falls within Clause 10.2 (*Turnover by the Creditors*).

17.5Notification of Exposure

Before each occasion on which it intends to implement the provisions of this Clause 17, the Security Agent shall send notice to each Cash Management Facility Creditor, each Hedge Counterparty, the Senior Agent (on behalf of the Senior Lenders), the Super Senior Agent (on behalf of the Super Senior Lenders), each Senior Secured Notes Trustee (on behalf of the relevant Senior Secured Notes Creditors), each Second Lien Agent (on behalf of the relevant Second Lien Lenders and Second Lien Arrangers), each Second Lien Notes Trustee (on behalf of the relevant Second Lien Notes Creditors) and each Topco Agent (on behalf of the relevant Topco Creditors) requesting that it notify the Security Agent of, respectively, its Senior Secured Exposure, the Senior Secured Exposure of each Senior Secured Notes Creditor (if any), the Senior Secured Exposure of each Senior Lender (if any), the Super Senior Exposure of each Super Senior Lender (if any), the Second Lien Exposure of each Second Lien Creditor (if any) and the Topco Exposure of each Topco Creditor (if any).

17.6Default in Payment

If a Creditor fails to make a payment due from it under this Clause 17, the Security Agent shall be entitled (but not obliged) to take action on behalf of the Senior Secured Creditor(s) and/or Super Senior Creditor(s) to whom such payment was to be redistributed (subject to being indemnified to its satisfaction by such Senior Secured Creditor(s) and/or Super Senior Creditor(s) in respect of costs) but shall have no liability or obligation towards such Senior Secured Creditor(s) and/or Super Senior Creditor(s), any other Senior Secured Creditor or Super Senior Creditor or Creditor as regards such default in payment and any loss suffered as a result of such default shall lie where it falls.

18. NEW DEBT FINANCINGS

18.1 New Debt Financings

(a) Each Party irrevocably consents and agrees that the Topco Borrower, the Company and/or any other member of the Group may enter into and/or incur any New Debt Financing with such ranking and status as is designated by the Company (in its sole discretion) by written notice to each Agent for the purposes of this Agreement and that such New Debt Financing may be secured by Transaction Security or Topco Independent Transaction Security as the case may be and for the purpose of this Agreement be treated and rank as contemplated by paragraph (ii) below **provided that**:

(i) the Company certifies to each existing Agent and Security Agent that it (and its ranking and status for the purposes of this Agreement) is not prohibited under any Finance Document and it otherwise complies with the requirements (if any) of the then existing Finance Documents relating thereto;

(ii) the Company supplies each existing Agent and the Security Agent as soon as practicable and in any case within ten (10) Business Days of executing them, copies of the documents governing the terms of that New Debt Financing (including any security documents, priority agreements and any other similar documents relating to the New Debt Financing, but excluding any fee letters or syndication letters relating thereto) and details of applicable ranking and status as designated for the purposes of this Agreement;

(iii) the borrower or issuer (as applicable), guarantors and third party security providers in respect of, and the Agent or Notes Trustee (and, if applicable, lenders) under the relevant New Debt Financing execute this Agreement or sign a Creditor/Agent Accession Undertaking or Debtor/Third Part Security Provider Accession Undertaking (as applicable) before or concurrently with the borrowing or issuance of the relevant New Debt Financing; and

(iv) the New Debt Financing (and any related Security Documents and other Debt Documents) is expressed to be subject to the terms of this Agreement and certain of the rights and benefits of the parties thereto are regulated accordingly.

(b) Subject to compliance with the requirements of paragraph (a) above, the Topco Borrower, the Company and any other member of the Group may enter into a New Debt Financing and all Liabilities under:

(i) prior to the Designation Date, new Senior Secured Finance Documents (other than any Super Senior Finance Documents) shall be deemed to be Senior Secured Liabilities and rank pari passu in all respects with all existing Senior Secured Liabilities;

(ii) on and from the Designation Date:

(A) new Super Senior Finance Documents and new Hedging Agreements constituting Super Senior Hedging Liabilities shall be deemed to be Super Senior Liabilities and rank pari passu in all respects with all existing Super Senior Liabilities (if any); and

(B) new Senior Finance Documents, new Cash Management Facility Documents, new Senior Secured Notes Finance Documents and new Hedging Agreements relating to Pari Passu Hedging Liabilities shall be deemed to be Senior Lender Liabilities, Cash Management Facility Liabilities, Senior Secured Notes Liabilities and Pari Passu Hedging Liabilities (as applicable) and rank pari passu in all respects with all existing Senior Lender Liabilities, Cash Management Facility Liabilities, Senior Secured Notes Liabilities and Pari Passu Hedging Liabilities;

(iii) the new Second Lien Finance Documents shall be deemed to be Second Lien Liabilities and rank pari passu in all respects with all existing Second Lien Liabilities (if any); or

(iv) the new Topco Finance Documents shall be deemed to be Topco Liabilities and rank pari passu in all respects with all existing Topco Liabilities,

for the purposes of this Agreement and the other Debt Documents.

(c) Nothing in this Clause 18.1 or any other Debt Document shall restrict the Company, any member of the Group, any Topco Borrower (or Holding Company or Affiliate thereof), the Creditors (or any of them) and the providers of a New Debt Financing agreeing the ranking of their respective claims among themselves in documentation separate to this Agreement and entered into solely between such parties (or on their behalf by an Agent).

(d) Liabilities may only be permitted to be designated by the Company as Super Senior Liabilities if such ranking for such Liabilities is not prohibited under any Finance Document. For the avoidance of doubt, upon the occurrence of the Designation Date:

(i) any Senior Secured Liabilities incurred under Senior Secured Finance Documents entered into prior to the occurrence of the Designation Date shall continue to be treated as Senior Secured Liabilities; and

(ii) any Hedging Liabilities incurred under Hedging Agreements entered into prior to the occurrence of the Designation Date shall continue and be treated as Pari Passu Hedging Liabilities.

(e) Each Debtor, each Third Party Security Provider (and the Company shall ensure that each other relevant security provider) shall grant or re-grant any Transaction Security (including, if applicable, Lower Ranking Security) and/or agrees to any amendment of a Security Document required under the terms of that New Debt Financing or as may be required under any applicable law in order to give effect to the ranking set out in Clause 2.2 (*Transaction Security*), in each case, subject to, the provisions of the Agreed Security Principles and the requirements of Clause 18.2 (*Transaction Security: New Debt Financings*).

18.2 Transaction Security: New Debt Financings

Notwithstanding any other term, condition or restriction in any other Debt Document, the Parties agree that, in connection with a New Debt Financing, each Agent and the Security Agent (and any other Creditor party to a Transaction Security Document or a Topco Independent Transaction Security Document (as the case may be)) are authorised and instructed by all Creditors (and in each case are obliged at the request and cost of the Company) to enter into promptly any new Security Document, promptly amend or waive any terms of an existing Security Document and/or promptly release any asset from Transaction Security or Topco Independent Transaction Security (as the case may be), *provided* that, with respect to the granting of new Transaction Security (over assets, rights or interests, or classes or types of assets, rights or interests not already the subject of an existing Security Document) only, the obligations hereunder shall only extend to such Transaction Security that the Security Agent and Agent are permitted to take and hold under applicable law and/or the policies and rules of the Security Agent and Agent in effect at the time, subject to the following conditions:

(a) any new Transaction Security or Topco Independent Transaction Security (as the case may be) in relation to such New Debt Financing shall be:

(i) subject to the Agreed Security Principles, Guarantee Limitations, applicable law and the other terms of this Agreement, granted in favour of the then existing Secured Parties or the then existing Topco Secured Parties (as the case may be, or in each case, class thererof) or to the Security Agent on their behalf;

(ii) unless otherwise agreed by the Company, on terms substantially the same (except that it shall also secure any New Debt Financing) as the terms of the existing Transaction Security or Topco Independent Transaction Security (as the case may be) over equivalent asset(s); and

(iii) for the purposes of this Agreement, be considered as having secured the relevant Liabilities pari passu with the then existing Transaction Security or Topco Independent Transaction Security (as the case may be);

(b) any amendment or waiver of a Security Document or release and re-grant of Transaction Security or Topco Independent Transaction Security (as the case may be) shall only be undertaken if required by the terms or conditions of the New Debt Financing or to the extent necessary under applicable law to give effect to the ranking set out in Clause 2.2 (*Transaction Security*); and (if legally possible and in the opinion of the Company (acting reasonably) it is commercially feasible to do so and without breach of any term or condition of any New Debt Financing) where the Transaction Security is intended to secure any relevant Liabilities, second or further priority (if applicable) Transaction Security or Topco Independent Transaction Security (as the case may be) (the "**Additional Transaction Security Documents**") will be taken instead of releasing and re-granting the existing Transaction Security or Topco Independent Transaction Security (as the case may be) but will nonetheless be deemed and treated for the purposes of this Agreement as secured by the existing Transaction Security Documents and the Additional Transaction Security Documents pari passu with other Liabilities which would otherwise have the same ranking as contemplated by such New Debt Financing;

(c) if any asset is to be released from Transaction Security or Topco Independent Transaction Security (as the case may be), promptly upon giving effect to that release, replacement Transaction Security or Topco Independent Transaction Security (as the case may be) is, subject to applicable law, the Debt Documents, the Agreed Security Principles, Guarantee Limitations and other terms of this Agreement, granted in favour of the Security Agent for and on behalf of the providers and/or agents and/or trustees of the New Debt Financing and (in relation to Transaction Security or Topco Independent Transaction Security (as the case may be)) the existing Secured Parties or Topco Creditors (as the case may be) benefitting from the Security on substantially the same terms as the Transaction Security or Topco Independent Transaction Security (as the case may be) released (except that it shall also secure any New Debt Financing); and

(d) to the extent customary to be given in such jurisdiction and subject to qualifications reflecting applicable law at such time, legal opinions as to due capacity, authority, execution and enforceability (together with customary supporting legal documentation, certificates and resolutions) are issued in relation to re-taken, new or amended Security Documents in connection with a New Debt Financing, the Security Agent shall be entitled to rely on such legal opinions and shall receive documentary evidence of such reliance.

For the purpose of the Company determining if a matter is "commercially feasible" under this Clause, the Company may take into account (among other things in its good faith opinion) any action which is reasonably likely to have a material adverse effect on the borrowing, incurring, assumption, establishment (including pricing and commercial terms thereof), underwriting, placing, distribution or any other similar action; obtaining any consent, approval, release or waiver or agreement to any amendment in connection therewith (in the good faith judgment of the board of directors of the Company (for which it can conclusively rely on advice and market feedback of the arrangers of such New Debt Financing)), and the Company shall not be acting unreasonably if it considers that a particular action is reasonably likely to have a material adverse effect on the borrowing, incurring, assumption, establishment (including pricing and commercial terms thereof), underwriting, placing, distribution or any other similar action; obtaining any consent, approval, release or waiver or agreement to any amendment in connection therewith (in the good faith judgment of the board of directors of the Company (for which it can conclusively rely on advice and market feedback of the arrangers of such New Debt Financing)).

18.3 Further assurance

(a) A "**Relevant Document**" means any document or Debt Document reasonably required by the Company to be executed by notice to the applicable Agent, Security Agent or Creditor in relation to a New Debt Financing including, without limitation, any amendment, waiver or release agreement in respect of any Debt Document or Security Document, any grant of Security pursuant to a new Security Document the entry into any additional or replacement intercreditor agreement (on substantially the same terms as this Agreement except for the incorporation of such New Debt Financing).

(b) Each Party agrees that it shall (at the cost and expense of the Debtors):

(i) promptly co-operate with the Debtors with a view to satisfying the conditions in this Clause 18 in respect of any New Debt Financing; and

(ii) promptly execute (including at the reasonable request of the Company or the Security Agent) all such Relevant Documents, take such other actions and give such instructions to the Security Agent as may reasonably be required, in each case, in connection with any guarantee or Security and with any incurrence or borrowing, in accordance with this Clause 18 in relation to a New Debt Financing.

(c) Each Agent and Security Agent party to this Agreement is irrevocably authorised, instructed or obliged by the Creditors for which it acts as agent or trustee to execute promptly on their behalf any such Relevant Document or take any other action set out in or in connection with the provisions of this Clause 18 without the requirement for any further authorisation or consent from such Creditors, provided that, with respect to the granting of new Transaction Security (over assets, rights or interests, or classes or types of assets, rights or interests not already the subject of an existing Security Document) only, the obligations hereunder shall only extend to such Transaction Security that the Security Agent and Agent are permitted to take and hold under applicable law and/or the policies and rules of the Security Agent and Agent in effect at the time.

(d) Upon becoming a Party to this Agreement, each Agent confirms that it is irrevocably authorised, instructed and obliged pursuant to the terms of the relevant Debt Documents to promptly execute any Relevant Documents or take any other action set out in or in connection with the provisions of this Clause 18 on behalf of the relevant Creditors without the requirement for any further authorisation or consent from such Creditors, provided that, with respect to the granting of new Transaction Security (over assets, rights or interests, or classes or types of assets, rights or interests not already the subject of an existing Security Document) only, the obligations hereunder shall only extend to such Transaction Security that the Security Agent and Agent are permitted to take and hold under applicable law and/or the policies and rules of the Security Agent and Agent in effect at the time.

(e) Notwithstanding the foregoing, nothing in this Clause 18.3 shall oblige the Security Agent, any Agent or other Senior Secured Creditor or Second Lien Creditor to execute any document if it would impose personal liabilities or obligations on, or adversely effect the right, duties or immunities of, the Security Agent, that Agent, or Creditor (**provided that** the incurrence of such New Debt Financing and any steps taken to effect the same shall not adversely affect the rights of any Creditor) and nothing in this Clause 18.3 shall be construed as a commitment to advance or arrange any New Debt Financing.

(f) Each Creditor (including each Secured Party) irrevocably authorises and instructs each of their respective Agents and Security Agent (as applicable) to execute any Relevant Document as contemplated by this Clause 18.

(g) The Company shall (or another Debtor so elected shall), within 30 days of demand, pay to each Creditor and the Security Agent the amount of all costs and expenses (including legal fees) (together with any applicable VAT) reasonably incurred by them in connection with the

satisfaction of the conditions of this Clause 18.3 and the consideration, negotiation, preparation, printing, execution and perfection of any Relevant Document, subject to any agreed cap.

(h) Each Debtor and Third Party Security Provider confirms:

(i) the authority of the Company to give effect to the terms of or facilitate the implementation, assumption or establishment of a New Debt Financing entered into or assumed in compliance with this Agreement; and

(ii) that its guarantee and indemnity set out in this Agreement (or any applicable Accession Deed or other Debt Document), any equivalent provision of any New Debt Financing, and all Transaction Security granted by it will entitle the applicable creditors under any New Debt Financing and the persons providing to benefit from such guarantee and indemnity and such Transaction Security (subject only to any applicable limitations on such guarantee and indemnity set out in Schedule 7 (*Hedge Counterparties' Guarantee and Indemnity*) or any Accession Deed (including any limitation in relation to unlawful financial assistance) or other document pursuant to which it became a Debtor or Third Party Security Provider) and extend to include all obligations arising under or in respect of any New Debt Financing.

19. THE SECURITY AGENT

19.1 Appointment by Secured Parties

(a) Each Secured Party irrevocably appoints the Security Agent in accordance with the following provisions of this Clause 19 to act as its agent, trustee, joint and several creditor and/or beneficiary of a parallel debt (as the case may be) under this Agreement and with respect to the Security Documents, and irrevocably authorises the Security Agent (whether acting as security trustee or security agent) on its behalf and grants power of attorney to the Security Agent (with express faculty of self-contracting, sub-empowering or multiple representation) to:

(i) execute each Security Document or Relevant Document expressed to be executed by the Security Agent on its behalf and execute any releases and any other documents, instruments or notices to be executed by the Security Agent as contemplated by the terms of this Agreement or any Security Document, receive any notices in respect of this Agreement or any Security Document, specify to third parties the names of the Secured Parties at any given date and take any other action in relation to the creation, perfection, confirmation, amendment, extension, maintenance, enforcement and/or release of any security created under any Security Document in the name and on behalf of the Secured Parties;

(ii) perform such duties and exercise such rights and powers under this Agreement and the Security Documents as are specifically delegated to the Security Agent by the terms of this Agreement and the other Debt Documents, together with such rights, powers and discretions as are reasonably incidental thereto;

(iii) confirms that in the event that any security created under the Security Documents remains registered in the name of a Secured Party after such person has ceased to be a Secured Party then the Security Agent shall remain empowered to execute a release of such Security in its name and on its behalf; and

(iv) undertakes to ratify and approve any such action taken in the name and on behalf of the Secured Parties by the Security Agent acting in its appointed capacity.

(b) Each Secured Party confirms that:

(i) the Security Agent has authority to accept on its behalf the terms of any reliance letter or engagement letter relating to any reports or letters provided in connection with the

Secured Debt Documents or the transactions contemplated by the Secured Debt Documents, to bind it in respect of those reports or letters and to sign that reliance letter or engagement letter on its behalf and, to the extent that reliance letter or engagement letter has already been entered into, ratifies those actions; and

(ii) it accepts the terms and qualifications set out in that reliance letter or engagement letter.

(c) The Security Agent's duties under this Agreement and/or the Transaction Security Documents to which the Security Agent is a party are solely of a mechanical and administrative nature.

(d) The Security Agent shall be entitled to grant sub-power of attorney, including the release of any sub-attorney from the restrictions referred to in paragraph (c) above.

19.2 Trust

(a) Subject to paragraph (b) below, the Security Agent declares that it shall (to the extent possible under applicable law) hold the Transaction Security and the Topco Independent Transaction Security on trust for the relevant Secured Parties on the terms contained in this Agreement.

(b) Each Secured Party authorises the Security Agent (whether or not by or through employees or agents):

(i) to perform the duties, obligations and responsibilities and to exercise such rights, remedies, powers and discretions as are specifically delegated to or conferred upon the Security Agent under this Agreement and/or the Security Documents together with such powers and discretions as are reasonably incidental to the exercise of such rights, remedies and powers; and

(ii) to take such action on its behalf as may from time to time be authorised under or in accordance with the Security Documents.

(c) Each of the parties to this Agreement agrees that the Security Agent (whether acting as security trustee or security agent) shall have only those duties, obligations and responsibilities expressly specified in this Agreement or in the Security Documents to which the Security Agent is expressed to be a party (and no others shall be implied).

19.3 Parallel Debt (Covenant to Pay the Security Agent)

(a) Each Debtor and each Topco Independent Obligor irrevocably and unconditionally undertakes to pay to the Security Agent, as creditor in its own right and not as representative of the other Secured Parties, amounts equal to, and in the currency of, any amounts owing from time to time by that Debtor or Topco Independent Obligor to any Secured Party under any Secured Debt Document, as and when those amounts are due.

(b) Each Debtor, each Topco Independent Obligor and the Security Agent acknowledge that the obligations of each Debtor and each Topco Independent Obligor under paragraph (a) above are several and are separate and independent from, and shall not in any way limit or affect, the corresponding obligations of that Debtor or Topco Independent Obligor to any other Secured Party under any Secured Debt Document (its "**Corresponding Debt**") nor shall the amounts for which each Debtor or Topco Independent Obligor is liable under paragraph (a) above (for the purposes of this paragraph (b), its "**Parallel Debt**") be limited or affected in any way by its Corresponding Debt, **provided that** notwithstanding any other provision of this Agreement or the Secured Debt Documents:

(i) the Parallel Debt of each Debtor and each Topco Independent Obligor shall be automatically decreased and discharged to the extent that its Corresponding Debt has been irrevocably paid or (in the case of guarantee obligations) discharged;

(ii) the Corresponding Debt of each Debtor and each Topco Independent Obligor shall be automatically decreased and discharged to the extent that its Parallel Debt has been irrevocably paid or (in the case of guarantee obligations) discharged;

(iii) the amount of the Parallel Debt of a Debtor or Topco Independent Obligor shall at all times be equal to the amount of its Corresponding Debt; and

(iv) the aggregate amount outstanding owed by the Debtors and the Topco Independent Obligor under the Secured Debt Documents (including under this Clause 19.3) at any time shall not exceed the amount of the Corresponding Debt at that time.

(c) For the purpose of this Clause 19.3, the Security Agent acts in its own name and not as a trustee, and its claims in respect of the Parallel Debt shall not be held on trust. The Security Agent shall have its own independent right to demand payment of the amounts payable by each Debtor and each Topco Independent Obligor under this Clause 19.3. The Transaction Security granted under the Security Documents to the Security Agent to secure the Parallel Debt is granted to the Security Agent in its capacity as creditor of the Parallel Debt and shall not be held on trust.

(d) All moneys received or recovered by the Security Agent pursuant to this Clause 19.3, and all amounts received or recovered by that Security Agent from or by the enforcement of any Transaction Security or Topco Independent Transaction Security granted to secure the Parallel Debt, shall be applied:

(i) In the case of a realisation or enforcement of any Topco Independent Transaction Security or any guarantees provided by a Topco Guarantor (other than a member of the Group), in accordance with Clause 16.9 (*Order of application—Topco Independent Transaction Security*); or

(ii) Otherwise, in accordance with Clause 16.1 (*Order of Application—Transaction Security*).

(e) Without limiting or affecting the Security Agent's rights against the Debtors (whether under this Clause 19.3 or under any other provision of any Secured Debt Document), each Debtor acknowledges that:

(i) nothing in this Clause 19.3 shall impose any obligation on the Security Agent to advance any sum to any Debtor or otherwise under any Secured Debt Document, except, if applicable, in its capacity as a Secured Creditor; and

(ii) for the purpose of any vote taken under any Secured Debt Document, the Security Agent shall not be regarded as having any participation or commitment other than, if applicable, those which it has in its capacity as a Secured Creditor.

19.4 Agency re. French Law Transaction Security Documents

(a) Without limiting any other rights of the Security Agent under this Agreement, in relation to the Transaction Security Documents governed by French Law (the "**French Law Transaction Security Documents**")and the Transaction Security created thereunder (the "**French Law Transaction Security**") the following shall apply.

(b) Each Secured Party (other than the Security Agent) (as *mandant*):

(i) irrevocably and unconditionally appoints the Security Agent to act as agent (*mandataire*), pursuant to article 1984 of the French civil code (*Code civil*) (with full power to appoint and to substitute and to delegate) on its behalf to execute any French Law Transaction Security Documents in its name and do anything upon the terms and conditions set out in this Agreement under or in connection with the French Law Transaction Security Documents, including, if need be, the appointment of a custodian which shall hold assets on its behalf (including, as may be the case, share certificates or

share registries relating to shares in the capital of any Debtor or Third Party Security Provider) in custody under any Transaction Security Document, and the Security Agent accepts such appointment;

(ii) confirms its approval of the French Law Transaction Security Documents creating or expressed to create a French Law Transaction Security benefiting it and any French Law Transaction Security created or to be created pursuant thereto and irrevocably authorises (with power of delegation), empowers and directs the Security Agent (by itself or by such person(s) as it may nominate) to execute and deliver for and on its behalf each French Law Transaction Security Document, to perform the duties and to exercise the rights, powers and discretions that are specifically delegated to the Security Agent or any Secured Party under or in connection with the French Law Transaction Security Documents, together with any other rights, powers and discretions which are incidental thereto and to give a good discharge for any moneys payable under the French Law Transaction Security Documents;

(iii) acknowledges that the Security Agent has been appointed by it to constitute, register, manage and enforce all French Law Transaction Security created in its favour by any French Law Transaction Security Documents, and agrees that the Security Agent may exercise the rights and perform the obligations assumed by it pursuant to its nomination in accordance with applicable law from time to time;

(iv) authorises the Security Agent to take any steps necessary and collect all information necessary or, in the Security Agent's discretion, desirable for the preparation of any French Law Transaction Security Document, the perfection, the preservation and/or the enforcement of any French Law Transaction Security; and

(v) irrevocably and unconditionally appoints the Security Agent to act as agent (*mandataire*) (with full power to appoint and to substitute and to delegate) on its behalf to release any French Law Transaction Security and any French Law Transaction Security Document and to do anything to make such release effective, in each case to the extent such release is permitted under this Agreement.

(c) The Security Agent will act solely for itself (as Secured Party) and as agent for the other Secured Parties in carrying out its functions as security agent under the relevant French Law Transaction Security Documents and this Agreement.

(d) In relation to French Law Transaction Security Documents, the relationship between the Secured Parties (other than the Security Agent) and the Security Agent is that of principal (*mandant*) and agent (*mandataire*) only. The Security Agent shall not have, or be deemed to have, assumed any obligations to or fiduciary relationship with, any Party other than those for which specific provision is made by the French Law Transaction Security Documents and this Agreement.

(e) The Security Agent shall not be liable to any person for any breach by any Secured Party of this Agreement or be liable to any Secured Party for any breach by any other person of this Agreement or any other Secured Debt Document.

(f) In furtherance of this Clause 19.4, each of the Secured Parties hereby undertakes to the Security Agent that, promptly upon request, such Secured Party will ratify and confirm all transactions entered into and other actions by the Security Agent (or any of its substitutes or delegates) in the proper exercise of the power granted to it hereunder.

(g) The Security Agent shall if and when acting in its capacity as creditor of the Parallel Debt, hold:

(i) any French Law Transaction Security which is created in favour of the Security Agent as creditor of the Parallel Debt;

(ii) any proceeds of such French Law Transaction Security; and

(iii) the benefit of this sub-paragraph and of the Parallel Debt,

as creditor in its own right but for the benefit of the relevant Secured Parties in accordance with this Agreement.

19.5 Security Agent as joint and several creditor

(a) Notwithstanding anything to the contrary in any of the Secured Debt Documents and subject to applicable laws, each Debtor, each Third Party Security Provider each Topco Independent Obligor and each of the Secured Parties (other than the Security Agent) agree that the Security Agent shall be the joint and several creditor (together with each Secured Party (other than the Security Agent)) of each and every present and future obligation of any Debtor, Third Party Security Provider and Topco Independent Obligor (whether actual or contingent) towards each of the Secured Parties under any of the Secured Debt Documents and that accordingly the Security Agent will have its own independent right to demand performance by a Debtor, a Third Party Security Provider or a Topco Independent Obligor of those obligations. However, any discharge of any obligation of a Debtor, a Third Party Security Provider or a Topco Independent Obligor to one of the Security Agent or the relevant Secured Party shall subject to paragraph (b) below to the same extent, discharge the corresponding obligation owing to the other. Nothing in this Agreement or in any other Secured Debt Document shall in any way limit the Security Agent's right to act in the protection or preservation of rights under, or to enforce any Security Document as contemplated by this Agreement and/or the relevant Security Document (or to do any act reasonably incidental to any of the foregoing).

(b) All moneys received or recovered by the Security Agent pursuant to this Clause 19.5, and all amounts received or recovered by that Security Agent from or by the enforcement of any Transaction Security or Topco Independent Transaction Security granted to secure the Parallel Debt, shall be applied :

(i) in the case of a realisation or enforcement of any Topco Independent Transaction Security or any guarantees provided by a Topco Guarantor (other than a member of the Group), in accordance with Clause 16.9 (*Order of application—Topco Independent Transaction Security*); or

(ii) otherwise, in accordance with Clause 16.1 (*Order of Application—Transaction Security*).

19.6 No Independent Power

Subject to Clause 16.3 (*Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral*), the Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any rights or powers arising under the Security Documents (for the avoidance of doubt, other than any Senior Secured Finance Documents, Second Lien Finance Documents, Unsecured Finance Documents or Topco Finance Documents which are not Transaction Security Documents) except through the Security Agent.

19.7 Instructions to Security Agent and Exercise of Discretion

(a) Subject to paragraphs (e) and (f) below, the Security Agent shall act in accordance with any instructions given to it by an Instructing Group or, if so instructed by an Instructing Group, refrain from exercising any right, power, authority or discretion vested in it as Security Agent and shall be entitled to assume that: any instructions received by it from an Agent, the Creditors or a group of Creditors are duly given in accordance with the terms of the Debt Documents and unless it has received actual notice of revocation, those instructions or directions have not been revoked.

(b) Subject to paragraphs (e), (f) and (h) below, the Security Agent shall be entitled to request instructions, or clarification of any direction, from an Instructing Group (or from the Majority Second Lien Creditors or from the Majority Topco Creditors (in each case (to the extent they are entitled to give instructions to the Security Agent pursuant to, prior to the Designation Date, Clause 12 (*Enforcement of Transaction Security prior to the Designation Date*) or, on and from the Designation Date, Clause 13 (*Enforcement of Transaction Security on or after the Designation Date*))) as to whether, and in what manner, it should exercise or refrain from exercising any rights, powers, authorities and discretions and the Security Agent may refrain from acting unless and until those instructions or clarification are received by it.

(c) Save as provided in, prior to the Designation Date, Clause 12 (*Enforcement of Transaction Security prior to the Designation Date*) and, on and from the Designation Date, Clause 13 (*Enforcement of Transaction Security on or after the Designation Date*), any instructions given to the Security Agent by an Instructing Group shall override any conflicting instructions given by any other Parties.

(d) The Security Agent shall not be liable for any act (or omission) if it acts or refrains from acting in accordance with paragraphs (a), (b), and (c) above and (h) below.

(e) Paragraph (a) and (b) above and (h) below shall not apply:

(i) where a contrary indication appears in this Agreement;

(ii) where this Agreement or applicable law or regulation requires a Security Agent to act in a specified manner or to take a specified action;

(iii) in respect of any provision which protects the Security Agent's own position in its personal capacity as opposed to its role of Security Agent for the Secured Parties including, without limitation, the provisions set out in Clause 19.9 (*Security Agent's Discretions*) to Clause 19.27 (*Disapplication*); and

(iv) in respect of the exercise of the Security Agent's discretion to exercise a right, power or authority under any of:

(A) Clause 15.1 (*Non-Distressed Disposals*);

(B) Clause 16.1 (*Order of Application—Transaction Security*);

(C) Clause 16.2 (*Prospective Liabilities*);

(D) Clause 16.3 (*Treatment of SFA Cash Cover, Cash Management Facility Cash Cover and SFA Cash Collateral*);

(E) Clause 16.6 (*Permitted Deductions*); and

(F) Clause 18 (*New Debt Financings*),

which instruction and authority shall have been given under the terms of such Clauses.

(f) Unless paragraph (e) above applies, if giving effect to instructions given by an Instructing Group would have an effect equivalent to an Intercreditor Amendment, the Security Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than that Security Agent, whose consent would have been required in respect of that Intercreditor Amendment).

(g) In exercising any discretion to exercise a right, power or authority under this Agreement where it has not received any instructions from an Instructing Group, as to the exercise of that discretion, the Security Agent shall:

(i) other than where paragraph (ii) below applies, do so having regard to the interests of all the Secured Parties; or

(ii) if a Creditor Conflict has occurred and the Security Agent is expressly notified by a Senior Creditor Representative that there is such a Creditor Conflict in relation to the matter in respect of which the discretion is to be exercised, do so having regard only to the interests of all the Super Senior Creditors, or after the Super Senior Discharge Date, the Senior Secured Creditors or, after the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, the Second Lien Creditors.

(h) Subject to paragraphs (e) and (f) above, in relation to any Topco Independent Transaction Security only the Security Agent shall act in accordance with any instructions given to it by Majority Topco Creditors or, if so instructed by the Majority Topco Creditors, refrain from exercising any right, power, authority or discretion vested in it as Security Agent and shall be entitled to assume that: any instructions received by it from a Topco Creditor Representative, the Topco Creditors or a group of Topco Creditors are duly given in accordance with the terms of the Debt Documents and unless it has received actual notice of revocation, those instructions or directions have not been revoked.

(i) The Security Agent may refrain from acting in accordance with any instructions of an Instructing Group until it has received indemnification and/or security (including by way of pre-funding) that it may in its discretion require (which may be greater than than that contained in the Secured Debt Documents) for any cost, loss or liability (together with applicable VAT) which it may incur in complying with those instructions.

(j) The Security Agent shall have all rights and privileges and immunities which gratuitous trustees have or may have in England, even though it is entitled to remuneration.

19.8 Security Agent's Actions

Without prejudice to the provisions of Clause 12 (*Enforcement of Transaction Security prior to the Designation Date*), Clause 13 (*Enforcement of Transaction Security on or after the Designation Date*) and Clause 19.7 (*Instructions to Security Agent and Exercise of Discretion*), the Security Agent may (but shall not be obliged to), in the absence of any instructions to the contrary, take such action (or refrain from taking such action) in the exercise of any of its powers and duties under the Debt Documents as it considers in its "**good faith**" discretion to be appropriate. In determining whether to act or refrain from acting the Security Agent shall be entitled to request instructions from any Creditor or Creditor Group.

19.9 Security Agent's Discretions

The Security Agent may:

(a) assume (unless it has received actual notice to the contrary from a Hedge Counterparty or from one of the Agents) that: no Default has occurred and no Debtor or Third Party Security Provider is in breach of or default under its obligations under any of the Debt Documents and any right, power, authority or discretion vested by any Debt Document in any person has not been exercised;

(b) if it receives any instructions or directions under Clause 12 (*Enforcement of Transaction Security prior to the Designation Date*) or Clause 13 (*Enforcement of Transaction Security on or after the Designation Date*) to take any action in relation to the Transaction Security, assume that all applicable conditions under the Debt Documents for taking that action have been satisfied;

(c) engage, pay for and rely on the advice or services of any legal advisers, accountants, tax advisers, surveyors or other experts (whether obtained by the Security Agent or by any other Secured Party) whose advice or services may (in its reasonable opinion) at any time seem necessary, expedient or desirable, and the Security Agent shall not be liable for any damages, costs or losses to any person, any diminution value or any liability whatsoever arising as a result of such reliance;

(d) act under the Debt Documents through its personnel and agents;

(e) rely upon any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised and, as to any matters of fact which might reasonably be expected to be within the knowledge of a Secured Party, any Creditor, Third Party Security Provider or a Debtor, upon a certificate signed by or on behalf of that person; and

(f) refrain from acting in accordance with the instructions of any Party (including bringing any legal action or proceeding arising out of or in connection with the Debt Documents) until it has received any indemnification and/or security that it may in its discretion require from a member of the Group (whether by way of payment in advance or otherwise) for all costs, losses and liabilities which it may incur in so acting to the extent not already so indemnified or secured; and each Creditor and each other Party (except for any Notes Trustee) to this Agreement consents to the granting of any such indemnification and/or security (including by way of prefunding) as may be required, and agrees that no Default or Event of Default will arise under any Debt Document as a result.

19.10 Security Agent's Obligations

The Security Agent shall promptly:

(a) copy to: (i) each Agent; and (ii) each Hedge Counterparty the contents of any notice or document received by it from any Debtor or Third Party Security Provider under any Debt Document;

(b) forward to a Party the original or a copy of any document which is delivered to that Security Agent for that Party by any other Party **provided that**, except where a Debt Document expressly provides otherwise, that Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party;

(c) inform: (i) each Agent; and (ii) each Hedge Counterparty of the occurrence of any Default or any default by a Debtor or Third Party Security Provider in the due performance of or compliance with its obligations under any Debt Document of which that Security Agent has received notice from any other party to this Agreement; and

(d) to the extent that a Party (other than that Security Agent) is required to calculate a Common Currency Amount, and upon a request by that Party, notify that Party of the Security Agent's Spot Rate of Exchange.

19.11 Excluded Obligations

Notwithstanding anything to the contrary expressed or implied in the Debt Documents, the Security Agent shall not:

(a) be bound to enquire as to: whether or not any Default has occurred or the performance, default or any breach by a Debtor or a Third Party Security Provider of its obligations under any of the Debt Documents;

(b) be bound to account to any other Party for any sum or the profit element of any sum received by it for its own account;

(c) be bound to disclose to any other person (including, but not limited, to any Secured Party): (i) any confidential information or (ii) any other information if disclosure would, or might in its reasonable opinion, constitute a breach of any law or be a breach of fiduciary duty;

(d) have or be deemed to have any relationship of trust or agency with any Debtor or Third Party Security Provider; or

(e) have any fiduciary duties to the Debtors and the Third Party Security Providers and nothing in this agreement constitutes the Security Agent as an agent, trustee or fiduciary of the Debtors and the Third Party Security Providers.

19.12 Exclusion of Liability

(a) None of the Security Agent, any Receiver nor any Delegate shall be responsible or be liable for:

(i) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Security Agent or any other person in or in connection with any Debt Document or the transactions contemplated in the Debt Documents, or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document;

(ii) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;

(iii) any losses, damages or costs to any person or diminution in value or any liability arising as a result of taking or refraining from taking any action in relation to any of the Debt Documents, the Security Property or otherwise, whether in accordance with an instruction from an Agent or otherwise unless directly caused by its gross negligence or wilful misconduct;

(iv) the exercise of, or the failure to exercise, any judgment, discretion or power given to it by or in connection with any of the Debt Documents, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, the Debt Documents or the Security Property;

(v) any shortfall which arises on the enforcement or realisation of the Security Property;

(vi) any determination as to whether any information provided or to be provided to any Secured Party is non-public information, the use of which may be regulated or prohibited by applicable law or regulation relating to insider trading or otherwise;

(vii) without prejudice to the generality of paragraphs (ii) and (iii) above, any damages, costs, losses, any diminution in value or any liability whatsoever arising as a result of:

(A) any act, event or circumstance not reasonably within its control; or

(B) the general risks of investment in, or the holding of assets in, any jurisdiction,

including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.

(b) No Party (other than the Security Agent, that Receiver or that Delegate (as applicable)) may take any proceedings against any officer, employee or agent of the Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Security Agent, a Receiver or a Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Debt Document or any Security Property and any officer, employee or agent of the Security Agent, a Receiver or a Delegate may rely on this Clause 19.12 subject to Clause 1.3 (*Third Party Rights*) and the provisions of the Third Parties Act.

(c) Nothing in this Agreement shall oblige the Security Agent to carry out:

(i) any "**know your customer**" or other checks in relation to any person; or

(ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Secured Creditor,

on behalf of any Secured Creditor and each Secured Creditor confirms to the Security Agent, that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Security Agent.

(d) Without prejudice to any provision of any Debt Document excluding or limiting the liability of the Security Agent, any Receiver or Delegate, any liability of the Security Agent, any Receiver or Delegate arising under or in connection with any Debt Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Agent, Receiver or Delegate (as the case may be) or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Agent, Receiver or Delegate (as the case may be) at any time which increase the amount of that loss. In no event shall the Security Agent, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Agent, Receiver or Delegate (as the case may be) has been advised of the possibility of such loss or damages.

19.13 No Proceedings

No Party (other than the Security Agent, that Receiver or that Delegate) may take any proceedings against any officer, employee or agent of that Security Agent, a Receiver or a Delegate in respect of any claim it might have against that Security Agent, a Receiver or a Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Debt Document or any Security Property and any officer, employee or agent of the Security Agent, a Receiver or a Delegate may rely on this Clause subject to Clause 1.3 (*Third Party Rights*) and the provisions of the Third Parties Rights Act.

19.14 Rights

(a) The Security Agent may assume that:

(i) any instructions received by it from the Instructing Group are duly given in accordance with the terms of the Debt Documents; and

(ii) unless it has received notice of revocation, that those instructions have not been revoked and no revocation of any such instructions shall affect any actions taken by the Security Agent in reliance on such instructions prior to actual receipt of a written notice of revocation.

(b) The Security Agent may assume (unless it has received notice to the contrary in its capacity as security trustee or security agent for the Secured Parties) that:

(i) any right, power, authority or discretion vested in any Party or any group of Creditors has not been exercised; and

(ii) any notice made by the Company is made on behalf of and with the consent and knowledge of all the Debtors and the Third Party Security Providers.

(c) The Security Agent, any Receiver and any Delegate may act in relation to the Debt Documents and the Security Property through its officers, employees and agents and shall not:

(i) be liable for any error of judgment made by any such person; or

(ii) be bound to supervise, or be in any way responsible for any loss incurred by reason of misconduct, omission or default on the part of any such person,

unless such error or such loss was directly caused by the Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct.

(d) Unless this Agreement expressly specifies otherwise, the Security Agent may disclose to any other Party any information it reasonably believes it has received as security trustee or security agent under this Agreement.

(e) Notwithstanding any provision of any Debt Document to the contrary, the Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it by a member of the Group.

19.15 Responsibility for Documentation

None of the Security Agent, any Receiver nor any Delegate is responsible or liable for:

(a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Security Agent, a Debtor, a Third Party Security Provider or any other person in or in connection with any Debt Document or the transactions contemplated in the Debt Documents, or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property; or

(c) any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

19.16 No Duty to Monitor

The Security Agent shall not be bound to enquire:

(a) whether or not any Default has occurred;

(b) as to the performance, default or any breach by any Party of its obligations under any Debt Document; or

(c) whether any other event specified in any Debt Document has occurred.

19.17 Own Responsibility

Without affecting the responsibility of any Debtor or Third Party Security Provider for information supplied by it or on its behalf in connection with any Debt Document, each Secured Party confirms to the Security Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Debt Document, including, but not limited to:

(a) the financial condition, status and nature of each member of the Group and each Third Party Security Provider;

(b) the legality, validity, effectiveness, adequacy and enforceability of any Debt Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;

(c) whether that Secured Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Debt Document, the Security Property, the transactions contemplated by the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property;

(d) the adequacy, accuracy and/or completeness of any information provided by the Security Agent or by any other person under or in connection with any Debt Document, the transactions contemplated by any Debt Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document; and

(e) the right or title of any person in or to, or the value or sufficiency of any part of the Charged Property, the priority of any of the Transaction Security or the existence of any Security affecting the Charged Property,

and each Secured Party warrants to the Security Agent that it has not relied on and will not at any time rely on that the Security Agent in respect of any of these matters.

19.18 No Responsibility to Perfect Transaction Security

The Security Agent shall have no responsibility for perfecting the Transaction Security and shall not be liable for any failure to:

(a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Debtor or Third Party Security Provider to any of the Charged Property;

(b) obtain any licence, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any of the Debt Documents or the Transaction Security;

(c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any applicable laws in any jurisdiction or to give notice to any person of the execution of any of the Debt Documents or of the Transaction Security;

(d) take, or to require any of the Debtors or Third Party Security Providers to take, any steps to perfect its title to any of the Charged Property or to render the Transaction Security effective or to secure the creation of any ancillary Security under the laws of any jurisdiction; or

(e) require any further assurances in relation to any of the Security Documents.

19.19 Insurance by Security Agent

(a) The Security Agent shall be under no obligation to insure any of the Charged Property, to require any other person to maintain any insurance or to verify any obligation to arrange or maintain insurance contained in the Debt Documents. The Security Agent shall not be responsible for any loss which may be suffered by any person as a result of the lack of or inadequacy of any such insurance.

(b) Where the Security Agent is named on any insurance policy as an insured party and/or loss payee, that Security Agent shall not be responsible for any loss which may be suffered by reason of, directly or indirectly, its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind, unless an Agent shall have requested it to do so in writing and the Security Agent shall have failed to do so within 14 days after receipt of that request.

19.20 Custodians and Nominees

The Security Agent may (to the extent legally permitted) appoint and pay any person to act as a custodian or nominee on any terms in relation to any assets held by the Security Agent as trustee

or agent of the Secured Parties (as applicable) or any assets over which Security is created pursuant to the Security Documents as that Security Agent may determine, including for the purpose of depositing with a custodian this Agreement or any document relating to any such assets and that Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Agreement or be bound to supervise the proceedings or acts of any person.

19.21 Acceptance of Title

The Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any of the Debtors and the Third Party Security Providers may have to any of the Charged Property and shall not be liable for or bound to require any Debtor or Third Party Security Provider to remedy any defect in its right or title.

19.22 Refrain from Illegality

Notwithstanding anything to the contrary expressed or implied in the Debt Documents, the Security Agent may refrain from doing anything which in its opinion will or may be contrary to any relevant law, directive or regulation of any jurisdiction and that Security Agent may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.

19.23 Business with the Debtors and Third Party Security Providers

The Security Agent may accept deposits from, lend money to, and generally engage in any kind of banking or other business with any of the Debtors and the Third Party Security Providers.

19.24 Winding Up of Trust and release of Transaction Security

If the Security Agent, with the approval of each of the Agents and each Hedge Counterparty, determines that (x) all of the Secured Obligations and all other obligations secured by the Transaction Security Documents have been fully and finally discharged and (y) none of the Secured Parties is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Debtor or Third Party Security Provider pursuant to the Debt Documents:

(a) the trusts set out in this Agreement shall be wound up and the Security Agent shall release, without recourse, representation or warranty of any kind (either express or implied), all of the Transaction Security and the rights of the Security Agent under each of the Transaction Security Documents; and

(b) any Retiring Security Agent shall release, without recourse, representation or warranty of any kind (either express or implied), all of its rights under each of the Transaction Security Documents.

19.25 Powers Supplemental

The rights, powers, authorities and discretions conferred upon the Security Agent by this Agreement and the Debt Documents shall be supplemental to the Trustee Act 1925 and the Trustee Act 2000 and in addition to any which may be vested in that Security Agent by general law or otherwise.

19.26 Trustee Division Separate

(a) In acting as trustee or agent for the Secured Parties (as applicable), the Security Agent shall be regarded as acting through its trustee division which shall be treated as a separate entity from any of its other divisions or departments.

(b) If information is received by another division or department of the Security Agent, it may be treated as confidential to that division or department and that Security Agent shall not be deemed to have notice of it.

19.27 Disapplication

Section 1 of the Trustee Act 2000 shall not apply to the duties of the Security Agent in relation to the trusts constituted by this Agreement. Where there are any inconsistencies between the Trustee Act 1925 or the Trustee Act 2000 and the provisions of this Agreement, the provisions of this Agreement shall, to the extent allowed by law, prevail and, in the case of any inconsistency with the Trustee Act 2000, the provisions of this Agreement shall constitute a restriction or exclusion for the purposes of that Act.

19.28 Intra-Group Lenders, Subordinated Creditors, Third Party Security Providers and Debtors: Power of Attorney

Each Intra-Group Lender, Subordinated Creditor, Third Party Security Provider and Debtor by way of security for its obligations under this Agreement irrevocably appoints the Security Agent to be its attorney following an Acceleration Event to do anything which that Intra-Group Lender, Subordinated Creditor, Third Party Security Provider or Debtor has authorised the Security Agent or any other Party to do under this Agreement or is itself required to do under this Agreement (with express faculty of self-contracting, sub-empowering or multiple representation) but has failed to do (and the Security Agent may delegate that power on such terms as it sees fit).

19.29 Security Agent's Spot Rate of Exchange

The Security Agent shall promptly to the extent that a Party is required to calculate a Common Currency Amount, and upon a reasonable request by that Party, notify that Party of the relevant Security Agent's Spot Rate of Exchange.

19.30 Provisions Survive Termination

The provisions of this Clause 19 shall survive any termination or discharge of this Agreement and the resignation or termination of the appointment of the Security Agent.

20. CHANGE OF SECURITY AGENT

20.1 Resignation of the Security Agent

(a) The Security Agent may resign and appoint one of its affiliates as successor by giving notice to the Company and the Secured Parties.

(b) Alternatively, the Security Agent may resign by giving 30 days' notice to the other Parties in which case the Majority Senior Secured Creditors and the Senior Secured Notes Trustee(s) (or, after the Senior Secured Discharge Date, the Majority Second Lien Lenders and the Second Lien Notes Trustee(s) or after the Priority Discharge Date, the Majority Topco Creditors and the Topco Notes Trustee(s)) may appoint a successor Security Agent.

(c) If the Majority Senior Secured Creditors and the Senior Secured Notes Trustee(s) (or, after the Senior Secured Discharge Date, the Majority Second Lien Lenders and the Second Lien Notes Trustee(s) or after the Priority Discharge Date, the Majority Topco Creditors and the Topco Notes Trustee(s)) have not appointed a successor Security Agent in accordance with paragraph (b) above within 30 days after the notice of resignation was given, the Security Agent (after consultation with the Agents) may appoint a successor Security Agent.

(d) A retiring Security Agent (the "**Retiring Security Agent**") shall:

(i) make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Debt Documents; and

(ii) enter into and deliver to the successor Security Agent those documents and effect any registrations as may be required for the transfer or assignment of all of its rights and benefits under the Debt Documents to the successor Security Agent.

(e) A Debtor and Third Party Security Provider must, at its own reasonable cost, take any action and enter into and deliver any document which is reasonably required by the Retiring Security Agent to ensure that a Security Document provides for effective and perfected Security in favour of any successor Security Agent.

(f) The Security Agent's resignation notice shall only take effect upon: (i) the appointment of a successor; and (ii) the transfer of all of the Security Property to that successor.

(g) Upon the appointment of a successor, the Retiring Security Agent shall be discharged from any further obligation in respect of the Debt Documents (other than its obligations under paragraph (d) above) but shall, in respect of any act or omission by it whilst it was the Security Agent, remain entitled to the benefit of Clause 19 (*The Security Agent*), Clause 23.1 (*Debtors' Indemnity*) and Clause 23.3 (*Secured Creditors' Indemnity*). Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original Party.

(h) The Majority Senior Secured Creditors and the Senior Secured Notes Trustee(s) (or, after the Senior Secured Discharge Date, the Majority Second Lien Lenders and the Second Lien Notes Trustee(s) or after the Priority Discharge Date, the Majority Topco Creditors and the Topco Notes Trustee(s)) may, in consultation with the Company, by written notice to the Security Agent, require it to resign in accordance with paragraph (b) above. In this event, the Security Agent shall resign in accordance with paragraph (b) above but the cost referred to in paragraph (e) above shall be for the account of the Company, any other Debtor or Third Party Security Provider.

20.2 Delegation

(a) Each of the Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested in it by any of the Debt Documents.

(b) That delegation may be made upon any terms and conditions (including the power to sub-delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) may, in its discretion, think fit in the interests of the Secured Parties and it shall not be bound to supervise, or be in any way responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate.

20.3 Additional Security Agents

(a) The Security Agent may at any time appoint (and subsequently remove), to the extent legally permitted, any person to act as a separate trustee or agent or as a co-trustee or co-agent jointly with it if (i) it in good faith considers that appointment to be in the interests of the Secured Parties or (ii) for the purposes of conforming to any legal requirements, restrictions or conditions which that Security Agent deems to be relevant (acting reasonably) or (iii) for obtaining or enforcing any judgment in any jurisdiction, and that Security Agent shall give prior notice to the Company and each of the Agents of that appointment.

(b) Any person so appointed shall have the rights, powers and discretions (not exceeding those conferred on the Security Agent by this Agreement) and the duties and obligations that are conferred or imposed by the instrument of appointment.

(c) The remuneration that the Security Agent may pay to that person, and any costs and expenses (together with any applicable VAT) incurred by that person in performing its

functions pursuant to that appointment shall, for the purposes of this Agreement, be treated as costs and expenses reasonably incurred by the Security Agent.

(d) Each Creditor hereby expressly gives its prior consent to any assignment and/or transfer to a successor Security Agent appointed in accordance with the provisions of this Agreement.

21. CHANGES TO THE PARTIES

21.1 Assignments and Transfers

No Party may assign any of its rights and benefits or transfer any of its rights, benefits and obligations in respect of any Debt Documents or the Liabilities except as permitted by this Clause 21.

21.2 Change of Secured Creditors

(a) A Senior Lender or Super Senior Lender, as the case may be, may assign any of its rights and benefits or transfer by novation any of its rights, benefits and obligations in respect of any Debt Documents or the Liabilities if:

(i) that assignment or transfer is in accordance with the terms of the Senior Facilities Agreement (or any Permitted Senior Secured Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement (as the context requires)) to which it is a party; and

(ii) subject to paragraph (b) below, any assignee or transferee has (if not already party to this Agreement as a Senior Lender or Super Senior Lender, as the case may be) acceded to this Agreement, as a Senior Lender or Super Senior Lender, as the case may be, pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(b) Paragraph (a)(ii) above shall not apply in respect of any Senior Debt Purchase Transaction permitted by clause 30 (*Restriction on Debt Purchase Transactions*) of the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Super Senior Secured Facilities Agreement or Permitted Senior Secured Facilities Agreement) entered into by a Senior Borrower, or as the case may be, Super Senior Borrower and effected in accordance with the terms of the Debt Documents.

(c) A Cash Management Facility Lender may assign any of its rights and benefits or transfer by novation any of its rights, benefits and obligations in respect of any Debt Documents or the Liabilities if:

(i) that assignment or transfer is in accordance with the terms of the Cash Management Facility Documents to which it is a party; and

(ii) subject to paragraph (d) below, any assignee or transferee has (if not already party to this Agreement as a Cash Management Facility Lender) acceded to this Agreement, as a Cash Management Facility Lender, pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(d) Paragraph (c)(ii) above shall not apply in respect of any Cash Management Facility Debt Purchase Transaction permitted by the relevant Cash Management Facility Documents entered into by a borrower of the relevant Cash Management Facility and effected in accordance with the terms of the Debt Documents.

(e) A Second Lien Lender may assign any of its rights and benefits or transfer by novation any of its rights, benefits and obligations in respect of any Debt Documents or the Liabilities if:

(i) that assignment or transfer is in accordance with the terms of a Second Lien Facility Agreement to which it is a party; and

(ii) subject to paragraph (f) below, any assignee or transferee has (if not already party to this Agreement as a Second Lien Lender) acceded to this Agreement, as a Second Lien Lender, pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(f) Paragraph (e)(ii) above shall not apply in respect of any Second Lien Debt Purchase Transaction permitted by the relevant Second Lien Facility Agreement entered into by a Second Lien Borrower and effected in accordance with the terms of the Debt Documents.

(g) Any Senior Secured Noteholder or Second Lien Noteholder or Topco Noteholder may assign, transfer or novate any of its rights and obligations to any person without the need for such person to execute and deliver to the Security Agent a duly completed Creditor/Agent Accession Undertaking, **provided that** such person is subject to the terms and conditions of this Agreement as provided under the terms of the relevant Notes Indenture.

(h) A Topco Lender may assign any of its rights and benefits or transfer by novation any of its rights, benefits and obligations in respect of any Debt Documents or the Liabilities if:

(i) that assignment or transfer is in accordance with the terms of the Topco Facility Agreement to which it is a party; and

(ii) subject to paragraph (i) below, any assignee or transferee has (if not already party to this Agreement as a Topco Lender) acceded to this Agreement, as a Topco Lender, pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(i) Paragraph (h)(ii) above shall not apply in respect of any Liabilities Acquisition transaction of Topco Liabilities permitted by a Topco Facility Agreement and entered into by a Topco Borrower and effected in accordance with the terms of the Debt Documents.

21.3 Accession or Change of Hedge Counterparty

A Hedge Counterparty may (i) accede to this Agreement as a Hedge Counterparty pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*); and (ii) (in accordance with the terms of the relevant Hedging Agreement and subject to any consent required under that Hedging Agreement) transfer any of its rights and benefits or obligations in respect of the Hedging Agreements to which it is a party if any transferee has (if not already party to this Agreement as a Hedge Counterparty acceded to this Agreement as a Hedge Counterparty pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

21.4 Change of Agent

No person shall become a Senior Agent or a Super Senior Agent or Second Lien Agent or Topco Agent unless at the same time, it accedes to this Agreement in such capacity pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

21.5 Change of Intra-Group Lender

Subject to Clause 8.4 (*Acquisition of Intra-Group Liabilities*) and to the terms of the other Debt Documents, any Intra-Group Lender may assign any of its rights and benefits or transfer any of its rights, benefits and obligations in respect of the Intra-Group Liabilities to another member of the Group if that member of the Group has (if not already party to this Agreement as an Intra-Group Lender) acceded to this Agreement as an Intra-Group Lender, pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*) (**provided that** such member of the Group will not be required to accede to this Agreement as an Intra-Group Lender under this Clause 21.5 if it would otherwise not have been required to do so under the terms of Clause 21.6 (*New Intra-Group Lender*) if it had been the original creditor of such Intra-Group Liability).

21.6 New Intra-Group Lender

If any Intra-Group Lender or any member of the Group makes any loan to or grants any credit to or makes any other financial arrangement having similar effect and is required to do so by the

Debt Documents, it shall accede to this Agreement as an Intra-Group Lender pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

21.7 New Ancillary Lender

If any Affiliate of a Senior Lender or Super Senior Lender becomes an Ancillary Lender in accordance with clause 9.8 (*Affiliates of Lenders as Ancillary Lenders, Fronted Ancillary Lenders or Fronting Ancillary Lenders*) of the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)), it shall not be entitled to share in any of the Transaction Security or in the benefit of any guarantee or indemnity in respect of any of the liabilities arising in relation to its Ancillary Facilities unless it has (if not already party to this Agreement as a Senior Lender or Super Senior Lender, as the case may be) acceded to this Agreement as a Senior Lender or Super Senior Lender, as the case may be and (to the extent required by the provisions thereof) to the Senior Facilities Agreement (or any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)) as an Ancillary Lender pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

21.8 New Cash Management Facility Lender

A Cash Management Facility Lender shall not be entitled to share in any of the Transaction Security or in the benefit of any guarantee or indemnity in respect of any of the liabilities arising in relation to its Cash Management Facility unless it has (if not already party to this Agreement as a Cash Management Facility Lender) acceded to this Agreement as a Cash Management Facility Lender pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

21.9 Creditor/Agent Accession Undertaking

With effect from the date of acceptance by the Security Agent; and, in the case of an Affiliate of a Senior Lender, the Senior Agent; and in the case of an Affiliate of a Super Senior Lender, the Super Senior Agent of a Creditor/Agent Accession Undertaking duly executed and delivered to the Security Agent by the relevant acceding party or, if later, the date specified in that Creditor/Agent Accession Undertaking:

(a) any Party ceasing entirely to be a Creditor or Agent shall be discharged from further obligations towards the Security Agent and other Parties under this Agreement and their respective rights against one another shall be cancelled (except in each case for those rights which arose prior to that date);

(b) as from that date, the replacement or new Creditor or Agent shall assume the same obligations and become entitled to the same rights, as if it had been an original Party to this Agreement in that capacity; and

(c) any new Ancillary Lender (which is an Affiliate of a Senior Lender or Super Senior Lender) shall also become party to the Senior Facilities Agreement (or any Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)) as an Ancillary Lender to the extent required under the Senior Facilities Agreement (or any Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)) and shall assume the same obligations and become entitled to the same rights as if it had been an original party to the Senior Facilities Agreement (or any Permitted Senior Secured Facilities Agreement or Permitted Super Senior Secured Facilities Agreement (as the context requires)) as an Ancillary Lender.

and each Party irrevocably authorises and instructs the Security Agent (and as the case may be the Senior Agent and Super Senior Agent, as applicable) to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.10 Accession of Senior Lenders under New Senior Facilities or Super Senior Lenders under New Super Senior Facilities

(a) In order for any credit facility to be a "**Senior Facility**" for the purposes of this Agreement:

(i) the Company shall designate that credit facility as a Senior Facility and confirm in writing to the Security Agent and Agents that the establishment of that credit facility as a Senior Facility under this Agreement complies with the provisions of Clause 2.7 (*Additional and/or Refinancing Debt*) and Clause 18 (*New Debt Financings*);

(ii) each creditor in respect of that credit facility shall accede to this Agreement as a Senior Lender;

(iii) each arranger in respect of that credit facility shall accede to this Agreement as a Senior Arranger; and

(iv) the facility agent in respect of that credit facility shall accede to this Agreement as the Senior Agent in relation to that credit facility pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(b) Each Party irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

(c) In order for any credit facility to be a "Super Senior Facility" for the purposes of this Agreement:

(i) the Company shall designate that credit facility as a Super Senior Facility and confirm in writing to the Security Agent and Agents that the establishment of that credit facility as a Super Senior Facility under this Agreement complies with the provisions of Clause 2.7 (*Additional and/or Refinancing Debt*) and Clause 18 (*New Debt Financings*);

(ii) each creditor in respect of that credit facility shall accede to this Agreement as a Super Senior Lender;

(iii) each arranger in respect of that credit facility shall accede to this Agreement as a Super Senior Arranger; and

(iv) the facility agent in respect of that credit facility shall accede to this Agreement as the Super Senior Agent in relation to that credit facility pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(d) Each Party irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.11 Accession of Cash Management Facility Lenders under New Cash Management Facilities

(a) In order for any credit facility to be a "**Cash Management Facility**" for the purposes of this Agreement:

(i) the Company shall designate that credit facility as a Cash Management Facility and confirm in writing to the Security Agent and Agents that the establishment of that credit facility as a Cash Management Facility under this Agreement complies with the provisions of Clause 2.7 (*Additional and/or Refinancing Debt*) and Clause 18 (*New Debt Financings*);

(ii) each creditor in respect of that credit facility shall accede to this Agreement as a Cash Management Facility Lender;

(iii) any arranger in respect of that credit facility shall accede to this Agreement as a Senior Arranger; and

(iv) the facility agent (if any) in respect of that credit facility shall accede to this Agreement as a Cash Management Facility Agent pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(b) Each Party irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.12 Accession of Second Lien Lenders under New Second Lien Facility

(a) In order for any credit facility to be a "**Second Lien Facility**" for the purposes of this Agreement:

(i) the Company shall designate that credit facility as a Second Lien Facility and confirm in writing to the Security Agent and Agents that the establishment of that credit facility as a Second Lien Facility under this Agreement complies with the provisions of Clause 2.7 (*Additional and/or Refinancing Debt*) and Clause 18 (*New Debt Financings*);

(ii) each creditor in respect of that credit facility shall accede to this Agreement as a Second Lien Lender;

(iii) each arranger in respect of that credit facility shall accede to this Agreement as a Second Lien Arranger; and

(iv) the facility agent in respect of that credit facility shall accede to this Agreement as the Second Lien Agent in relation to that credit facility pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(b) Each Party irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.13 Accession of Topco Facility Creditors under New Topco Facility

(a) In order for any credit facility to be a "**Topco Facility**" for the purposes of this Agreement:

(i) the Company shall designate that credit facility as a Topco Facility and confirm in writing to the Security Agent and Agents that the establishment of that credit facility as a Topco Facility under this Agreement complies with the provisions of Clause 2.7 (*Additional and/or Refinancing Debt*) and Clause 18 (*New Debt Financings*);

(ii) each creditor in respect of that credit facility shall accede to this Agreement as a Topco Lender;

(iii) each arranger in respect of that credit facility shall accede to this Agreement as a Topco Arranger; and

(iv) the facility agent in respect of that credit facility shall accede to this Agreement as the Topco Agent in relation to that credit facility pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(b) Each Party irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.14 Topco Investor

Any Holding Company of the Company or any Subsidiary of any Holding Company of the Company (other than a member of the Group) which provides a Topco Proceeds Loan may accede

to this Agreement as a Topco Investor pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*) and a Topco Investor may only transfer its rights, benefits and obligations under any Topco Proceeds Loan Agreement prior to the Priority Discharge Date if the prospective transferee has acceded to:

(a) this Agreement as a Topco Investor pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*); and

(b) the relevant Topco Proceeds Loan Agreement as lender.

21.15 Accession of Senior Secured Notes Trustee

(a) The Company shall procure that, on or prior to any Senior Secured Notes Issue Date after the Closing Date (as defined in the Senior Facilities Agreement), the relevant Senior Secured Notes Trustee (and, if such entity ceases to act as trustee in relation to the Senior Secured Notes for any reason, any successor or other person which is appointed or acts as trustee under the relevant Senior Secured Notes Indenture) shall promptly complete, sign and deliver to the Security Agent a Creditor/Agent Accession Undertaking under which such Senior Secured Notes Trustee agrees to be bound by this Agreement as a Senior Secured Notes Trustee as if it had originally been a Party to this Agreement in such capacity. In connection with the foregoing, the Security Agent is authorised and instructed by each other Party to make such changes to the terms relating to the rights and duties of such Senior Secured Notes Trustee and any other Party as are required by such Senior Secured Notes Trustee without the consent of any other Party **provided that** such changes would not have a material adverse effect on the other Parties.

(b) Each Party (other than the relevant proposed trustee under paragraph (a) above) irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.16 Accession of Second Lien Notes Trustee

(a) The Company shall procure that, on or prior to any Second Lien Notes Issue Date, the relevant Second Lien Notes Trustee (and, if such entity ceases to act as trustee in relation to the Second Lien Notes for any reason, any successor or other person which is appointed or acts as trustee under the relevant Second Lien Notes Indenture) shall promptly complete, sign and deliver to the Security Agent a Creditor/Agent Accession Undertaking under which such Second Lien Notes Trustee agrees to be bound by this Agreement as a Second Lien Notes Trustee as if it had originally been a Party to this Agreement in such capacity. In connection with the foregoing, the Security Agent is authorised and instructed by each other Party to make such changes to the terms relating to the rights and duties of such Second Lien Notes Trustee and any other Party as are required by such Second Lien Notes Trustee without the consent of any other Party **provided that** such changes would not have a material adverse effect on the other Parties.

(b) Each Party (other than the relevant proposed trustee under paragraph (a) above) irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.17 Accession of Topco Notes Trustee

(a) The Company shall procure that, on or prior to any Topco Notes Issue Date, the relevant Topco Notes Trustee (and, if such entity ceases to act as trustee in relation to the Topco Notes for any reason, any successor or other person which is appointed or acts as trustee under the relevant Topco Notes Indenture) shall promptly complete, sign and deliver to the Security Agent a Creditor/Agent Accession Undertaking under which such Topco Notes Trustee agrees to be bound by this Agreement as a Topco Notes Trustee as if it had originally

been a Party to this Agreement in such capacity. In connection with the foregoing, the Security Agent is authorised and instructed make such changes to the terms relating to the rights and duties of such Topco Notes Trustee and any other Party as are required by such Topco Notes Trustee without the consent of any other Party provided that such changes would not have a material adverse effect on the other Parties.

(b) Each Party (other than the relevant proposed trustee under paragraph (a) above) irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.18 Accession of Unsecured Facility Creditors

(a) In order for any document or instrument to be an "**Unsecured Finance Document**" for the purposes of this Agreement:

(i) the Company shall designate that document or instrument as an Unsecured Finance Document; and

(ii) in respect of any document or instrument by way of a credit facility, each lender; or in respect of any document or instrument by way of any unsecured notes, exchange notes, securities or other debt instruments, the applicable entity acting as trustee under any issue of such instruments, shall accede to this Agreement as an Unsecured Creditor pursuant to Clause 21.9 (*Creditor/Agent Accession Undertaking*).

(b) Each Party irrevocably authorises and instructs the Security Agent to execute on its behalf any Creditor/Agent Accession Undertaking which has been duly completed and signed on behalf of that person.

21.19 Subordinated Creditors/Accession of New Subordinated Creditors

Any person in its discretion may accede to this Agreement in the capacity of a Subordinated Creditor and any Subordinated Creditor may assign any of its rights and benefits or transfer any of its rights, benefits and obligations in respect of the Subordinated Liabilities owed to it if such person, assignee or transferee has executed and delivered to the Security Agent a Creditor/Agent Accession Undertaking agreeing to be bound by all the terms of this deed as if it had originally been party to this Agreement as an Subordinated Creditor.

21.20 New Debtor/New Third Party Security Provider

(a) If any member of the Topco Group or a Third Party Security Provider:

(i) incurs any Liabilities under the Secured Debt Documents; or

(ii) gives any security, guarantee, indemnity or other assurance against loss in respect of any of the Liabilities under the Secured Debt Documents, the Debtors will procure that the person incurring those Liabilities or giving that assurance accedes to this Agreement as a Debtor or, as the case may be, Third Party Security Provider, in accordance with paragraph (d) below, no later than contemporaneously with the incurrence of those Liabilities or the giving of that assurance, to the extent required by the relevant Debt Documents.

(b) If any Affiliate of a Senior Borrower or a Super Senior Borrower becomes a borrower of an Ancillary Facility in accordance with clause 9.9 (*Affiliates of Borrowers*) of the Senior Facilities Agreement (or any substantially equivalent provision of a Permitted Super Senior Secured Facilities Agreement or Permitted Senior Secured Facilities Agreement (as the context requires)), the relevant Senior Borrower or Super Senior Borrower shall procure that its Affiliate accedes to this Agreement as a Debtor no later than contemporaneously with the date on which it becomes a borrower.

(c) If any Affiliate of a Senior Borrower or a Super Senior Borrower becomes a borrower of a Cash Management Facility in accordance with the terms of any relevant Cash Management Facility Document, the relevant Senior Borrower or Super Senior Borrower shall procure that its Affiliate accedes to this Agreement as a Debtor no later than contemporaneously with the date on which it becomes a borrower.

(d) With effect from the date of acceptance by the Security Agent of a Debtor/Third Party Security Provider Accession Undertaking duly executed and delivered to the Security Agent by the new Debtor or Third Party Security Provider or, if later, the date specified in the Debtor/Third Party Security Provider Accession Undertaking, the new Debtor or, as applicable, Third Party Security Provider shall assume the same obligations and become entitled to the same rights as if it had been an original Party to this Agreement as a Debtor or, as applicable, as a Third Party Security Provider.

21.21 French Debtors and French Intra-Group Lenders

Without prejudice to Clause 21.6 (*New Intra-Group Lender*), it is acknowledged that, notwithstanding anything to the contrary contained herein or in any other Debt Document, each member of the Group incorporated in France that becomes a Party to this Agreement makes any undertakings only in relation to itself and its direct or indirect Subsidiaries.

21.22 Additional Parties

(a) Each of the Parties instruct and appoints the Security Agent to receive on its behalf each Debtor/Third Party Security Provider Accession Undertaking and Creditor/Agent Accession Undertaking and Debtor Resignation Request delivered to the Security Agent and Security Agent shall, as soon as reasonably practicable after receipt by it, sign and accept the same if it appears on its face to have been completed, executed and, where applicable, delivered in the form contemplated by this Agreement or, where applicable, by the Senior Facilities Agreement, Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement, Second Lien Facility Agreement or Topco Facility Agreement.

(b) In the case of a Creditor/Agent Accession Undertaking delivered to the Security Agent by any new Ancillary Lender (which is an Affiliate of a Senior Lender or Super Senior Lender):

(i) the Security Agent shall as soon as reasonably practicable after signing and accepting that Creditor/Agent Accession Undertaking in accordance with paragraph (a) above, deliver that Creditor/Agent Accession Undertaking to the Senior Agent or Super Senior Agent (as applicable); and

(ii) the Senior Agent or Super Senior Agent (as applicable) shall as soon as reasonably practicable after receipt by it, sign and accept that Creditor/Agent Accession Undertaking if it appears on its face to have been completed, executed and delivered in the form contemplated by this Agreement.

21.23 Resignation of a Debtor

(a) The Company may request that a Debtor ceases to be a Debtor by delivering to the Security Agent a Debtor Resignation Request.

(b) Subject to paragraph (c) of Clause 15.1 (*Non-Distressed Disposal, Distressed Disposals and Disposal Proceeds*), the Security Agent shall accept a Debtor Resignation Request and notify the Company and each other Party of its acceptance if the Company certifies for the benefit of the Security Agent that:

(i) no Event of Default is continuing or would result from the acceptance of the Debtor Resignation Request;

(ii) to the extent that the Senior Lender Discharge Date has not occurred, that Debtor is not, or has ceased to be, or will cease to be concurrently with such resignation, a Senior Borrower or a Senior Facilities Guarantor;

(iii) to the extent that the Super Senior Lender Discharge Date has not occurred, that Debtor is not, or has ceased to be, or will cease to be concurrently with such resignation, a Super Senior Borrower or a Super Senior Facilities Guarantor;

(iv) to the extent that the Cash Management Facility Discharge Date has not occurred, that Debtor is not, or has ceased to be or will cease to be concurrently with such resignation, a borrower or a guarantor under the Cash Management Facility made available by that Cash Management Facility Lender and no amounts are owing from that Debtor under the guarantee contained in Schedule 8 (*Cash Management Facility Creditors' Guarantee and Indemnity*);

(v) that Debtor is not, or will cease to be concurrently with such resignation, under any actual or contingent obligations to that Hedge Counterparty in respect of the Hedging Liabilities under a Hedging Agreement and no amounts are owing from that Debtor under the guarantee contained in Schedule 7 (*Hedge Counterparties' Guarantee and Indemnity*);

(vi) to the extent the Senior Secured Notes Discharge Date has not occurred, that Debtor is not, or has ceased to be, or will cease to be concurrently with such resignation, a borrower or an issuer of Senior Secured Notes or a Senior Secured Notes Guarantor;

(vii) to the extent that the Second Lien Lender Discharge Date has not occurred, that Debtor is not, or has ceased to be, or will cease to be concurrently with such resignation, a Second Lien Borrower or a Second Lien Guarantor;

(viii) to the extent that the Second Lien Notes Discharge Date has not occurred, that Debtor is not, or has ceased to be, or will cease to be concurrently with such resignation, a borrower or an issuer of Second Lien Notes or a Second Lien Notes Guarantor; and

(ix) to the extent the Topco Facility Discharge Date has not occurred, that Debtor is not, or has ceased to be, or will cease to be concurrently with such resignation, a borrower or a Topco Facility Guarantor;

(x) to the extent the Topco Notes Discharge Date has not occurred, that Debtor is not, or has ceased to be, or will cease to be concurrently with such resignation, a borrower or an issuer of Topco Notes or a Topco Notes Guarantor; and

(xi) that Debtor is under no actual or contingent obligations in respect of the Topco Proceeds Loan Liabilities.

(c) Upon notification by the Security Agent to the Company of its acceptance of the resignation of a Debtor, that person shall cease to be a Debtor and shall have no further rights or obligations under this Agreement as a Debtor.

21.24 Cessation of a Third Party Security Provider

Following the release of all Transaction Security granted by a Third Party Security Provider (in accordance with the terms of the Debt Documents and this Agreement), such Third Party Security Provider shall cease to be a Third Party Security Provider and shall have no further rights or obligations under this Agreement as a Third Party Security Provider.

21.25 Financial Assistance Restrictions

Any guarantee or indemnity or hold harmless obligation provided by a Debtor or Intra-Group Lender under this Agreement shall be provided on the same terms and subject to the same

limitations as are set out in clause 23 (*Guarantees and Indemnity*) of the Senior Facilities Agreement (in its original form) and, if more comprehensive, in the relevant accession letter pursuant to which the relevant Debtor has acceded to the Senior Facilities Agreement or any Permitted Senior Secured Facilities Agreement or any Permitted Super Senior Secured Facilities Agreement (or, after the Senior Lender Discharge Date, a Second Lien Facility Agreement).

22. COSTS AND EXPENSES

22.1 Security Agent's Ongoing Costs

In the event of:

(a) an Event of Default (other than in relation to a Debt Document evidencing Intra-Group Liabilities or Subordinated Liabilities); or

(b) the Security Agent being requested by a Debtor, Third Party Security Provider or an Instructing Group or the Majority Second Lien Creditors or the Majority Topco Creditors (as applicable) to undertake duties which that Security Agent and the Company agree to be of an exceptional nature and/or outside the scope of the normal duties of that Security Agent any Receiver or Delegate under the Debt Documents,

the Company shall (or another Debtor so elected shall) pay to the Security Agent any additional remuneration (together with any applicable VAT) that may be agreed between them.

If the Security Agent and the Company fail to agree upon the nature of those duties or upon any additional remuneration referred to in this Clause 22.1, that dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Agent and approved by the Company (acting reasonably) or, failing approval, nominated (on the application of the Security Agent) by the President for the time being of the Law Society of England and Wales (the costs of the nomination and of the investment bank being payable by the Company) and the determination of any investment bank shall be final and binding upon the parties to this Agreement.

22.2 Transaction Expenses

The Company shall (or another Debtor so elected shall), promptly within five (5) Business Days of demand, pay to the Security Agent the amount of all reasonable costs and expenses (including legal fees, subject to agreed caps, if any) (together with any applicable VAT) properly incurred by the Security Agent and any Receiver or Delegate (evidence of which shall be provided to the Company) in connection with the negotiation, preparation, printing, execution, syndication and perfection of this Agreement and any other documents referred to in this Agreement and the Transaction Security, in each case up to the maximum amount agreed (if any).

22.3 Amendment Costs

If the Company or any Debtor requests an amendment, waiver or consent under this Agreement, the Company shall within five (5) Business Days of demand, reimburse (or procure the reimbursement of the Security Agent for the amount of all reasonable third party costs and expenses (including legal fees, subject to agreed caps (if any)) (together with applicable VAT) reasonably incurred by the Security Agent, by any Receiver or Delegate in responding to, evaluating, negotiating or complying with that request or requirement.

22.4 Stamp Taxes

The Company (or any Debtor so elected) shall pay and, within five (5) Business Days of demand, indemnify the Security Agent against any cost, loss or liability the Security Agent incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Debt Document.

22.5 Interest on Demand

Without duplication of any default interest payable under any Debt Document, if any Creditor, Third Party Security Provider or Debtor fails to pay any amount payable by it under this Agreement on its due date, interest shall (to the extent such accrual does not result in any double counting under the provisions of this Agreement and the provisions of the other Secured Debt Documents) accrue on the overdue amount (and be compounded with it) from the due date up to the date of actual payment (both before and after judgment and to the extent interest at a default rate is not otherwise being paid on that sum) at the rate which is 1 per cent. per annum over the rate at which the Security Agent was being offered, by leading banks in the London interbank market, deposits in an amount comparable to the unpaid amounts in the currencies of those amounts for any period(s) that the Security Agent may from time to time select.

22.6 Enforcement and Preservation Costs

The Company shall (or another Debtor so elected shall), within five (5) Business Days of demand, pay to the Security Agent the amount of all costs and expenses (including legal fees and together with any applicable VAT) incurred by it in connection with the enforcement of or the preservation of any rights under any Debt Document, the Transaction Security and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

23. INDEMNITIES

23.1 Debtors' Indemnity

(a) Each Debtor shall promptly indemnify the Security Agent and every Receiver and Delegate against any cost, loss or liability (together with any applicable VAT) incurred (but excluding any costs and expenses arising as a result of the Security Agent's gross negligence or wilful default) by any of them:

(i) in relation to or as a result of:

(A) any failure by the Company to comply with obligations under Clause 22 (*Costs and Expenses*); or

(B) the taking, holding, protection or enforcement of the Transaction Security; or

(C) the exercise of any of the rights, powers, discretions and remedies vested in the Security Agent, each Receiver and each Delegate by the Debt Documents or by law (including any costs, losses and liabilities which the Security Agent may incur in connection with acting following the request of any member of the Group or Third Party Security Provider as contemplated by the terms of any Debt Document); or

(D) any default by any Debtor in the performance of any of the obligations expressed to be assumed by it in the Debt Documents; or

(E) acting or relying on any notice , request or instruction which it reasonably believes to be genuine, correct and appropriately authorised; or

(F) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement;

(G) acting as the Security Agent, Receiver or Delegate under the Debt Documents or which otherwise relates to any of the Secured Property; or

(ii) which otherwise relates to any of the Security Property or the performance of the terms of this Agreement.

(b) Each Debtor expressly acknowledges and agrees that the continuation of its indemnity obligations under this Clause 23.1 will not be prejudiced by any release or disposal under Clause 15.2 (*Distressed Disposals*) taking into account the operation of that Clause.

23.2 Priority of Indemnity

The Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Charged Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in Clause 23.1 (*Debtors' Indemnity*) and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to it, in each case in accordance with Clause 16.1 (*Order of Application—Transaction Security*).

23.3 Secured Creditors' Indemnity

(a) Each Secured Creditor (other than the Notes Trustees) shall (in the proportion that the Liabilities due to it bears to the aggregate of the Liabilities due to all the Secured Creditors for the time being (or, if the Liabilities due to each of those Secured Creditors is zero, immediately prior to their being reduced to zero)), indemnify the Security Agent and every Receiver and every Delegate, within three Business Days of demand, against any cost, loss or liability incurred by any of them (otherwise than by reason of the Security Agent's, Receiver's or Delegate's gross negligence or wilful misconduct) in acting as Security Agent, Receiver or Delegate under the Debt Documents (unless the Security Agent, Receiver or Delegate has been reimbursed by a Debtor pursuant to a Debt Document) and the Debtors shall jointly and severally indemnify each Secured Creditor against any payment made by it under this Clause 23.

(b) For the purposes only of paragraph (a) above, to the extent that any hedging transaction under a Hedging Agreement has not been terminated or closed-out, the Hedging Liabilities due to any Hedge Counterparty in respect of that hedging transaction will be deemed to be the amount, if any, which would be payable to it under that Hedging Agreement in respect of those hedging transactions, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement), that amount, in each case, to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedging Agreement.

23.4 The Company's Indemnity to Secured Creditors

The Company shall promptly and as principal obligor indemnify each Secured Creditor against any cost, loss or liability (together with any applicable VAT), whether or not reasonably foreseeable, reasonably incurred by any of them in relation to or arising out of the operation of Clause 15.2 (*Distressed Disposals*).

24. INFORMATION

24.1 Information and Dealing

(a) The Creditors shall provide to the Security Agent from time to time (through their respective Agents in the case of a Senior Lender, Super Senior Lender, Second Lien Lender, Topco Lender, Senior Secured Notes Creditor, Second Lien Notes Creditor or a Topco Notes Creditor) any information that the Security Agent may reasonably specify as being necessary or desirable to enable that Security Agent to perform its functions as trustee or agent.

(b) Subject to clause 37.5 (*Communication when Agent is Impaired Agent*) of the Senior Facilities Agreement and any substantially equivalent provision in a Permitted Senior Secured Facilities Agreement, Permitted Super Senior Secured Facilities Agreement, Second Lien Facility Agreement or Topco Facility Agreement, each Senior Lender, Super Senior Lender, Second

Lien Lender and Topco Lender shall deal with the Security Agent exclusively through its Agent and the Hedge Counterparties shall deal directly with the Security Agent and shall not deal through any Agent.

(c) No Agent shall be under any obligation to act as agent or otherwise on behalf of any Hedge Counterparty except as expressly provided for in, and for the purposes of, this Agreement.

24.2 Disclosure

(a) Notwithstanding any agreement to the contrary but subject to paragraph (b), each of the Debtors and Third Party Security Providers consents, until the Final Discharge Date, to the disclosure by any of the Secured Creditors, the Agents, the Arrangers and the Security Agent to each other (whether or not through an Agent and/or the Security Agent) of such information concerning the Debtors and the Third Party Security Providers as any Secured Creditor, any Agent, any Arranger or the Security Agent shall see fit to the extent that the disclosure of such information (a) does not breach any applicable law, and (b) prior to the taking of any Enforcement Action, would not result in any Topco Noteholder, Second Lien Noteholder or Senior Secured Noteholder receiving any material non-public information.

(b) Prior to the occurrence of an Acceleration Event, a Debtor shall have the right under or in connection with any Debt Document to provide any notice, request or information to the Security Agent or any Secured Creditor or an Agent on a confidential basis and if marked as such, the Security Agent, such Secured Creditor or an Agent shall keep such information confidential and shall not have the right to disclose such information to any other Secured Creditor or person.

24.3 Notification of Prescribed Events

(a) If a Senior Default, a Senior Secured Notes Default or a Cash Management Facility Default either occurs or ceases to be continuing, the Senior Agent, the Super Senior Agent, the Senior Secured Notes Trustee or the Cash Management Facility Lenders (or the relevant Cash Management Facility Agent on its behalf, if appointed) (as applicable) shall, upon becoming aware of that occurrence or cessation, notify the Security Agent and the Security Agent shall, upon receiving that notification, notify the Senior Agent, the Super Senior Agent, the relevant Senior Secured Notes Trustee (as applicable), the Second Lien Agent, the Second Lien Notes Trustee, the Topco Agent, the Topco Notes Trustee and each other Cash Management Facility Lender (or the relevant Cash Management Facility Agent on its behalf, if appointed) and each Hedge Counterparty.

(b) If a Senior Acceleration Event occurs the Senior Agent shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(c) If a Super Senior Acceleration Event occurs, the Super Senior Agent shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(d) If a Senior Secured Notes Acceleration Event occurs the relevant Senior Secured Notes Trustee shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(e) If a Cash Management Facility Acceleration Event occurs the Cash Management Facility Lenders which are providing the relevant Cash Management Facility (or the relevant Cash Management Facility Agent on their behalf, if appointed) shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(f) If a Second Lien Default either occurs or ceases to be continuing the Second Lien Agent or the Second Lien Notes Trustee (as applicable) shall, upon becoming aware of that occurrence or cessation, notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(g) If a Second Lien Lender Acceleration Event occurs the Second Lien Agent shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(h) If a Second Lien Notes Acceleration Event occurs the Second Lien Notes Trustee shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(i) If a Topco Default either occurs or ceases to be continuing the Topco Agent or the Topco Notes Trustee (as applicable) shall, upon becoming aware of that occurrence or cessation, notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(j) If a Topco Lender Acceleration Event occurs the Topco Agent shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(k) If a Topco Notes Acceleration Event occurs the Topco Notes Trustee shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party.

(l) If the Security Agent receives a Second Lien Enforcement Notice under paragraph (a) of Clause 5.10 (*Permitted Second Lien Enforcement*) it shall, upon receiving that notice, notify, and send a copy of that notice to, the Senior Agent, the Super Senior Agent, each Senior Secured Notes Trustee, the Second Lien Agent, the Second Lien Notes Trustee, the Topco Agent, the Topco Notes Trustee and each Hedge Counterparty.

(m) If the Security Agent receives a Topco Enforcement Notice under paragraph (b) of Clause 6.10 (*Permitted Topco Enforcement*) it shall, upon receiving that notice, notify, and send a copy of that notice to the Senior Agent, the Super Senior Agent, each Senior Secured Notes Trustee, the Second Lien Agent, the Second Lien Notes Trustee, the Topco Agent, the Topco Notes Trustee and each Hedge Counterparty.

(n) If the Security Agent enforces, or takes formal steps to enforce, any of the Transaction Security it shall notify each Secured Party of that action.

(o) If any Secured Creditor exercises any right it may have to enforce, or to take formal steps to enforce, any of the Transaction Security it shall notify the Security Agent and the Security Agent shall, upon receiving that notification, notify each other Party of that action.

(p) If a Debtor defaults on any Payment due under a Hedging Agreement, the Hedge Counterparty which is party to that Hedging Agreement shall, upon becoming aware of that default, notify the Security Agent and the Security Agent shall, upon receiving that notification, notify the Senior Agent, the Super Senior Agent, the relevant Senior Secured Notes Trustee(s), each other Hedge Counterparty, the Second Lien Agent, the Second Lien Notes Trustee, Topco Notes Creditors, the Topco Agent and the Topco Notes Trustee.

(q) If a Hedge Counterparty terminates or closes-out, in whole or in part, any hedging transaction under any Hedging Agreement under Clause 4.9 (*Permitted Enforcement: Hedge Counterparties*) it shall notify the Security Agent shall, upon receiving that notification, notify each Agent and each other Hedge Counterparty.

(r) If the Security Agent receives a notice under paragraph (a) of Clause 5.14 (*Option to Purchase: Second Lien Creditors*) it shall upon receiving that notice, notify, and send a copy of that notice to, the Senior Agent and each Senior Secured Notes Trustee.

(s) If the Security Agent receives a notice under paragraph (a) of Clause 5.15 (*Hedge Transfer: Second Lien Creditors*) it shall upon receiving that notice, notify, and send a copy of that notice to, each Hedge Counterparty.

(t) If the Security Agent receives a notice under paragraph (a) of Clause 6.14 (*Option to Purchase: Topco Creditors*) it shall upon receiving that notice, notify, and send a copy of that

notice to, the Senior Agent, each Senior Secured Notes Trustee, the Second Lien Agent and the Second Lien Notes Trustee.

(u) If the Security Agent receives a notice under paragraph (a) of 6.15 (*Hedge Transfer: Topco Creditors*) it shall upon receiving that notice, notify, and send a copy of that notice to, each Hedge Counterparty.

25. NOTICES

25.1 Communications in Writing

Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by electronic mail or letter.

25.2 Security Agent's Communications with Secured Creditors

The Security Agent shall be entitled to carry out all dealings:

(a) with the Senior Lenders, the Senior Arrangers, the Super Senior Lenders, the Super Senior Arrangers, the Senior Secured Notes Creditors, the Second Lien Lenders, the Second Lien Arrangers and the Second Lien Notes Creditors and the Topco Lenders, the Topco Arrangers and the Topco Notes Creditors through their respective Agents and may give to the Agents, as applicable, any notice or other communication required to be given by the Security Agent to a Senior Lender, Senior Arranger, Super Senior Lender, Super Senior Arranger, Senior Secured Notes Creditor, Second Lien Lender, Second Lien Arranger, Second Lien Notes Creditor, Topco Lender, Topco Arrangers or the Topco Notes Creditors; and

(b) with each Cash Management Facility Lender and Cash Management Facility Arranger, through their respective Cash Management Facility Agents (if appointed) or otherwise directly with that Cash Management Facility Lender or Cash Management Facility Arranger; and

(c) with each Hedge Counterparty directly with that Hedge Counterparty.

25.3 Addresses

The address (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is:

(a) in the case of any person which is a Party on the date of this Agreement, that identified with its signature below; and

(b) in the case of each other Party, that notified in writing to the Security Agent on or prior to the date on which it becomes a Party,

or any substitute address, electronic mail address or department or officer which that Party may notify to the Security Agent (or the Security Agent may notify to the other Parties, if a change is made by the Security Agent) by not less than five Business Days' notice.

25.4 Delivery

(a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective:

(i) if by way of electronic mail, when received in legible form; or

(ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post, postage prepaid, in an envelope addressed to it at that address,

and, if a particular department or officer is specified as part of its address details provided under Clause 25.3 (*Addresses*), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by it and then only if it is expressly marked for the attention of the department or officer identified in Clause 25.3 (*Addresses*) (or any substitute department or officer as that Security Agent shall specify for this purpose).

(c) Any communication or document made or delivered to the Company in accordance with this Clause 25.4 will be deemed to have been made or delivered to each of the Debtors, the Third Party Security Providers and each of the Creditors (other than a Secured Creditor or an Unsecured Creditor).

25.5 Notification of Address and Electronic Mail Address

Promptly upon receipt of notification of an address and electronic mail address or change of address or electronic mail address pursuant to Clause 25.3 (*Addresses*) or changing its own address or electronic mail address, the Security Agent shall notify the other Parties.

25.6 Electronic Communication

(a) Any communication to be made under or in connection with this Agreement may be made by electronic mail or other electronic means, if the Parties:

(i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication (with such agreement to be deemed to be given by each person which is a Party unless otherwise notified to the contrary by the Security Agent and the Company);

(ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

(iii) notify each other of any change to their address or any other such information supplied by them.

(b) Any electronic communication made between the Parties will be effective only when actually received in readable form and in the case of any electronic communication made by a Party to the Security Agent only if it is addressed in such a manner as the Security Agent shall specify for this purpose.

25.7 English Language

(a) Any notice given under or in connection with this Agreement must be in English.

(b) All other documents provided under or in connection with this Agreement must be:

(i) in English; or

(ii) if not in English, and if so required by the Security Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

25.8 Notices to all Creditors

(a) Where any request for a consent, amendment or waiver which requires the consent of all the Parties to this Agreement or any class of creditors (or percentage of such class) (as the case may be) is received by an Agent from a Debtor or, as the case may be, the Third Party Security Provider, the relevant Agent shall provide notice of such request to such Parties or the relevant class of Creditors at the same time.

(b) Where an instruction is required by an Agent from a class of Creditors (or a percentage of such class), notice of such instruction shall be provided to each Creditor in the relevant class at the same time.

26. PRESERVATION

26.1 Waiver of Defences

The provisions of this Agreement or any Transaction Security will not be affected by an act, omission, matter or thing which, but for this Clause 26.1, would reduce, release or prejudice the subordination and priorities expressed to be created by this Agreement including (without limitation and whether or not known to any Party):

(a) any time, waiver or consent granted to, or composition with, any Debtor or other person;

(b) the release of any Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any Security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Debtor or other person;

(e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Debt Document or any other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security;

(g) any intermediate Payment of any of the Liabilities owing to the Secured Creditors or Unsecured Creditors in whole or in part; or

(h) any insolvency or similar proceedings.

26.2 Partial Invalidity

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

26.3 No Impairment

(a) If, at any time after its date, any provision of a Debt Document (including this Agreement) is not binding on or enforceable in accordance with its terms against a person expressed to be a party to that Debt Document, neither the binding nature nor the enforceability of that provision or any other provision of that Debt Document will be impaired as against the other party(ies) to that Debt Document.

(b) Each Party expressly acknowledges and agrees that any right to any payment, indemnity or otherwise under any Debt Document shall not (by reason only of such right) delay, condition or restrict any obligation in this Agreement to act promptly as otherwise required in relation to any step, action or document required to be taken or entered into hereunder.

26.4 Remedies and Waivers

(a) No failure to exercise, nor any delay in exercising, on the part of any Party, any right or remedy under this Agreement shall operate as a waiver, nor shall any single or partial

exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

(b) Each Party expressly acknowledges and agrees that any right to any payment, fee, indemnity, amount or otherwise under any Debt Document shall not (by reason only of such right) delay, condition or restrict any obligation in this Agreement to act promptly as otherwise required in relation to any step, action or document required to be taken or entered into hereunder.

26.5 Priorities Not Affected

Except as otherwise provided in this Agreement the priorities referred to in Clause 2 (*Ranking and Priority*) will:

(a) not be affected by any reduction or increase in the principal amount secured by the Transaction Security in respect of the Liabilities owing to the Secured Creditors or by any intermediate reduction or increase in, amendment or variation to any of the Debt Documents, or by any variation or satisfaction of, any of the Liabilities or any other circumstances;

(b) apply regardless of the order in which or dates upon which this Agreement and the other Debt Documents are executed or registered or notice of them is given to any person; and

(c) secure the Liabilities owing to the Secured Creditors in the order specified, regardless of the date upon which any of the Liabilities arise or of any fluctuations in the amount of any of the Liabilities outstanding.

27. CONSENTS, AMENDMENTS AND OVERRIDE

27.1 Required Consents

(a) Subject to paragraphs (b), (d) and (f) below, Clause 2.7 (*Additional and/or Refinancing Debt*), Clause 14 (*Non-Distressed Disposals, Distressed Disposal and Disposal Proceeds*), Clause 18 (*New Debt Financings*), Clause 27.4 (*Exceptions*) and Clause 27.5 (*Snooze/Lose)*, this Agreement may be amended or waived only with the consent of the Company, the Agents and the Security Agent **provided that**, to the extent that an amendment, waiver or consent only affects one class of Creditors, and such amendment, waiver or consent could not reasonably be expected materially or adversely to affect the interests of the other classes of Creditors, only written agreement from the Agent acting on behalf of the affected class shall be required.

(b) Subject to paragraph (f) below, Clause 2.7 (*Additional and/or Refinancing Debt*), Clause 14 (*Non-Distressed Disposals, Distressed Disposal and Disposal Proceeds*), Clause 18 (*New Debt Financings*), Clause 27.4 (*Exceptions*) and Clause 27.5 (*Snooze/Lose)*, an amendment or waiver of this Agreement that has the effect of changing or which relates to:

(i) Clause 11 (*Redistribution*), Clause 16 (*Application of Proceeds*) or this Clause 27;

(ii) the order of priority or subordination under this Agreement;

(iii) paragraphs (d)(iii), (f) and (g) of Clause 19.7 (*Instructions to Security Agent and Exercise of Discretion*); or

(iv) Clause 10 (*Turnover of Receipts*),

other than an amendment or waiver which, without prejudice to the other terms of this Agreement, is consequential to or required to implement a Permitted Structural Adjustment (as defined in the Senior Facilities Agreement or in the equivalent term in any Debt Document) shall not be made without the consent of:

(A) each of the Agents acting in accordance with the provisions of the applicable Finance Documents;

(B) each Cash Management Facility Lender (or the relevant Cash Management Facility Agent on its behalf, if appointed) (but only to the extent that such amendment or waiver would (i) materially adversely affect the rights and obligations of the Cash Management Facility Lenders under this Agreement (solely in their capacity as such) and (ii) would not adversely affect the rights and obligations of any other Creditor or class of Creditors, in each case other the Cash Management Facility Lenders (solely in their capacity as such);

(C) each Hedge Counterparty (but only to the extent that such amendment or waiver would (i) adversely affect the rights and obligations of the Hedge Counterparties under this Agreement (solely in their capacity as such) and (ii) would not adversely affect the rights and obligations of any other Creditor or class of Creditors, in each case other than Hedge Counterparties (solely in their capacity as such); and

(D) the Company.

(c) Each Agent shall, to the extent it is consented to by the requisite percentage of the Creditors it represents or it is otherwise authorised by the Debt Documents to which it is party, act on such instructions or authorisations in accordance therewith save to the extent that any amendments so consented to or authorised relate to any provision affecting the personal rights and obligations of that Agent in its capacity as such.

(d) Subject to paragraph (a) of Clause 27.2 (*Amendments and Waivers: Transaction Security Documents*) and Clause 27.4 (*Exceptions*), where the Security Agent consent is required for any amendment or waiver in this Clause 27, the Security Agent shall act on the instructions of the applicable Instructing Group; provided that in all cases such consent of the Security Agent shall be deemed to have been given without such instruction or consent where either (i) an Instructing Group is not expressly required to instruct the Security Agent in relation to such amendment or waiver in accordance with the terms of this Agreement; or (ii) the Agents have given their consent on behalf of Creditors which in aggregate comprise an Instructing Group.

(e) This Agreement may be amended by the Agents, the Security Agent and the Company without the consent of any other Party to cure defects, omissions or manifest errors or resolve ambiguities or inconsistencies.

(f) Notwithstanding anything to the contrary in the Debt Documents, a Creditor may unilaterally waive, relinquish or otherwise irrevocably give up all or any of its rights under any Debt Document with the consent of the Company.

27.2 Amendments and Waivers: Transaction Security Documents

Save as otherwise required or permitted by Clause 2.7 (*Additional and/or Refinancing Debt*), Clause 14 (*Non-Distressed Disposals, Distressed Disposal and Disposal Proceeds*), Clause 18 (*New Debt Financings*), Clause 27.1 (*Required Consents*) and subject to paragraphs (a) and (b) below, and to paragraph (b) of Clause 27.4 (*Exceptions*) and Clause 27.5 (*Snooze/Lose)*:

(a) the relevant Security Agent may, if the Company consents, amend the terms of, release or waive any of the requirements of or grant consents under, any of the Transaction Security Documents which shall be binding on each Party; and

(b) the prior consent of the Secured Creditors is required to authorise any amendment, release or waiver of, or consent under, any Transaction Security Document which would adversely affect the nature or scope of the assets subject to Transaction Security or the manner in which the proceeds of enforcement of the Transaction Security are distributed.

27.3 Effectiveness

Any amendment, waiver or consent given in accordance with this Clause 27 will be binding on all Parties and the Security Agent may effect, on behalf of any Agent, Arranger or Creditor, any amendment, waiver or consent permitted by this Clause 27.

27.4 Exceptions

(a) Subject to paragraphs (b) and (d) below, an amendment, waiver or consent which relates to the rights or obligations which are personal to an Agent, an Arranger, the Security Agent in its capacity as such (including, without limitation, any ability of the Security Agent to act in its discretion under this Agreement) may not be effected without the consent of that Agent or, as the case may be, that Arranger or the Security Agent.

(b) Neither paragraph (a) above, nor Clause 27.2 (*Amendments and Waivers: Transaction Security Documents*) shall apply:

(i) to any release of Transaction Security, claim or Liabilities; or

(ii) to any amendment, waiver or consent,

which, in each case, the Security Agent gives in accordance with Clause 2.7 (*Additional and/or Refinancing Debt*), Clause 14 (*Non-Distressed Disposals, Distressed Disposal and Disposal Proceeds*), Clause 18 (*New Debt Financings*), or as contemplated by the terms of any Security Document or is consequential to or required to implement a Permitted Structural Adjustment (as defined in the Senior Facilities Agreement or in the equivalent term in any Debt Document) and each Party agrees that any such release, amendment, waiver or consent can be effected solely by the Company and the Security Agent acting in accordance with the provisions of such clauses or the applicable Security Document.

(c) In all cases, no amendment, waiver or consent under or in connection with this Agreement shall require the consent of any Unsecured Creditor unless such amendment, waiver or consent is expressed to impose additional restrictions on the rights or increases the obligations of any Unsecured Creditor under the Unsecured Finance Documents in their capacity as such (without a corresponding restriction or increase in obligation applicable in a similar manner to any other class of Creditor), in which case such amendment, waiver or consent shall also require the consent of the Majority Unsecured Creditors. Subject to the foregoing, any amendment, waiver or consent otherwise made without the consent of the Unsecured Creditors in accordance with this Agreement shall enter into full force and effect and be binding on all such Unsecured Creditors.

(d) Paragraph (a) above shall apply to an Arranger only to the extent that Arranger Liabilities are then owed to that Arranger.

27.5 Snooze/Lose

If in relation to:

(a) a request for a Consent in relation to any of the terms of this Agreement;

(b) a request to participate in any other vote of Super Senior Creditors, Senior Creditors, Senior Secured Notes Creditors, Second Lien Lenders, Second Lien Notes Creditors, Topco Facility Creditors, Topco Notes Creditors or Unsecured Creditors under the terms of this Agreement;

(c) a request to approve any other action under this Agreement; or

(d) a request to provide any confirmation or notification under this Agreement,

then, in each case, any Secured Creditor or Unsecured Creditor:

(i) fails to respond to that request within ten (10) Business Days (or any other period of time notified by the Company, with the prior agreement of the Agents if the period for

this provision to operate is less than ten (10) Business Days) of that request being made; or

(ii) fails to provide details of its Super Senior Credit Participation, Senior Secured Credit Participation, Second Lien Credit Participation, Unsecured Credit Participation, Topco Credit Participation or Unsecured Credit Participation to the Security Agent within the timescale specified by the Security Agent:

(A) in the case of paragraphs (a) to (c) above, that Secured Creditor's Super Senior Credit Participation, Senior Secured Credit Participation, Second Lien Credit Participation, Topco Credit Participation, or in the case of an Unsecured Creditor, its Unsecured Credit Participation (as the case may be) shall be deemed to be zero for the purpose of calculating the Super Senior Credit Participation, Senior Secured Credit Participation, Second Lien Credit Participation, Topco Credit Participation or Unsecured Credit Participation when ascertaining whether any relevant percentage (including, for the avoidance of doubt, unanimity) of Super Senior Credit Participations, Senior Secured Credit Participations, Second Lien Credit Participations, Topco Credit Participations or Unsecured Credit Participation has been obtained to give that Consent, carry that vote or approve that action;

(B) in the case of paragraphs (a) to (c) above, that Secured Creditor's status as a Senior Secured Creditor, Second Lien Creditor or Topco Creditor or, in the case of an Unsecured Creditor, its status as an Unsecured Creditor shall be disregarded for the purposes of ascertaining whether the agreement of any specified group of Secured Creditors or Unsecured Creditors has been obtained to give that Consent, carry that vote or approve that action; and

(C) in the case of paragraph (d) above, that confirmation or notification shall be deemed to have been given.

27.6 Disenfranchisement of Defaulting Lenders

(a) For so long as a Defaulting Lender has any Available Commitment in ascertaining:

(i) the Majority Senior Secured Creditors;

(ii) the Majority Senior Lenders;

(iii) the Majority Second Lien Creditors;

(iv) the Majority Second Lien Lenders; or

(v) whether:

(A) any relevant percentage (including, for the avoidance of doubt, unanimity) of Credit Participations; or

(B) the agreement of any specified group of Secured Creditors or Unsecured Creditor, has been obtained to approve any request for a Consent or to carry any other vote or approve any action under this Agreement,

that Defaulting Lender's Available Commitments will be reduced to zero.

(b) For the purposes of this Clause 27.6, the relevant Agent and the Security Agent may assume that the following Creditors are Defaulting Lenders:

(i) any Senior Lender, Super Senior Lender, Cash Management Facility Lender, Second Lien Lender, Topco Lender or Unsecured Lender (as applicable) which has notified the Security Agent and its relevant Agent that it has become a Defaulting Lender;

(ii) any Senior Lender, Super Senior Lender, Cash Management Facility Lender, Second Lien Lender, Topco Lender or Unsecured Lender (as applicable) if the relevant Agent has notified the Security Agent that that Creditor is a Defaulting Lender;

(iii) any Senior Lender, Super Senior Lender, Cash Management Facility Lender, Second Lien Lender, Topco Lender or Unsecured Lender (as applicable) if the Company has notified the Security Agent that that Creditor is a Defaulting Lender; and

(iv) any Senior Lender, Super Senior Lender, Second Lien Lender, Topco Lender, Unsecured Lender or Cash Management Facility Lender (as applicable) in relation to which it is aware that any of the events or circumstances referred to in the definition of **"Defaulting Lender"** in the Senior Facilities Agreement, any Permitted Senior Secured Facilities Agreement, any Second Lien Facility Agreement, any Topco Facility Agreement, any Permitted Super Senior Secured Facilities Agreement or any Unsecured Facility Agreement (as appropriate) has occurred,

unless it has received notice to the contrary from the Creditor concerned (together with any supporting evidence reasonably requested by the Security Agent) or the Security Agent is otherwise aware that the Creditor concerned has ceased to be a Defaulting Lender.

27.7 Calculation of Credit Participations

(a) For the purpose of ascertaining whether any relevant percentage of Credit Participations has been obtained under this Agreement, the Security Agent may notionally convert the Credit Participations into their Common Currency Amounts.

(b) Each Notes Trustee will, upon the request of the Security Agent, promptly provide the Security Agent with details of the Credit Participations of the Creditors whom it represents (which shall be calculated as at the time stipulated by the Security Agent in such request) and (if applicable) details of the extent to which such Credit Participations have been voted for or against any request.

(c) Each Agent will, upon the request of the Security Agent, promptly provide the Security Agent with details of the Credit Participations of the Creditors whom it represents (which shall be calculated as at the time stipulated by the Security Agent or the relevant Agent (as applicable) in such request) and (if applicable) details of the extent to which such Credit Participations have been voted for or against any request.

(d) Each Cash Management Facility Lender (or the relevant Cash Management Facility Agent on its behalf, if appointed) will, upon the request of the Security Agent or any other Agent, promptly provide the details of its Credit Participations which shall be calculated as at the time stipulated by the Security Agent or the relevant Agent (as applicable) in such request) and (if applicable) details of the extent to which such Credit Participations have been voted for or against any request.

(e) Each Hedge Counterparty will, upon the request of the Security Agent or any other Agent, promptly provide the details of its Credit Participations which shall be calculated as at the time stipulated by the Security Agent or the relevant Agent (as applicable) in such request) and (if applicable) details of the extent to which such Credit Participations have been voted for or against any request.

27.8 Deemed consent

Following a request by a member of the Group, if an Agent gives a Consent in respect of the Senior Finance Documents, the Super Senior Finance Documents, the Second Lien Finance Documents or the Topco Finance Documents then, if that action was permitted by the terms of this Agreement, the Intra-Group Lenders, the Subordinated Creditors and the Company will (or will be deemed to):

(a) give a corresponding Consent in equivalent terms in relation to each of the Debt Documents to which they are a party; and

(b) do anything (including executing any document) that the relevant Agent may reasonably require to give effect to paragraph (a) above.

27.9 Excluded consents

Clause 27.8 (*Deemed consent*) does not apply to any Consent which has the effect of:

(a) increasing or decreasing the Liabilities;

(b) changing the basis upon which any Permitted Payments are calculated (including the timing, currency or amount of such Payments); or

(c) changing the terms of this Agreement or of any Security Document.

27.10 Administrative Consents

(a) If, prior to the later of the Super Senior Discharge Date and the Senior Secured Discharge Date, a Senior Agent, a Super Senior Agent or a Senior Secured Notes Trustee at any time in respect of the Senior Finance Documents, the Super Senior Finance Documents and the Senior Secured Notes Finance Documents gives or give any Consent of a minor technical or administrative nature which does not adversely affect the interests of the Cash Management Facility Creditors, the Second Lien Creditors, the Topco Creditors, or, as the case may be, the Unsecured Creditors or change the commercial terms contained in the Cash Management Facility Finance Document, the Second Lien Finance Documents, the Topco Finance Documents, or as the case may be, the Unsecured Finance Documents then, if that action was permitted by the terms of this Agreement, the Cash Management Facility Creditors, the Second Lien Creditors, the Topco Creditors, the Unsecured Creditors will (or will be deemed to):

    (i) give a corresponding Consent in equivalent terms in relation to each of the Debt Documents to which they are a party; and

    (ii) do anything (including executing any document) that the Senior Agent or the Senior Secured Notes Trustee (as the context requires) may reasonably require to give effect to this paragraph (a).

(b) If, at any time after the later of the Super Senior Discharge Date and the Senior Secured Discharge Date but prior to the Priority Discharge Date, a Second Lien Agent or a Second Lien Notes Trustee at any time in respect of the Second Lien Finance Documents gives or give any Consent of a minor technical or administrative nature which does not adversely affect the interests of the Topco Creditors or, as the case may be, any Unsecured Creditor or change the commercial terms contained in the Topco Finance Documents or, as the case may be, the Unsecured Finance Documents then, if that action was permitted by the terms of this Agreement, the Topco Creditors and each Unsecured Creditor will (or will be deemed to):

    (i) give a corresponding Consent in equivalent terms in relation to each of the Debt Documents to which they are a party; and

    (ii) do anything (including executing any document) that the Second Lien Agent or the Second Lien Notes Trustee may reasonably require to give effect to this paragraph (b).

27.11 No Liability

None of the Agents, the Senior Secured Creditors, the Second Lien Creditors, the Topco Creditors or the Unsecured Creditors will be liable to any other Creditor, Agent, Third Party Security Provider or Debtor for any Consent given or deemed to be given under this Clause 27.

27.12 Agreement to Override

(a) Subject to paragraph (b) below, unless expressly stated otherwise in this Agreement, this Agreement overrides anything in the Debt Documents to the contrary.

(b) Notwithstanding anything to the contrary in this Agreement, but subject to paragraph (aa) of Clause 1.2 (*Construction*), paragraph (a) above will not cure, postpone, waive or negate in any manner any default or event of default (however described) under any Debt Document (or any event that would, but for paragraph (a) above, constitute a default or event of default (howsoever described)) as between any Creditor, any Third Party Security Provider and any Debtor that are Party to that Debt Document.

28. NOTES TRUSTEES

28.1 Liability

(a) It is expressly understood and agreed by the Parties that this Agreement is executed and delivered by each Notes Trustee not individually or personally but solely in its capacity as trustee in the exercise of the powers and authority conferred and vested in it under the relevant Notes Finance Documents for and on behalf of the Noteholders only for which the Notes Trustee acts as trustee and it shall have no liability for acting for itself or in any capacity other than as trustee and nothing in this Agreement shall impose on it any obligation to pay any amount out of its personal assets. Notwithstanding any other provision of this Agreement, its obligations hereunder (if any) to make any payment of any amount or to hold any amount on trust (or otherwise) shall be only to make payment of such amount to or hold any such amount on trust (or otherwise) to the extent that: it has actual knowledge that such obligation has arisen; and (ii) it has received and, on the date on which it acquires such actual knowledge, has not distributed to the Noteholders for which it acts as trustee in accordance with the relevant Notes Indenture (in relation to which it is trustee) any such amount.

(b) It is further understood and agreed by the Parties that in no case shall any Notes Trustee be: personally responsible or accountable in damages or otherwise to any other party for any loss, damage or claim incurred by reason of any act or omission performed or omitted by that Notes Trustee in good faith in accordance with this Agreement or any of the Notes Finance Documents in a manner that such Notes Trustee believed to be within the scope of the authority conferred on it by this Agreement or any of the Notes Finance Documents or by law; or (ii) personally liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be those of any other Party, all such liability, if any, being expressly waived by the Parties and any person claiming by, through or under such Party; **provided that** each Notes Trustee shall be personally liable under this Agreement for its own gross negligence or wilful misconduct. It is also acknowledged and agreed that no Notes Trustee shall have any responsibility for the actions of any individual Creditor or Noteholder (save in respect of its own actions).

(c) The Parties acknowledge and agree that no Notes Trustee shall be charged with knowledge or existence of facts that would impose an obligation on it hereunder to make any payment or prohibit it from making any payment unless, not less than two Business Days prior to the date of such payment, a Responsible Officer of the applicable Notes Trustee receives written notice satisfactory to it that such payments are required or prohibited by this Agreement.

(d) Notwithstanding anything contained in this Agreement, no provision of this Agreement shall alter or otherwise affect the rights and obligations of the Notes Issuer or any Debtor to make payments in respect of Notes Trustee Amounts as and when the same are due and payable pursuant to the applicable Notes Finance Documents or the receipt and retention by a Notes Trustee of the same or the taking of any step or action by a Notes Trustee in respect of its rights under the Notes Finance Documents to the same.

(e) No Notes Trustee is responsible for the appointment or for monitoring the performance of the Security Agents.

(f) The Security Agent agrees and acknowledges that it shall have no claim against any Notes Trustee in respect of any fees, costs, expenses and liabilities due and payable to, or incurred by, the Security Agent.

(g) No Notes Trustee shall be under an obligation to instruct or direct the Security Agent to take any Security Enforcement Action unless it shall have been instructed to do so by the Noteholders and if it shall have been indemnified and/or secured to its satisfaction.

28.2 No Action

(a) Notwithstanding any other provision of this Agreement, no Notes Trustee shall have any obligation to take any action under this Agreement unless it is indemnified and/or secured and/or prefunded by the Noteholders to its satisfaction in respect of all costs, expenses and liabilities which it would in its opinion incur (together with any associated VAT). No Notes Trustee shall have an obligation to indemnify (out of its personal assets) any other person, whether or not a Party, in respect of any of the transactions contemplated by this Agreement. In no event shall the permissive rights of a Notes Trustee to take action under this Agreement be construed as an obligation to do so.

(b) Prior to taking any action under this Agreement a Notes Trustee may request and rely upon an opinion of counsel or opinion of another qualified expert, at the expense of the Company or another Debtor.

(c) Notwithstanding any other provisions of this Agreement or any other Notes Finance Document to which a Notes Trustee is a party to, in no event shall a Notes Trustee be liable for special, indirect, punitive or consequential loss or damages of any kind whatsoever (including, but not limited to, loss of business, goodwill, opportunity or profits) whether or not foreseeable even if such Notes Trustee has been advised of the likelihood of such loss or damage and regardless of whether the claim for loss or damage is made in negligence, for breach of contract or otherwise.

28.3 Reliance on Certificates

The Notes Trustees shall at all times be entitled to and may rely on any notice, consent or certificate given or granted by any Party without being under any obligation to enquire or otherwise determine whether any such notice, consent or certificate has been given or granted by such Party properly acting in accordance with the provisions of this Agreement.

28.4 No Fiduciary Duty

No Notes Trustee shall be deemed to owe any fiduciary duty to any Creditor (save in respect of such persons for whom it acts as trustee) and shall not be personally liable to any Creditor if it shall in good faith mistakenly pay over or distribute to any Creditor or to any other person cash, property or securities to which any other Creditor shall be entitled by virtue of this Agreement or otherwise. With respect to the Creditors, each Notes Trustee undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in the Notes Finance Documents pursuant to which it acts as trustee and this Agreement and no implied agreement, covenants or obligations with respect to the other Creditors shall be read into this Agreement against a Notes Trustee.

28.5 Debt Assumptions

(a) Each Senior Secured Notes Trustee is entitled to assume that in respect of the Secured Liabilities and the Unsecured Liabilities:

(i) no Senior Payment Default, Second Lien Payment Default, Topco Payment Default or Unsecured Payment Default has occurred;

(ii) no Senior Default, Second Lien Default, Topco Default or Unsecured Default has occurred;

(iii) none of the Senior Secured Creditor Liabilities, Hedging Liabilities, Second Lien Creditor Liabilities, Topco Liabilities or Unsecured Liabilities have been accelerated;

(iv) no Default, Event of Default or termination event (however described) has occurred; and

(v) none of the Senior Discharge Date the Second Lien Discharge Date or the Topco Discharge Date has occurred,

unless a Responsible Officer of the relevant Senior Secured Notes Trustee has actual knowledge to the contrary.

(b) The Second Lien Notes Trustee is entitled to assume that in respect of the Secured Liabilities and the Unsecured Liabilities:

(i) no Senior Payment Default, Second Lien Payment Default, Topco Payment Default or Unsecured Payment Default has occurred;

(ii) no Senior Default, Second Lien Default, Topco Default or Unsecured Default has occurred;

(iii) none of the Senior Secured Creditor Liabilities, Hedging Liabilities, Second Lien Creditor Liabilities, Topco Liabilities or Unsecured Liabilities have been accelerated;

(iv) no Default, Event of Default or termination event (however described) has occurred; and

(v) none of the Senior Discharge Date, the Second Lien Discharge Date or the Topco Discharge Date has occurred,

unless a Responsible Officer of the Second Lien Notes Trustee has actual knowledge to the contrary.

(c) The Topco Notes Trustee is entitled to assume that in respect of the Secured Liabilities:

(i) no Senior Payment Default, Second Lien Payment Default, Topco Payment Default or Unsecured Payment Default has occurred;

(ii) no Senior Default, no Second Lien Default, Topco Default or Unsecured Default has occurred;

(iii) none of the Senior Secured Creditor Liabilities, Hedging Liabilities, Second Lien Creditor Liabilities, Topco Liabilities or Unsecured Liabilities have been accelerated;

(iv) no Default, Event of Default or termination event (however described) has occurred; and

(v) none of the Senior Discharge Date, the Second Lien Discharge Date, Unsecured Discharge Date or the Topco Discharge Date has occurred,

unless a Responsible Officer of the Topco Notes Trustee has actual knowledge to the contrary.

(d) The Notes Trustee is not obliged to monitor or enquire whether any Event of Default has occurred.

28.6 Senior Secured Notes Creditors/Topco Creditors/Unsecured Creditors

(a) In acting pursuant to this Agreement and the relevant Senior Secured Notes Indenture, the Senior Secured Notes Trustee is not required to have any regard to the interests of any Creditor other than the Senior Secured Noteholders for which it is the Senior Secured Notes Trustee.

(b) In acting pursuant to this Agreement and the relevant Second Lien Notes Indenture, the Second Lien Notes Trustee is not required to have any regard to the interests of any Creditor other than the Second Lien Noteholders for which it is the Second Lien Notes Trustee.

(c) In acting pursuant to this Agreement and the relevant Topco Notes Indenture, the Topco Notes Trustee is not required to have any regard to the interests of any Creditor other than the Topco Noteholders for which it is the Topco Notes Trustee.

28.7 Claims of Security Agent

The Security Agent agrees and acknowledges that it shall have no claim against the Notes Trustees in respect of any fees, costs, expenses and liabilities due and payable to, or incurred by, the Security Agent.

28.8 Reliance and Advice

Each Notes Trustee may:

(a) rely on any notice or document believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person;

(b) rely on any statement made by any person regarding any matters which may be assumed to be within its knowledge or within its powers to verify; and

(c) engage, pay for and rely on professional advisers selected by it (including those representing a person other than the Notes Trustee).

28.9 Provisions Survive Termination

The provisions of this Clause 28 shall survive any termination of this Agreement.

28.10 Other Parties Not Affected

No provision of this Clause 28 shall alter or change the rights and obligations as between the other Parties in respect of each other. This Clause 28 is intended to afford protection to the Notes Trustees only.

28.11 Instructions

In acting under this Agreement, a Notes Trustee is entitled to seek instructions from the Noteholders for which it acts as trustee at any time and, where it acts on the instructions of such Noteholders, a Notes Trustee shall not incur any liability to any person for so acting. The Notes Trustee is not liable to any person for any loss suffered as a result of any delay caused as a result of it seeking instructions from the Noteholders for which it acts as trustee.

28.12 Responsibility of Notes Trustee

(a) No Notes Trustee shall be responsible to any other Senior Finance Party, Hedge Counterparty, Senior Secured Notes Finance Party, Second Lien Finance Party, Topco Finance Party or Unsecured Creditor for the legality, validity, effectiveness, enforceability, adequacy, accuracy, completeness or performance of:

(i) any Senior Finance Document, Senior Secured Notes Finance Document, Hedging Agreement, Second Lien Finance Document, Topco Finance Document or any other document;

(ii) any statement or information (whether written or oral) made in or supplied in connection with any Senior Finance Document, Senior Secured Notes Finance Document, Hedging Agreement, Second Lien Finance Document, Unsecured Finance Document, Topco Finance Document or any other document; or

(iii) any observance by any Debtor of its obligations under any Finance Document or any other document.

(b) Each Notes Trustee may rely, and shall be fully protected in acting or refraining from acting upon, any notice, certificate or other document reasonably believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person.

28.13 Confirmation

Without affecting the responsibility of any Debtor or the Company for information supplied by it or on its behalf in connection with any Senior Secured Finance Documents, the Second Lien Finance Documents, the Unsecured Finance Documents and the Topco Finance Documents (as applicable), each Senior Finance Party, Hedge Counterparty, Senior Secured Notes Finance Party, Second Lien Lender Finance Party, Unsecured Creditor, Second Lien Notes Finance Party, Topco Facility Finance Party and Topco Notes Finance Party (other than a Notes Trustee (in its personal capacity) and the Security Agent) confirms that it:

(a) has made, and will continue to make, its own independent appraisal of all risks arising under or in connection with the Senior Finance Documents, the Senior Secured Notes Finance Documents, the Second Lien Lender Finance Documents, the Second Lien Notes Finance Documents, the Unsecured Finance Documents, the Topco Facility Finance Documents, the Topco Notes Finance Documents or the Hedging Agreements (including the financial condition and affairs of each Debtor or their related entities and the nature and extent of any recourse against any Party or its assets); and

(b) has not relied on any information provided to it by a Notes Trustee in connection with any Senior Finance Document, Senior Secured Notes Finance Document, Second Lien Lender Finance Document, Second Lien Notes Finance Document, Unsecured Finance Document, Topco Notes Finance Document or Hedging Agreement.

28.14 Provision of Information

No Notes Trustee is obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party. No Notes Trustee is responsible for:

(a) providing any Senior Lender, Super Senior Lender, Cash Management Facility Creditor, Senior Secured Notes Creditor, Hedge Counterparty, Second Lien Lender, Second Lien Notes Creditor, Unsecured Creditor or Topco Creditor with any credit or other information concerning the risks arising under or in connection with the Debt Documents (including any information relating to the financial condition or affairs of any Debtor or their related entities or the nature or extent of recourse against any Party or its assets) whether coming into its possession before, on or after the date of this Agreement; or

(b) obtaining any certificate or other document from any Debtor or the Company.

28.15 Departmentalism

In acting as a Notes Trustee, each Notes Trustee shall be treated as acting through its agency division which shall be treated as a separate entity from its other divisions and departments. Any information received or acquired by a Notes Trustee which, in its opinion, is received or acquired by some other division or department or otherwise than in its capacity as a Notes Trustee may be treated as confidential by the Notes Trustee and will not be treated as information possessed by the Notes Trustee in its capacity as such.

28.16 Disclosure of Information

Each Debtor irrevocably authorises any Notes Trustee to disclose to any Senior Finance Party, Hedge Counterparty, Senior Secured Notes Finance Party, Second Lien Finance Party and Topco Notes Finance Party and Unsecured Creditor any information that is received by the Notes Trustee in its capacity as the Notes Trustee.

28.17 Illegality

(a) Each Notes Trustee may refrain from doing anything (including disclosing any information) which might, in its opinion, constitute a breach of any law or regulation and may do anything which, in its opinion, is necessary or desirable to comply with any law or regulation.

(b) Furthermore, each Notes Trustee may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or if, in its opinion based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or if it is determined by any court or other competent authority in that jurisdiction that it does not have such power.

28.18 Resignation of Notes Trustee

Each Notes Trustee may resign or be removed in accordance with the terms of the applicable Notes Indenture, **provided that** a replacement Notes Trustee agrees with the Parties to become the replacement trustee under this Agreement by the execution of an Creditor/Agent Accession Undertaking.

28.19 Notes Trustee Assumptions

(a) The Notes Trustee is entitled to assume that:

(i) any payment or other distribution made pursuant to this Agreement in respect of the Topco Notes Liabilities, Unsecured Notes Liabilities, Second Lien Notes Liabilities or Senior Secured Notes Liabilities (as the case may be) has been made in accordance with the ranking in Clause 2 (*Ranking and Priority*) and is not prohibited by any provisions of this Agreement and is made in accordance with these provisions;

(ii) the proceeds of enforcement of any Security conferred by the Security Documents have been applied in the order set out in Clause 16 (*Application of Proceeds*);

(iii) any Security, collateral, guarantee or indemnity or other assurance granted to it has been done so in compliance with Clause 3.3 (*Security and Guarantees: Senior Secured Creditors*); and

(iv) any Senior Secured Notes, Second Lien Notes, Unsecured Notes or Topco Notes issued comply with the provisions of this Agreement including, without limitation, Clause 5 (*Second Lien Creditors and Second Lien Liabilities*) and Clause 6 (*Topco Creditors, Topco Liabilities and Topco Group Liabilities*.

(b) Each Notes Trustee is entitled to assume that any payment or distribution made in respect of the Unsecured Notes Liabilities, the Topco Notes Liabilities, Second Lien Notes Liabilities or Senior Secured Notes Liabilities (as the case may be) is not prohibited by this Agreement, unless it has actual knowledge to the contrary, **provided that** a Notes Trustee shall be liable under this Agreement for its own gross negligence or wilful misconduct.

(c) A Notes Trustee shall not have any obligation under Clause 9 (*Effect of Insolvency Event*) or Clause 11 (*Redistribution*) in respect of amounts received or recovered by it unless it has actual knowledge that the receipt or recovery falls within paragraph (a) or (b) above, and (ii) it has not distributed to the relevant Noteholders in accordance with the Notes Indenture any amount so received or recovered.

(d) A Notes Trustee shall not be obliged to monitor performance by the Debtors, the Security Agent or any other Party to this Agreement or the Noteholders of their respective obligations under, or compliance by them with, the terms of this Agreement.

28.20 Agents

Each Notes Trustee may act through its attorneys and agents and shall not be responsible for the misconduct or negligence of any attorney or agent appointed with due care by it hereunder.

28.21 No Requirement for Bond or Surety

No Notes Trustee shall be required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Agreement.

28.22 Notes Trustee Liabilities and Payments

No provision of this Agreement shall alter or otherwise affect the rights and obligations of any Debtor to make payments in respect of the Notes Trustee Liabilities as and when the same are due and payable and demand, receipt and retention by any Notes Trustee of the same or taking of any step or action by any Senior Secured Notes Trustee in respect of its rights under the Notes Finance Documents to the same.

29. COUNTERPARTS

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

30. GOVERNING LAW

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

31. ENFORCEMENT

31.1 Jurisdiction

(a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or the consequences of its nullity or any non-contractual obligation arising out of or in connection with this Agreement) (a "**Dispute**").

(b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

(c) This Clause 31.1 is for the benefit of the Secured Parties only. As a result, no Secured Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Secured Parties may take concurrent proceedings in any number of jurisdictions.

(d) Notwithstanding the foregoing, paragraph (c) of this Clause 31.1 shall not apply in relation to any proceedings commenced by any of the Secured Parties against any Debtor, Third Party Security Provider or Subordinated Creditor incorporated or established in France (including where such entity is a joint defendant with the other Debtors and/or Third Party Security Providers), and any such proceeding shall be commenced in the English courts pursuant to paragraphs (a) and (b) of this Clause 31.1.

31.2 Service of Process

(a) Without prejudice to any other mode of service allowed under any relevant law each Debtor and Third Party Security Provider (unless incorporated in England and Wales):

  (i) irrevocably appoints Kirkland & Ellis International LLP of 30 St Mary Axe, London EC3A 8AF, United Kingdom (Attention: Stephen Lucas / Hugh O'Sullivan) as its agent for service of process in relation to any proceedings before the English courts in connection with this Agreement; and

  (ii) agrees that failure by a process agent to notify the relevant Debtor or Third Party Security Provider of the process will not invalidate the proceedings concerned.

If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Company (on behalf of all the Debtors and the Third Party Security Providers) must promptly (and in any event within 10 Business Days of such event taking place) notify the Agents and appoint another agent on terms acceptable to the Senior Agent or, after the Senior Discharge Date, Senior Secured Notes Trustee or, after the Senior Secured Notes Discharge Date, the Second Lien Agent or, after the Second Lien Lender Discharge Date, the Second Lien Notes Trustee or, after the Priority Discharge Date, the Topco Creditor Representative (each acting reasonably and in good faith). Failing this, the Senior Agent, Senior Secured Notes Trustee, Second Lien Agent, Second Lien Notes Trustee, Topco Agent or the Topco Notes Trustee (as the case may be) may appoint another agent for this purpose.

(b) Each Debtor and Third Party Security Provider expressly agrees and consents to the provisions of this Clause 31 and Clause 30 (*Governing Law*).

THIS AGREEMENT has been entered into on the date stated at the beginning of this Agreement and executed as a deed by the Intra-Group Lenders, the Debtors, the Original Third Party Security Providers, the Original Investor Subordinated Creditor, the Original Topco Subordinated Creditor and the Company and is intended to be and is delivered by them as a deed on the date specified above and shall take effect as a deed notwithstanding the fact that the other parties hereto have executed this Agreement under hand.

SCHEDULE 1
Form of Debtor/Third Party Security Provider Accession Undertaking

THIS AGREEMENT is made on [●] and made between:

(1) [Insert full name of New Debtor/Third Party Security Provider] (the "**Acceding [Debtor]/[Third Party Security Provider]**"); and

(2) [Insert full name of Current Security Agent] (the "**Security Agent**"), for itself and each of the other parties to the intercreditor agreement referred to below.

This Agreement is made on [date] by the Acceding [Debtor]/[Third Party Security Provider] in relation to an intercreditor agreement (the "**Intercreditor Agreement**") dated [●] between, amongst others, [●] as Company, [●] as security agent, [●] as senior agent, the other Creditors, Third Party Security Providers and the other Debtors (each as defined in the Intercreditor Agreement).

The Acceding [Debtor]/[Third Party Security Provider] intends to [incur Liabilities under the following documents]/[give a guarantee, indemnity or other assurance against loss in respect of Liabilities under the following documents]/[provide third party security in respect of Liabilities under the following documents]:

[Insert details (date, parties and description) of relevant documents including, as the case may be, any limitation language applicable to the relevant Debtor/Third Party Security Provider]

(the "**Relevant Documents**").

IT IS AGREED as follows:

1. Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this Agreement.

2. The Acceding [Debtor]/[Third Party Security Provider] and the Security Agent agree that the Security Agent shall hold:

   (a) any Security in respect of Liabilities or any Parallel Debt created or expressed to be created pursuant to the Relevant Documents;

   (b) all proceeds of that Security; and

   (c) all obligations expressed to be undertaken by the Acceding [Debtor]/[Third Party Security Provider] [to pay amounts in respect of the Liabilities to the Security Agent as trustee or otherwise for the benefit of the Secured Parties (in the Relevant Documents or otherwise) and] secured by the Transaction Security together with all representations and warranties expressed to be given by the Acceding [Debtor]/[Third Party Security Provider] (in the Relevant Documents or otherwise) in favour of the Secured Parties (as represented by the Security Agent) as trustee or otherwise for the benefit of the Secured Parties,

on trust (or otherwise) for the benefit of the Secured Parties (or any class thereof as the case may be) on the terms and conditions contained in the Intercreditor Agreement.

3. The Acceding [Debtor]/[Third Party Security Provider] confirms that it intends to be party to the Intercreditor Agreement as a [Debtor]/[Third Party Security Provider], undertakes to perform all the obligations expressed to be assumed by a [Debtor]/[Third Party Security Provider] under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.

4. [In consideration of the Acceding Debtor being accepted as an Intra-Group Lender for the purposes of the Intercreditor Agreement, the Acceding Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra-Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra-Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.][1]

5. [Add applicable guarantee limitation language to the extent such guarantee limitation language in Schedule 7 (*Hedge Counterparties' Guarantee and Indemnity*) is insufficient where the relevant Acceding Debtor is also a Hedging Guarantor].

6. [No Belgian Third Party Security Provider shall be liable for the obligations of any other Debtor under the Relevant Documents, Intercreditor Agreement or otherwise, to the extent that such liability would result in such granting of Security constituting unlawful financial assistance within the meaning of Article 329 or 629 of the Belgian Companies Code (or any equivalent and applicable provision in any relevant jurisdiction).][2]

7. [Any Security Interest provided pursuant to a Senior Secured Notes Indenture by the [Spanish Third Party Security Provider] shall not extend to any payment obligation incurred by the Senior Secured Notes Issuer for the purpose of acquiring the shares of such [Spanish Third Party Security Provider] or the shares of any member of its corporate group (including [Target]), to the extent that such Security Interest would constitute unlawful financial assistance within the meaning of Article 143 of the Spanish Act on Share Capital Companies (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley, de Sociedades de Capital*).][3]

[5]/[6] This Agreement, and any non-contractual obligations arising out of or in connection with it, are governed by English law.

This Agreement has been signed on behalf of the Security Agent and executed as a deed by the Acceding [Debtor]/[Third Party Security Provider] and is delivered on the date stated above.

The Acceding Debtor /[Third Party Security Provider]

[**Executed** as a Deed
By: [Full name of Acceding Debtor] /[Third Party Security Provider]

) Director
)
) Director/Secretary

[1] Include this paragraph in the relevant Debtor/Third Party Security Provider/ Creditor/Agent Accession Undertaking if the Acceding Debtor is also to accede as an Intra-Group Lender to the Intercreditor Agreement.

[2] Include this paragraph in the relevant Third Party Security Provider Undertaking if the Acceding Third Party Security Provider is incorporated in Belgium.

[3] Include this paragraph in the relevant Third Party Security Provider Undertaking if the Acceding Third Party Security Provider is incorporated in Spain.

or

[**Executed** as a Deed
By: [Full name of Acceding Debtor] /[Third Party Security Provider]

) Director
)
) Director/Secretary

Name of witness:

Address of witness:

Occupation of witness:]

Address for notices:

Address:

The Security Agent

By: [Full name of Current Security Agent]

Date: [ ]

SCHEDULE 2
Form of Creditor/Agent Accession Undertaking

To: [Insert full name of current Security Agent] for itself and each of the other parties to the Intercreditor Agreement referred to below.

[To: [Insert full name of current Senior Agent] as Senior Agent.][4]

[To: [Insert full name of current Super Senior Agent] as Super Senior Agent.][5]

From: [Acceding Creditor/Agent]

This Undertaking is made on [date] by [insert full name of applicable party (the "**Acceding Party**") in relation to the intercreditor agreement (the "**Intercreditor Agreement**") dated [●] between, amongst others, [●] as Company, [●] as security agent, [●] as senior agent and the other Creditors and the other Debtors (each as defined in the Intercreditor Agreement). Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Undertaking, bear the same meanings when used in this Undertaking.

In consideration of the Acceding Party being accepted as a [***insert applicable defined terms and capacity***] for the purposes of the Intercreditor Agreement, the Acceding Party confirms that, as from [***date***], it intends to be party to the Intercreditor Agreement as a [***insert applicable defined terms and capacity***] and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a [***insert applicable defined terms and capacity***] and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

[The Acceding Party is an Affiliate of a Senior Lender and has become a provider of an Ancillary Facility. In consideration of the Acceding Lender being accepted as an Ancillary Lender for the purposes of the Senior Facilities Agreement, the Acceding Lender confirms, for the benefit of the parties to the Senior Facilities Agreement, that, as from [***date***], it intends to be party to the Senior Facilities Agreement as an Ancillary Lender, and undertakes to perform all the obligations expressed [in the Senior Facilities Agreement] to be assumed by a Senior Finance Party and agrees that it shall be bound by all the provisions of the Senior Facilities Agreement, as if it had been an original party to the Senior Facilities Agreement as an Ancillary Lender.]

[The Acceding Party is an Affiliate of a Super Senior Lender and has become a provider of an Ancillary Facility. In consideration of the Acceding Lender being accepted as an Ancillary Lender for the purposes of the Permitted Super Senior Secured Facilities Agreement, the Acceding Lender confirms, for the benefit of the parties to the Permitted Super Senior Secured Facilities Agreement, that, as from [***date***], it intends to be party to the Permitted Super Senior Secured Facilities Agreement as an Ancillary Lender, and undertakes to perform all the obligations expressed in the Permitted Super Senior Secured Facilities Agreement to be assumed by a Super Senior Finance Party and agrees that it shall be bound by all the provisions of the Permitted Super Senior Secured Facilities Agreement, as if it had been an original party to the Permitted Super Senior Secured Facilities Agreement as an Ancillary Lender.]

The Acceding Party expressly ratifies and approves any and all acts done by the Security Agent on its behalf prior to execution by the Acceding Party of this [Creditor/Agent] Accession Undertaking.

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

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[4] Include only in the case of: (i) an Ancillary Lender which is an Affiliate of a Senior Lender.

[5] Include only in the case of: (i) an Ancillary Lender which is an Affiliate of a Super Senior Lender.

THIS UNDERTAKING has been entered into on the date stated above [and is executed as a deed by the Acceding Party, if it is acceding as an Intra-Group Lender and is delivered on the date stated above].

Acceding [Creditor/Agent]

[**Executed** as a **Deed**]

[insert full name of Acceding	)	
Creditor/Agent]	)	By:
Address:		
Accepted by the Security Agent	)	
for and on behalf of	)	Signed:
[Insert full name of current Security Agent]	)	Date:
[Accepted by the Senior Agent]	)	
for and on behalf of	)	Signed
[Insert full name of Senior Agent]	)	Date][6]
[Accepted by the Super Senior Agent]	)	
for and on behalf of	)	Signed
[Insert full name of Super Senior Agent]	)	Date][7]

[6] Include only in the case of an Ancillary Lender which is an Affiliate of a Senior Lender

[7] Include only in the case of an Ancillary Lender which is an Affiliate of a Super Senior Lender

SCHEDULE 3
Form of Debtor Resignation Request

To: [●] as Security Agent

From: [resigning Debtor] and [the Company]

Dated:

Dear Sirs,

Intercreditor Agreement dated [●] between, amongst others, [●] as Company, [●] as security agent, [●] as senior agent, the other Creditors and the other Debtors (each as defined in the Intercreditor Agreement) (the "Intercreditor Agreement").

1. We refer to the Intercreditor Agreement. This is a Debtor Resignation Request. Terms defined in the Intercreditor Agreement have the same meaning in this Debtor Resignation Request unless given a different meaning in this Debtor Resignation Request.
2. Pursuant to Clause 21.23 (*Resignation of a Debtor*) of the Intercreditor Agreement we request that [resigning Debtor] be released from its obligations as a Debtor under the Intercreditor Agreement.
3. We confirm that:
   (a) no Event of Default is continuing or would result from the acceptance of this request; [and]
   (b) [Add relevant confirmation from Clause 21.23 (*Resignation of a Debtor*)].
4. This letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

[the Company] [**resigning Debtor**]

By: By:

SCHEDULE 4
The Original Debtors

Name	Jurisdiction of incorporation	Registered number or equivalent
NEWCO SAB MIDCO S.A.S	FRANCE	401 899 349 RCS
NEWCO SAB BIDCO S.A.S	FRANCE	824 988 117 RCS

SCHEDULE 5
The Original Intra-Group Lenders

Name	Jurisdiction of incorporation	Registered number or equivalent
NEWCO SAB BIDCO S.A.S	FRANCE	824 988 117 RCS

SCHEDULE 6
Enforcement Principles

1. In this Schedule 6:

"**Enforcement Objective**" means maximising, to the extent consistent with a prompt and expeditious realisation of value, the value realised from Enforcement.

"**Fairness Opinion**" means, in respect of any Enforcement, an opinion from a reputable, independent and internationally recognised investment bank, firm of accounts or third party professional firm which is regularly engaged in issuing such opinions (a "**Financial Adviser**") that the proceeds received or recovered in connection with that Enforcement are fair from a financial point of view taking into account all relevant circumstances.

2. Any Enforcement pursuant to Clause 13 (*Enforcement of Transaction Security on or after the Designation Date*) shall be consistent with the Enforcement Objective.

3. Without prejudice to the Enforcement Objective, the Transaction Security will be enforced and other action as to Enforcement will be taken such that either:

   (a) to the extent the STLDD Instructing Group is the Majority Super Senior Creditors, all proceeds of Enforcement are received by the Security Agent in cash for distribution in accordance with Clause 16 (*Application of Proceeds*); or

   (b) to the extent the STLDD Instructing Group is the Majority Senior Secured Creditors or Enforcement Action is taken by either the Majority Second Lien Creditors or, as the case may be, the Majority Topco Creditors either:

      (i) all proceeds of Enforcement are received by the Security Agent in cash for distribution in accordance with Clause 16 (*Application of Proceeds*); or

      (ii) sufficient proceeds from Enforcement will be received by the Security Agent in cash to ensure that, when the proceeds are applied in accordance with Clause 16 (*Application of Proceeds*), the Super Senior Discharge Date will occur (unless the Majority Super Senior Creditors agree otherwise).

4. On:

   (a) a proposed Enforcement in relation to assets comprising Charged Property other than shares in a member of the Group over which Transaction Security exists, where the aggregate book value of such assets exceeds €5,000,000 (or its equivalent in any other currency or currencies); or

   (b) a proposed Enforcement in relation to Charged Property comprising some or all of the shares in a member of the Group over which Transaction Security exists,

which, in either case, is not being effected through a Competitive Sales Process, the Security Agent shall, if requested by the Majority Super Senior Creditors or the Majority Senior Secured Creditors, appoint a Financial Adviser to provide a Fairness Opinion in relation to that Enforcement, provided that the Security Agent shall not be required to appoint a Financial Adviser nor obtain a Fairness Opinion if a proposed Enforcement:

   (i) would result in the receipt of sufficient Enforcement Proceeds in cash by the Security Agent to ensure that, after application in accordance with Clause 16 (*Application of Proceeds*):

      (A) in the case of an Enforcement requested by the Majority Super Senior Creditors, the Senior Secured Discharge Date would occur; or

(B) in the case of an Enforcement requested by the Majority Senior Secured Creditors, the Super Senior Discharge Date would occur;

(ii) is in accordance with any applicable law; and

(iii) complies with Clause 15.2 (*Distressed Disposals*).

5. The Security Agent shall be under no obligation to appoint a Financial Adviser or to seek the advice of a Financial Adviser unless expressly required to do so by this Schedule 6 or any other provision of this Agreement.

6. The Fairness Opinion (or any equivalent opinion obtained by the Security Agent in relation to any other Enforcement of the Transaction Security that such action is fair from a financial point of view after taking into account all relevant circumstances) will be conclusive evidence that the Enforcement Principles have been met.

7. In the absence of written notice from a Secured Creditor or group of Secured Creditors, that such Secured Creditor(s) Creditor(s) object to any enforcement of any Transaction Security on the grounds that such Enforcement Action does not aim to achieve the Enforcement Objective, the Security Agent is entitled to assume that such enforcement of any Transaction Security is in accordance with the Enforcement Objective.

8. If the Security Agent is unable to obtain a Fairness Opinion after attempting to do so (and after considering making such modifications to the enforcement process as may be reasonably available and consistent with the Enforcement Principles to obtain such opinion) because such opinions are not generally available in the market in such circumstances it shall notify each Senior Creditor Representative and may proceed to enforce any Transaction Security without needing to demonstrate (by way of a Fairness Opinion or otherwise) that such enforcement is aiming to achieve the Enforcement Objective.

SCHEDULE 7
Hedge Counterparties' Guarantee and Indemnity

1. Guarantee and indemnity

Each Hedging Guarantor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Hedge Counterparty punctual performance by each other Hedging Debtor of all that Hedging Debtor's obligations under the Hedging Agreements;

(b) undertakes with each Hedge Counterparty that whenever another Hedging Debtor does not pay any amount when due (allowing for any applicable grace period) under or in connection with any Hedging Agreement, that Hedging Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and

(c) agrees with each Hedge Counterparty that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Hedge Counterparty immediately on demand against any cost, loss or liability it incurs as a result of the Company or a Hedging Debtor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Hedging Agreement on the date when it would have been due.

The amount payable by a Hedging Guarantor under this indemnity will not exceed the amount it would have had to pay under this Schedule 7 if the amount claimed had been recoverable on the basis of a guarantee.

2. Continuing Guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by the Company or any Hedging Debtor under the Hedging Agreements, regardless of any intermediate payment or discharge in whole or in part.

3. Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Company or any Hedging Debtor or any security for those obligations or otherwise) is made by a Hedge Counterparty in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Hedging Guarantor under this Schedule 7 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

4. Waiver of defences

The obligations of each Hedging Guarantor under this Schedule 7 will not be affected by an act, omission, matter or thing which, but for this Schedule 7, would reduce, release or prejudice any of its obligations under this Schedule 7 (without limitation and whether or not known to it or any Hedge Counterparty) including:

(a) any time, waiver or consent granted to, or composition with, any Hedging Debtor or other person;

(b) the release of any other Hedging Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Hedging Debtor or other person or any non-presentation or non observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Hedging Debtor or any other person;

(e) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Hedging Agreement or any other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Hedging Agreement or any other document or security; or

(g) any insolvency or similar proceedings.

5. Hedging Guarantor Intent

Without prejudice to the generality of paragraph 4 (*Waiver of defences*), but subject to the guarantee limitations set out in paragraphs 11 (*Guarantee Limitations: General*) to 14 (*Additional Guarantee Limitations*) (inclusive) below, each Hedging Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Hedging Agreements and any fees, costs and/or expenses associated with any Hedging Agreement.

6. Immediate recourse

Each Hedging Guarantor waives any right it may have of first requiring any Hedge Counterparty (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Hedging Guarantor under this Schedule 7. This waiver applies irrespective of any law or any provision of a Hedging Agreement to the contrary.

7. Appropriations

Until all amounts which may be or become payable by the Hedging Debtors under or in connection with the Hedging Agreements have been irrevocably paid in full, each Hedge Counterparty (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Hedge Counterparty (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Hedging Guarantor shall be entitled to the benefit of the same; and

(b) in respect of any amounts received or recovered by any Hedge Counterparty after a claim pursuant to this guarantee in respect of any sum due and payable by any Hedging Guarantor under this Schedule 7 place such amounts in a suspense account (bearing interest at a market rate used for accounts of that type) unless and until such moneys are sufficient in aggregate to discharge in full all amounts then due and payable under this guarantee or any other Hedging Agreement.

8. Deferral of Hedging Guarantors' rights

Until all amounts which may be or become payable by the Hedging Debtors under or in connection with the Hedging Agreements have been irrevocably paid in full and unless the Security Agent otherwise directs, no Hedging Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Hedging Agreements or by reason of any amount being payable, or liability arising, under this Schedule 7:

(a) to be indemnified by a Hedging Debtor;

(b) to claim any contribution from any other guarantor of any Hedging Debtor's obligations under the Hedging Agreements;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Hedge Counterparties under the Hedging Agreements or of any other guarantee or security taken pursuant to, or in connection with, the Hedging Agreements by any Hedge Counterparty;

(d) to bring legal or other proceedings for an order requiring any Hedging Debtor to make any payment, or perform any obligation, in respect of which any Hedging Guarantor has given a guarantee, undertaking or indemnity under paragraph 1 (*Guarantee and indemnity*) above;

(e) to exercise any right of set off against any Hedging Debtor; and/or

(f) to claim or prove as a creditor of any Hedging Debtor in competition with any Hedge Counterparty.

If a Hedging Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Hedge Counterparties by the Hedging Debtors under or in connection with the Hedging Agreements to be repaid in full on trust for, or if the concept of trust is not recognised in the jurisdiction of incorporation of that Hedging Guarantor, for the benefit of, the Hedge Counterparties and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 16 (*Application of Proceeds*).

9. Release of Hedging Guarantors' right of contribution

If any Hedging Guarantor (a "**Retiring Hedging Guarantor**") ceases to be a Hedging Guarantor in accordance with the terms of the Hedging Agreements for the purpose of any sale or other disposal of that Retiring Hedging Guarantor or any of its Holding Companies then on the date such Retiring Hedging Guarantor ceases to be a Hedging Guarantor:

(a) that Retiring Hedging Guarantor is released by each other Hedging Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Hedging Guarantor arising by reason of the performance by any other Hedging Guarantor of its obligations under the Hedging Agreements; and

(b) each other Hedging Guarantor waives any rights it may have by reason of the performance of its obligations under the Hedging Agreements to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Hedge Counterparties under any Hedging Agreement or of any other security taken pursuant to, or in connection with, any Hedging Agreement where such rights or security are granted by or in relation to the assets of the Retiring Hedging Guarantor.

10. Additional security

The guarantee contained in this Schedule 7 is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Hedge Counterparty.

11. Guarantee Limitations: General

(a) The guarantee contained in this Schedule 7 does not apply to any liability to the extent that it would result in this guarantee constituting unlawful financial assistance within the meaning of sections 678 or 679 of the Companies Act 2006 or any equivalent and applicable provisions under the laws of the jurisdiction of incorporation of the relevant Hedging Guarantor and, with respect to any additional Hedging Guarantor, is subject to any limitations set out in the Accession Deed applicable to such additional Hedging Guarantor.

(b) If, notwithstanding paragraph (a) above, the obligations being guaranteed under this Schedule 7 (the "**Guarantee Obligations**") or Transaction Security would be unlawful financial assistance, then, to the extent necessary to give effect to paragraph (a) above, the obligations under the Hedging Agreements will be deemed to have been split into two tranches; "**Tranche 1**" comprising those obligations which may be secured by the Guarantee Obligations or Transaction Security without breaching relevant financial assistance laws and "**Tranche 2**" comprising the remainder of the obligations under the Hedging Agreements. The Tranche 2 obligations will be excluded from the Guarantee Obligations.

12. French Guarantee Limitations

(a) Notwithstanding anything to the contrary, any obligations or liabilities incurred or assumed under or in connection with the guarantee provided by any of the French Hedging Guarantors pursuant to this Schedule 7 shall not include any obligations or liabilities which if incurred would constitute the provision of financial assistance within the meaning of article L.225-216 of the French Commercial Code or/and would constitute a misuse of corporate assets within the meaning of article L.241-3, L.242-6 or L.244-1 of the French Commercial Code or any replacement law or regulation having the same effect, as interpreted by French courts.

(b) In any case, the obligations and liabilities incurred by any French Hedging Guarantor under or in connection with this Schedule 7 insofar as required to guarantee the payment obligations, under the Finance Documents, of any Obligor which is not a direct or indirect Subsidiary of that French Hedging Guarantor (the ***Non Subsidiary Guaranteed Obligor***), shall be limited to an amount equal to the aggregate of:

(i) all Indebtedness borrowed by each such Non Subsidiary Guaranteed Obligor (as Borrower) and made available by it directly or indirectly by way of intra-group loans, bonds or advances or any similar arrangements to that French Hedging Guarantor or its Subsidiaries; and

(ii) all Indebtedness borrowed or incurred under intra-group loans, bonds or advances or any similar arrangements made available directly or indirectly to that French Hedging Guarantor or its Subsidiaries with the proceeds of Indebtedness previously incurred by a Holding Company of such French Hedging Guarantor to the extent that such Indebtedness is or has been refinanced directly or indirectly with the proceeds of Indebtedness of Non Subsidiary Guaranteed Obligors constituting Secured Liabilities provided that the aggregate amount guaranteed by such French Hedging Guarantor pursuant to this sub-paragraph (ii) shall not exceed the aggregate amount of then outstanding Intra-Group Debt (as defined below) referred to in this sub-paragraph (ii) or any equivalent provision under any guarantee granted by such French Hedging Guarantor under a Secured Debt Document,

(together ***Intra-Group Debt***),

(c) and which, in each case, are outstanding on the date on which a demand for payment is made to such French Hedging Guarantor; it being specified that:

(d) any payment made by such French Hedging Guarantor under this Schedule 7 shall reduce pro tanto the outstanding amount of the Intra-Group Debt (if any) due by such French Hedging Guarantor; and

(e) any Intra-Group Debt made available directly or indirectly to a French Hedging Guarantor may not be double counted with the portion of such Intra-Group Debt which has been on-lent by that French Hedging Guarantor to its Subsidiaries.

(f) The obligations and liabilities incurred or assumed by any French Hedging Guarantor under or in connection with this Schedule 7 insofar as required to guarantee the payment

obligations of its direct or indirect Subsidiaries, will not in relation to any amount due under or in connection with this Schedule 7, be limited and will therefore include all amounts due by such Subsidiaries under the Finance Documents.

(g) It is acknowledged that any payment made by a French Hedging Guarantor (other than any French Hedging Guarantor that is a Holding Company of the Company) under this Schedule 7 or of the Intra-Group Debt shall reduce the maximum amount of its guarantee under this Schedule 7.

13. Luxembourg Guarantee Limitations

(a) The maximum liability of any Luxembourg Hedging Guarantor under the guarantee set out in this Schedule 7 together with any similar guarantee or indemnity obligation of the Luxembourg Hedging Guarantor under or in connection with any Hedging Agreements for the obligations of any Hedging Debtor which is not a direct or indirect Subsidiary of the Luxembourg Guarantor shall be limited to an amount not exceeding the greater of (without double counting):

(i) 95 per cent. of the Luxembourg Hedging Guarantor's own funds (*capitaux propres*), as referred to in annex I to the grand-ducal regulation dated 18 December 2015 defining the form and content of the presentation of balance sheet and profit and loss account, and enforcing the Luxembourg law dated 19 December 2002 concerning the trade and companies register and the accounting and annual accounts of undertakings (the ***Regulation***) as increased by the amount of any any Subordinated Debt (as defined below), each as reflected in the Luxembourg Hedging Guarantor's most recent financial statements available to the Agent as at the date of this Agreement; or

(ii) 95 per cent. of the Luxembourg Hedging Guarantor's own funds (*capitaux propres*), as referred to in the Regulation as increased by the amount of Subordinated Debt (as defined below), each as reflected in the Luxembourg Hedging Guarantor's most recent financial statements available to the Agent at the time the guarantee is called.

(b) For the purposes of this Schedule 7, ***Subordinated Debt*** means the Luxembourg Hedging Guarantor's debt which is subordinated in right of payment (whether generally or specifically) to any claim of any Hedge Counterparty under the Hedging Agreements.

(c) The above limitation shall not apply to any amounts borrowed by, or made available to, in any form whatsoever, the Luxembourg Hedging Guarantor or any of its direct or indirect present or future Subsidiaries under any Hedging Agreement.

(d) For the purpose of this Schedule 7, the aggregate amount payable a Luxembourg Hedging Guarantor, in its capacity as a guarantor, shall not include any obligation which, if incurred would constitute a misuse of corporate assets as defined in article 171-1 of the Luxembourg act dated 10 August 1915 concerning commercial companies, as amended (the ***Companies Act 1915***) or, without prejudice to sub-paragraph (b) of paragraph 11 (*Guarantee Limitations: General*) above, a breach of the provisions of financial assistance as referred to in article 49-6 of the Companies Act 1915.

14. Additional Guarantee Limitations

The guarantee of any acceding Debtor which is a Hedging Guarantor (an "**Acceding Hedging Guarantor**") is subject to any limitations relating to that Acceding Hedging Guarantor on the amount guaranteed or to the extent of the recourse of the beneficiaries of the guarantee which is set out in the Debtor/Third Party Security Provider Accession Undertaking applicable to such Acceding Hedging Guarantor and agreed with the Security Agent (acting reasonably in accordance with the Agreed Security Principles).

SCHEDULE 8
Cash Management Facility Creditors' Guarantee and Indemnity

1. Guarantee and indemnity

Each Cash Management Facility Guarantor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Cash Management Facility Creditor punctual performance by each other Cash Management Facility Debtor of all that Cash Management Facility Debtor's obligations under the Cash Management Facility Finance Documents;

(b) undertakes with each Cash Management Facility Creditor that whenever another Cash Management Facility Debtor does not pay any amount when due (allowing for any applicable grace period) under or in connection with any Cash Management Facility Finance Document, that Cash Management Facility Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and

(c) agrees with each Cash Management Facility Creditor that if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal, it will, as an independent and primary obligation, indemnify that Cash Management Facility Creditor immediately on demand against any cost, loss or liability it incurs as a result of the Company or a Cash Management Facility Debtor not paying any amount which would, but for such unenforceability, invalidity or illegality, have been payable by it under any Cash Management Facility Finance Document on the date when it would have been due.

The amount payable by a Cash Management Facility Guarantor under this indemnity will not exceed the amount it would have had to pay under this Schedule 8 if the amount claimed had been recoverable on the basis of a guarantee.

2. Continuing Guarantee

This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by the Company or any Cash Management Facility Debtor under the Cash Management Facility Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

3. Reinstatement

If any discharge, release or arrangement (whether in respect of the obligations of the Company or any Cash Management Facility Debtor or any security for those obligations or otherwise) is made by a Cash Management Facility Creditor in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored in insolvency, liquidation, administration or otherwise, without limitation, then the liability of each Cash Management Facility Guarantor under this Schedule 8 will continue or be reinstated as if the discharge, release or arrangement had not occurred.

4. Waiver of defences

The obligations of each Cash Management Facility Guarantor under this Schedule 8 will not be affected by an act, omission, matter or thing which, but for this Schedule 8, would reduce, release or prejudice any of its obligations under this Schedule 8 (without limitation and whether or not known to it or any Cash Management Facility Creditor) including:

(a) any time, waiver or consent granted to, or composition with, any Cash Management Facility Debtor or other person;

(b) the release of any other Cash Management Facility Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;

(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Cash Management Facility Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Cash Management Facility Debtor or any other person;

(e) any amendment, novation, supplement, extension restatement (however fundamental and whether or not more onerous) or replacement of a Cash Management Facility Finance Document or any other document or security;

(f) any unenforceability, illegality or invalidity of any obligation of any person under any Cash Management Facility Finance Document or any other document or security; or

(g) any insolvency or similar proceedings.

5. Cash Management Facility Guarantor Intent

Without prejudice to the generality of paragraph 4 (*Waiver of defences*), but subject to the guarantee limitations set out in paragraphs 11 (*Guarantee Limitations: General*) to 14 (*Additional Guarantee Limitations*) below, each Cash Management Facility Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental and of whatsoever nature and whether or not more onerous) variation, increase, extension or addition of or to any of the Cash Management Facility Finance Documents and any fees, costs and/or expenses associated with any Cash Management Facility Finance Document.

6. Immediate recourse

Each Cash Management Facility Guarantor waives any right it may have of first requiring any Cash Management Facility Creditor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Cash Management Facility Guarantor under this Schedule 8. This waiver applies irrespective of any law or any provision of a Cash Management Facility Finance Document to the contrary.

7. Appropriations

Until all amounts which may be or become payable by the Cash Management Facility Debtors under or in connection with the Cash Management Facility Finance Documents have been irrevocably paid in full, each Cash Management Facility Creditor (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Cash Management Facility Creditor (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Cash Management Facility Guarantor shall be entitled to the benefit of the same; and

(b) in respect of any amounts received or recovered by any Cash Management Facility Creditor after a claim pursuant to this guarantee in respect of any sum due and payable by any Cash Management Facility Guarantor under this Schedule 8 place such amounts in a suspense account (bearing interest at a market rate used for accounts of that type) unless and until such moneys are sufficient in aggregate to discharge in full all amounts then due and payable under this guarantee or any other Cash Management Facility Finance Document.

8. Deferral of Cash Management Facility Guarantors' rights

Until all amounts which may be or become payable by the Cash Management Facility Debtors under or in connection with the Cash Management Facility Finance Documents have been

irrevocably paid in full and unless the Security Agent otherwise directs, no Cash Management Facility Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Cash Management Facility Finance Documents or by reason of any amount being payable, or liability arising, under this Schedule 8:

(a) to be indemnified by a Cash Management Facility Debtor;

(b) to claim any contribution from any other guarantor of any Cash Management Facility Debtor's obligations under the Cash Management Facility Finance Documents;

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Cash Management Facility Creditors under the Cash Management Facility Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Cash Management Facility Finance Documents by any Cash Management Facility Creditor;

(d) to bring legal or other proceedings for an order requiring any Cash Management Facility Debtor to make any payment, or perform any obligation, in respect of which any Cash Management Facility Guarantor has given a guarantee, undertaking or indemnity under paragraph 1 (*Guarantee and indemnity*) above;

(e) to exercise any right of set off against any Cash Management Facility Debtor; and/or

(f) to claim or prove as a creditor of any Cash Management Facility Debtor in competition with any Cash Management Facility Creditor.

If a Cash Management Facility Guarantor receives any benefit, payment or distribution in relation to such rights it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Cash Management Facility Creditors by the Cash Management Facility Debtors under or in connection with the Cash Management Facility Finance Documents to be repaid in full on trust for, or if the concept of trust is not recognised in the jurisdiction of incorporation of that Cash Management Facility Guarantor, for the benefit of, the Cash Management Facility Creditors and shall promptly pay or transfer the same to the Security Agent or as the Security Agent may direct for application in accordance with Clause 16 (*Application of Proceeds*).

9. Release of Cash Management Facility Guarantors' right of contribution

If any Cash Management Facility Guarantor (a "**Retiring Cash Management Facility Guarantor**") ceases to be a Cash Management Facility Guarantor in accordance with the terms of the Cash Management Facility Finance Documents for the purpose of any sale or other disposal of that Retiring Cash Management Facility Guarantor or any of its Holding Companies then on the date such Retiring Cash Management Facility Guarantor ceases to be a Cash Management Facility Guarantor:

(a) that Retiring Cash Management Facility Guarantor is released by each other Cash Management Facility Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Cash Management Facility Guarantor arising by reason of the performance by any other Cash Management Facility Guarantor of its obligations under the Cash Management Facility Finance Documents; and

(b) each other Cash Management Facility Guarantor waives any rights it may have by reason of the performance of its obligations under the Cash Management Facility Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Cash Management Facility Creditors under any Cash Management Facility Finance Document or of any other security taken pursuant to, or in connection with, any Cash Management Facility Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Cash Management Facility Guarantor.

10. Additional security

The guarantee contained in this Schedule 8 is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Cash Management Facility Creditor.

11. Guarantee Limitations: General

(a) The guarantee contained in this Schedule 8 does not apply to any liability to the extent that it would result in this guarantee constituting unlawful financial assistance within the meaning of sections 678 or 679 of the Companies Act 2006 or any equivalent and applicable provisions under the laws of the jurisdiction of incorporation of the relevant Cash Management Facility Guarantor and, with respect to any additional Cash Management Facility Guarantor, is subject to any limitations set out in the Accession Deed applicable to such additional Cash Management Facility Guarantor.

(b) If, notwithstanding paragraph (a) above, the obligations being guaranteed under this Schedule 8 (the "**Guarantee Obligations**") or Transaction Security would be unlawful financial assistance, then, to the extent necessary to give effect to paragraph (a) above, the obligations under the Cash Management Facility Finance Documents will be deemed to have been split into two tranches; "**Tranche 1**" comprising those obligations which may be secured by the Guarantee Obligations or Transaction Security without breaching relevant financial assistance laws and "**Tranche 2**" comprising the remainder of the obligations under the Cash Management Facility Finance Documents. The Tranche 2 obligations will be excluded from the Guarantee Obligations.

12. French Guarantee Limitations

(a) Notwithstanding anything to the contrary, any obligations or liabilities incurred or assumed under or in connection with the guarantee provided by any of the French Cash Management Facility Guarantor pursuant to this Schedule 8 shall not include any obligations or liabilities which if incurred would constitute the provision of financial assistance within the meaning of article L.225-216 of the French Commercial Code or/and would constitute a misuse of corporate assets within the meaning of article L.241-3, L.242-6 or L.244-1 of the French Commercial Code or any replacement law or regulation having the same effect, as interpreted by French courts.

(b) In any case, the obligations and liabilities incurred by any French Cash Management Facility Guarantor under or in connection with this Schedule 8 insofar as required to guarantee the payment obligations, under the Finance Documents, of any Obligor which is not a direct or indirect Subsidiary of that French Cash Management Facility Guarantor (the ***Non Subsidiary Guaranteed Obligor***), shall be limited to an amount equal to the aggregate of:

(i) all Indebtedness borrowed by each such Non Subsidiary Guaranteed Obligor (as Borrower) and made available by it directly or indirectly by way of intra-group loans, bonds or advances or any similar arrangements to that French Cash Management Facility Guarantor or its Subsidiaries; and

(ii) all Indebtedness borrowed or incurred under intra-group loans, bonds or advances or any similar arrangements made available directly or indirectly to that French Cash Management Facility Guarantor or its Subsidiaries with the proceeds of Indebtedness previously incurred by a Holding Company of such French Cash Management Facility Guarantor to the extent that such Indebtedness is or has been refinanced directly or indirectly with the proceeds of Indebtedness of Non Subsidiary Guaranteed Obligors constituting Secured Liabilities provided that the aggregate amount guaranteed by such French Cash Management Facility Guarantor pursuant to this sub-paragraph (ii) shall not exceed the aggregate amount of then outstanding Intra-Group Debt (as defined below)

referred to in this sub-paragraph (ii) or any equivalent provision under any guarantee granted by such French Cash Management Facility Guarantor under a Secured Debt Document,

(together ***Intra-Group Debt***),

(c) and which, in each case, are outstanding on the date on which a demand for payment is made to such French Cash Management Facility Guarantor; it being specified that:

(d) any payment made by such French Cash Management Facility Guarantor under this Schedule 8 shall reduce pro tanto the outstanding amount of the Intra-Group Debt (if any) due by such French Cash Management Facility Guarantor; and

(e) any Intra-Group Debt made available directly or indirectly to a French Cash Management Facility Guarantor may not be double counted with the portion of such Intra-Group Debt which has been on-lent by that French Cash Management Facility Guarantor to its Subsidiaries.

(f) The obligations and liabilities incurred or assumed by any French Cash Management Facility Guarantor under or in connection with this Schedule 8 insofar as required to guarantee the payment obligations of its direct or indirect Subsidiaries, will not in relation to any amount due under or in connection with this Schedule 8, be limited and will therefore include all amounts due by such Subsidiaries under the Finance Documents.

(g) It is acknowledged that any payment made by a French Cash Management Facility Guarantor (other than any French Cash Management Facility Guarantor that is a Holding Company of the Company) under this Schedule 8 or of the Intra-Group Debt shall reduce the maximum amount of its guarantee under this Schedule 8.

13. Luxembourg Guarantee Limitations

(e) The maximum liability of any Luxembourg Cash Management Facility Guarantor under the guarantee set out in this Schedule 8 together with any similar guarantee or indemnity obligation of the Luxembourg Cash Management Facility Guarantor under or in connection with any Cash Management Facility Finance Documents for the obligations of any Cash Management Facility Debtor which is not a direct or indirect Subsidiary of the Luxembourg Guarantor shall be limited to an amount not exceeding the greater of (without double counting):

(i) 95 per cent. of the Luxembourg Cash Management Facility Guarantor's own funds (*capitaux propres*), as referred to in annex I to the grand-ducal regulation dated 18 December 2015 defining the form and content of the presentation of balance sheet and profit and loss account, and enforcing the Luxembourg law dated 19 December 2002 concerning the trade and companies register and the accounting and annual accounts of undertakings (the ***Regulation***) as increased by the amount of any any Subordinated Debt (as defined below), each as reflected in the Luxembourg Cash Management Facility Guarantor's most recent financial statements available to the Agent as at the date of this Agreement; or

(ii) 95 per cent. of the Luxembourg Cash Management Facility Guarantor's own funds (*capitaux propres*), as referred to in the Regulation as increased by the amount of Subordinated Debt (as defined below), each as reflected in the Luxembourg Cash Management Facility Guarantor's most recent financial statements available to the Agent at the time the guarantee is called.

(f) For the purposes of this Schedule 8, ***Subordinated Debt*** means the Luxembourg Cash Management Facility Guarantor's debt which is subordinated in right of payment (whether generally or specifically) to any claim of any Cash Management Facility Creditor under the Cash Management Facility Finance Documents.

(g) The above limitation shall not apply to any amounts borrowed by, or made available to, in any form whatsoever, the Luxembourg Cash Management Facility Guarantor or any of its direct or indirect present or future Subsidiaries under any Cash Management Facility Finance Document.

(h) For the purpose of this Schedule 8, the aggregate amount payable a Luxembourg Cash Management Facility Guarantor, in its capacity as a guarantor, shall not include any obligation which, if incurred would constitute a misuse of corporate assets as defined in article 171-1 of the Luxembourg act dated 10 August 1915 concerning commercial companies, as amended (the ***Companies Act 1915***) or, without prejudice to sub-paragraph (b) of paragraph 11 (*Guarantee Limitations: General*) above, a breach of the provisions of financial assistance as referred to in article 49-6 of the Companies Act 1915.

14. Additional Guarantee Limitations

The guarantee of any acceding Debtor which is a Cash Management Facility Guarantor (an "**Acceding Cash Management Facility Guarantor**") is subject to any limitations relating to that Acceding Cash Management Facility Guarantor on the amount guaranteed or to the extent of the recourse of the beneficiaries of the guarantee which is set out in the Debtor/Third Party Security Provider Accession Undertaking applicable to such Acceding Cash Management Facility Guarantor and agreed with the Security Agent (acting reasonably in accordance with the Agreed Security Principles).

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