

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549



FORM 10-Q



**Quarterly Report Pursuant to Section 13 or 15(d) of the Securities
Exchange Act of 1934**

For the quarterly period ended September 30, 2008

or



**Transition Report Pursuant to Section 13 or 15(d) of the Securities
Exchange Act of 1934**

For the transition period from to

**Commission File Number
1-11978**

The Manitowoc Company, Inc.

(Exact name of registrant as specified in its charter)

Wisconsin
(State or other jurisdiction
of incorporation or organization)

**2400 South 44th Street,
Manitowoc, Wisconsin**
(Address of principal executive offices)

39-0448110
(I.R.S. Employer
Identification Number)

54221-0066
(Zip Code)

(920) 684-4410
(Registrant's telephone number, including area code)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller Reporting Company ☐
(Do not check if a smaller reporting company)

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The number of shares outstanding of the Registrant's common stock, \$.01 par value, as of September 30, 2008, the most recent practicable date, was 130,351,394.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

THE MANITOWOC COMPANY, INC. Consolidated Statements of Operations For the Three and Nine Months Ended September 30, 2008 and 2007 (Unaudited) (In millions, except per-share and average shares data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net sales	\$ 1,106.8	\$ 925.2	\$ 3,286.4	\$ 2,638.1
Costs and expenses:				
Cost of sales	863.1	713.4	2,512.8	2,016.1
Engineering, selling and administrative expenses	98.7	92.8	317.3	276.0
Gain on sale of parts line	—	—	—	(3.3)
Pension settlements	—	—	—	5.2
Restructuring expense	0.8	—	0.8	—
Integration expense	1.6	—	1.6	—
Amortization expense	2.0	1.0	5.5	2.9
Total operating costs and expenses	966.2	807.2	2,838.0	2,296.9
Earnings from continuing operations	140.6	118.0	448.4	341.2
Other expense:				
Interest expense	(7.5)	(8.5)	(21.6)	(27.4)
Loss on debt extinguishment	—	(12.5)	—	(12.5)
Loss on currency hedges	(198.4)	—	(198.4)	—
Other income, net	(2.8)	(0.4)	5.3	4.4
Total other expense	(208.7)	(21.4)	(214.7)	(35.5)
Earnings (loss) from continuing operations before taxes on income and minority interest	(68.1)	96.6	233.7	305.7
Provision (benefit) for taxes on income	(29.6)	25.5	55.9	83.3
Earnings (loss) from continuing operations before minority interest	(38.5)	71.1	177.8	222.4
Minority interest, net of income taxes	(0.8)	—	(0.9)	—
Net earnings (loss) from continuing operations	\$ (37.7)	\$ 71.1	\$ 178.7	\$ 222.4
Discontinued operations:				
Earnings from discontinued operations, net of income taxes of \$4.2, \$1.6, 12.1, and \$5.4, respectively	11.6	4.8	31.7	15.0
Net earnings (loss)	<u>\$ (26.1)</u>	<u>\$ 75.9</u>	<u>\$ 210.4</u>	<u>\$ 237.4</u>
Earnings (loss) per common share:				
Basic earnings (loss) per share:				
Net earnings (loss) from continuing operations	\$ (0.29)	\$ 0.57	\$ 1.38	\$ 1.79
Earnings from discontinued operations, net of income taxes	0.09	0.04	0.24	0.12
Net earnings (loss)	<u>\$ (0.20)</u>	<u>\$ 0.61</u>	<u>\$ 1.62</u>	<u>\$ 1.91</u>
Diluted earnings (loss) per share:				
Net earnings (loss) from continuing operations	\$ (0.29)	\$ 0.56	\$ 1.36	\$ 1.75
Earnings from discontinued operations, net of income taxes	0.09	0.04	0.24	0.12
Net earnings (loss)	<u>\$ (0.20)</u>	<u>\$ 0.59</u>	<u>\$ 1.60</u>	<u>\$ 1.87</u>
Weighted average shares outstanding - basic	130,090,741	125,175,721	129,855,810	124,314,233
Weighted average shares outstanding - diluted	130,090,741	127,915,004	131,781,634	127,141,212

See accompanying notes which are an integral part of these statements.

THE MANITOWOC COMPANY, INC.
Consolidated Balance Sheets
As of September 30, 2008 and December 31, 2007
(Unaudited)
(In millions, except share data)

	September 30, 2008	December 31, 2007
Assets		
Current Assets:		
Cash and cash equivalents	\$ 379.4	\$ 366.9
Marketable securities	2.6	2.5
Restricted cash	5.3	16.7
Accounts receivable, less allowances of \$23.5 and \$25.5, respectively	492.9	416.7
Inventories — net	868.7	591.0
Deferred income taxes	66.6	66.1
Other current assets	132.0	61.1
Current assets of discontinued operations	25.2	54.6
Total current assets	1,972.7	1,575.6
Property, plant and equipment — net	534.2	468.9
Goodwill	491.3	471.6
Other intangible assets — net	201.5	200.6
Deferred income taxes	28.0	27.6
Other non-current assets	77.1	55.8
Long-term assets of discontinued operations	71.3	71.3
Total assets	\$ 3,376.1	\$ 2,871.4
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,096.2	\$ 845.7
Short-term borrowings	44.7	13.1
Product warranties	80.0	80.4
Customer advances	53.6	—
Product liabilities	34.1	34.7
Current liabilities of discontinued operations	74.3	100.7
Total current liabilities	1,382.9	1,074.6
Non-Current Liabilities:		
Long-term debt	202.4	217.5
Pension obligations	26.3	25.0
Postretirement health and other benefit obligations	49.9	51.3
Long-term deferred revenue	54.4	60.6
Other non-current liabilities	98.8	92.5
Total non-current liabilities	431.8	446.9
Commitments and contingencies (Note 14)		
Stockholders' Equity:		
Common stock (300,000,000 shares authorized for both periods, 163,175,928 shares issued for both periods, 130,351,394 and 129,880,734 shares outstanding, respectively)	1.4	1.4
Additional paid-in capital	433.9	419.8
Accumulated other comprehensive income	108.6	114.5
Retained earnings	1,106.4	903.8
Treasury stock, at cost (32,824,534 and 33,295,194 shares, respectively)	(88.9)	(89.6)
Total stockholders' equity	1,561.4	1,349.9
Total liabilities and stockholders' equity	\$ 3,376.1	\$ 2,871.4

See accompanying notes which are an integral part of these statements.

THE MANITOWOC COMPANY, INC.
Consolidated Statements of Cash Flows
For the Nine Months Ended September 30, 2008 and 2007
(Unaudited, In millions)

	Nine Months Ended September 30,	
	2008	2007
Cash Flows from Operations:		
Net earnings	\$ 210.4	\$ 237.4
Adjustments to reconcile net earnings to cash provided by operating activities of continuing operations:		
Discontinued operations, net of income taxes	(31.7)	(15.0)
Pension settlements	—	5.2
Gain on sale of parts line	—	(3.3)
Depreciation	62.2	57.8
Deferred income taxes	3.9	(16.0)
Gain on sale of property, plant and equipment	(1.9)	(3.3)
Other	10.9	6.1
Changes in operating assets and liabilities, excluding effects of business acquisitions and divestitures:		
Accounts receivable	(68.0)	(127.8)
Inventories	(257.5)	(152.6)
Other assets	(78.0)	(0.4)
Accounts payable and accrued expenses	249.5	38.8
Other liabilities	13.1	(8.4)
Net cash provided by operating activities of continuing operations	112.9	18.5
Net cash provided by operating activities of discontinued operations	36.8	10.9
Net cash provided by operating activities	149.7	29.4
Cash Flows from Investing:		
Business acquisitions, net of cash acquired	(26.7)	(80.1)
Capital expenditures	(96.2)	(52.4)
Change in restricted cash	11.5	(0.5)
Proceeds from sale of property, plant and equipment	5.6	7.8
Proceeds from sales of parts product line	—	4.9
Purchase of marketable securities	(0.1)	(0.1)
Net cash used for investing activities of continuing operations	(105.9)	(120.4)
Net cash used for investing activities of discontinued operations	(2.2)	(4.5)
Net cash used for investing activities	(108.1)	(124.9)
Cash Flows from Financing:		
Proceeds from revolving credit facility	—	103.3
Payments on long-term debt	(43.1)	(113.8)
Proceeds from long-term debt	33.1	11.5
Proceeds (payments) on notes financing	(4.4)	3.4
Dividends paid	(7.8)	(6.9)
Exercises of stock options, including windfall tax benefits	8.6	20.0
Debt issuance costs	(17.6)	—
Net cash (used for) provided by financing activities	(31.2)	17.5
Effect of exchange rate changes on cash	2.1	8.0
Net increase (decrease) in cash and cash equivalents	12.5	(70.0)
Balance at beginning of period	366.9	174.9
Balance at end of period	\$ 379.4	\$ 104.9

See accompanying notes which are an integral part of these statements.

THE MANITOWOC COMPANY, INC.
Consolidated Statements of Comprehensive Income
For the Three and Nine Months Ended September 30, 2008 and 2007
(Unaudited)
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net earnings (loss)	\$ (26.1)	\$ 75.9	\$ 210.4	\$ 237.4
Other comprehensive income (loss)				
Derivative instrument fair market value adjustment - net of income taxes	(6.6)	(0.3)	(4.7)	(0.7)
Foreign currency translation adjustments	(47.3)	26.8	(1.2)	38.7
Total other comprehensive income (loss)	(53.9)	26.5	(5.9)	38.0
Comprehensive income (loss)	<u>\$ (80.0)</u>	<u>\$ 102.4</u>	<u>\$ 204.5</u>	<u>\$ 275.4</u>

See accompanying notes which are an integral part of these statements.

THE MANITOWOC COMPANY, INC.
Notes to Unaudited Consolidated Financial Statements
For the Three and Nine Months Ended September 30, 2008 and 2007

1. Accounting Policies

In the opinion of management, the accompanying unaudited consolidated financial statements contain all adjustments necessary to present fairly the results of operations and comprehensive income for the three and nine months ended September 30, 2008 and 2007, the cash flows for the same nine-month periods, and the financial position at September 30, 2008, and except as otherwise discussed such adjustments consist of only those of a normal recurring nature. The interim results are not necessarily indicative of results for a full year and do not contain information included in the company's annual consolidated financial statements and notes for the year ended December 31, 2007. The consolidated balance sheet as of December 31, 2007 was derived from audited financial statements, but does not include all disclosures required by accounting principles generally accepted in the United States of America. It is suggested that these financial statements be read in conjunction with the financial statements and the notes thereto included in the company's latest annual report.

All dollar amounts, except share and per share amounts, are in millions of dollars throughout the tables included in these notes unless otherwise indicated.

Certain prior period amounts have been reclassified to conform to the current period presentation as a result of the decision to sell the Marine segment. The company's Unaudited Consolidated Financial Statements, accompanying notes and other information provided in this Form 10-Q reflect the Marine segment as a discontinued operation for all periods presented. After reclassifying the Marine segment to discontinued operations, the company has two remaining reportable segments, the Crane and Foodservice segments. See further detail related to the Marine segment at Note 3, "Discontinued Operations."

2. Acquisitions

On March 6, 2008, the company formed a 50% joint venture with the shareholders of TaiAn Dongyue Heavy Machinery Co., Ltd. (TaiAn Dongyue) for the production of mobile and truck-mounted hydraulic cranes. The joint venture is located in TaiAn City, Shandong Province, China. The company controls 60% of the voting rights and has other rights that give it significant control over the operations of TaiAn Dongyue, and accordingly, the results of this joint venture are consolidated by the company. The aggregate consideration for the joint venture interest in TaiAn Dongyue was \$32.5 million and resulted in \$21.7 million of goodwill and \$8.5 million of other intangible assets being recognized by the company's Crane segment. See further detail related to the goodwill and other intangible assets of the TaiAn Dongyue acquisition at Note 6, "Goodwill and Other Intangible Assets."

On July 19, 2007, the company acquired Shirke Construction Equipments Pvt. Ltd (Shirke) for an aggregate consideration of \$64.5 million including approximately \$1.3 million of acquisition costs. Headquartered in Pune, India, Shirke is a market leader in the Indian tower crane industry and has been Potain's Indian manufacturing partner and distributor since 1982. The aggregate consideration paid for Shirke resulted in \$33.8 million of goodwill and \$30.2 million of other intangible assets being recognized by the company's Crane segment. See further detail related to the goodwill and other intangible assets of the Shirke acquisition at Note 6, "Goodwill and Other Intangible Assets."

On January 3, 2007, the company acquired the Carrydeck line of mobile industrial cranes from Marine Travelift, Inc. of Sturgeon Bay, Wisconsin for an aggregate consideration of \$16.0 million. The acquisition of the Carrydeck line added six new models to the company's product offering of mobile industrial cranes. The aggregate consideration paid for the Carrydeck line resulted in \$9.2 million of goodwill and \$6.5 million of other intangible assets being recognized by the company's Crane segment. See further detail related to the goodwill and other intangible assets of the Carrydeck acquisition at Note 6, "Goodwill and Other Intangible Assets."

3. Discontinued Operations

On August 1, 2008, the company signed a definitive purchase agreement to sell the ownership interests of its Marine segment to Fincantieri Marine Group Holdings Inc, a subsidiary of Fincantieri-Cantieri Navali Italiani, S.p.A. ("Fincantieri"). Lockheed Martin Corporation has agreed to be a minority investor with Fincantieri in the proposed acquisition. This transaction will allow the company to focus its financial assets and managerial resources on the growth of its increasingly global crane and foodservice businesses. The purchase price for the Marine segment is \$120 million in cash

and is subject to certain post-closing working capital adjustments. Assuming a timely completion of this sale by year-end, the transaction is expected to generate a per-share, after-tax gain of approximately \$0.60. The company intends to use the after-tax proceeds for general corporate purposes, which include pay down of debt anticipated as a result of the pending acquisition of Enodis. The sale is subject to customary clearances for transactions of this type including U.S. antitrust and certain U.S. security agencies.

The Company is reporting the Marine segment as a discontinued operation for financial reporting purposes as of September 30, 2008, and for all periods presented in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". Results of the Marine segment in current and prior periods have been classified as discontinued in the Consolidated Financial Statements to exclude the results from continuing operations. The following selected financial data of the Marine segment for the three and nine months ended September 30, 2008 and 2007 is presented for informational purposes only and does not necessarily reflect what the results of operations would have been had the businesses operated as a stand-alone entity. There were no general corporate expenses or interest expense allocated to discontinued operations for this business during the periods presented.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net sales	\$ 103.5	\$ 81.0	\$ 306.1	\$ 248.8
Pretax earnings from discontinued operations	\$ 15.8	\$ 6.4	\$ 43.8	\$ 20.4
Provision for taxes on income	4.2	1.6	12.1	5.4
Earnings from discontinued operations, net of income taxes	\$ 11.6	\$ 4.8	\$ 31.7	\$ 15.0

4. Financial Instruments

As discussed in Note 18, the company adopted SFAS No. 157, "Fair Value Measurements" effective January 1, 2008. The following table sets forth the company's financial assets and liabilities that were accounted for at fair value on a recurring basis as of September 30, 2008 by level within the fair value hierarchy. As required by SFAS No. 157, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Fair Value as of September 30, 2008			
	Level 1	Level 2	Level 3	Total
Assets:				
Foreign currency exchange contracts	2.9	—	—	2.9
Forward commodity contracts	—	—	—	—
Interest rate swaps	0.3	—	—	0.3
Total assets at fair value	3.2	—	—	3.2
Liabilities:				
Foreign currency exchange contracts	205.2	—	—	205.2
Forward commodity contracts	—	1.2	—	1.2
Interest rate swaps	—	—	—	—
Total liabilities at fair value	205.2	1.2	—	206.4

The carrying value of the company's other financial assets and liabilities, including cash, accounts receivable, accounts payable, retained interest in receivables sold and short-term loans payable approximate fair value, without being discounted, due to the short periods during which these amounts are outstanding.

SFAS No. 157 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (exit price). SFAS No. 157 classifies the inputs used to measure fair value into the following hierarchy:

- Level 1 Unadjusted quoted prices in active markets for identical assets or liabilities
- Level 2 Unadjusted quoted prices in active markets for similar assets or liabilities, or
 Unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or
 Inputs other than quoted prices that are observable for the asset or liability
- Level 3 Unobservable inputs for the asset or liability

The company endeavors to utilize the best available information in measuring fair value. Financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The company has determined that our financial assets and liabilities are level 1 and level 2 in the fair value hierarchy.

As a result of our global operating and financing activities, the company is exposed to market risks from changes in interest and foreign currency exchange rates and commodity prices, which may adversely affect our operating results and financial position. When deemed appropriate, we minimize our risks from interest and foreign currency exchange rate and commodity price fluctuations through the use of derivative financial instruments. Derivative financial instruments are used to manage risk and are not used for trading or other speculative purposes and we do not use leveraged derivative financial instruments. The forward foreign currency exchange contracts and forward commodity purchase agreements are valued using broker quotations, or market transactions in either the listed or over-the-counter markets. As such, these derivative instruments are classified within level 1 and level 2.

During July 2008, the Company entered into various hedging transactions (the "hedges") to comply with the terms of its New Credit Agreement (see further detail related to the New Credit Agreement at Note 8, "Debt") issued to fund the purchase of Enodis plc ("Enodis"). The hedges were required to limit the company's exposure to fluctuations in the underlying purchase price of the Enodis shares which could ultimately require additional funding capacity under the New Credit Agreement. Subsequent to entering into the hedging transactions, the U.S. Dollar strengthened against the British Pound which resulted in a significant change to the fair value of the underlying hedges. FAS 133, "Accounting for Derivative Instruments and Hedging Activities" states that hedges of a firm commitment to acquire a business do not qualify for hedge accounting (or balance sheet) treatment. Therefore, the periodic market value changes in these hedges are required to go through the income statement. Additionally, the hedge accounting treatment will lower the initial amount of goodwill booked for the purchase by the amount of the loss on currency hedges. The final disposition of these hedge positions will be determined based upon the market exchange rate on the date the funding transaction is completed. For the three and nine months ended September 30, 2008, loss on currency hedges related to the purchase of Enodis was \$198.4 million. The acquisition price of Enodis, in U.S. Dollars, has decreased by a similar amount from the point in time in which the hedges were entered into. Accordingly, the goodwill that will be recorded when the acquisition is finalized will be lower than it would have been if the exchange rate between the U.S. Dollar and the British Pound had not changed from the time the hedges were entered into.

5. Inventories

The components of inventories at September 30, 2008 and December 31, 2007 are summarized as follows:

	<u>September 30, 2008</u>	<u>December 31, 2007</u>
Inventories – gross:		
Raw materials	\$ 359.3	\$ 252.3
Work-in-process	270.9	216.4
Finished goods	315.1	188.5
Total inventories – gross	945.3	657.2
Excess and obsolete inventory reserve	(40.9)	(42.6)
Net inventories at FIFO cost	904.4	614.7
Excess of FIFO costs over LIFO value	(35.7)	(23.7)
Inventories – net	\$ 868.7	\$ 591.0

Inventories are carried at lower of cost or market value using the first-in, first-out (FIFO) method for 88% of total inventories at September 30, 2008 and December 31, 2007. The remainder of the inventories are costed using the last-in, first-out (LIFO) method.

6. Goodwill and Other Intangible Assets

The changes in carrying amount of goodwill by reportable segment for the year ended December 31, 2007 and nine months ended September 30, 2008 are as follows:

	Crane	Foodservice	Total
Balance as of January 1, 2007	\$ 214.8	\$ 200.1	\$ 414.9
Carrydeck acquisition	9.2	—	9.2
Shirke acquisition	33.8	—	33.8
Foreign currency impact	13.7	—	13.7
Balance as of December 31, 2007	271.5	200.1	471.6
TaiAn Dongyue acquisition	21.7	—	21.7
Foreign currency impact	(2.0)	—	(2.0)
Balance as of September 30, 2008	\$ 291.2	\$ 200.1	\$ 491.3

As discussed in Note 2, “Acquisitions,” during 2008, the company formed a 50% joint venture with the shareholders of TaiAn Dongyue for the production of mobile and truck-mounted hydraulic cranes. The joint venture is located in TaiAn City, Shandong Province, China. The aggregate consideration for the joint venture interest in TaiAn Dongyue was \$32.5 million and resulted in \$21.7 million of goodwill and \$8.5 million of other intangible assets being recognized by the company’s Crane segment. The other intangible assets consist of trademarks of \$1.0 million, which have an indefinite life, customer relationships of \$0.9 million, which have been assigned a 10-year life, and other intangibles of \$6.6 million, which consist primarily of crane manufacturing licenses and have been assigned a 10-year life.

During 2007, the company completed the acquisitions of the Carrydeck line of mobile industrial cranes and Shirke. The acquisition of the Carrydeck line resulted in an increase of \$9.2 million of goodwill and \$6.5 million of other intangible assets being recognized by the company’s Crane segment. The other intangible assets consist of trademarks totaling \$1.2 million, which have an indefinite life, customer relationships of \$4.2 million, which have been assigned a 20-year life, and non-patented technologies of \$1.1 million which have been assigned a 20-year life. The acquisition of Shirke resulted in an increase of \$33.8 million of goodwill and \$30.2 million of other intangible assets being recognized by the company’s Crane segment. The other intangible assets consist of customer relationships of \$10.5 million, which have been assigned a 10-year life, trademarks totaling \$9.1 million, which have an indefinite life, and other intangibles of \$10.6 million, which include various intangible assets that are amortized over 6 months to 6 years, which approximates their estimated useful lives.

The gross carrying amount and accumulated amortization of the company’s intangible assets other than goodwill were as follows as of September 30, 2008 and December 31, 2007.

	September 30, 2008			December 31, 2007		
	Gross Carrying Amount	Accumulated Amortization	Net Book Value	Gross Carrying Amount	Accumulated Amortization	Net Book Value
Trademarks and tradenames	\$ 122.6	\$ —	\$ 122.6	\$ 120.9	\$ —	\$ 120.9
Customer relationships	19.9	(2.5)	17.4	20.4	(1.4)	19.0
Patents	35.5	(16.3)	19.2	35.2	(12.2)	23.0
Engineering drawings	12.0	(5.3)	6.7	12.0	(5.4)	6.6
Distribution network	22.0	—	22.0	21.8	—	21.8
Other intangibles	16.5	(2.9)	13.6	10.6	(1.3)	9.3
	\$ 228.5	\$ (27.0)	\$ 201.5	\$ 220.9	\$ (20.3)	\$ 200.6

7. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at September 30, 2008 and December 31, 2007 are summarized as follows:

	September 30, 2008	December 31, 2007
Trade accounts payable	\$ 594.0	\$ 519.5
Interest payable	5.6	2.6
Employee related expenses	92.4	88.9
Income taxes payable	—	6.7
Profit sharing and incentives	41.3	58.1
Unremitted cash liability	2.9	4.9
Deferred revenue - current	47.7	55.9
Derivative liabilities	206.4	0.8
Miscellaneous accrued expenses	105.9	108.3
	<u>\$ 1,096.2</u>	<u>\$ 845.7</u>

8. Debt

In April 2008, the company entered into a \$2,400.0 million credit agreement which was amended and restated as of August 25, 2008 to ultimately increase the size of the total facility to \$2,925.0 million (New Credit Agreement). The New Credit Agreement will not become effective until the effective date of the acquisition (see further detail related to the acquisition in Note 21, "Subsequent Events") or, in the case of a takeover offer, the date on which the takeover offer has become or is declared unconditional in all respects. Until such time as the company borrows under the New Credit Agreement, the company's existing \$300.0 million Amended and Restated Credit Agreement, dated as of December 14, 2006, will remain in effect.

The New Credit Agreement includes four loan facilities – a revolving facility of \$400.0 million with a five-year term, a Term Loan A of \$1,025.0 million with a five-year term, a Term Loan B of \$1,200.0 million with a six-year term, and a Term Loan X of \$300.0 million with an eighteen-month term. The company is obligated to prepay the three term loan facilities from the net proceeds of asset sales, casualty losses, equity offerings, and new indebtedness for borrowed money, and from a portion of its excess cash flow, subject to certain exceptions.

Borrowings made under the revolving facility, Term Loan A, and Term Loan X will initially bear interest at 3.25 percent in excess of an adjusted LIBOR rate as defined in the New Credit Agreement, or 1.50 percent in excess of an alternate base rate, at the company's option.

Borrowings made under the Term Loan B will initially bear interest at 3.50 percent in excess of an adjusted LIBOR rate as defined in the New Credit Agreement, or 1.50 percent in excess of an alternate base rate, at the company's option. The company will also pay a commitment fee of 0.50 percent per annum for the first 120 days, and 0.75 percent per annum after the 120th day on the entire facility balance up to the date of funding; upon funding, the commitment fee will reduce to apply only to the revolving commitment and will be 0.50 percent per year. As of September 30, 2008, the company incurred \$17.6 million in deferred financing expenses. The cash flow impact of these fees is included in cash flow used for financing activities in the Consolidated Statement of Cash Flows for the nine month period ending September 30, 2008.

On August 1, 2007, the company redeemed its 10 ½% senior subordinated notes due 2012. Pursuant to the terms of the indenture, the company paid the note holders 105.25 percent of the principal amount plus accrued and unpaid interest up to the redemption date. As a result of this redemption, the company incurred a charge of \$12.5 million (\$8.1 million net of income taxes) related to the call premium, write-off of unamortized debt issuance costs and other expenses. The charge was recorded in loss on debt extinguishment in the Consolidated Statement of Operations.

9. Accounts Receivable Securitization

The company has entered into an accounts receivable securitization program whereby it sells certain of its domestic trade accounts receivable to a wholly owned, bankruptcy-remote special purpose subsidiary which, in turn, sells participating interests in its pool of receivables to a third-party financial institution (Purchaser). The Purchaser receives an ownership and security interest in the pool of receivables. New receivables are purchased by the special purpose subsidiary and participation interests are resold to the Purchaser as collections reduce previously sold participation interests. The company has retained collection and administrative responsibilities on the participation interests sold. The Purchaser has no recourse against the company for uncollectible receivables; however, the company's retained interest in the receivable pool is

subordinate to the Purchaser and is recorded at fair value. Due to a short average collection cycle of less than 60 days for such accounts receivable and due to the company's collection history, the fair value of the company's retained interest approximates book value. The retained interest recorded at September 30, 2008 is \$81.3 million and is included in accounts receivable in the accompanying Consolidated Balance Sheets.

The securitization program includes certain of the company's domestic U.S. Foodservice and Crane segments' businesses and the capacity of the program is \$105.0 million. Trade accounts receivables sold to the Purchaser and being serviced by the company totaled \$85.0 million at September 30, 2008.

Incremental sales of trade receivables from the special purpose subsidiary to the Purchaser totaled \$278.0 million for the nine months ended September 30, 2008. Cash collections of trade accounts receivable balances in the total receivable pool totaled \$910.1 million for the nine months ended September 30, 2008.

The accounts receivables securitization program is accounted for as a sale in accordance with FASB Statement No. 140 "Accounting for Transfers and Servicing of Financial Assets and Extinguishment of Liabilities — a Replacement of FASB Statement No. 125." Sales of trade receivables to the Purchaser are reflected as a reduction of accounts receivable in the accompanying Consolidated Balance Sheets and the proceeds received are included in cash flows from operating activities in the accompanying Consolidated Statements of Cash Flows.

The table below provides additional information about delinquencies and net credit losses for trade accounts receivable subject to the accounts receivable securitization program.

	Balance outstanding September 30, 2008	Balance Outstanding 60 Days or More Past Due September 30, 2008	Net Credit Losses Nine Months Ended September 30, 2008
Trade accounts receivable subject to securitization program	\$ 166.3	\$ 3.9	\$ —
Trade accounts receivable balance sold	85.0		
Retained interest	<u>\$ 81.3</u>		

10. Income Taxes

The company or one of its subsidiaries files income tax returns in the U.S. federal jurisdiction, and various state and foreign jurisdictions. With few exceptions, the company is no longer subject to U.S. federal, state and local, or non-U.S. income tax examinations by tax authorities for years before 2001. The Wisconsin Department of Revenue (WDOR) continues its examination of the company's Wisconsin income tax returns for 1997 through 2005. The company anticipates that this examination will be completed by the end of 2008. As of September 30, 2008, the WDOR has not issued a formal assessment report. In August 2007, the German tax authorities began an examination of the company's German entity's income and trade tax returns for 2001 through 2005. Thus far, there have been no significant developments with regard to this German examination.

The company's liability for unrecognized tax benefits is expected to increase by \$2.0 million, including interest and penalty, to \$38.6 million during the year ended December 31, 2008. All of the company's unrecognized tax benefits as of September 30, 2008, if recognized, would affect the effective tax rate.

During the next 12 months, the company does not expect any other significant changes in its unrecognized tax benefits.

11. Earnings Per Share

The following is a reconciliation of the average shares outstanding used to compute basic and diluted earnings per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Basic weighted average common shares outstanding	130,090,741	125,175,721	129,855,810	124,314,233
Effect of dilutive securities - stock options and restricted stock	—	2,739,283	1,925,824	2,826,979
Diluted weighted average common shares outstanding	130,090,741	127,915,004	131,781,634	127,141,212

For the three months ended September 30, 2008, the total number of potential dilutive options was 1.4 million. However, these options were not included in the computation of diluted net loss per common share for the quarter since to do so would decrease the loss per share. For the nine months ended September 30, 2008, 0.3 million common shares issuable upon the exercise of stock options were anti-dilutive and were excluded from the calculation of diluted earnings per share. For the three and nine months ended September 30, 2007, no common shares issuable upon the exercise of stock options, were anti-dilutive and were excluded from the calculation of diluted earnings per share.

During each of the three months ended September 30, 2008 and 2007, the company paid a quarterly dividend of \$0.02 per outstanding common share. During each of the nine months ended September 30, 2008 and 2007, the company paid three quarterly dividends totaling \$0.06 and \$0.055 per share, respectively.

12. Stockholders' Equity

On March 21, 2007, the Board of Directors of the company approved the Rights Agreement between the company and Computershare Trust Company, N.A., as Rights Agent and declared a dividend distribution of one right (a "Right") for each outstanding share of Common Stock, par value \$0.01 per share, of the company (the "Common Stock"), to shareholders of record at the close of business on March 30, 2007 (the "Record Date"). In addition to the Rights issued as a dividend on the record date, the Board of Directors has also determined that one Right will be issued together with each share of Common Stock issued by the company after the Record Date. Generally, each Right, when it becomes exercisable, entitles the registered holder to purchase from the company one share of Common Stock at a purchase price, in cash, of \$110.00 per share (\$220.00 per share prior to the September 10, 2007 stock split), subject to adjustment as set forth in the Rights Agreement (the "Purchase Price" or "Exercise Price").

As explained in the Rights Agreement, the Rights become exercisable on the "Distribution Date", which is that date that any of the following occurs: (1) 10 days following a public announcement that a person or group of affiliated persons (an "Acquiring Person") has acquired, or obtained the right to acquire, beneficial ownership of 20% or more of the outstanding shares of Common Stock of the company; or (2) 10 business days following the commencement of a tender offer or exchange offer that would result in a person or group beneficially owning 20% or more of such outstanding shares of Common Stock. The Rights will expire at the close of business on March 29, 2017, unless earlier redeemed or exchanged by the company as described in the Rights Agreement.

On July 26, 2007, the board of directors authorized a two-for-one split of the company's common stock. Record holders of the company's common stock at the close of business on August 31, 2007 received on September 10, 2007 one additional share of common stock for every share of the company's common stock they owned as of August 31, 2007. The company's shares outstanding at the close of business on August 31, 2007 totaled 62,787,642. The company's common stock began trading at its post-split price at the beginning of trading on September 11, 2007. Per share, share and stock option amounts within this Quarterly Report on Form 10-Q for all periods presented have been adjusted to reflect the stock split.

In November 2007, the company sold, pursuant to an underwritten public offering, approximately 4.0 million shares of its common stock at a price of \$39.48 per share to the public. The offering was undertaken to meet anticipated investor demand for the company's common stock in connection with Standard & Poor's decision to add the company to the S&P 500 Index as of the close of trading on November 15, 2007. Net cash proceeds from this offering, after deducting underwriting discounts and commissions, were \$156.9 million. The company used the proceeds for general corporate purposes.

13. Stock Based Compensation

Stock based compensation expense is calculated by estimating the fair value of incentive stock options at the time of grant and amortized over the stock options' vesting period. Stock based compensation was \$1.5 million and \$4.8 million for the three and nine months ended September 30, 2008, respectively. Stock based compensation was \$1.6 million and \$4.9 million for the three and nine months ended September 30, 2007, respectively.

14. Contingencies and Significant Estimates

The company has been identified as a potentially responsible party under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) in connection with the Lemberger Landfill Superfund Site near Manitowoc, Wisconsin. Approximately 150 potentially responsible parties have been identified as having shipped hazardous materials to this site. Eleven of those, including the company, have formed the Lemberger Site Remediation Group and have successfully negotiated with the United States Environmental Protection Agency and the Wisconsin Department of Natural Resources to fund the cleanup and settle their potential liability at this site. The estimated remaining cost to complete the clean up of this site is approximately \$8.1 million. Although liability is joint and several, the company's share of the liability is estimated to be 11% of the remaining cost. Remediation work at the site has been substantially completed, with only long-term pumping and treating of groundwater and site maintenance remaining. The company's remaining estimated liability for this matter, included in accounts payable and accrued expenses in the Consolidated Balance Sheet at September 30, 2008 is \$0.8 million. Based on the size of the company's current allocation of liabilities at this site, the existence of other viable potential responsible parties and current reserve, the company does not believe that any liability imposed in connection with this site will have a material adverse effect on its financial condition, results of operations, or cash flows.

During the due diligence process for the sale of the company's wholly-owned subsidiary Diversified Refrigeration, LLC, (f/k/a Diversified Refrigeration, Inc.) (DRI) certain contaminants in the soil and ground water associated with the facility were identified. As part of the sale agreement, the company agreed to be responsible for costs associated with further investigation and remediation of the issues identified. Estimates indicate that the costs to remediate this site are approximately \$2.0 million. During December 2005, the company recorded a \$2.0 million reserve for these estimated costs. This charge was recorded in discontinued operations in the Consolidated Statements of Operations for the year ended December 31, 2005. The company's remaining estimated liability for this matter, included in other accounts payable and accrued expenses in the Consolidated Balance Sheet at September 30, 2008 is \$0.7 million. Based upon available information, the company does not expect the ultimate costs will have a material adverse effect on its financial condition, results of operations, or cash flows.

At certain of the company's other facilities, the company has identified potential contaminants in soil and groundwater. The ultimate cost of any remediation required will depend upon the results of future investigation. Based upon available information, the company does not expect the ultimate costs will have a material adverse effect on its financial condition, results of operations, or cash flows.

The company believes that it has obtained and is in substantial compliance with those material environmental permits and approvals necessary to conduct its various businesses. Based on the facts presently known, the company does not expect environmental compliance costs to have a material adverse effect on its financial condition, results of operations, or cash flows.

As of September 30, 2008, various product-related lawsuits were pending. To the extent permitted under applicable law, all of these are insured with self-insurance retention levels. The company's self-insurance retention levels vary by business, and have fluctuated over the last five years. The range of the company's self-insured retention levels is \$0.1 million to \$3.0 million per occurrence. The high-end of the company's self-insurance retention level is for certain cranes manufactured in the United States for occurrences from January 2000 through October 2002. As of September 30, 2008, the largest self-insured retention level currently maintained by the company is \$2.0 million per occurrence and applies to product liability claims for cranes manufactured in the United States.

Product liability reserves in the Consolidated Balance Sheet at September 30, 2008, were \$34.1 million; \$13.4 million was reserved specifically for actual cases and \$20.7 million for claims incurred but not reported which were estimated using actuarial methods. Based on the company's experience in defending product liability claims, management believes the current reserves are adequate for estimated case resolutions on aggregate self-insured claims and insured claims. Any recoveries from insurance carriers are dependent upon the legal sufficiency of claims and solvency of insurance carriers.

At September 30, 2008 and December 31, 2007, the company had reserved \$91.5 million and \$91.2 million, respectively, for warranty claims included in product warranties and other non-current liabilities in the Consolidated Balance Sheets.

Certain of these warranties and other related claims involve matters in dispute that ultimately are resolved by negotiations, arbitration, or litigation.

It is reasonably possible that the estimates for environmental remediation, product liability and warranty costs may change in the near future based upon new information that may arise or matters that are beyond the scope of the company's historical experience.

The company is involved in numerous lawsuits involving asbestos-related claims in which the company is one of numerous defendants. After taking into consideration legal counsel's evaluation of such actions, the current political environment with respect to asbestos related claims, and the liabilities accrued with respect to such matters, in the opinion of management, ultimate resolution is not expected to have a material adverse effect on the financial condition, results of operations, or cash flows of the company.

The company is also involved in various legal actions arising out of the normal course of business, which, taking into account the liabilities accrued and legal counsel's evaluation of such actions, in the opinion of management, the ultimate resolution is not expected to have a material adverse effect on the company's financial condition, results of operations, or cash flows.

15. Guarantees

The company periodically enters into transactions with customers that provide for residual value guarantees and buyback commitments. These transactions are recorded as operating leases for all significant residual value guarantees and for all buyback commitments. These initial transactions are recorded as deferred revenue and are amortized to income on a straight-line basis over a period equal to that of the customer's third party financing agreement. The deferred revenue included in accounts payable and accrued expenses and non-current liabilities at September 30, 2008 and December 31, 2007 was \$102.0 million and \$102.4 million, respectively. The total amount of residual value guarantees and buyback commitments given by the company and outstanding at September 30, 2008 was \$120.0 million. This amount is not reduced for amounts the company would recover from repossessing and subsequent resale of the units. The residual value guarantees and buyback commitments expire at various times through 2013.

During the nine months ended September 30, 2008 and 2007, the company sold \$1.4 million and \$9.2 million, respectively, of its long term notes receivable to third party financing companies. The company guarantees some percentage, up to 100%, of collection of the notes to the financing companies. The company has accounted for the sales of the notes as a financing of receivables. The receivables remain on the company's Consolidated Balance Sheet, net of payments made, in other current and non-current assets and the company has recognized an obligation equal to the net outstanding balance of the notes in other current and non-current liabilities in the Consolidated Balance Sheets. The cash flow benefit of these transactions, net of payments made by the customer, are reflected as financing activities in the Consolidated Statement of Cash Flows. During the nine months ended September 30, 2008, the customers have paid \$5.8 million of the notes to the third party financing companies. As of September 30, 2008, the outstanding balance of the notes receivables guaranteed by the company was \$13.9 million.

In the normal course of business, the company provides its customers a warranty covering workmanship, and in some cases materials, on products manufactured by the company. Such warranty generally provides that products will be free from defects for periods ranging from 6 months to 60 months. If a product fails to comply with the company's warranty, the company may be obligated, at its expense, to correct any defect by repairing or replacing such defective products. The company provides for an estimate of costs that may be incurred under its warranty at the time product revenue is recognized. These costs primarily include labor and materials, as necessary, associated with repair or replacement. The primary factors that affect the company's warranty liability include the number of units shipped and historical and anticipated warranty claims. As these factors are impacted by actual experience and future expectations, the company assesses the adequacy of its recorded warranty liability and adjusts the amounts as necessary. Below is a table summarizing the warranty activity for the nine months ended September 30, 2008 and 2007.

	2008	2007
Balance at beginning of period	\$ 91.2	\$ 69.1
Accruals for warranties issued during the period	44.5	39.5
Settlements made (in cash or in kind) during the period	(45.2)	(32.6)
Acquisition	0.2	—
Currency translation	0.8	2.1
Balance at end of period	<u>\$ 91.5</u>	<u>\$ 78.1</u>

16. Employee Benefit Plans

The company provides certain pension, health care and death benefits for eligible retirees and their dependents. The pension benefits are funded, while the health care and death benefits are not funded but are paid as incurred. Eligibility for coverage is based on meeting certain years of service and retirement qualifications. These benefits may be subject to deductibles, co-payment provisions, and other limitations. The company has reserved the right to modify these benefits.

The components of periodic benefit costs for the three and nine months ended September 30, 2008 and 2007 are as follows:

	Three Months Ended September 30, 2008			Nine Months Ended September 30, 2008		
	U.S. Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other Plans	U.S. Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other Plans
Service cost - benefits earned during the period	\$ —	\$ 0.5	\$ 0.2	\$ —	\$ 1.7	\$ 0.6
Interest cost of projected benefit obligations	1.8	0.9	0.8	5.5	2.6	2.3
Expected return on plan assets	(1.7)	(0.8)	—	(5.2)	(2.4)	—
Amortization of actuarial net (gain) loss	—	—	—	—	—	—
Net periodic benefit costs	<u>\$ 0.1</u>	<u>\$ 0.6</u>	<u>\$ 1.0</u>	<u>\$ 0.3</u>	<u>\$ 1.9</u>	<u>\$ 2.9</u>
Weighted average assumptions:						
Discount rate	6.50%	5.5 - 5.8%	5.75%	6.50%	5.5 - 5.8%	5.75%
Expected return on plan assets	5.9%	0.0 - 6.1%	N/A	5.9%	0.0 - 6.1%	N/A
Rate of compensation increase	N/A	0.0 - 4.4%	N/A	N/A	0.0 - 4.4%	N/A

	Three Months Ended September 30, 2007			Nine Months Ended September 30, 2007		
	U.S. Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other Plans	U.S. Pension Plans	Non-U.S. Pension Plans	Postretirement Health and Other Plans
Service cost - benefits earned during the period	\$ —	\$ 0.5	\$ 0.2	\$ —	\$ 1.5	\$ 0.5
Interest cost of projected benefit obligations	1.8	1.2	0.8	5.3	3.5	2.5
Expected return on plan assets	(1.8)	(1.1)	—	(5.3)	(3.3)	—
Amortization of actuarial net (gain) loss	0.2	—	0.1	0.5	—	0.2
Net periodic benefit costs	<u>\$ 0.2</u>	<u>\$ 0.6</u>	<u>\$ 1.1</u>	<u>\$ 0.5</u>	<u>\$ 1.7</u>	<u>\$ 3.2</u>
Weighted average assumptions:						
Discount rate	5.75%	4.5 - 4.9%	5.75%	5.75%	4.5 - 4.9%	5.75%
Expected return on plan assets	6.5%	0.0 - 6.3%	N/A	6.5%	0.0 - 6.3%	N/A
Rate of compensation increase	N/A	1.8 - 4.0%	N/A	N/A	1.8 - 4.0%	N/A

The three U.S. pension plans had benefit accruals frozen during 2003. Effective January 1, 2007, the company merged all U.S. pension plans together and made a contribution of \$27.2 million that is expected to fully fund the ongoing pension liability. The company also changed its investment policy to more closely align the interest rate sensitivity of its pension assets with the corresponding liabilities. The resulting asset allocation is approximately 10% equities and 90% fixed

income. This funding and change in allocation removed a significant portion of the U.S. pension's volatility arising from unpredictable changes in interest rates and the equity markets. This decision will protect the company's balance sheet as well as support its goal of minimizing unexpected future pension cash contributions based upon the new provisions of the Pension Protection Act and protect our employees' benefits.

During the second quarter of 2007, the company made a \$15.1 million pension contribution to its U.K. defined benefit pension plan. The \$15.1 million contribution funded the defined benefit plan as well as paid an incentive to certain pensioners to transfer from the defined benefit plan to a defined contribution plan. As a result of this payment, the company recorded a charge during the second quarter of 2007 of approximately \$3.8 million to reflect the incentive given to the pensioners and expenses incurred. This charge is recorded in pension settlements in the Consolidated Statement of Operations for the three and nine months ended September 30, 2007. Subsequent to the funding of the defined benefit pension plan, approximately \$39.2 million of assets and related liabilities were transferred from the defined benefit pension plan to a defined contribution pension plan.

During the second quarter of 2007, the company recorded a charge of \$1.4 million related to a withdraw liability from a multiemployer pension plan at its former River Falls, Wisconsin facility. During the third quarter of 2005, the company closed its Kolpak operation located in River Falls, Wisconsin and consolidated it with its operation in Tennessee. The \$1.4 million represents the estimated payment the company will make to the multiemployer pension plan for its former union employees at the closed facility. This charge is recorded in pension settlements in the Consolidated Statement of Operations for the three and nine months ended September 30, 2007.

17. Sale of Parts Line

On April 3, 2007, the company sold all of its aftermarket replacement parts and rights to manufacture, sell and service aftermarket replacement parts for all the models of the Grove Manlift aerial work platform product line around the world, to MinnPar LLC. The company received \$4.9 million in proceeds and recognized a gain of \$3.3 million, which is recorded in gain on sale of parts line in the Consolidated Statement of Operations for the nine months ended September 30, 2007.

18. Recent Accounting Changes and Pronouncements

In May 2008, the FASB issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles", which identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements. SFAS No. 162 is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, "The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles". The company is currently evaluating the impact this statement will have on its financial position and results of operations.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133". SFAS No. 161 amends and expands the disclosure requirements of SFAS No. 133 with the intent to provide users of financial statements with an enhanced understanding of: 1) how and why an entity uses derivative instruments; 2) how derivative instruments and related hedged items are accounted for under SFAS No. 133 and its related interpretations; and 3) how derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows. This statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The company is currently evaluating the impact on disclosures of the adoption of SFAS No. 161 on its consolidated financial statements.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements an Amendment of ARB No. 51", which establishes accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS 160 clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. SFAS 160 also requires consolidated net income to be reported at amounts that include the amounts attributable to both the parent and the noncontrolling interest. It also requires disclosure, on the face of the consolidated statement of income, of the amounts of consolidated net income attributable to the parent and to the noncontrolling interest. SFAS 160 also provides guidance when a subsidiary is deconsolidated and requires expanded disclosures in the consolidated financial statements that clearly identify and distinguish between the interests of the parent's owners and the interests of the noncontrolling owners of a subsidiary. SFAS 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. The company is currently evaluating the impact this statement will have on its financial position and results of operations.

In December 2007, the FASB issued SFAS No. 141(R), "Business Combinations", which establishes principles and requirements for how the acquirer: (a) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree; (b) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and (c) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS 141(R) requires contingent consideration to be recognized at its fair value on the acquisition date and, for certain arrangements, changes in fair value to be recognized in earnings until settled. SFAS 141(R) also requires acquisition-related transaction and restructuring costs to be expensed rather than treated as part of the cost of the acquisition. SFAS 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. The company is currently evaluating the impact this statement will have on its financial position and results of operations.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of FASB Statement No. 115". SFAS 159 permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. SFAS 159 permits all entities to choose, at specified election dates, to measure eligible items at fair value (the "fair value option"). A business entity shall report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. Upfront costs and fees related to items for which the fair value option is elected are recognized in earnings as incurred and not deferred. SFAS 159 also establishes presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar types of assets and liabilities. SFAS No. 159 was effective for us on January 1, 2008. The adoption of SFAS No. 159 did not have an impact on our consolidated financial statements as the company did not elect the fair value option for any of such eligible financial assets or financial liabilities as of March 31, 2008.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements." SFAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and establishes a hierarchy that categorizes and prioritizes the sources to be used to estimate fair value. SFAS 157 also expands financial statement disclosures about fair value measurements. On February 12, 2008, the FASB issued FASB Staff Position (FSP) 157-2 which delays the effective date of SFAS 157 for one year, for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). FAS 157 and FSP 157-2 are effective for financial statements issued for fiscal years beginning after November 15, 2007. We have elected a partial deferral of SFAS 157 under the provisions of FSP 157-2 related to the measurement of fair value used when evaluating goodwill, other intangible assets and other long-lived assets for impairment and valuing asset retirement obligations and liabilities for exit or disposal activities. The impact of partially adopting SFAS 157 effective January 1, 2008 was not material to our Consolidated Financial Statements.

19. Subsidiary Guarantors of Senior Notes due 2013

The following tables present condensed consolidating financial information for (a) The Manitowoc Company, Inc. (Parent); (b) the guarantors of the Senior Notes due 2013, which include substantially all of the domestic wholly owned subsidiaries of the company (Subsidiary Guarantors); and (c) the wholly and partially owned foreign subsidiaries of the company, which do not guarantee the Senior Notes due 2013 (Non-Guarantor Subsidiaries). Separate financial statements of the Subsidiary Guarantors are not presented because the guarantors are fully and unconditionally, jointly and severally liable under the guarantees, and 100% owned by the company. On August 1, 2007, the company redeemed its 10 ½% senior subordinated notes due 2012, the guarantors of which were substantially the same as the guarantors of the Senior Notes due 2013.

The Manitowoc Company, Inc.
Condensed Consolidating Statement of Operations
For the Three Months Ended September 30, 2008
(In millions)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Consolidated
Net sales	\$ —	\$ 641.9	\$ 658.1	\$ (193.2)	\$ 1,106.8
Costs and expenses:					
Cost of sales	—	527.6	528.7	(193.2)	863.1
Engineering, selling and administrative expenses	13.2	36.0	49.5	—	98.7
Restructuring expense	—	—	0.8	—	0.8
Amortization expense	—	0.5	1.5	—	2.0
Integration expense	—	1.6	—	—	1.6
Equity in (earnings) loss of subsidiaries	(123.5)	0.7	—	122.8	—
Total costs and expenses	(110.3)	566.4	580.5	(70.4)	966.2
Earnings (loss) from continuing operations	110.3	75.5	77.6	(122.8)	140.6
Other income (expense):					
Interest expense	(2.9)	(0.9)	(3.7)	—	(7.5)
Loss on currency hedges	(198.4)	—	—	—	(198.4)
Management fee income (expense)	11.2	(11.6)	0.4	—	—
Other income (expense), net	18.1	(3.0)	(17.9)	—	(2.8)
Total other income (expense)	(172.0)	(15.5)	(21.2)	—	(208.7)
Earnings from (loss) from continuing operations before taxes on income and minority interest	(61.7)	60.0	56.4	(122.8)	(68.1)
Provision (benefit) for taxes on income	(35.6)	0.1	5.9	—	(29.6)
Earnings (loss) from continuing operations before minority interest	(26.1)	59.9	50.5	(122.8)	(38.5)
Minority interest, net of income taxes	—	—	(0.8)	—	(0.8)
Net earnings (loss) from continuing operations	\$ (26.1)	\$ 59.9	\$ 51.3	\$ (122.8)	\$ (37.7)
Discontinued operations:					
Earnings from discontinued operations, net of income taxes	—	11.6	—	—	11.6
Net earnings (loss)	\$ (26.1)	\$ 71.5	\$ 51.3	\$ (122.8)	\$ (26.1)

The Manitowoc Company, Inc.
Condensed Consolidating Statement of Operations
For the Three Months Ended September 30, 2007
(In millions)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Consolidated
Net sales	\$ —	\$ 533.1	\$ 509.9	\$ (117.8)	\$ 925.2
Costs and expenses:					
Cost of sales	—	420.0	411.2	(117.8)	713.4
Engineering, selling and administrative expenses	10.9	42.4	39.5	—	92.8
Amortization expense	—	0.5	0.5	—	1.0
Total costs and expenses	<u>10.9</u>	<u>462.9</u>	<u>451.2</u>	<u>(117.8)</u>	<u>807.2</u>
Earnings (loss) from continuing operations	(10.9)	70.2	58.7	—	118.0
Other income (expense):					
Interest expense	(4.8)	(1.3)	(2.4)	—	(8.5)
Loss on debt extinguishment	(12.5)	—	—	—	(12.5)
Management fee income (expense)	9.2	(8.8)	(0.4)	—	—
Other income (expense), net	15.6	(2.5)	(13.5)	—	(0.4)
Total other income (expense)	<u>7.5</u>	<u>(12.6)</u>	<u>(16.3)</u>	<u>—</u>	<u>(21.4)</u>
Earnings (loss) from continuing operations before taxes					
on income and equity in earnings of subsidiaries	(3.4)	57.6	42.4	—	96.6
Provision (benefit) for taxes on income	(0.8)	12.8	13.5	—	25.5
Earnings (loss) from continuing operations before equity in earnings of subsidiaries	(2.6)	44.8	28.9	—	71.1
Equity in earnings (loss) of subsidiaries	<u>78.5</u>	<u>—</u>	<u>—</u>	<u>(78.5)</u>	<u>—</u>
Net earnings (loss) from continuing operations	75.9	44.8	28.9	(78.5)	71.1
Discontinued operations:					
Earnings from discontinued operations, net of income taxes	—	4.8	—	—	4.8
Net earnings (loss)	<u>\$ 75.9</u>	<u>\$ 49.6</u>	<u>\$ 28.9</u>	<u>\$ (78.5)</u>	<u>\$ 75.9</u>

The Manitowoc Company, Inc.
Condensed Consolidating Statement of Operations
For the Nine Months Ended September 30, 2008
(In millions)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Consolidated
Net sales	\$ —	\$ 1,795.1	\$ 2,010.7	\$ (519.4)	\$ 3,286.4
Costs and expenses:					
Cost of sales	—	1,448.3	1,583.9	(519.4)	2,512.8
Engineering, selling and administrative expenses	38.3	123.0	156.0	—	317.3
Restructuring expense	—	—	0.8	—	0.8
Integration expense	—	1.6	—	—	1.6
Amortization expense	—	1.5	4.0	—	5.5
Equity in (earnings) loss of subsidiaries	(335.4)	(5.4)	—	340.8	—
Total costs and expenses	(297.1)	1,569.0	1,744.7	(178.6)	2,838.0
Earnings (loss) from continuing operations	297.1	226.1	266.0	(340.8)	448.4
Other income (expense):					
Interest expense	(8.3)	(2.7)	(10.6)	—	(21.6)
Loss on currency hedges	(198.4)	—	—	—	(198.4)
Management fee income (expense)	33.8	(24.3)	(9.5)	—	—
Other income (expense), net	59.4	(8.8)	(45.3)	—	5.3
Total other income (expense)	(113.5)	(35.8)	(65.4)	—	(214.7)
Earnings (loss) from continuing operations before taxes on income and minority interest	183.6	190.3	200.6	(340.8)	233.7
Provision (benefit) for taxes on income	(26.8)	32.7	50.0	—	55.9
Earnings (loss) from continuing operations before minority interest	210.4	157.6	150.6	(340.8)	177.8
Minority interest	—	—	(0.9)	—	(0.9)
Net earnings (loss) from continuing operations	210.4	157.6	151.5	(340.8)	178.7
Discontinued operations:					
Earnings from discontinued operations, net of income taxes	—	31.7	—	—	31.7
Net earnings (loss)	\$ 210.4	\$ 189.3	\$ 151.5	\$ (340.8)	\$ 210.4

The Manitowoc Company, Inc.
Condensed Consolidating Statement of Operations
For the Nine Months Ended September 30, 2007
(In millions)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Consolidated
Net sales	\$ —	\$ 1,527.6	\$ 1,460.4	\$ (349.9)	\$ 2,638.1
Costs and expenses:					
Cost of sales	—	1,204.2	1,161.8	(349.9)	2,016.1
Engineering, selling and administrative expenses	33.0	120.6	122.4	—	276.0
Gain on sale of parts line	—	(3.3)	—	—	(3.3)
Pension settlements	1.3	—	3.9	—	5.2
Amortization expense	—	1.4	1.5	—	2.9
Total costs and expenses	34.3	1,322.9	1,289.6	(349.9)	2,296.9
Earnings (loss) from continuing operations	(34.3)	204.7	170.8	—	341.2
Other income (expense):					
Interest expense	(19.0)	(3.4)	(5.0)	—	(27.4)
Loss on debt extinguishment	(12.5)	—	—	—	(12.5)
Management fee income (expense)	27.1	(25.8)	(1.3)	—	—
Other income (expense), net	49.5	(12.1)	(33.0)	—	4.4
Total other income (expense)	45.1	(41.3)	(39.3)	—	(35.5)
Earnings from continuing operations before taxes on income and equity in earnings of subsidiaries	10.8	163.4	131.5	—	305.7
Provision for taxes on income	2.0	34.0	47.3	—	83.3
Earnings from continuing operations before equity in earnings of subsidiaries	8.8	129.4	84.2	—	222.4
Equity in earnings (loss) of subsidiaries	228.6	—	—	(228.6)	—
Net earnings (loss) from continuing operations	237.4	129.4	84.2	(228.6)	222.4
Discontinued operations:					
Earnings from discontinued operations, net of income taxes	—	15.0	—	—	15.0
Net earnings (loss)	\$ 237.4	\$ 144.4	\$ 84.2	\$ (228.6)	\$ 237.4

The Manitowoc Company, Inc.
Condensed Consolidating Balance Sheet
as of September 30, 2008
(In millions)

	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Consolidated
Assets					
Current Assets:					
Cash and cash equivalents	\$ 220.4	\$ 31.9	\$ 127.1	\$ —	\$ 379.4
Marketable securities	2.6	—	—	—	2.6
Restricted cash	5.3	—	—	—	5.3
Accounts receivable — net	0.4	146.7	345.8	—	492.9
Inventories — net	—	272.6	596.1	—	868.7
Deferred income taxes	49.2	—	17.4	—	66.6
Other current assets	58.8	9.3	63.9	—	132.0
Current assets of discontinued operations	—	25.2	—	—	25.2
Total current assets	336.7	485.7	1,150.3	—	1,972.7
Property, plant and equipment — net	10.3	218.5	305.4	—	534.2
Goodwill	—	278.7	212.6	—	491.3
Other intangible assets — net	—	70.2	131.3	—	201.5
Deferred income taxes	25.4	—	2.6	—	28.0
Other non-current assets	59.4	9.6	8.1	—	77.1
Long-term assets of discontinued operations	—	71.3	—	—	71.3
Investment in affiliates	1,180.1	15.3	—	(1,195.4)	—
Total assets	\$ 1,611.9	\$ 1,149.3	\$ 1,810.3	\$ (1,195.4)	\$ 3,376.1
Liabilities and Stockholders' Equity					
Current Liabilities:					
Accounts payable and accrued expenses	\$ 220.4	\$ 316.4	\$ 559.4	\$ —	\$ 1,096.2
Short-term borrowings	—	—	44.7	—	44.7
Customer advances	—	23.2	30.4	—	53.6
Product warranties	—	38.0	42.0	—	80.0
Product liabilities	—	30.6	3.5	—	34.1
Current liabilities of discontinued operations	—	74.3	—	—	74.3
Total current liabilities	220.4	482.5	680.0	—	1,382.9
Non-Current Liabilities:					
Long-term debt, less current portion	150.3	—	52.1	—	202.4
Pension obligations	7.9	3.2	15.2	—	26.3
Postretirement health and other benefit obligations	49.0	—	0.9	—	49.9
Intercompany	(425.5)	(277.5)	703.0	—	—
Long-term deferred income	—	10.4	44.0	—	54.4
Other non-current liabilities	48.4	14.8	35.6	—	98.8
Total non-current liabilities	(169.9)	(249.1)	850.8	—	431.8
Stockholders' equity	1,561.4	915.9	279.5	(1,195.4)	1,561.4
Total liabilities and stockholders' equity	\$ 1,611.9	\$ 1,149.3	\$ 1,810.3	\$ (1,195.4)	\$ 3,376.1

The Manitowoc Company, Inc.
Condensed Consolidating Balance Sheet
as of December 31, 2007
(In millions)

	<u>Parent</u>	<u>Guarantor</u>	<u>Non-Guarantor</u>	<u>Eliminations</u>	<u>Total</u>
Assets					
Current assets:					
Cash and cash equivalents	\$ 195.0	\$ 25.2	\$ 146.7	\$ —	\$ 366.9
Marketable securities	2.5	—	—	—	2.5
Restricted cash	15.5	—	1.2	—	16.7
Account receivable-net	0.5	107.0	309.2	—	416.7
Inventories-net	—	201.5	389.5	—	591.0
Deferred income taxes	46.6	—	19.5	—	66.1
Other current assets	0.7	12.9	47.5	—	61.1
Current assets of discontinued operations	—	54.6	—	—	54.6
Total current assets	<u>260.8</u>	<u>401.2</u>	<u>913.6</u>	<u>—</u>	<u>1,575.6</u>
Property, plant and equipment - net	9.5	178.7	280.7	—	468.9
Goodwill-net	—	278.7	192.9	—	471.6
Other intangible assets	—	71.6	129.0	—	200.6
Deferred income taxes	25.0	—	2.6	—	27.6
Other non-current assets	37.9	9.1	8.8	—	55.8
Long-term assets of discontinued operations	—	71.3	—	—	71.3
Investments in affiliates	932.4	8.4	—	(940.8)	—
Total assets	<u>\$ 1,265.6</u>	<u>\$ 1,019.0</u>	<u>\$ 1,527.6</u>	<u>\$ (940.8)</u>	<u>\$ 2,871.4</u>
Liabilities and stockholders' equity					
Current liabilities:					
Accounts payable and accrued expenses	\$ 32.0	\$ 262.0	\$ 551.7	\$ —	\$ 845.7
Short-term borrowings	—	—	13.1	—	13.1
Product warranties	—	38.5	41.9	—	80.4
Product liabilities	—	30.1	4.6	—	34.7
Current liabilities of discontinued operations	—	100.7	—	—	100.7
Total current liabilities	<u>32.0</u>	<u>431.3</u>	<u>611.3</u>	<u>—</u>	<u>1,074.6</u>
Long-term debt	150.1	—	67.4	—	217.5
Pension obligations	6.4	3.3	15.3	—	25.0
Postretirement health and other benefit obligations	50.2	—	1.1	—	51.3
Long-term deferred revenue	—	16.6	44.0	—	60.6
Intercompany	(370.3)	(231.5)	601.8	—	—
Other non-current liabilities	47.3	16.0	29.2	—	92.5
Total non-current liabilities	<u>(116.3)</u>	<u>(195.6)</u>	<u>758.8</u>	<u>—</u>	<u>446.9</u>
Stockholders' equity	<u>1,349.9</u>	<u>783.3</u>	<u>157.5</u>	<u>(940.8)</u>	<u>1,349.9</u>
Total liabilities and stockholders' equity	<u>\$ 1,265.6</u>	<u>\$ 1,019.0</u>	<u>\$ 1,527.6</u>	<u>\$ (940.8)</u>	<u>\$ 2,871.4</u>

The Manitowoc Company, Inc.
Condensed Consolidating Statement of Cash Flows
For the Nine Months Ended September 30, 2008
(In millions)

	<u>Parent</u>	<u>Subsidiary Guarantors</u>	<u>Non- Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Net cash provided by (used in) operating activities of continuing operations	349.5	143.6	(39.4)	(340.8)	112.9
Cash provided by operating activities of discontinued operations	—	36.8	—	—	36.8
Net cash provided by (used in) operating activities	<u>\$ 349.5</u>	<u>\$ 180.4</u>	<u>\$ (39.4)</u>	<u>\$ (340.8)</u>	<u>\$ 149.7</u>
Cash Flows from Investing:					
Business acquisition	—	—	(26.7)	—	(26.7)
Capital expenditures	(1.9)	(60.0)	(34.3)	—	(96.2)
Restricted cash	10.3	—	1.2	—	11.5
Proceeds from sale of property, plant and equipment	—	0.6	5.0	—	5.6
Purchase of marketable securities	(0.1)	—	—	—	(0.1)
Intercompany investments	<u>(315.6)</u>	<u>(109.6)</u>	<u>84.4</u>	<u>340.8</u>	<u>—</u>
Net cash provided by (used for) investing activities of continuing operations	(307.3)	(169.0)	29.6	340.8	(105.9)
Net cash used for investing activities of discontinued operations	—	(2.2)	—	—	(2.2)
Net cash provided by (used for) investing activities	<u>(307.3)</u>	<u>(171.2)</u>	<u>29.6</u>	<u>340.8</u>	<u>(108.1)</u>
Cash Flows from Financing:					
Proceeds from long-term debt	—	—	33.1	—	33.1
Payments on long-term debt	—	—	(43.1)	—	(43.1)
Payments on notes financing	—	(2.5)	(1.9)	—	(4.4)
Debt issuance costs	(17.6)	—	—	—	(17.6)
Dividends paid	(7.8)	—	—	—	(7.8)
Exercises of stock options	8.6	—	—	—	8.6
Net cash used for financing activities	<u>(16.8)</u>	<u>(2.5)</u>	<u>(11.9)</u>	<u>—</u>	<u>(31.2)</u>
Effect of exchange rate changes on cash	—	—	2.1	—	2.1
Net increase (decrease) in cash and cash equivalents	25.4	6.7	(19.6)	—	12.5
Balance at beginning of period	195.0	25.2	146.7	—	366.9
Balance at end of period	<u>\$ 220.4</u>	<u>\$ 31.9</u>	<u>\$ 127.1</u>	<u>\$ —</u>	<u>\$ 379.4</u>

The Manitowoc Company, Inc.
Condensed Consolidating Statement of Cash Flows
For the Nine Months Ended September 30, 2007
(In millions)

	<u>Parent</u>	<u>Subsidiary Guarantors</u>	<u>Non- Guarantor Subsidiaries</u>	<u>Eliminations</u>	<u>Consolidated</u>
Cash provided by (used in) operating activities of continuing operations	235.7	117.6	(106.2)	(228.6)	18.5
Cash provided by operating activities of discontinued operations	—	10.9	—	—	10.9
Net cash provided by (used in) operating activities	<u>\$ 235.7</u>	<u>\$ 128.5</u>	<u>\$ (106.2)</u>	<u>\$ (228.6)</u>	<u>\$ 29.4</u>
Cash Flows from Investing:					
Business acquisitions	—	(15.9)	(64.2)	—	(80.1)
Capital expenditures	(1.7)	(18.7)	(32.0)	—	(52.4)
Restricted cash	(0.5)	—	—	—	(0.5)
Proceeds from sale of property, plant and equipment	—	0.2	7.6	—	7.8
Proceeds from sales of parts product line	—	4.9	—	—	4.9
Purchase of marketable securities	(0.1)	—	—	—	(0.1)
Intercompany investments	(201.4)	(91.4)	64.2	228.6	—
Net cash provided by (used for) investing activities of continuing operations	(203.7)	(120.9)	(24.4)	228.6	(120.4)
Net cash used for investing activities of discontinued operations	—	(4.5)	—	—	(4.5)
Net cash provided by (used for) investing activities	<u>(203.7)</u>	<u>(125.4)</u>	<u>(24.4)</u>	<u>228.6</u>	<u>(124.9)</u>
Cash Flows from Financing:					
Proceeds from long-term debt	—	—	11.5	—	11.5
Payments on long-term debt	(113.8)	—	—	—	(113.8)
Proceeds from revolving credit facility	53.3	—	50.0	—	103.3
Proceeds on notes financing	—	3.3	0.1	—	3.4
Dividends paid	(6.9)	—	—	—	(6.9)
Exercises of stock options	20.0	—	—	—	20.0
Net cash provided by (used for) financing activities	<u>(47.4)</u>	<u>3.3</u>	<u>61.6</u>	<u>—</u>	<u>17.5</u>
Effect of exchange rate changes on cash	—	—	8.0	—	8.0
Net increase (decrease) in cash and cash equivalents	(15.4)	6.4	(61.0)	—	(70.0)
Balance at beginning of period	20.4	24.1	130.4	—	174.9
Balance at end of period	<u>\$ 5.0</u>	<u>\$ 30.5</u>	<u>\$ 69.4</u>	<u>\$ —</u>	<u>\$ 104.9</u>

20. Business Segments

As a result of the decision to sell the Marine segment, the company's Unaudited Consolidated Financial Statements, accompanying notes and other information provided in this Form 10-Q reflect the Marine segment as a discontinued operation for all periods presented.

The company identifies its segments using the "management approach," which designates the internal organization that is used by management for making operating decisions and assessing performance as the source of the company's reportable segments. After reclassifying the Marine segment to discontinued operations, the company has two remaining reportable segments: Crane and Foodservice. The company has not aggregated individual operating segments within these reportable segments. Net sales and earnings from operations by segment are summarized as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net sales:				
Crane	\$ 991.0	\$ 812.3	\$ 2,939.2	\$ 2,300.2
Foodservice	115.8	112.9	347.2	337.9
Total net sales	\$ 1,106.8	\$ 925.2	\$ 3,286.4	\$ 2,638.1
Earnings (loss) from operations:				
Crane	\$ 137.1	\$ 111.5	\$ 435.6	\$ 326.3
Foodservice	18.3	17.7	53.1	50.6
Corporate expense	(12.4)	(11.2)	(37.9)	(33.8)
Gain on sale of parts line	—	—	—	3.3
Pension settlements	—	—	—	(5.2)
Restructuring expense	(0.8)	—	(0.8)	—
Integration expense	(1.6)	—	(1.6)	—
Operating earnings	\$ 140.6	\$ 118.0	\$ 448.4	\$ 341.2

Crane segment operating earnings for the three and nine months ended September 30, 2008 includes amortization expense of \$1.9 million and \$5.0 million, respectively. Crane segment operating earnings for the three and nine months ended September 30, 2007 includes amortization expense of \$0.9 million and \$2.5 million, respectively. Foodservice segment operating earnings for the three and nine months ended September 30, 2008 includes amortization expense of \$0.1 million and \$0.5 million, respectively. Foodservice segment operating earnings for the three and nine months ended September 30, 2007 includes amortization expense of \$0.1 million and \$0.4 million, respectively.

As of September 30, 2008 and December 31, 2007, the total assets by segment were as follows:

	September 30, 2008	December 31, 2007
Crane	\$ 2,397.0	\$ 1,958.1
Foodservice	349.4	341.5
Corporate	533.2	446.0
Total	\$ 3,279.6	\$ 2,745.6

21. Subsequent Events

On October 27, 2008, the company completed the previously announced acquisition (the "Acquisition") of all of the issued and to be issued ordinary share capital of Enodis plc ("Enodis") from the existing shareholders of Enodis for cash of 328 pence per share. Enodis is a global leader in the design and manufacture of innovative equipment for the commercial foodservice industry. The Acquisition was valued at approximately \$2.7 billion, including the assumption of Enodis' net debt, and was funded by loan facilities made available to the company under its Amended and Restated New Credit Agreement, dated as of August 25, 2008, with JPMorgan Chase Bank, N.A., as Administrative Agent, Deutsche Bank AG New York Branch and Morgan Stanley Senior Funding, Inc., as Syndication Agents, and BNP Paribas, as Documentation Agent, as amended. The initial funding date for the Acquisition was November 6, 2008. A total of \$175.0 million was drawn from the \$400.0 million revolving facility of the New Credit Agreement to fund the transaction. In addition, a total of \$2,525.0 million was drawn under the term loan facilities of the New Credit Agreement to fund the transaction which represents the total amount available under these facilities.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation

Results of Operations for the Three and Nine Months Ended September 30, 2008 and 2007

Analysis of Net Sales

The following table presents net sales by business segment (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net sales:				
Cranes and Related Products	\$ 991.0	\$ 812.3	\$ 2,939.2	\$ 2,300.2
Foodservice Equipment	115.8	112.9	347.2	337.9
Total net sales	<u>\$ 1,106.8</u>	<u>\$ 925.2</u>	<u>\$ 3,286.4</u>	<u>\$ 2,638.1</u>

Consolidated net sales for the three months ended September 30, 2008 increased 19.6% to \$1.1 billion, from \$925.2 million for the same period in 2007. For the nine months ended September 30, 2008 sales increased 24.6% to \$3.3 billion versus sales of \$2.6 billion for the nine months ended September 30, 2007. The increases in sales were driven mainly by our Crane segment.

Net sales from the Crane segment for the three months ended September 30, 2008 increased 22.0% to \$991.0 million versus \$812.3 million for the three months ended September 30, 2007. For the nine months ended September 30, 2008 sales increased 27.8% to \$2.9 billion versus \$2.3 billion for the nine months ended September 30, 2007. Net sales for both the three and nine months ended September 30, 2008 increased over the same periods in the prior year in all major geographic regions despite the ongoing softness in some residential and commercial construction markets, as well as challenges in customer and project financing. From a product-line standpoint, the higher sales were driven by increased volume of crawler, tower, and mobile hydraulic cranes worldwide and increases in our aftermarket sales and service business. Crane sales also benefited from product pricing increases in 2008 versus 2007.

For the three and nine months ended September 30, 2008 versus the same periods in 2007, the stronger Euro currency compared to the U.S. Dollar had a favorable impact on sales of approximately \$43.6 million and \$170.7 million, respectively. As of September 30, 2008, total Crane segment backlog was \$3.3 billion, a 5.4% decrease over the June 30, 2008 backlog of \$3.5 billion and a 15.8% increase over the December 31, 2007 backlog of \$2.9 billion. The solid backlog reflects the increased international activity, the pay back of our innovation strategy, and the success of our new products in the marketplace. The drop in backlog for the three months ended September 30, 2008, as compared to the three months ended June 30, 2008, reflected slowing demand for tower cranes in Europe, and a delay in opening the 2009 and 2010 customer order book until material price forecasts and customer pricing arrangements can be finalized. Demand has also softened in China which was expected due to the pause in construction projects after the Beijing 2008 Olympic Games.

Net sales from the Foodservice segment increased 2.6% to \$115.8 million for the three months ended September 30, 2008 versus \$112.9 million for the three months ended September 30, 2007. The sales increase during the quarter was a result of higher sales for ice and beverage products despite the fact that the weak global economy is negatively impacting the growth of new restaurant and commercial foodservice facilities worldwide. The 2008 quarter benefited from strong sales from global markets and from a weak third quarter in 2007 as a result of a slowing ice market. For the nine months ended September 30, 2008, Foodservice segment sales of \$347.2 million increased 2.8% over the same period in 2007. The sales increase during the nine months versus the prior year was driven by higher product volume, strong sales from global markets, and pricing increases. Despite the challenging environment, the company increased its market share across several product lines and will continue to aggressively pursue potential sales opportunities.

Analysis of Operating Earnings

The following table presents operating earnings by business segment (in millions):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Earnings from operations:				
Cranes and Related Products	\$ 137.1	\$ 111.5	\$ 435.6	\$ 326.3
Foodservice Equipment	18.3	17.7	53.1	50.6
General corporate expense	(12.4)	(11.2)	(37.9)	(33.8)
Gain on sale of parts line	—	—	—	3.3
Pension settlements	—	—	—	(5.2)
Restructuring expense	(0.8)	—	(0.8)	—
Integration expense	(1.6)	—	(1.6)	—
Total	<u>\$ 140.6</u>	<u>\$ 118.0</u>	<u>\$ 448.4</u>	<u>\$ 341.2</u>

Consolidated gross profit for the three months ended September 30, 2008 was \$243.7 million, an increase of \$31.9 million over the \$211.8 million of consolidated gross profit for the same period in 2007. Consolidated gross profit for the nine months ended September 30, 2008 was \$773.6 million, an increase of \$151.6 million over the \$622.0 million of consolidated gross profit for the same period in 2007. These increases were driven by significantly higher gross profit in the Crane segment. The three and nine month increases in the Crane segment were due to increased sales volumes, factory productivity gains, favorable impact of price increases, and favorable translation effect of foreign currency exchange rate changes. For the three and nine months ended September 30, 2008 versus the same periods in 2007, the stronger Euro currency compared to the U.S. Dollar had a favorable impact on gross profit of approximately \$7.5 million and \$32.5 million, respectively. The gross profit increases from the three and nine months ended September 30, 2008, as compared to last year, were partially offset by unfavorable material cost increases.

For the three and nine months ended September 30, 2008, the Foodservice segment gross profit declined approximately \$1.8 million and \$2.0 million, respectively, versus the same periods last year. The decreases in the Foodservice segment were primarily the result of material price increases and higher warranty expenses.

Engineering, selling and administrative (ES&A) expenses for the third quarter of 2008 increased approximately \$5.9 million to \$98.7 million versus \$92.8 million for the third quarter of 2007. For the nine months ended September 30, 2008, ES&A was \$317.3 million, which was a \$41.4 million increase over ES&A for the nine months ended September 30, 2007. This increase was primarily driven by the Crane segment due to higher employee related costs, increased research and development costs, expenses for product support call centers, and higher sales and marketing expenses due to increased sales efforts in emerging markets. ES&A expenses were also higher due to the impact of the stronger Euro currency to the U.S. Dollar currency and to higher corporate expenses primarily due to higher employee-related costs.

For the three months ended September 30, 2008, the Crane segment reported operating earnings of \$137.1 million compared to \$111.5 million for the three months ended September 30, 2007. For the nine months ended September 30, 2008, the Crane segment reported operating earnings of \$435.6 million compared to \$326.3 million for the nine months ended September 30, 2007. Operating earnings of the Crane segment were favorably affected by increased volume across all regions, impact of price increases, product cost reductions, and the positive translation effect of foreign currency exchange rate changes. These increases were partially offset by higher raw material costs and higher ES&A related costs. Operating margin for the three months ended September 30, 2008 was 13.8% versus 13.7% for the three months ended September 30, 2007. Volume and favorable mix, effective leveraging of fixed costs and ES&A expenses on higher sales volume, and favorable pricing levels in all our regions contributed to the margin improvement.

For the three months ended September 30, 2008, the Foodservice segment reported operating earnings of \$18.3 million compared to \$17.7 million for the three months ended September 30, 2007. For the nine months ended September 30, 2008, the Foodservice segment reported operating earnings of \$53.1 million compared to \$50.6 million for the nine months ended September 30, 2007. The increases in operating earnings for the quarter and nine month period was the result of increased pricing, product cost reductions, and tightly controlled ES&A expenses. These increases were partially offset by higher raw material costs.

For the three months ended September 30, 2008, corporate expenses were \$12.4 million compared to \$11.2 million for the three months ended September 30, 2007. For the nine months ended September 30, 2008, corporate expenses were \$37.9

million compared to \$33.8 million for the nine months ended September 30, 2007. These increases are the result of higher employee-related costs and other professional services expenses.

The company is engaged in a number of integration activities associated with the Enodis acquisition. For the three and nine months ended September 30, 2008, integration expenses were approximately \$1.6 million. Integration expenses include only costs directly associated with the integration such as costs related to outside vendors or services, costs of employees who have been assigned full-time to integration activities, and travel related expenses.

Restructuring expenses relate to costs associated with ceasing operations for two U.K. facilities in the Crane segment and centralizing its activities in a new sales, administration, and customer service office located close to Buckingham, Buckinghamshire. The new facility is an important step in continuing the company's expansion in the U.K. and support for the company's presence in the U.K. and Ireland. For the three and nine months ended September 30, 2008, restructuring expenses were approximately \$0.8 million.

On April 3, 2007, we sold all of our aftermarket replacement parts and rights to manufacture, sell and service aftermarket replacement parts for all the models of the Grove Manlift aerial work platform product line around the world to MinnPar LLC (MinnPar). We received \$4.9 million in proceeds and recognized a gain of \$3.3 million, which is recorded in gain on sale of parts line in the Consolidated Statement of Operations for the nine months ended September 30, 2007.

During the second quarter of 2007, we made a \$15.1 million pension contribution to our U.K. defined benefit pension plan. The \$15.1 million contribution funded the defined benefit plan as well as paid an incentive to certain pensioners to transfer from the defined benefit plan to a defined contribution plan. As a result of this payment, the company recorded a charge during the second quarter of 2007 of approximately \$3.8 million to reflect the incentive given to the pensioners and expenses incurred. This charge is recorded in pension settlements in the Consolidated Statement of Operations for the nine months ended September 30, 2007. Subsequent to the funding of the defined benefit pension plan, approximately \$39.2 million of assets and related liabilities were transferred from the defined benefit pension plan to a defined contribution pension plan.

During the second quarter of 2007, we recorded a charge of \$1.4 million related to a withdraw liability from a multiemployer pension plan at our former River Falls, Wisconsin facility. During the third quarter of 2005, we closed our Kolpak operation located in River Falls, Wisconsin and consolidated it with our operation in Tennessee. The \$1.4 million represents the estimated payment we will make to the multiemployer pension plan for our former union employees at the closed facility. This charge is recorded in pension settlements in the Consolidated Statement of Operations for the nine months ended September 30, 2007.

Analysis of Non-Operating Income Statement Items

Interest expense for the third quarter of 2008 was \$7.5 million versus \$8.5 million for the third quarter ended September 30, 2007. The decrease resulted from the redemption of the 10 1/2% senior subordinated notes due 2012 during August of 2007.

During July 2008, the Company entered into various hedging transactions (the "hedges") to comply with the terms of its New Credit Agreement (see further detail related to the New Credit Agreement at Note 8, "Debt") issued to fund the purchase of Enodis plc ("Enodis"). The hedges were required to limit the company's exposure to fluctuations in the underlying purchase price of the Enodis shares which could have ultimately required additional funding capacity under the New Credit Agreement. Subsequent to entering into the hedging transactions, the U.S. Dollar strengthened against the British Pound which resulted in a significant change to the fair value of the underlying hedges. FAS 133, "Accounting for Derivative Instruments and Hedging Activities" states that hedges of a firm commitment to acquire a business do not qualify for hedge accounting (or balance sheet) treatment. Therefore, the periodic market value changes in these hedges are required to go through the income statement. Additionally, the hedge accounting treatment will lower the initial amount of goodwill booked for the purchase by the amount of the loss on currency hedges. The final disposition of these hedge positions will be determined based upon the market exchange rate on the date the funding transaction is completed. For the three and nine months ended September 30, 2008, loss on currency hedges related to the purchase of Enodis was \$198.4 million. The acquisition price of Enodis, in U.S. Dollars, has decreased by a similar amount from the point in time in which the hedges were entered into. Accordingly, the goodwill that will be recorded when the acquisition is finalized will be lower than it would have been if the exchange rate between the U.S. Dollar and the British Pound had not changed from the time the hedges were entered into.

Other income, net for the first nine months of 2008 was \$5.3 million versus \$4.4 million for the same period ended September 30, 2007. This increase is primarily the result of an increase in interest income as a result of higher cash

balances during the first nine months of 2008 versus the same period last year. This result was partially offset by foreign currency losses reflecting a stronger U.S. Dollar against Chinese and Australian currencies and its effect on net monetary assets that are denominated in those currencies.

The effective tax rates for the three and nine months ended September 30, 2008 were 43.4% and 23.9%, respectively. The effective tax rate for the three and nine months ended September 30, 2007 were 26.4% and 27.3%, respectively. The loss on the currency hedges drove a significant decrease in U.S. pre-tax income, and consequently a change in the mix between U.S. and foreign source pre-tax income. Because the foreign effective tax rate is less than the U.S. effective tax rate, there is a decrease in the projected annual overall effective tax rate. During the quarter, the company recognized a loss from continuing operations. Therefore, an income tax benefit was recorded. The benefit recorded during the quarter was favorably impacted by the effect of reduction in the overall effective tax rate as previously described. The rate for the three and nine months ended September 30, 2007 was favorably impacted by a foreign tax credit carryforward which was recognized during the quarter. In addition, all periods were favorably affected, as compared to the statutory rate, to varying degrees by certain global tax planning initiatives.

For the three and nine months ended September 30, 2008, a minority interest loss of \$0.8 million and \$0.9 million, respectively, was recorded in relation to our 50% joint venture with the shareholders of TaiAn Dongyue. See further detail related to the joint venture at Note 2, "Acquisitions."

On August 1, 2008, the company signed a definitive purchase agreement to sell the ownership interests of its Marine segment to Fincantieri Marine Group Holdings Inc, a subsidiary of Fincantieri-Cantieri Navali Italiani, S.p.A. ("Fincantieri"). This transaction will allow the company to focus its financial assets and managerial resources on the growth of its increasingly global crane and foodservice businesses. The Company is reporting the Marine segment as a discontinued operation for financial reporting purposes as of September 30, 2008, and for all periods presented in accordance with SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets". Results of the Marine segment in current and prior periods have been classified as discontinued in the Consolidated Financial Statements to exclude the results from continuing operations. See further detail related to the Marine segment at Note 3, "Discontinued Operations."

The following selected financial data of the Marine segment for the three and nine months ended September 30, 2008 and 2007 is presented for informational purposes only and does not necessarily reflect what the results of operations would have been had the businesses operated as a stand-alone entity. There were no general corporate expenses or interest expense allocated to discontinued operations for these businesses during the periods presented.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2008	2007	2008	2007
Net sales	\$ 103.5	\$ 81.0	\$ 306.1	\$ 248.8
Pretax earnings from discontinued operation	\$ 15.8	\$ 6.4	\$ 43.8	\$ 20.4
Provision for taxes on income	4.2	1.6	12.1	5.4
Earnings from discontinued operation, net of income taxes	\$ 11.6	\$ 4.8	\$ 31.7	\$ 15.0

Financial Condition

First Nine Months of 2008

Cash and cash equivalents balance as of September 30, 2008 totaled \$382.0 million, which was an increase of \$12.6 million from the December 31, 2007 balance of \$369.4 million. Cash flow provided by operating activities of continuing operations for the first nine months of 2008 was \$112.9 million compared to \$18.5 million for the first nine months of 2007. During the first nine months of 2008, the cash flow from operating activities of continuing operations primarily benefited from \$210.4 million of net earnings, the unrealized loss on currency hedges of \$205.2 million and a non-cash adjustment for depreciation expense of \$62.2 million. Cash flow was negatively impacted by an increase in inventory of \$257.5 million, an increase in accounts receivable of \$68.0 million, and a non-cash adjustment for discontinued operations earnings of \$31.7 million. The increase in inventory was due to the increase in production to support higher sales volumes

and higher backlog levels in the Crane segment. In addition, supplier constraints have negatively impacted production throughput resulting in higher Crane segment inventories. The increase in accounts receivable was driven primarily by an increase in the Crane segment sales volumes. During the first nine months of 2008 we made tax payments of approximately \$96.3 million versus \$103.8 million during the first nine months of 2007.

On March 6, 2008, the company formed a 50% joint venture with the shareholders of TaiAn Dongyue for the production of mobile and truck-mounted hydraulic cranes. The cash flow impact of this acquisition is included in business acquisitions, net of cash acquired, within the cash flow from investing section of the Consolidated Statement of Cash Flows. See further detail related to the joint venture at Note 2, "Acquisitions."

Capital expenditures during the first nine months of 2008 were \$94.0 million versus \$52.4 million during the first nine months of 2007. The majority of the capital expenditures are related to capacity expansion projects and ERP implementation costs for the Crane segment and ERP costs for the Foodservice segment.

First Nine Months of 2007

Cash and cash equivalents balance as of September 30, 2007 were \$103.8 million, which was a reduction of \$69.9 million from the December 31, 2006 balance of \$173.7 million. Cash flow from operations for the first nine months of 2007 was \$29.5 million compared to \$128.9 million for the first nine months of 2006. During the first nine months of 2007 inventories and accounts receivable increased by \$148.0 million and \$123.1 million, respectively. This is primarily due to increased production and sales in the Crane segment. In addition, during the first nine months of 2007 we made pension payments totaling \$42.3 million to our U.S. and U.K. pension plans and tax payments of approximately \$103.8 million.

On January 3, 2007, we acquired the Carrydeck line of mobile industrial cranes from Marine Travelift, Inc. of Sturgeon Bay, Wisconsin. The cash flow impact of this acquisition is included in business acquisition, net of cash acquired, within the cash flow from investing section of the Consolidated Statement of Cash Flows.

On July 19, 2007, we acquired Shirke Construction Equipments Pvt. Ltd (Shirke). Headquartered in Pune, India, Shirke is a market leader in the Indian tower crane industry and has been Potain's Indian manufacturing partner and distributor since 1982. The cash flow impact of this acquisition is included in business acquisitions, net of cash acquired, within the cash flow from investing section of the Consolidated Statement of Cash Flows.

On April 3, 2007, we sold all of our aftermarket replacement parts and rights to manufacture, sell and service aftermarket replacement parts for all the models of the Grove Manlift aerial work platform product line around the world to MinnPar, LLC. We received \$4.9 million in proceeds from this transaction. The cash flow impact of this sale is included in proceeds from sale of parts line within the investing section of the Consolidated Statement of Cash Flows.

Capital expenditures during the first nine months of 2007 were \$52.4 million versus \$35.9 million during the first nine months of 2006. In the third quarter of 2007 we reached an agreement with Valcovna profilov a.s. for the development of a crane manufacturing facility in Saris, Slovakia. Capital expenditures in 2007 are also related to other facility expansions, machinery and tooling for our three segments. In addition, during the first quarter of 2007 we entered into agreements with a major software and systems supplier and a related consulting firm to purchase software and consulting services to implement an ERP system in our Crane segment. Through the third quarter of 2007, capital expenditures on the ERP system were not significant.

On August 1, 2007, we redeemed our 10 ½% senior subordinated notes due 2012. Pursuant to the terms of the indenture, we paid the note holders 105.25 percent of the principal amount plus accrued and unpaid interest up to the redemption date. The total cash payment for the redemption was \$129.6 million. As a result of this redemption, we incurred a charge of \$12.5 million (\$8.1 million net of income taxes) related to the call premium, write-off of unamortized debt issuance costs and other expenses. The charge was recorded in loss on debt extinguishment in the Consolidated Statement of Operations.

Liquidity and Capital Resources

Our outstanding debt at September 30, 2008 consisted of \$44.1 million outstanding under our Revolving Credit Facility, \$150.0 million of 7 1/8% senior notes due 2013 (Senior Notes due 2013), and \$53.0 million of other debt and capital leases.

On August 1, 2007, we redeemed our 10 ½% senior subordinated notes due 2012. Pursuant to the terms of the indenture, we paid the note holders 105.25% of the principal amount plus accrued and unpaid interest up to the redemption date. The total cash payment for the redemption was \$129.6 million. As a result of this redemption, we incurred a charge of \$12.5 million (\$8.1 million net of income taxes) related to the call premium, the write-off of unamortized debt issuance costs and other expenses. The charge was recorded in loss on debt extinguishment in the Consolidated Statement of Operations.

Our Revolving Credit Facility, governed by the Amended and Restated Credit Agreement, dated as of December 14, 2006, (as amended), has \$300 million of initial borrowing capacity and provides us the ability to increase the capacity by an additional \$250 million during the life of the facility under the same terms. Borrowings under the Revolving Credit Facility bear interest at a rate equal to the sum of a base rate or a Eurodollar rate plus an applicable margin, which is based on our consolidated total leverage ratio as defined by the Credit Agreement. The annual commitment fee in effect at September 30, 2008 on the unused portion of the Revolving Credit Facility was 0.15%. As of September 30, 2008, we had \$44.1 million outstanding under the Revolving Credit Facility with a weighted-average interest rate of 6.57%. In addition to the outstanding borrowings, the availability under the Revolving Credit Facility is also reduced for outstanding letters of credit of \$2.2 million as of September 30, 2008.

The Senior Notes due 2013 are unsecured senior obligations ranking equal with our indebtedness under our Revolving Credit Facility, except that the Revolving Credit Facility is secured by substantially all domestic tangible and intangible assets of the company and its subsidiaries.

Interest on the Senior Notes due 2013 is payable semiannually in May and November of each year. The Senior Notes due 2013 can be redeemed by us in whole or in part for a premium on or after November 1, 2008.

As of September 30, 2008, we also had outstanding \$53.0 million of other indebtedness with a weighted-average interest rate of 7.0%. This debt includes outstanding bank overdrafts in Asia and Europe, swaps, and various capital leases.

As of September 30, 2008, we had two fixed-to-floating rate swap contracts which effectively converted \$50.0 million of our fixed rate Senior Notes due 2013 to variable rate debt. Under these swap agreements, we contract with a counter-party to exchange the difference between a floating rate and the fixed rate applied to \$50.0 million of our Senior Notes due 2013. These contracts are considered to be a hedge against changes in the fair value of the fixed-rate obligations. Accordingly, these interest rate swap contracts are reflected at fair value in our Consolidated Balance Sheets at September 30, 2008 as an asset of \$0.3 million, and the related debt is reflected at an amount equal to the sum of its carrying value plus an adjustment representing the change in fair value of the debt obligation attributable to the interest rate risk being hedged. Changes during any accounting period in the fair value of the interest rate swap contract, as well as the offsetting changes in the adjusted carrying value of the related portion of fixed-rate debt being hedged, are recognized as an adjustment to interest expense in the Consolidated Statements of Operations. The change in the fair value of the swaps exactly offsets the change in fair value of the hedged fixed-rate debt; therefore, there was no net impact on earnings from these swaps for the nine months ending September 30, 2008.

Our Revolving Credit Facility and Senior Notes due 2013 contain customary affirmative and negative covenants. In general, the covenants contained in the Revolving Credit Facility are more restrictive than those of the Senior Notes due 2013. Among other restrictions, these covenants require us to meet specified financial tests, which include the following: consolidated interest coverage ratio; consolidated total leverage ratio; and consolidated senior leverage ratio. These covenants also limit, among other things, our ability to redeem or repurchase our debt, incur additional debt, make acquisitions, merge with other entities, pay dividends or distributions, repurchase capital stock, and create or become subject to liens. The Revolving Credit Facility also contains cross-default provisions whereby certain defaults under any other debt agreements would result in default under the Revolving Credit Facility. We were in compliance with all covenants as of September 30, 2008, and based upon our current plans and outlook, we believe we will be able to comply with these covenants during the subsequent 12 months.

We have entered into an accounts receivable securitization program whereby we sell certain of our domestic trade accounts receivable to a wholly owned, bankruptcy-remote, special purpose subsidiary which, in turn, sells participating interests in its pool of receivables to a third-party financial institution (Purchaser). The Purchaser receives an ownership and security interest in the pool of receivables. New receivables are purchased by the special purpose subsidiary and participation interests are resold to the Purchaser as collections reduce previously sold participation interests. We have retained collection and administrative responsibilities on the participation interests sold. The Purchaser has no recourse against us for uncollectible receivables; however, our retained interest in the receivable pool is subordinate to the Purchaser's interest and is recorded at fair value. Due to a short average collection cycle of less than 60 days for such accounts receivable and our collection history, the fair value of our retained interest approximates book value. The total capacity of this facility is

\$105.0 million as of September 30, 2008. The accounts receivable balances sold from the special purpose subsidiary was \$85.0 million at September 30, 2008. The retained interest recorded at September 30, 2008 is \$81.3 million, and is included in accounts receivable in the accompanying Consolidated Balance Sheets.

In April 2008, the company entered into a \$2,400.0 million credit agreement which was amended and restated as of August 25, 2008 to ultimately increase the size of the total facility to \$2,925.0 million (New Credit Agreement). The New Credit Agreement became effective on the effective date of the acquisition (see further detail related to the acquisition in Note 21, "Subsequent Events") or, in the case of a takeover offer, the date on which the takeover offer has become or is declared unconditional in all respects. Until such time as the company borrows under the New Credit Agreement, the company's existing \$300.0 million Amended and Restated Credit Agreement, dated as of December 14, 2006, will remain in effect.

The New Credit Agreement includes four loan facilities – a revolving facility of \$400.0 million with a five-year term, a Term Loan A of \$1,025.0 million with a five-year term, a Term Loan B of \$1,200.0 million with a six-year term, and a Term Loan X of \$300.0 million with an eighteen-month term. The company is obligated to prepay the three term loan facilities from the net proceeds of asset sales, casualty losses, equity offerings, and new indebtedness for borrowed money, and from a portion of its excess cash flow, subject to certain exceptions.

Borrowings made under the revolving facility, Term Loan A, and Term Loan X will initially bear interest at 3.25 percent in excess of an adjusted LIBOR rate as defined in the New Credit Agreement, or 1.50 percent in excess of an alternate base rate, at the company's option.

Borrowings made under the Term Loan B will initially bear interest at 3.50 percent in excess of an adjusted LIBOR rate as defined in the New Credit Agreement, or 1.50 percent in excess of an alternate base rate, at the company's option. The company will also pay a commitment fee of 0.50 percent per annum for the first 120 days, and 0.75 percent per annum after the 120th day on the entire facility balance up to the date of funding; upon funding, the commitment fee will reduce to apply only to the revolving commitment and will be 0.50 percent per year. As of September 30, 2008, the company incurred \$17.6 million in deferred financing expenses. The cash flow impact of these fees is included in cash flow used for financing activities in the Consolidated Statement of Cash Flows for the nine month period ending September 30, 2008.

Recent Accounting Changes and Pronouncements

In May 2008, the FASB issued SFAS No. 162, "The Hierarchy of Generally Accepted Accounting Principles", which identifies the sources of accounting principles and the framework for selecting the principles used in the preparation of financial statements. SFAS No. 162 is effective 60 days following the SEC's approval of the Public Company Accounting Oversight Board amendments to AU Section 411, "The Meaning of Present Fairly in Conformity with Generally Accepted Accounting Principles". The company is currently evaluating the impact this statement will have on its financial position and results of operations.

In March 2008, the FASB issued SFAS No. 161, "Disclosures about Derivative Instruments and Hedging Activities, an amendment of FASB Statement No. 133". SFAS No. 161 amends and expands the disclosure requirements of SFAS No. 133 with the intent to provide users of financial statements with an enhanced understanding of: 1) how and why an entity uses derivative instruments; 2) how derivative instruments and related hedged items are accounted for under SFAS No. 133 and its related interpretations; and 3) how derivative instruments and related hedged items affect an entity's financial position, financial performance and cash flows. This statement is effective for financial statements issued for fiscal years and interim periods beginning after November 15, 2008, with early application encouraged. The company is currently evaluating the impact on disclosures of the adoption of SFAS No. 161 on its Consolidated Financial Statements.

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements an Amendment of ARB No. 51", which establishes accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. SFAS 160 clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. SFAS 160 also requires consolidated net income to be reported at amounts that include the amounts attributable to both the parent and the noncontrolling interest. It also requires disclosure, on the face of the consolidated statement of income, of the amounts of consolidated net income attributable to the parent and to the noncontrolling interest. SFAS 160 also provides guidance when a subsidiary is deconsolidated and requires expanded disclosures in the consolidated financial statements that clearly identify and distinguish between the interests of the parent's owners and the interests of the noncontrolling owners of a subsidiary. SFAS 160 is effective for fiscal years, and interim periods within those fiscal years,

beginning on or after December 15, 2008. The company is currently evaluating the impact this statement will have on its financial position and results of operations.

In December 2007, the FASB issued SFAS No. 141(R), "Business Combinations", which establishes principles and requirements for how the acquirer: (a) recognizes and measures in its financial statements the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree; (b) recognizes and measures the goodwill acquired in the business combination or a gain from a bargain purchase; and (c) determines what information to disclose to enable users of the financial statements to evaluate the nature and financial effects of the business combination. SFAS 141(R) requires contingent consideration to be recognized at its fair value on the acquisition date and, for certain arrangements, changes in fair value to be recognized in earnings until settled. SFAS 141(R) also requires acquisition-related transaction and restructuring costs to be expensed rather than treated as part of the cost of the acquisition. SFAS 141(R) applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. The company is currently evaluating the impact this statement will have on its financial position and results of operations.

In February 2007, the FASB issued SFAS No. 159, "The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of FASB Statement No. 115". SFAS 159 permits entities to choose to measure many financial instruments and certain other items at fair value that are not currently required to be measured at fair value. SFAS 159 permits all entities to choose, at specified election dates, to measure eligible items at fair value (the "fair value option"). A business entity shall report unrealized gains and losses on items for which the fair value option has been elected in earnings at each subsequent reporting date. Upfront costs and fees related to items for which the fair value option is elected are recognized in earnings as incurred and not deferred. SFAS 159 also establishes presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar types of assets and liabilities. SFAS No. 159 was effective for us on January 1, 2008. The adoption of SFAS No. 159 did not have an impact on our consolidated financial statements as the company did not elect the fair value option for any of such eligible financial assets or financial liabilities as of March 31, 2008.

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements." SFAS 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles and establishes a hierarchy that categorizes and prioritizes the sources to be used to estimate fair value. SFAS 157 also expands financial statement disclosures about fair value measurements. On February 12, 2008, the FASB issued FASB Staff Position (FSP) 157-2 which delays the effective date of SFAS 157 for one year, for all nonfinancial assets and nonfinancial liabilities, except those that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). FAS 157 and FSP 157-2 are effective for financial statements issued for fiscal years beginning after November 15, 2007. We have elected a partial deferral of SFAS 157 under the provisions of FSP 157-2 related to the measurement of fair value used when evaluating goodwill, other intangible assets and other long-lived assets for impairment and valuing asset retirement obligations and liabilities for exit or disposal activities. The impact of partially adopting SFAS 157 effective January 1, 2008 was not material to our Consolidated Financial Statements.

Critical Accounting Policies

Our critical accounting policies have not materially changed since the 2007 Form 10-K was filed.

Cautionary Statements About Forward-Looking Information

Statements in this report and in other company communications that are not historical facts are forward-looking statements, which are based upon our current expectations. These statements involve risks and uncertainties that could cause actual results to differ materially from what appears within this annual report.

Forward-looking statements include descriptions of plans and objectives for future operations, and the assumptions behind those plans. The words "anticipates," "believes," "intends," "estimates," "targets" and "expects," or similar expressions, usually identify forward-looking statements. Any and all projections of future performance are forward-looking statements.

In addition to the assumptions, uncertainties, and other information referred to specifically in the forward-looking statements, a number of factors relating to each business segment could cause actual results to be significantly different from what is presented in this annual report. Those factors include, without limitation, the following:

Crane—market acceptance of new and innovative products; cyclicalities of the construction industry; the effects of government spending on construction-related projects throughout the world; unanticipated changes in global demand for high-capacity lifting equipment; the replacement cycle of technologically obsolete cranes; and demand for used equipment.

Foodservice—market acceptance of new and innovative products; weather; consolidations within the restaurant and foodservice equipment industries; global expansion of customers; the commercial ice-cube machine replacement cycle in the United States; unanticipated issues associated with refresh/renovation plans by national restaurant accounts; specialty foodservice market growth; the demand for quickservice restaurant and kiosks; future strength of the beverage industry; and in connection with the acquisition of Enodis plc, compliance with the terms and conditions of regulatory approvals obtained in connection with the acquisition of Enodis, the ability to appropriately and timely integrate the acquisition of Enodis, the timing, price, and other terms of the divestiture of Enodis’ global ice business required by regulatory authorities, anticipated earnings enhancements, estimated cost savings and other synergies and the anticipated timing to realize those savings and synergies, estimated costs to be incurred in completing the acquisition and in achieving synergies, potential divestitures and other strategic options.

Marine—shipping volume fluctuations based on performance of the steel industry; weather and water levels on the Great Lakes; trends in government spending on new vessels; five-year survey schedule; the replacement cycle of older marine vessels; growth of existing marine fleets; consolidation of the Great Lakes marine industry; frequency of casualties on the Great Lakes; the level of construction and industrial maintenance; government approval and funding of projects; ability of our customers to obtain financing; award of military and commercial ship and barge construction contracts; and in connection with the previously announced sale of the Marine segment, the anticipated tax gain, the expected timing and conditions precedent, unanticipated issues associated with the satisfaction of conditions precedent and obtaining regulatory approvals, the terms and conditions of any regulatory approvals, anticipated earnings impact, and estimated costs to be incurred in completing the proposed sale.

Corporate (including factors that may affect more than one of the three segments)— changes in laws and regulations throughout the world; the ability to finance, complete and/or successfully integrate, restructure and consolidate acquisitions, divestitures, strategic alliances and joint ventures; issues related to new facilities and expansions or consolidation of existing facilities; efficiencies and capacity utilization of facilities; competitive pricing; availability of certain raw materials; changes in raw materials and commodity prices; issues associated with new product introductions; matters impacting the successful and timely implementation of ERP systems; changes in domestic and international economic and industry conditions, including steel industry conditions; changes in the markets served by the company (including Enodis); unexpected issues associated with the availability of local suppliers and skilled labor; changes in the interest rate environment; risks associated with growth; foreign currency fluctuations and their impact on hedges in place with Manitowoc; world-wide political risk; geographic factors and economic risks; health epidemics; pressure of additional financing leverage resulting from acquisitions; success in increasing manufacturing efficiencies and capacities; unanticipated changes in revenue, margins, costs and capital expenditures; work stoppages, labor negotiations and rates; actions of competitors; unanticipated changes in consumer spending; the ability of our customers to obtain financing; the state of financial and credit markets; and unanticipated changes in customer demand.

Item 3. Quantitative and Qualitative Disclosure about Market Risk

The company’s market risk disclosures have not materially changed since the 2007 Form 10-K was filed. The company’s quantitative and qualitative disclosures about market risk are incorporated by reference from Item 7A of the company’s Annual Report on Form 10-K, as amended, for the year ended December 31, 2007.

Item 4. Controls and Procedures

Disclosure Controls and Procedures: The company’s management, with the participation of the company’s Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the company’s disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (“Exchange Act”)) as of the end of the period covered by this report. Based on such evaluation, the company’s Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the company’s disclosure controls and procedures are effective in recording, processing, summarizing, and reporting, on a timely basis, information required to be disclosed by the company in the reports that it files or submits under the Exchange Act, and that such information is accumulated and communicated to the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely discussions regarding required disclosure.

Changes in Internal Control Over Financial Reporting: Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). During the period covered by this report, we made no changes which have materially affected, or which are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1A. Risk Factors

The company's risk factors disclosures have not materially changed since the 2007 Form 10-K was filed. The company's risk factors are incorporated by reference from Item 1A of the company's Annual Report on Form 10-K for the year ended December 31, 2007.

Item 6. Exhibits

(a) Exhibits: See exhibit index following the signature page of this Report, which is incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: November 10, 2008

The Manitowoc Company, Inc.
(Registrant)

/s/ Glen E. Tellock
Glen E. Tellock
President and Chief Executive Officer

/s/ Carl J. Laurino
Carl J. Laurino
Senior Vice President and Chief Financial
Officer

THE MANITOWOC COMPANY, INC.
EXHIBIT INDEX
TO FORM 10-Q
FOR QUARTERLY PERIOD ENDED
September 30, 2008

Exhibit No.*	Description	Filed/Furnished Herewith
4.1	Amended and Restated New Credit Agreement dated as of August 25, 2008, by and among The Manitowoc Company, Inc., the subsidiary borrowers named therein, JPMorgan Chase Bank, N.A., as administrative agent, and the lenders named therein. Schedules and exhibits to the Credit Agreement have not been filed herewith. Manitowoc agrees to furnish a copy of any omitted schedule or exhibit to the Commission upon request.	X (1)
31	Rule 13a - 14(a)/15d - 14(a) Certifications	X (1)
32.1	Certification of CEO pursuant to 18 U.S.C. Section 1350	X (2)
32.2	Certification of CFO pursuant to 18 U.S.C. Section 1350	X (2)

-
- (1) Filed Herewith
(2) Furnished Herewith

Pursuant to Item 601(b)(2) of Regulation S-K, the Registrant agrees to furnish to the Securities and Exchange Commission upon request a copy of any unfiled exhibits or schedules to such document.

\$2,925,000,000

AMENDED AND RESTATED CREDIT AGREEMENT

dated as of August 25, 2008

among

THE MANITOWOC COMPANY, INC.

The Subsidiary Borrowers Party Hereto

The Lenders Party Hereto

and

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

DEUTSCHE BANK AG NEW YORK BRANCH
and
MORGAN STANLEY SENIOR FUNDING, INC.,
as Syndication Agents

BNP PARIBAS
as Documentation Agent

J.P. MORGAN SECURITIES INC.,
DEUTSCHE BANK SECURITIES INC.,
MORGAN STANLEY SENIOR FUNDING, INC.,
BNP PARIBAS SECURITIES CORP.,
Joint Lead Arrangers and Joint Bookrunners

TABLE OF CONTENTS

	<u>Page</u>
ARTICLE I Definitions	1
SECTION 1.01. Defined Terms	1
SECTION 1.02. Classification of Loans and Borrowings	36
SECTION 1.03. Terms Generally	36
SECTION 1.04. Accounting Terms; GAAP	36
SECTION 1.05. Foreign Currency Calculations	37
SECTION 1.06. Redenomination of Certain Foreign Currencies	37
ARTICLE II The Credits	38
SECTION 2.01. Commitments	38
SECTION 2.02. Loans and Borrowings	38
SECTION 2.03. Requests for Borrowings	40
SECTION 2.04. Alternate Currency Loans	41
SECTION 2.05. Swingline Loans	44
SECTION 2.06. Letters of Credit	45
SECTION 2.07. Funding of Borrowings	50
SECTION 2.08. Interest Elections	50
SECTION 2.09. Termination and Reduction of Commitments; Increase of Commitments	52
SECTION 2.10. Repayment of Loans; Evidence of Debt	53
SECTION 2.11. Amortization of Term Loans	54
SECTION 2.12. Prepayment of Loans	55
SECTION 2.13. Fees	58
SECTION 2.14. Interest	59
SECTION 2.15. Alternate Rate of Interest	60
SECTION 2.16. Increased Costs	60
SECTION 2.17. Break Funding Payments	62
SECTION 2.18. Taxes	62
SECTION 2.19. Payments Generally; Pro Rata Treatment; Sharing of Set-offs	66
SECTION 2.20. Mitigation Obligations; Replacement of Lenders	68
SECTION 2.21. Subsidiary Borrowers	69
SECTION 2.22. Additional Reserve Costs	70
ARTICLE III Representations and Warranties	71
SECTION 3.01. Organization; Powers	71
SECTION 3.02. Authorization; Enforceability	71
SECTION 3.03. Governmental Approvals; No Conflicts	71
SECTION 3.04. Financial Condition; No Material Adverse Change	72
SECTION 3.05. Properties	72
SECTION 3.06. Litigation and Environmental Matters	72
SECTION 3.07. Compliance with Laws and Agreements	73
SECTION 3.08. Investment Company Status	73
SECTION 3.09. Taxes	73
SECTION 3.10. ERISA; Foreign Pension Plans	73

SECTION 3.11.	Disclosure	74
SECTION 3.12.	The Security Documents	74
SECTION 3.13.	Subsidiaries	75
SECTION 3.14.	Indebtedness	75
SECTION 3.15.	Insurance	75
SECTION 3.16.	Regulation U	75
SECTION 3.17.	Solvency	75
ARTICLE IV	Conditions	76
SECTION 4.01.	Effectiveness	76
SECTION 4.02.	Initial Funding	77
SECTION 4.03.	Each Credit Event	78
SECTION 4.04.	Conditions during Certain Funds Period	79
ARTICLE V	Affirmative Covenants	80
SECTION 5.01.	Financial Statements and Other Information	80
SECTION 5.02.	Notices of Material Events	82
SECTION 5.03.	Existence; Conduct of Business	82
SECTION 5.04.	Payment of Obligations	82
SECTION 5.05.	Maintenance of Properties; Insurance	82
SECTION 5.06.	Books and Records; Inspection Rights	83
SECTION 5.07.	Compliance with Laws and Material Contractual Obligations	83
SECTION 5.08.	Use of Proceeds and Letters of Credit	83
SECTION 5.09.	Compliance with Environmental Laws	83
SECTION 5.10.	Further Assurances; etc	84
SECTION 5.11.	Ownership of Subsidiaries; etc	86
SECTION 5.12.	Margin Regulations	87
SECTION 5.13.	Additional Guarantors and Collateral	87
SECTION 5.14.	The Scheme	89
SECTION 5.15.	The Offer	90
SECTION 5.16.	Rate Hedging Obligations	93
SECTION 5.17.	Rated Credit Facilities	93
SECTION 5.18.	Pensions	93
ARTICLE VI	Negative Covenants	93
SECTION 6.01.	Indebtedness	93
SECTION 6.02.	Liens	96
SECTION 6.03.	Merger, Purchase or Sale of Assets, Change in Business	99
SECTION 6.04.	Restricted Payments	101
SECTION 6.05.	Advances, Investments and Loans	102
SECTION 6.06.	Transactions with Affiliates	105
SECTION 6.07.	Minimum Consolidated Interest Coverage Ratio	106
SECTION 6.08.	Maximum Consolidated Total Leverage Ratio	106
SECTION 6.09.	Limitations on Prepayments of Certain Indebtedness; Modifications of Certain Indebtedness; Modifications of Certificate of Incorporation, By-Laws and Certain Other Agreements, etc	106

SECTION 6.10.	Restrictive Agreements	107
SECTION 6.11.	End of Fiscal Years; Fiscal Quarters	107
SECTION 6.12.	Limitation on Issuance of Capital Stock	107
SECTION 6.13.	Limitation on Creation of Subsidiaries	108
SECTION 6.14.	Rental Fleet	108
SECTION 6.15.	Sale-Leaseback Restriction	108
SECTION 6.16.	Buy-Back Limitation	108
SECTION 6.17.	Swap Agreements	108
SECTION 6.18.	BPGR	109
SECTION 6.19.	Manitowoc Asia Holdings	109
ARTICLE VII	Events of Default	109
ARTICLE VIII	The Administrative Agent	112
SECTION 8.01.	The Administrative Agent	112
SECTION 8.02.	Administrative Agent as UK Security Trustee.	115
ARTICLE IX	Miscellaneous	116
SECTION 9.01.	Notices	116
SECTION 9.02.	Waivers; Amendments	117
SECTION 9.03.	Expenses; Indemnity; Damage Waiver	119
SECTION 9.04.	Successors and Assigns	120
SECTION 9.05.	Survival	123
SECTION 9.06.	Counterparts; Integration; Effectiveness	124
SECTION 9.07.	Severability	124
SECTION 9.08.	Right of Set-off	124
SECTION 9.09.	Governing Law; Jurisdiction; Consent to Service of Process	124
SECTION 9.10.	WAIVER OF JURY TRIAL	125
SECTION 9.11.	Headings	125
SECTION 9.12.	Confidentiality	125
SECTION 9.13.	Interest Rate Limitation	126
SECTION 9.14.	USA PATRIOT Act	127
SECTION 9.15.	Conversion of Currencies	127
SECTION 9.16.	Syndication Agent and Documentation Agents	127
SECTION 9.17.	Amendment and Restatement.	128
ARTICLE X	Collection Action Mechanism	128
SECTION 10.01.	Implementation of CAM	128

SCHEDULES :

Schedule 1.01	Pricing Schedule
Schedule 1.02	Existing Intercompany Notes
Schedule 1.03	Supplemental Sale Transaction
Schedule 1.04	Funding Transactions
Schedule 2.01	Commitments
Schedule 2.04	Alternate Currency Lenders
Schedule 2.22	Mandatory Cost Rate
Schedule 3.01	Good Standing
Schedule 3.05	Real Property
Schedule 3.10	ERISA
Schedule 3.13	Subsidiaries
Schedule 3.15	Insurance
Schedule 4.02	Real Property
Schedule 6.01	Existing Indebtedness
Schedule 6.02	Existing Liens
Schedule 6.05	Existing Investments
Schedule 6.10	Existing Restrictions
Schedule 9.02	Specified Provisions

EXHIBITS :

Exhibit A	Form of Assignment and Assumption
Exhibit B	Form of Designation Letter
Exhibit C	Form of Intercompany Note
Exhibit D	Form of Termination Letter
Exhibit E	Form of Mortgage
Exhibit F	Form of Leasehold Mortgage
Exhibit G	Form of Real Estate Counsel Opinion
Exhibit H	Form of Reaffirmation

AMENDED AND RESTATED CREDIT AGREEMENT dated as of August 25, 2008, among THE MANITOWOC COMPANY, INC., the Subsidiary Borrowers party hereto, the LENDERS party hereto, and JPMORGAN CHASE BANK, N.A., as Administrative Agent.

The parties hereto agree as follows:

RECITALS

A. The Borrower, the Subsidiary Borrowers party thereto, the Administrative Agent and the Initial Lenders are party to that certain Credit Agreement, dated as of April 14, 2008 (as amended by Amendment No.1 and Amendment No. 2 thereto, the "Original Credit Agreement").

B. The Borrower, the Subsidiary Borrowers party thereto, the Administrative Agent and the Initial Lenders wish to amend and restate the Original Credit Agreement on the terms and conditions set forth below to reallocate the existing Commitments, add a new tranche of term loans and make the other changes to the Original Credit Agreement evidenced hereby.

C. The financial institutions identified on Schedule 2.01 hereto which are not Initial Lenders wish to become "Lenders" hereunder and accept and assume the obligations of "Lenders" hereunder with the Commitments specified on Schedule 2.01 hereto.

NOW, THEREFORE, in consideration of the premises and of the mutual agreements made herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree that the Original Credit Agreement is amended and restated in its entirety as follows:

ARTICLE I

Definitions

SECTION 1.01. Defined Terms. As used in this Agreement, the following terms have the meanings specified below:

"2006 Companies Act" means the Companies Act 2006 of England and Wales.

"ABR", when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Alternate Base Rate.

"Acquired Entity or Business" means either (a) the assets constituting a business, division or product line of any Person not already a Subsidiary of the Borrower or (b) 100% of the capital stock of any such Person, which Person shall, as a result of such stock acquisition, become a Wholly-Owned Subsidiary of the Borrower (or shall be merged with and into the Borrower or a Subsidiary Guarantor, with the Borrower or such Subsidiary Guarantor being the surviving Person).

“ Acquisition ” means the proposed acquisition by Newco of, as applicable, (a) 100% of the Target Shares pursuant to the Scheme or (b) up to 100% of the Target Shares pursuant to an Offer.

“ Acquisition Documents ” means (a) a copy of the Press Release, (b) in the case of an Offer, the Offer Document and a copy of any revised Offer Document or supplementary circular sent by or on behalf of Newco to shareholders in the Target, if applicable, and (c) in the case of a Scheme a copy of the Scheme Document, the Implementation Agreement and a copy of the certificate of registration issued by the registrar of companies evidencing registration of the order and minutes (approved by the court) and giving effect to the reduction in the Target’s share capital under Section 138 of the Companies Act.

“ Acquisition Parties ” means Newco and the Borrower.

“ Additional Security Documents ” means security documents executed by a Credit Party pursuant to Section 2.21(a), Section 5.10 or Section 5.13.

“ Adjusted LIBO Rate ” means, with respect to any Eurocurrency Borrowing for any Interest Period, an interest rate per annum (rounded upwards, if necessary, to the next 1/16 of 1%) equal to (a) the LIBO Rate for such Interest Period multiplied by (b) the Statutory Reserve Rate; provided that, with respect to any Eurocurrency Borrowing denominated in a Foreign Currency, the Adjusted LIBO Rate shall mean the LIBO Rate.

“ Administrative Agent ” means, collectively, JPMorgan, in its capacity as administrative agent for the Lenders hereunder, and, solely relative to such Loans, J. P. Morgan Europe Limited, in its capacity as administrative agent with respect to Loans denominated in a Foreign Currency.

“ Administrative Questionnaire ” means an Administrative Questionnaire in a form supplied by the Administrative Agent.

“ Advance ” means any Loan or any Letter of Credit.

“ Affiliate ” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the Person specified. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power (a) to vote 10% or more of the securities having ordinary voting power for the election of directors (or equivalent governing body) of such Person or (b) to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; provided, however, that neither the Administrative Agent nor any Lender (nor any Affiliate thereof) shall be considered an Affiliate of the Borrower or any Subsidiary thereof.

“ Agreement ” means this Credit Agreement as the same may be amended, restated, amended and restated, modified or supplemented from time to time.

“ Agreement Currency ” shall have the meaning assigned to such term in Section 9.15(b).

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Base CD Rate in effect on such day plus 1% and (c) the Federal Funds Effective Rate in effect on such day plus $\frac{1}{2}$ of 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Base CD Rate or the Federal Funds Effective Rate shall be effective from and including the effective date of such change in the Prime Rate, the Base CD Rate or the Federal Funds Effective Rate, respectively; provided, however, that in no event shall the Alternate Base Rate with respect to the Term B Loan at any time be less than 4.50% per annum.

“Alternate Currency Exposure” means at any time, the aggregate principal amount of all Alternate Currency Loans outstanding at such time. The Alternate Currency Exposure of any Lender at any time shall be its Applicable Revolver Percentage of the total Alternate Currency Exposure at such time.

“Alternate Currency Fronting Lender” means JPMorgan.

“Alternate Currency Lenders” means (a) the Alternate Currency Fronting Lender and (b) solely with respect to Alternate Currency Loans as to which any other Lender is deemed to be an Alternate Currency Lender pursuant to Section 2.04(1), each such other Lender.

“Alternate Currency Loan” means a loan made pursuant to Section 2.04.

“Announcement Date” means the date of the Press Release.

“Applicable Borrower” means, with respect to any Loan or other amount owing hereunder or any matter pertaining to such Loan or other amount, whichever of the Borrowers is the primary obligor on such Loan or other amount and, with respect to any Letter of Credit, whichever of the Borrowers is the account party with respect thereto.

“Applicable Creditor” shall have the meaning assigned to such term in Section 9.15(b).

“Applicable Lending Installation” is defined in Section 2.02(e).

“Applicable Participation Percentage” means, as to any Participating Lender with respect to any Alternate Currency Loan made by the Alternate Currency Fronting Lender, the percentage determined by dividing such Participating Lender’s Revolving Commitment by the sum of the Revolving Commitments of the Alternate Currency Fronting Lender and each Lender which is a Participating Lender relative to such Loan.

“Applicable Prepayment Percentage” means (a) in the case of a Prepayment Event described in clause (c) of the definition of the term “Prepayment Event” (but only with respect to the Term A Loan and Term B Loan) or a prepayment required by Section 2.12(d), a percentage equal to (i) 50% at any time when the Consolidated Total Leverage Ratio is greater than or equal to 3.0:1.0, and (ii) 0% at any other time, and (b) in the case of any other Prepayment Event, 100%.

“ Applicable Rate ” means, for any day, (a) with respect to any ABR Loan or Eurocurrency Loan (other than the Term B Loan), or with respect to the commitment fees payable hereunder, as the case may be, the applicable rate per annum set forth in Schedule 1.01 under the caption “ABR Spread”, “Eurocurrency Spread” or “Commitment Fee Rate”, as the case may be, based upon the Consolidated Total Leverage Ratio and (b) with respect to the Term B Loan, (i) 3.50% per annum with respect to Eurocurrency Loans and (ii) 2.00% per annum with respect to ABR Loans; provided, however, that such rates with respect to the Term B Loan shall be 3.25% per annum with respect to Eurocurrency Loans and 1.75% per annum with respect to ABR Loans during any time when either Level I Status or Level II Status (in each case as defined on Schedule 1.01) exists, with such status being determined as set forth on Schedule 1.01.

“ Applicable Revolver Percentage ” means, with respect to any Lender, the percentage of the total Revolving Commitments represented by such Lender’s Revolving Commitment. If the Revolving Commitments have terminated or expired, the Applicable Revolver Percentages shall be determined based upon the Revolving Credit Exposure of the Lenders.

“ Applicable Term A Percentage ” means, with respect to any Lender, the percentage of the total Term A Loans and unused Term A Commitments held by such Lender.

“ Applicable Term B Percentage ” means, with respect to any Lender, the percentage of the total Term B Loans and unused Term B Commitments held by such Lender.

“ Applicable Term X Percentage ” means, with respect to any Lender, the percentage of the total Term X Loans and unused Term X Commitments held by such Lender.

“ Approved Fund ” has the meaning assigned to such term in Section 9.04(b).

“ Arrangers ” means J.P. Morgan Securities Inc., Deutsche Bank Securities Inc., Morgan Stanley Senior Funding, Inc. and BNP Paribas Securities Corp. in their capacity as joint lead arrangers of this credit facility.

“ Assessment Rate ” means, for any day, the annual assessment rate in effect on such day that is payable by a member of the Bank Insurance Fund classified as “well capitalized” and within supervisory subgroup “B” (or a comparable successor risk classification) within the meaning of 12 C.F.R. Part 327 (or any successor provision) to the Federal Deposit Insurance Corporation for insurance by such Corporation of time deposits made in Dollars at the offices of such member in the United States; provided that if, as a result of any change in any law, rule or regulation, it is no longer possible to determine the Assessment Rate as aforesaid, then the Assessment Rate shall be such annual rate as shall be determined by the Administrative Agent to be representative of the cost of such insurance to the Lenders.

“ Assignment and Assumption ” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 9.04), and accepted by the Administrative Agent, in the form of Exhibit A or any other form approved by the Administrative Agent.

“Availability Period” means (a) with respect to Revolving Loans, the period from and including the Initial Borrowing Date to but excluding the earlier of the Revolving Maturity Date and the date of termination of the Revolving Commitments and (b) with respect to any Term Loans, the period from and including the Initial Borrowing Date to and including the date of termination of the applicable Term Commitments.

“Base CD Rate” means the sum of (a) the Three Month Secondary CD Rate multiplied by the Statutory Reserve Rate plus (b) the Assessment Rate.

“Board” means the Board of Governors of the Federal Reserve System of the United States.

“Borrower” means The Manitowoc Company, Inc., a Wisconsin corporation.

“Borrowers” means the Borrower and each Subsidiary Borrower.

“Borrowing” means (a) Revolving Loans of the same Type, made, converted or continued on the same date to the same Applicable Borrower and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect, (b) Term A Loans of the same Type made, converted or continued on the same date and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect, (c) Term B Loans of the same Type made, converted or continued on the same date to the same applicable Borrower, (d) Term X Loans of the same Type made, converted or continued on the same date to the same Applicable Borrower and, in the case of Eurocurrency Loans, as to which a single Interest Period is in effect, (e) a Swingline Loan or (f) Alternate Currency Loans made or continued on the same date to the same Applicable Borrower in the same Foreign Currency as to which a single Interest Period is in effect.

“Borrowing Request” means a request by the Borrower for a Borrowing in accordance with Section 2.03.

“BPGR” means Manitowoc EMEA Holding Sarl (formerly known as BPGR Sarl), a French société à responsabilité limitée and Wholly-Owned Subsidiary of the Borrower.

“Business Day” means any day that is not a Saturday, Sunday or other day on which commercial banks in New York City are authorized or required by law to remain closed; provided that, when used in connection with a Eurocurrency Loan, the term “Business Day” shall also exclude (a) if such Eurocurrency Loan is denominated in Dollars, any day on which banks are not open for dealings in Dollar deposits in the London interbank market, (b) if such Eurocurrency Loan is denominated in Euros, which is not a Target Day and (c) if such Eurocurrency Loan is denominated in a Foreign Currency other than Euros, any day on which commercial banks and the London foreign exchange market do not settle payments in the principal financial center where such Foreign Currency is cleared and settled as reasonably determined by the Administrative Agent.

“Buy-Back Arrangements” means arrangements whereby the Borrower or a Subsidiary of the Borrower in the ordinary course of business enters into an agreement with a customer or third party financing company (a) to guarantee to repurchase crane products at a

later date at an agreed upon price or (b) to guarantee a minimum crane product residual value at the end of an underlying finance term for same including, without limitation, guarantees of minimum crane product residual value in connection with Sale-Leaseback Transactions.

“Buy-Back Obligations” means repurchase or guarantee obligations of the Borrower or its Subsidiaries arising out of Buy-Back Arrangements. Guarantees by the Borrower or its Subsidiaries of customer payment obligations shall not constitute Buy-Back Obligations.

“CAM” means the mechanism for the allocation and exchange of interests in the Loans and collections thereunder established under Article X.

“CAM Exchange” means the exchange of the Lenders’ interests provided for in Section 10.1.

“CAM Exchange Date” means the first date after the Initial Borrowing Date on which there shall occur any event described in paragraph (h) or (i) of Article VII with respect to any of the Borrowers.

“CAM Percentage” means, as to each Lender, a fraction, of which (a) the numerator shall be the aggregate Designated Obligations owed to such Lender immediately prior to the CAM Exchange Date and (b) the denominator shall be the aggregate Designated Obligations owed to all the Lenders immediately prior to the CAM Exchange Date. For purposes of computing each Lender’s CAM Percentage, (a) all Designated Obligations which shall be denominated in a Foreign Currency shall be translated into Dollars at the Exchange Rate in effect on the CAM Exchange Date and (b) each Lender shall be deemed to hold its Applicable Revolver Percentage of all outstanding Swingline Loans, Alternate Currency Loans and L/C Disbursements.

“Canadian Dollar” means the lawful currency of Canada.

“Capital Lease Obligations” of any Person means the obligations of such Person to pay rent or other amounts under any lease of (or other arrangement conveying the right to use) real or personal property, or a combination thereof, which obligations are required to be classified and accounted for as capital leases on a balance sheet of such Person under GAAP, and the amount of such obligations shall be the recorded capitalized amount thereof determined in accordance with GAAP.

“Cash Equivalents” means:

- (a) direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the United States), in each case maturing within one year from the date of acquisition thereof;
- (b) investments in commercial paper maturing within 270 days from the date of acquisition thereof and having, at such date of acquisition, the highest credit rating obtainable from S&P or from Moody’s;

(c) investments in certificates of deposit, bankers' acceptances and time deposits maturing within 180 days from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of the United States or any State thereof which has a combined capital and surplus and undivided profits of not less than \$500,000,000;

(d) fully collateralized repurchase agreements with a term of not more than 30 days for securities described in clause (a) above and entered into with a financial institution satisfying the criteria described in clause (c) above; and

(e) money market funds that comply with the criteria set forth in Securities and Exchange Commission Rule 2a-7 under the Investment Company Act of 1940 and are rated AAA by S&P and Aaa by Moody's.

“Certain Funds Loan” means a Loan the proceeds of which are designated by the Borrower to be used for, and are exclusively used for, funding the acquisition by Newco of Target Shares (including any options held in such Target Shares) pursuant to the Acquisition (including by using the procedure under Section 979 of the 2006 Companies Act) or refinancing Target Debt or existing Indebtedness under the Existing Credit Agreement.

“Certain Funds Period” means the period from the Announcement Date until:

(a) in the case of the Scheme, the earliest of:

- (i) the date falling 35 days after the Scheme Effective Date;
- (ii) the date of the lapse or withdrawal of the Scheme or the rejection of it or the reduction of capital by the court;
- (iii) November 10, 2008; and

(b) in the case of the Offer, the earliest of:

- (i) the date of the lapse or withdrawal of the Offer;
- (ii) the date falling 4 months and 35 days after the Posting Date if at the end of the period ending on the date falling 4 months after the Posting Date Newco is not entitled to apply the provisions of Section 979 of the 2006 Companies Act in relation to the Target Shares;
- (iii) if on or before the date falling 4 months after the Posting Date Newco is entitled to apply the provisions of Section 979 of the 2006 Companies Act in relation to the Target Shares, the date falling 60 days after such entitlement first arose;
- (iv) 35 days after the date the Offer is declared wholly unconditional; and
- (v) November 10, 2008.

“Change in Control” means (a) the acquisition of ownership, directly or indirectly, beneficially or of record, by any Person or group (within the meaning of the Securities Exchange Act of 1934 and the rules of the Securities and Exchange Commission thereunder as in effect on the Effective Date) of Interests representing more than 30% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Borrower, (b) occupation of a majority of the seats (other than vacant seats) on the board of directors of the Borrower by Persons who were neither (i) nominated by the board of directors of the Borrower nor (ii) appointed by directors so nominated, (c) the acquisition of direct or indirect Control of the Borrower by any Person or group, (d) a “Change of Control” as defined in the Senior Note Documents, (e) the Borrower ceasing to own directly or indirectly 100% of the outstanding Equity Interests in Newco or (f) after the Unconditional Date, Newco ceasing to own directly 100% of the Equity Interests in Target or (solely in the case of the Offer) (i) Newco ceasing to own directly at least the number of shares of the Target owned as of the Unconditional Date, or (ii) (after the date falling 42 days after the date on which Newco was entitled to apply the provisions of Section 979 of the 2006 Companies Act) Newco ceasing to own directly 100% of the outstanding Equity Interests of the Target.

“Change in Law” means (a) the adoption of any law, rule or regulation after the date of this Agreement, (b) any change in any law, rule or regulation or in the interpretation or application thereof by any Governmental Authority after the date of this Agreement or (c) compliance by any Lender or the Issuing Bank (or, for purposes of Section 2.16(b), by any lending office of such Lender or by such Lender’s or the Issuing Bank’s holding company, if any) with any request, guideline or directive (whether or not having the force of law) of any Governmental Authority made or issued after the date of this Agreement.

“Class”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans, Term A Loans, Term B Loans, Term X Loans, Alternate Currency Loans or Swingline Loans.

“Clean-up Date” shall have the meaning assigned to such term in Article VII.

“Code” means the Internal Revenue Code of 1986, as amended from time to time.

“Collateral” means all property with respect to which any security interests have been granted (or purported to be granted) pursuant to any Security Document, including, without limitation, all US Pledge Agreement Collateral, all US Security Agreement Collateral, all UK Security Agreement Collateral and all cash and Cash Equivalents delivered as collateral pursuant to Section 2.06(j).

“Collateral Agent” means the Administrative Agent acting as collateral agent for the Secured Creditors pursuant to the Security Documents, including as collateral agent under the US Security Agreement, the US Pledge Agreement and the French Pledge Agreements, as UK Security Trustee under the UK Security Agreement and in a similar capacity under other Security Documents.

“Commitment” means either a Revolving Commitment or a Term Commitment.

“Companies Act” means the Companies Act 1985 of England and Wales.

“Consolidated Capital Expenditures” means, for any Person, for any period, the aggregate of all expenditures (whether paid in cash or accrued as liabilities and including in all events all Capital Lease Obligations but excluding any capitalized interest with respect thereto) by such Person and its subsidiaries during that period that, in conformity with GAAP, are or are required to be included in the property, plant or equipment reflected in the consolidated balance sheet of such Person.

“Consolidated Current Assets” means, with respect to any Person as at any date of determination, the total assets of such Person and its consolidated subsidiaries which should properly be classified as current assets on a consolidated balance sheet of such Person and its consolidated subsidiaries in accordance with GAAP.

“Consolidated Current Liabilities” means, with respect to any Person as at any date of determination, the total liabilities of such Person and its consolidated subsidiaries which should properly be classified as current liabilities (other than the current portion of any Loans) on a consolidated balance sheet of such Person and its consolidated subsidiaries in accordance with GAAP.

“Consolidated EBIT” means, for any period, Consolidated Net Income from continuing operations for such period before deducting therefrom Consolidated Interest Expense for such period (to the extent deducted in arriving at Consolidated Net Income for such period) and provision for taxes based on income (including foreign withholding taxes imposed on interest or dividend payments and state single business, unitary or similar taxes imposed on net income) that were included in arriving at Consolidated Net Income for such period and without giving effect, without duplication, to (a) any extraordinary gains, extraordinary losses or other extraordinary non-cash charges or benefits, (b) any charges arising out of prepayments of the Senior Notes, (c) any gains or losses from sales of assets other than from sales of inventory in the ordinary course of business, (d) fees, expenses and charges incurred or recorded (i) prior to December 31, 2008 in connection with the Acquisition, the Transactions or Divestiture Transactions up to an aggregate amount of \$25,000,000 or (e) fees, expenses and charges incurred or recorded after December 31, 2008 and prior to December 31, 2009 in connection with Divestiture Transactions.

“Consolidated EBITDA” means, for any period, Consolidated EBIT for such period, adjusted by adding thereto the amount of all amortization and depreciation that was deducted in arriving at Consolidated Net Income for such period; it being understood that in determining the Consolidated Senior Leverage Ratio and the Consolidated Total Leverage Ratio only, Consolidated EBITDA for any period shall be calculated on a Pro Forma Basis to give effect to (i) any Acquired Entity or Business acquired during such period pursuant to a Permitted Acquisition and not subsequently sold or otherwise disposed of by the Borrower or any of its Subsidiaries during such period and (ii) any Subsidiary or business disposed of during such period by the Borrower or any of its Subsidiaries.

“Consolidated Indebtedness” means, at any time, an amount equal to (a) the sum of (without duplication) (i) the aggregate stated balance sheet amount of all Indebtedness of the Borrower and its Subsidiaries as would be required to be reflected on the liability side of a balance sheet of such Person at such time in accordance with GAAP as determined on a

consolidated basis, (ii) all Indebtedness of the Borrower and its Subsidiaries of the type described in clauses (b) and (g) of the definition of Indebtedness contained herein, (iii) the aggregate amount of all Receivables Indebtedness of the Borrower and its Subsidiaries or any SPC outstanding at such time and (iv) all Guarantees by the Borrower and its Subsidiaries in respect of Indebtedness of any third Person of the type referred to in preceding clauses (i), (ii) and (iii) of this definition (including, without limitation, all Indebtedness of the Borrower and its Subsidiaries described in Section 6.01(m)), minus (b) the Offsetting Cash Amount; provided that in making any determination of “Consolidated Indebtedness” pursuant to this definition, there shall be excluded therefrom any Indebtedness of the type described in clause (b) of the definition of Indebtedness contained herein, in each case to the extent (and only to the extent) that such Indebtedness (x) is evidenced by letters of credit issued to support performance bonds of the Borrower or its Subsidiaries (but exclusive of unpaid drawings thereunder) and (y) would otherwise be included in the determination of Consolidated Indebtedness. Buy-Back Obligations of the Borrower and its Subsidiaries shall not constitute Consolidated Indebtedness.

“ Consolidated Interest Coverage Ratio ” means, as of the end of any fiscal quarter of the Borrower, the ratio of (a) Consolidated EBITDA to (b) Consolidated Interest Expense, in each case for the period of four fiscal quarters of the Borrower then ended.

“ Consolidated Interest Expense ” means, for any period, the total consolidated interest expense of the Borrower and its Subsidiaries for such period (calculated without regard to any limitations on the payment thereof, but net of any interest income of the Borrower and its Subsidiaries for such period) plus, without duplication, that portion of Capital Lease Obligations of the Borrower and its Subsidiaries representing the interest factor for such period; provided that “Consolidated Interest Expense” shall be deemed to include any discount and/or interest component in respect of any sale of accounts receivable or related rights by the Borrower or a Subsidiary regardless of whether such discount or interest would constitute interest under GAAP, in each case, on a consolidated basis.

“ Consolidated Net Income ” means, for any period, the net income (or loss) from continuing operations of the Borrower and its Subsidiaries for such period, determined on a consolidated basis (after any deduction for minority interests), provided that in determining Consolidated Net Income, (a) the net income of any other Person which is not a Subsidiary of the Borrower or is accounted for by the Borrower by the equity method of accounting shall be included only to the extent of the payment of cash dividends or cash distributions by such other Person to the Borrower or a Subsidiary thereof during such period, (b) the net income of any Subsidiary of the Borrower shall be excluded to the extent that the declaration or payment of cash dividends or similar cash distributions by that Subsidiary of that net income is not at the date of determination permitted by operation of its charter or any agreement, instrument or law applicable to such Subsidiary and (c) for any period, any interest income of the Borrower and its Subsidiaries for such period shall be excluded.

“ Consolidated Senior Indebtedness ” means, at any time, the amount of all Consolidated Indebtedness at such time, less the aggregate principal amount of all such Indebtedness outstanding at such time which is subordinated to the Obligations on customary market subordination terms reasonably satisfactory to the Administrative Agent.

“Consolidated Senior Leverage Ratio” means, at any time, the ratio of (a) Consolidated Senior Indebtedness at such time to (b) Consolidated EBITDA for the four fiscal quarters of the Borrower then most recently ended.

“Consolidated Tangible Net Assets” means, at any time, the amount, without duplication, of the net book value of the consolidated assets of the Borrower and its Subsidiaries excluding the net book value of all such assets which would be treated as intangibles under GAAP, including without limitation deferred charges, leasehold conversion costs, franchise rights, non-compete agreements, research and development costs, goodwill, unamortized debt discounts, patents, patent applications, trademarks, trade names, copyrights and licenses .

“Consolidated Total Leverage Ratio” means, at any time, the ratio of (a) Consolidated Indebtedness at such time to (b) Consolidated EBITDA for the four fiscal quarters of the Borrower then most recently ended.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. “Controlling” and “Controlled” have meanings correlative thereto.

“Contribution Notice” means a contribution notice issued by the Pensions Regulator under Section 38 or Section 47 of the Pensions Act 2004 of England and Wales.

“Credit Documents” means this Agreement and, after the execution and delivery thereof pursuant to the terms of this Agreement, each promissory note, the Subsidiary Guaranty, the Parent Guaranty and each Security Document.

“Credit Party” means the Borrower, each Subsidiary Guarantor and each Subsidiary Borrower.

“Customer Financing” means third party financing provided to customers of the Borrower or any of its Subsidiaries to finance such customers’ purchase of equipment and related products and services from the Borrower or a Subsidiary thereof.

“Default” means any event or condition which constitutes an Event of Default or which upon notice, lapse of time or both would, unless cured or waived, become an Event of Default.

“Designated Obligations” means all Obligations of the Credit Parties in respect of accrued and unpaid (a) principal of and interest on the Loans, (b) unreimbursed L/C Disbursements and interest thereon and (c) fees pursuant to Section 2.13, whether or not the same shall at the time of any determination be due and payable under the terms of the Credit Documents.

“Designation Letter” means a letter in substantially the form of Exhibit B hereto.

“Divestiture Transactions” means divestitures of assets required by applicable law or Governmental Authorities as a condition of, or in connection with, the Acquisition.

“ Dollars ” or “ \$ ” means the lawful currency of the United States.

“ Dollar Equivalent ” means, on any date of determination (a) with respect to any amount in Dollars, such amount, and (b) with respect to any amount in any Foreign Currency, the equivalent in Dollars of such amount, determined by the Administrative Agent pursuant to Section 1.05 using the Exchange Rate with respect to such Foreign Currency at the time in effect under the provisions of such Section.

“ Domestic Credit Party ” means a Credit Party which is not a Foreign Subsidiary.

“ Domestic Subsidiary ” means, as to any Person, each subsidiary of such Person that is incorporated under the laws of the United States, any State thereof or the District of Columbia.

“ EC Merger Regulation ” means the Council Regulation (EC) 139/2004 (as amended).

“ Effective Date ” means the date on which the conditions specified in Section 4.01 were satisfied (or waived in accordance with Section 9.02), such date being April 14, 2008.

“ EMU Legislation ” means the legislative measures of the European Union for the introduction of, changeover to or operation of the Euro in one or more member states of the European Union.

“ Environmental Laws ” means all laws, rules, regulations, codes, ordinances, orders, decrees, judgments, injunctions, notices or binding agreements issued, promulgated or entered into by any Governmental Authority, relating in any way to the environment, preservation or reclamation of natural resources, the management, release or threatened release of any Hazardous Material or to health and safety matters.

“ Environmental Liability ” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Borrower or any Subsidiary directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ Equity Interests ” means shares of capital stock, partnership interests, membership interests in a limited liability company, beneficial interests in a trust or other equity ownership interests in a Person, and any warrants, options or other rights entitling the holder thereof to purchase or acquire any such equity interest.

“ ERISA ” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

“ERISA Affiliate” means any trade or business (whether or not incorporated) that, together with the Borrower, is treated as a single employer under Section 414(b) or (c) of the Code or, solely for purposes of Section 302 of ERISA and Section 412 of the Code, is treated as a single employer under Section 414 of the Code.

“ERISA Event” means (a) any “reportable event”, as defined in Section 4043 of ERISA or the regulations issued thereunder with respect to a Plan (other than an event for which the 30 day notice period is waived), (b) the existence with respect to any Plan of an “accumulated funding deficiency” (as defined in Section 412 of the Code or Section 302 of ERISA), whether or not waived, (c) the filing pursuant to Section 412(d) of the Code or Section 303(d) of ERISA of an application for a waiver of the minimum funding standard with respect to any Plan, (d) the incurrence by the Borrower or any of its ERISA Affiliates of any liability under Title IV of ERISA with respect to the termination of any Plan, (e) the receipt by the Borrower or any ERISA Affiliate from the PBGC or a plan administrator of any notice relating to an intention to terminate any Plan or Plans or to appoint a trustee to administer any Plan, (f) the incurrence by the Borrower or any of its ERISA Affiliates of any liability with respect to the withdrawal or partial withdrawal from any Plan or Multiemployer Plan or (g) the receipt by the Borrower or any ERISA Affiliate of any notice, or the receipt by any Multiemployer Plan from the Borrower or any ERISA Affiliate of any notice, concerning the imposition of Withdrawal Liability or a determination that a Multiemployer Plan is, or is expected to be, insolvent or in reorganization, within the meaning of Title IV of ERISA.

“Euro” or “€” means the single lawful currency of the European Union as constituted by the treaty establishing the European Community being the Treaty of Rome, as amended from time to time and as referred to in the EMU Legislation.

“Eurocurrency”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are bearing interest at a rate determined by reference to the Adjusted LIBO Rate.

“European Commission” means the institution responsible for regulating competition in Europe.

“Event of Default” has the meaning assigned to such term in Article VII.

“Excess Cash Flow” means, without duplication, for the Borrower and its Subsidiaries for any period for which such amount is being determined:

(a) Consolidated Net Income of the Borrower and its Subsidiaries adjusted to exclude any amount of gain that both (i) is included in Consolidated Net Income and (ii) results in Net Proceeds actually applied to the prepayment of the Loans pursuant to Section 2.12(c), plus

(b) the amount of depreciation, amortization of intangibles, deferred taxes and other non-cash expenses (other than any deductions which (or should) represent the accrual of a reserve for the payment of cash charges in any future period or amortization of a prepaid cash expense that was paid in a prior period) which, pursuant to GAAP, were deducted in determining such Consolidated Net Income of the Borrower and its Subsidiaries, plus

(c) the amount by which working capital for such period decreased (i.e., the decrease in Consolidated Current Assets (excluding cash, Cash Equivalents and Foreign Cash Equivalents) of the Borrower and its Subsidiaries minus Consolidated Current Liabilities (excluding (i) changes in current liabilities for borrowed money and (ii) cash, Cash Equivalents or Foreign Cash Equivalents which are Net Proceeds required to be applied to the prepayment of the Loans pursuant to Section 2.12(c)) of the Borrower and its Subsidiaries from the beginning to the end of such period), minus

(d) the amount by which working capital for such period increased (i.e., the increase in Consolidated Current Assets (excluding cash, Cash Equivalents and Foreign Cash Equivalents) of the Borrower and its Subsidiaries minus Consolidated Current Liabilities (excluding (i) changes in current liabilities for borrowed money and (ii) cash, Cash Equivalents or Foreign Cash Equivalents which are Net Proceeds required to be applied to the prepayment of the Loans pursuant to Section 2.12(c)) of the Borrower and its Subsidiaries from the beginning to the end of such period), minus

(e) the amount of Consolidated Capital Expenditures of the Borrower and its Subsidiaries that are paid other than from the proceeds of Borrowings in such period, minus

(f) scheduled repayments of principal under the Term Loans pursuant to Section 2.11 made during such period.

For purposes of the foregoing and without duplication, Consolidated Net Income will exclude (x) all losses on the sale of capital assets or losses which are out of the ordinary course of business and (y) all write-downs of capital assets.

“Exchange Rate” means on any day, for purposes of determining the Dollar Equivalent of any currency other than Dollars, the rate at which such currency may be exchanged into Dollars at the time of determination on such day on the Reuters Currency pages, if available, for such currency. In the event that such rate does not appear on any Reuters Currency pages, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates as may be agreed upon by the Administrative Agent and the Borrowers, or, in the absence of such an agreement, such Exchange Rate shall instead be the arithmetic average of the spot rates of exchange of the Administrative Agent in the market where its foreign currency exchange operations in respect of such currency are then being conducted, at or about such time as the Administrative Agent shall elect after determining that such rates shall be the basis for determining the Exchange Rate, on such date for the purchase of Dollars for delivery two Business Days later; provided that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Administrative Agent may use any reasonable method it deems appropriate to determine such rate, and such determination shall be conclusive absent manifest error.

“Exchange Rate Date” means, if on such date any outstanding Loan (other than a Term Loan) is (or any Loan that has been requested at such time would be) denominated in a currency other than Dollars, each of:

(a) the last Business Day of each calendar month,

(b) if an Event of Default has occurred and is continuing, any Business Day designated as an Exchange Rate Date by the Administrative Agent in its sole discretion, and

(c) each date (with such date to be reasonably determined by the Administrative Agent) that is on or about the date of (i) a Borrowing Request or an Interest Election Request with respect to any Revolving Borrowing or (ii) each request for the making, issuance, amendment, renewal or extension of any Letter of Credit, Swingline Loan or Alternate Currency Loan.

“Excluded Taxes” means, with respect to the Administrative Agent, any Lender, the Issuing Bank or any other recipient of any payment to be made by or on account of any obligation of the Borrowers hereunder, (a) any Tax that would not have been imposed by a jurisdiction but for the present or former connection (other than a connection arising from entering this Agreement or any other agreement contemplated hereby, receiving of payment under this Agreement or other agreement contemplated hereby, or engaging in any other transaction contemplated in this Agreement or another agreement contemplated hereby) between the jurisdiction and the recipient (or, in the event of a recipient that is a partnership, trust, estate, or any other person that is treated for purposes of such Tax as not being the person to whom the payment is attributable, any Tax imposed that would have been imposed by a jurisdiction but for the present or former connection (other than a connection arising from entering this Agreement or any other agreement contemplated hereby, receiving of payment under this Agreement or any other agreement contemplated hereby) between the jurisdiction and (i) or member, beneficiary, fiduciary of such recipient or (ii) or other person to whom the payment is attributable) and (b) in the case of a Foreign Lender (other than an assignee pursuant to a request by the Borrower under Section 2.20(b)), any withholding tax that is imposed on amounts payable to such Foreign Lender at the time such Foreign Lender becomes a party to this Agreement (or designates a new lending office) or is attributable to such Foreign Lender’s failure to comply with Section 2.18(e), except to the extent that such Foreign Lender (or its assignor, if any) was entitled, at the time of designation of a new lending office (or assignment), to receive additional amounts from the Borrowers with respect to such withholding tax pursuant to Section 2.18 (a).

“Existing Agent” means JPMorgan Chase Bank, N.A., as administrative agent under the Existing Credit Agreement, and any replacement or successor administrative agent thereunder.

“Existing Credit Agreement” means the Amended and Restated Credit Agreement dated as of December 14, 2006 among the Borrower, the Subsidiary Borrowers party thereto, JPMorgan Chase Bank, N.A., as administrative agent, and the lenders party thereto, as amended through the date hereof and as further amended prior to the Initial Borrowing Date.

“Existing Letters of Credit” means such letters of credit as may be outstanding under the Existing Credit Agreement on the Initial Borrowing Date and are designated on such date as “Existing Letters of Credit” hereunder by the Borrower with the consent of the Administrative Agent and the issuer thereof.

“External Subsidiary” means a Wholly-Owned Subsidiary of the Borrower which is not a Credit Party.

“Factoring Agreement” means a factoring, receivables purchase or similar agreement which is not entered into in connection with or as part of a Permitted Securitization or Specified Transaction.

“Federal Funds Effective Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day for such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“FIN 46 Subsidiary” means any variable interest entity which qualifies as a subsidiary of the Borrower only by virtue of being required by FASB Staff Position No. FIN 46(R)-6 – Determining the Variability to be Considered in Applying FASB Interpretation No. 46(R) or any related subsequent accounting standard to be consolidated with the Borrower for financial accounting purposes.

“Financial Officer” means the chief financial officer, vice president of finance, principal accounting officer, treasurer or controller of the Borrower.

“Financial Support Direction” means a financial support direction issued by the Pensions Regulator under Section 43 of the Pensions Act 2004 of England and Wales.

“Flex Lenders” means, at any time, the Initial Lenders (at least two) holding 51% or more of the sum of the total Revolving Credit Exposures, unused Revolving Commitments, unused Term Commitments and outstanding Term Loans of all the Initial Lenders at such time.

“Foreign Cash Equivalents” means certificates of deposit or bankers’ acceptances of any bank organized under the laws of Canada or any country that is a member of the European Economic Community, whose short-term commercial paper rating from S&P is at least A-1 or the equivalent thereof or from Moody’s is at least P-1 or the equivalent thereof, in each case with maturities of not more than six months from the date of acquisition.

“Foreign Credit Party” means a Credit Party which is a Foreign Subsidiary.

“Foreign Currency” means (a) with respect to any Alternate Currency Loan, any currency acceptable to the Administrative Agent that is freely available, freely transferable and freely convertible into Dollars, and agreed to by the applicable Alternate Currency Lenders, (b) with respect to any Revolving Loan, any currency acceptable to the Administrative Agent and each of the applicable Lenders that is freely available, freely transferable and freely convertible into Dollars and in which dealings in deposits are carried on in the London interbank market, (c) with respect to any Letter of Credit, any currency acceptable to the Administrative Agent that is freely available, freely transferable and freely convertible into Dollars, and agreed to by the Issuing Bank issuing such Letter of Credit, (d) with respect to any Swingline Foreign Currency Loan, any currency acceptable to the Administrative Agent that is freely available, freely

transferable and freely convertible into Dollars, and agreed to by the Swingline Lender and (e) with respect to the Term A Loan, Euros and Sterling.

“Foreign Lender” means, with respect to a Borrower that is resident for Tax purposes in a particular jurisdiction, any Lender that is regarded by the Governmental Authority of that jurisdiction as not being resident for Tax purposes in that jurisdiction. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Pension Plan” means any plan, fund (including, without limitation, any superannuation fund) or other similar program established or maintained outside the United States by the Borrower or any one or more of its Subsidiaries primarily for the benefit of employees of the Borrower or such Subsidiaries residing outside the United States, which plan, fund or other similar program provides, or results in, retirement income, a deferral of income in contemplation of retirement or payments to be made upon termination or severance of employment, and which plan is not subject to ERISA or the Code.

“Foreign Subsidiary” means, as to any Person, each subsidiary of such Person which is not a Domestic Subsidiary.

“French Pledge Agreements” means the Pledge Agreement (Acte de Nantissement de Compte d’Instruments Financiers) by Manitowoc FP, Inc. and the two Pledge Agreements (Acte de Nantissement de Compte d’Instruments Financiers and Acte de Nantissement de Parts Sociales) by Manitowoc France SAS, each dated as of the Effective Date and made in favor of the Collateral Agent for the benefit of the Secured Creditors.

“Funding Transactions” means, collectively, the loans, capital contributions and other investments substantially in the form described on Schedule 1.04 hereto to be effected to facilitate the funding of the Acquisition.

“GAAP” means generally accepted accounting principles in the United States.

“Governmental Authority” means the government of the United States, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

“Guarantee” of or by any Person (the “guarantor”) means any obligation, contingent or otherwise, of the guarantor guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation of any other Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of the guarantor, direct or indirect, (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation or to purchase (or to advance or supply funds for the purchase of) any property constituting direct or indirect security for the payment thereof, (b) to purchase or lease property, securities or services for the purpose of assuring the owner of such Indebtedness or other obligation of the payment thereof, (c) to maintain working capital, equity capital or any other financial statement condition or liquidity of the primary obligor or to

advance or supply funds for the foregoing so as to enable the primary obligor to pay such Indebtedness or other obligation, (d) as an account party in respect of any letter of credit or letter of guarantee issued to support such Indebtedness or obligation or (e) otherwise to assure or hold harmless the owner of such Indebtedness or other obligation against loss in respect thereof; provided, that the term Guarantee shall not include endorsements for collection or deposit in the ordinary course of business, Buy-Back Obligations or any guarantee by the Borrowers or any Subsidiary Guarantor of the obligations of any Subsidiary in respect of intra-day overdrafts incurred by such Subsidiary in accordance with customary practices and in the ordinary course of business of such Subsidiary. The amount of any Guarantee made by any guarantor shall be deemed to be the lower of (a) an amount equal to the stated or determinable amount of the primary obligation in respect of which such Guarantee is made and (b) the maximum amount for which such guarantor may be liable pursuant to the terms of the instrument embodying such Guarantee, unless (in the case of a primary obligation that is not Indebtedness) such primary obligation and the maximum amount for which such guarantor may be liable are not stated or determinable, in which case the amount of such Guarantee shall be such guarantor's maximum reasonably anticipated contingent liability in respect thereof as determined by the Borrower in good faith.

“ Hazardous Materials ” means all explosive or radioactive substances or wastes and all hazardous or toxic substances, wastes or other pollutants, including petroleum or petroleum distillates, asbestos or asbestos containing materials, polychlorinated biphenyls, radon gas, infectious or medical wastes and all other substances or wastes of any nature regulated pursuant to any Environmental Law.

“ Implementation Agreement ” means the implementation agreement between the Target and Newco concerning the conduct of the Scheme.

“ Indebtedness ” means, as to any Person, without duplication, (a) all indebtedness (including principal, interest, fees and charges) of such Person for borrowed money or for the deferred purchase price of property or services, (b) the maximum amount available to be drawn under all letters of credit, bankers' acceptances and similar obligations issued for the account of such Person and all unpaid drawings in respect of such letters of credit, bankers' acceptances and similar obligations, (c) all indebtedness of the types described in clause (a), (b), (d), (e), (f), (g), (h) or (i) of this definition secured by any Lien (or for which the holder of such indebtedness has an existing right, contingent or otherwise, to be secured by any Lien) on any property owned by such Person, whether or not such indebtedness has been assumed by such Person (provided that, if the Person has not assumed or otherwise become liable in respect of such indebtedness, such indebtedness shall not be deemed to exceed an amount equal to the fair market value of the property to which such Lien relates as determined in good faith by such Person), (d) the aggregate amount of all Capital Lease Obligations of such Person, (e) all obligations of such Person to pay a specified purchase price for goods or services, whether or not delivered or accepted, i.e., take-or-pay and similar obligations, (f) all Guarantees by such Person, (g) all obligations under any Swap Agreement or under any similar type of agreement, (h) all indebtedness of such Person evidenced by bonds, debentures, notes or similar interests, (i) all indebtedness of such Person under conditional sale or other title retention agreements relating to property acquired by such Person and (j) all Receivables Indebtedness. Notwithstanding the foregoing, Indebtedness shall not include intra-day overdrafts or trade payables, deferred

compensation obligations, customer advances and other accrued expenses incurred by any Person in accordance with customary practices and in the ordinary course of business of such Person or Buy-Back Obligations. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner) to the extent such Person is liable therefor as a result of such Person's ownership interest in or other relationship with such entity, except to the extent the terms of such Indebtedness provide that such person is not liable therefor.

“ Indemnified Taxes ” means Taxes other than Excluded Taxes.

“ Information Memorandum ” means, collectively, the Confidential Information Memoranda relating to the Borrower and the Transactions to be prepared and distributed to prospective Lenders prior to the Initial Borrowing Date in connection with the syndication of the Loans.

“ Initial Borrowing Date ” means the date on which the conditions specified in Section 4.02 are satisfied (or waived in accordance with Section 9.02).

“ Initial Lenders ” means JPMorgan Chase Bank, N.A., Deutsche Bank AG New York Branch, Morgan Stanley Senior Funding, Inc. and BNP Paribas.

“ Intercompany Loan ” shall have the meaning provided in Section 6.05(i).

“ Intercompany Note ” means each of the existing intercompany notes listed on Schedule 1.02 and each promissory note issued on or after the Effective Date, in the form of Exhibit C, evidencing Intercompany Loans.

“ Interest Election Request ” means a request by the Borrower to convert or continue a Revolving Borrowing in accordance with Section 2.08.

“ Interest Payment Date ” means (a) with respect to any ABR Loan (other than a Swingline Loan), the last day of each March, June, September and December, (b) with respect to any Eurocurrency Loan, the last day of the Interest Period applicable to the Borrowing of which such Loan is a part and, in the case of a Eurocurrency Borrowing with an Interest Period of more than three months' duration, each day prior to the last day of such Interest Period that occurs at intervals of three months' duration after the first day of such Interest Period and (c) with respect to any Swingline Loan, the day that such Loan is required to be repaid.

“ Interest Period ” means (a) with respect to any Eurocurrency Borrowing, the period commencing on the date of such Borrowing and ending on the numerically corresponding day in the calendar month that is one, two, three or six months (or, with the consent of each Lender, nine or twelve months) thereafter, as the Borrower may elect; and (b) as to any Swingline Foreign Currency Loan, the period commencing on the date of such Loan and ending on the day that is designated in the notice delivered pursuant to Section 2.05 with respect to such Swingline Foreign Currency Loan, which shall not be later than thirty days thereafter; provided, that (i) if any Interest Period would end on a day other than a Business Day, such Interest Period shall be extended to the next succeeding Business Day unless, in the case of a Eurocurrency Borrowing only, such next succeeding Business Day would fall in the next calendar month, in

which case such Interest Period shall end on the next preceding Business Day and (ii) any Interest Period pertaining to a Eurocurrency Borrowing that commences on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the last calendar month of such Interest Period) shall end on the last Business Day of the last calendar month of such Interest Period. For purposes hereof, the date of a Borrowing initially shall be the date on which such Borrowing is made and thereafter shall be the effective date of the most recent conversion or continuation of such Borrowing.

“ Investment ” has the meaning assigned to such term in Section 6.05.

“ Issuing Bank ” means each of JPMorgan, and such additional Lenders as may be designated as such by the Borrower with the consent of the Administrative Agent and which agree to act in such capacity, each as the issuer of Letters of Credit hereunder, and their respective successors in such capacity as provided in Section 2.06(i). The Issuing Bank may, in its discretion, arrange for one or more Letters of Credit to be issued by Affiliates of the Issuing Bank, in which case the term “Issuing Bank” shall include any such Affiliate with respect to Letters of Credit issued by such Affiliate. With respect to any Letter of Credit, “Issuing Bank” shall mean the issuer thereof.

“ JPMorgan ” means JPMorgan Chase Bank, N.A., a national banking association, and solely relative to such Loans, J.P. Morgan Europe Limited, with respect to Loans denominated in a Foreign Currency, and their successors.

“ LC Disbursement ” means a payment made by the Issuing Bank pursuant to a Letter of Credit.

“ LC Exposure ” means, at any time, the sum of (a) the aggregate undrawn amount of all outstanding Letters of Credit at such time plus (b) the aggregate amount of all LC Disbursements that have not yet been reimbursed by or on behalf of the Borrower at such time. The LC Exposure of any Lender at any time shall be its Applicable Revolver Percentage of the total LC Exposure at such time.

“ Lenders ” means the Persons listed on Schedule 2.01 and any other Person that shall have become a party hereto pursuant to an Assignment and Assumption, other than any such Person that ceases to be a party hereto pursuant to an Assignment and Assumption. Unless the context otherwise requires, the term “Lenders” includes the Swingline Lender and the Alternate Currency Lenders.

“ Letter of Credit ” means any letter of credit issued pursuant to this Agreement.

“ LIBO Rate ” means, with respect to any Eurocurrency Borrowing for any Interest Period, the rate per annum determined by the Administrative Agent at approximately 11:00 a.m., London time, on the Quotation Day for such Interest Period by reference to the British Bankers’ Association Interest Settlement Rates for deposits in the currency of such Borrowing (as reflected on the applicable Telerate screen page), for a period equal to such Interest Period; provided that, to the extent that an interest rate is not ascertainable pursuant to the foregoing provisions of this definition, the “LIBO Rate” shall be the rate at which JPMorgan offers to place deposits in the currency of such Borrowing for such Interest Period to first-class banks in the

London interbank market at approximately 11:00 a.m., London time, on the Quotation Day for such Interest Period; and provided further that in no event shall the LIBO Rate with respect to the Term B Loan at any time be less than 3.00% per annum.

“Lien” means, with respect to any asset, (a) any mortgage, deed of trust, lien, pledge, hypothecation, encumbrance, charge or security interest in, on or of such asset, (b) the interest of a vendor or a lessor under any conditional sale agreement, capital lease or title retention agreement (or any financing lease having substantially the same economic effect as any of the foregoing) relating to such asset and (c) in the case of securities, any purchase option, call or similar right of a third party with respect to such securities.

“Loans” means the loans made by the Lenders to the Borrowers pursuant to this Agreement.

“Local Time” means (a) with respect to a Loan or Borrowing denominated in Dollars, New York City time and (b) with respect to a Loan or Borrowing denominated in any Foreign Currency, London time.

“Major Default” means (with respect to the Borrower or any of its Subsidiaries (excluding the Target Group)) an Event of Default arising under clauses (a), (b), (c) (but only to the extent relating to a Major Representation), (d) (but only to the extent relating to Section 5.08 (to the extent relating to the purpose for which Certain Funds Loans are applied), Section 6.01, 6.02, 6.03, 6.04, 6.05, 6.09 (to the extent relating to the Borrower or Newco) or 6.12 or clause (A) of the third sentence of Section 9.02(b)), (e) (but only to the extent relating to Section 5.14 (other than Section 5.14(a)(ii), (iii) or (vi)), or 5.15 (other than Section 5.15(a)(ii), (iii) or (vi) or Section 5.15(c)(i) or (ii)), or (h), (i), (j), (m) (but only to the extent relating to clauses (e) or (f) of the definition of “Change in Control”), (n)(i), (o)(i) or (p)(i) of Article VII.

“Major Representation” means each of the representations and warranties set out (but ignoring any reference therein to any member of the Target Group or their respective assets) in Section 3.01 (except as it relates to the conduct of the business of the Borrower or its Subsidiaries), 3.02, 3.03(b) or (c), 3.08, 3.12, 3.16, or 3.17.

“Mandatory Cost Rate” shall have the meaning provided on Schedule 2.22.

“Manitowoc Asia Holdings” means Manitowoc Holding Asia SAS, a *société par actions simplifiée* organized under the laws of France and a Wholly-Owned Subsidiary of the Borrower.

“Margin Stock” shall have the meaning provided in Regulation U.

“Marine Mortgages” means the fee Mortgage with respect to property of Marinette Marine Corporation located in Marinette, Wisconsin and the leasehold Mortgage with respect to the leasehold interest of the Borrower in property located in Sturgeon Bay, Wisconsin, in each case as more fully described on Schedule 4.02 hereto.

“Material Adverse Effect” means a material adverse effect on (a) the business, assets, operations or financial condition, of the Borrower and its Subsidiaries taken as a whole,

(b) the ability of the Borrower or of the Credit Parties taken as a whole to perform any of their repayment or other material obligations under the Credit Documents or (c) the rights or remedies of the Administrative Agent, the Collateral Agent or the Lenders under the Credit Documents.

“ Material Indebtedness ” means Indebtedness (other than the Loans and Letters of Credit), or obligations in respect of one or more Swap Agreements, of any one or more of the Borrower and its Subsidiaries in an aggregate principal amount exceeding \$20,000,000. For purposes of determining Material Indebtedness, the “principal amount” of the obligations of the Borrower or any Subsidiary in respect of any Swap Agreement at any time shall be the maximum aggregate amount (giving effect to any netting rights or netting agreements) that the Borrower or such Subsidiary would be required to pay if such Swap Agreement were terminated at such time.

“ Material Subsidiary ” means a Subsidiary of the Borrower (a) which has or acquires assets constituting more than the greater of (i) .50% of the consolidated assets of the Borrower and its consolidated subsidiaries and (ii) \$20,000,000 or (b) which generated more than 4% of Consolidated Net Income over the four fiscal quarter period most recently ended prior to the time of computation, but excluding Grove Australia Pty. Ltd.

“ Moody’s ” means Moody’s Investors Service, Inc.

“ Mortgages ” means, individually and collectively, one or more mortgages, leasehold mortgages, deeds of trust, or deeds to secure debt, executed and delivered by a Borrower or Subsidiary Guarantor thereof in favor of the Collateral Agent, for the benefit of the Lenders, as the same may be amended, restated, amended and restated, modified or supplemented from time to time.

“ Multiemployer Plan ” means a multiemployer plan as defined in Section 4001 (a)(3) of ERISA.

“ Net Proceeds ” means, with respect to any event, (a) the cash proceeds received in respect of such event, including (i) any cash received in respect of any non-cash proceeds (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or purchase price adjustment or earn-out, but excluding any reasonable interest payments), but only as and when received, (ii) in the case of a casualty, cash insurance proceeds, and (iii) in the case of a condemnation or similar event, cash condemnation awards and similar payments received in connection therewith, minus (b) the sum of (i) all fees and expenses (including commissions and legal, accounting and other professional and transactional fees) paid by the Borrowers and the Subsidiaries to third parties (other than Affiliates) in connection with such event, (ii) in the case of a sale, transfer or other disposition of an asset (including pursuant to a sale and leaseback transaction or a casualty or a condemnation or similar proceeding), the amount of all payments that are permitted hereunder and are made by the Borrowers and the Subsidiaries as a result of such event to repay Indebtedness (other than Loans) secured by such asset or otherwise subject to mandatory prepayment as a result of such event, and (iii) the amount of all taxes paid (or reasonably estimated to be payable) by the Borrowers and the Subsidiaries, and the amount of any reserves established by the Borrowers and the Subsidiaries to fund contingent liabilities reasonably estimated to be payable, that are directly attributable to such event (as determined reasonably and in good faith by their respective

Financial Officers), provided that any reduction at any time in the amount of any such reserves (other than as a result of payments made in respect thereof) shall be deemed to constitute the receipt by Borrower at such time of Net Proceeds in the amount of such reduction.

“Newco” means MTW County Ltd., a limited liability company incorporated under the laws of England and Wales (and which may become domesticated in the State of Delaware pursuant to Section 388 of the Delaware General Corporation Law), which is a Wholly-Owned Foreign Subsidiary.

“Obligations” means all liabilities and obligations, whether actual or contingent, of any Credit Party to the Administrative Agent, the Collateral Agent, the Issuing Bank, the Swingline Lender, the Alternate Currency Lenders, any Lender or any indemnified party hereunder or under any other Credit Document, in each case arising under any Credit Document.

“Offer” means each of the offers proposed to be made by Newco, substantially on the terms and conditions (as from time to time amended, added to, extended, revised, renewed or waived only insofar as the same is effected in accordance with the terms of this Agreement) set out in the Press Release, to acquire the whole of the share capital (whether in issue or, subject to those terms and conditions, to be allotted or issued) of the Target not already owned by Newco.

“Offer Document” means the offer document issued, or to be issued, by Newco to the shareholders of the Target (including form of acceptance) in respect of the Offer.

“Offer Shares” means the shares of the Target to which the Offer relates.

“Offsetting Cash Amount” means the aggregate stated balance sheet amount of cash, Cash Equivalents and Foreign Cash Equivalents of the Borrower and its Wholly-Owned Domestic Subsidiaries (excluding any portion thereof which is subject to a Lien in favor of a Person other than the Collateral Agent or is otherwise restricted).

“Original Credit Agreement” shall have the meaning provided in the Recitals hereto.

“Original Press Release” means the press release dated April 14, 2008 announcing Newco’s firm intention to make an offer for the Target Shares by way of a Scheme.

“Other Taxes” means any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement.

“Parent Guaranty” means that certain guaranty dated as of the Effective Date made by the Borrower in favor of the Secured Creditors, as the same may be amended, restated, amended and restated, modified or supplemented from time to time.

“Participant” has the meaning set forth in Section 9.04(c).

“ Participating Lender ” means, with respect to any Alternate Currency Borrowing, a Lender with a Revolving Commitment which is not an Alternate Currency Lender with respect to such Borrowing.

“ PBGC ” means the Pension Benefit Guaranty Corporation referred to and defined in ERISA and any successor entity performing similar functions.

“ Pensions Regulator ” means the body corporate called the Pensions Regulator established under Part I of the Pensions Act 2004 of England and Wales.

“ Permitted Acquisition ” means the acquisition by the Borrower or a Wholly- Owned Subsidiary thereof of an Acquired Entity or Business (including by way of merger of such Acquired Entity or Business with and into the Borrower (so long as the Borrower is the surviving corporation) or a Wholly-Owned Subsidiary thereof (so long as the survivor of such merger is a Wholly-Owned Subsidiary)); provided that, in each case, (a) the consideration paid or to be paid by the Borrower or such Wholly-Owned Subsidiary consists solely of cash (including proceeds of Revolving Loans or Swingline Loans), the issuance or incurrence of Indebtedness otherwise permitted by Section 6.01, the issuance of common stock of the Borrower or Qualified Preferred Stock of the Borrower in each case to the extent no Default or Event of Default exists pursuant to clause (m) of Article VII or would result therefrom and the assumption/acquisition of any Indebtedness (calculated at face value) which is permitted to remain outstanding in accordance with the requirements of Section 6.01, (b) in the case of the acquisition of 100% of the capital stock of any Person (including by way of merger), such Person shall own no capital stock of any other Person (excluding *de minimis* amounts) unless either (i) such Person owns 100% of the capital stock of such other Person or (ii) (x) such Person and its Wholly-Owned Subsidiaries own at least 80% of the consolidated assets of such other Person and its Subsidiaries and (y) any non-Wholly-Owned Subsidiary of such Person was a non-Wholly-Owned Subsidiary prior to the date of such Permitted Acquisition of such Person, (c) the Acquired Entity or Business acquired pursuant to the respective Permitted Acquisition is in a business permitted by Section 6.03(b) and (d) all applicable requirements of Sections 6.03 and 6.05(m) applicable to Permitted Acquisitions are satisfied.

“ Permitted Liens ” has the meaning assigned to such term in Section 6.02.

“ Permitted Securitization ” means any receivables financing program providing for the sale of accounts receivable and related rights by the Borrower or its Subsidiaries to an SPC for cash in transactions purporting to be sales (and treated as sales for GAAP purposes), which SPC shall finance the purchase of such assets by the sale, transfer, conveyance, lien or pledge of such assets to one or more limited purpose financing companies, special purpose entities and/or other financial institutions, in each case pursuant to documentation in form and substance reasonably satisfactory to the Administrative Agent. Specified Transactions and related transfers of accounts receivable shall not constitute or be deemed part of a Permitted Securitization.

“ Person ” means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

“Plan” means any employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which the Borrower or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Posting Date” means: (a) in relation to the Offer, the date on which the Offer Document is posted; and (b) in relation to the Scheme, the date on which the Scheme Document is posted.

“Prepayment Event” means:

(a) any sale, transfer or other disposition (including pursuant to a sale and leaseback transaction (other than such a transaction, the purpose of which is to finance the asset sold) and by way of merger or consolidation in which neither the Borrower nor any Subsidiary is the surviving entity) of any property or asset of any Borrower or any Subsidiary, other than (i) sales and/or rentals of inventory in the ordinary course of business, (ii) sales of Cash Equivalents and Foreign Cash Equivalents in the ordinary course of business, (iii) sales of accounts receivable to the extent permitted by Section 6.03 (a)(vii) or (xiv), (iv) dispositions to the Borrower or any Subsidiary and (v) dispositions resulting in aggregate Net Proceeds not exceeding (A) \$10,000,000 in the case of any single transaction or series of related transactions or (B) \$25,000,000 for all such transactions during any fiscal year of Borrower;

(b) any casualty or other insured damage to, or any taking under power of eminent domain or by condemnation or similar proceeding of, any property or asset of, any Borrower or any Subsidiary resulting in Net Proceeds equal to or greater than \$10,000,000;

(c) the issuance by any Borrower or any Subsidiary of any Equity Interests, or the receipt by any Borrower or any Subsidiary of any capital contribution, other than any such issuance of Equity Interests to the Borrower or any Wholly-Owned Subsidiary or pursuant to a stock incentive plan, stock option plan or other equity-based compensation plan or arrangement for employees, officers and directors of any Borrower or any Subsidiary or receipt of a capital contribution from the Borrower or any Subsidiary; or

(d) the incurrence by any Borrower or any Subsidiary of any Indebtedness for borrowed money, other than Indebtedness permitted under Section 6.01 (except Section 6.01 (q)(i)).

“Press Release” means the first Original Press Release as supplemented and modified by the Supplemental Press Release and the Second Supplemental Press Release.

“Prime Rate” means the rate of interest per annum publicly announced from time to time by JPMorgan as its prime rate in effect at its principal office in New York City; each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

“Pro Forma Basis” means, in connection with any calculation of compliance with any financial covenant or financial term, the calculation thereof after giving effect on a pro forma

basis to (a) the incurrence of any Indebtedness (other than revolving Indebtedness, except to the extent same is incurred to refinance other outstanding Indebtedness or to finance a Permitted Acquisition) after the first day of the relevant calculation period as if such Indebtedness had been incurred (and the proceeds thereof applied) on the first day of the relevant calculation period, (b) the permanent repayment of any Indebtedness (other than revolving Indebtedness) after the first day of the relevant calculation period as if such Indebtedness had been retired or redeemed on the first day of the relevant calculation period and (c) the Permitted Acquisition, if any, then being consummated as well as any other Permitted Acquisition consummated after the first day of the relevant calculation period and on or prior to the date of the respective Permitted Acquisition then being effected, as the case may be, with the following rules to apply in connection therewith:

(i) all Indebtedness (x) (other than revolving Indebtedness, except to the extent same is incurred to refinance other outstanding Indebtedness or to finance a Permitted Acquisition) incurred or issued after the first day of the relevant calculation period (whether incurred to finance a Permitted Acquisition, to refinance Indebtedness or otherwise) shall be deemed to have been incurred or issued (and the proceeds thereof applied) on the first day of the respective calculation period and remain outstanding through the date of determination and (y) (other than revolving Indebtedness) permanently retired or redeemed after the first day of the relevant calculation period shall be deemed to have been retired or redeemed on the first day of the respective calculation period and remain retired through the date of determination;

(ii) all Indebtedness assumed to be outstanding pursuant to preceding clause (i) shall be deemed to have borne interest at (x) the rate applicable thereto, in the case of fixed rate indebtedness or (y) the rates which would have been applicable thereto during the respective period when same was deemed outstanding, in the case of floating rate Indebtedness (although interest expense with respect to any Indebtedness for periods while same was actually outstanding during the respective period shall be calculated using the actual rates applicable thereto while same was actually outstanding); and

(iii) in making any determination of Consolidated EBITDA, pro forma effect shall be given to any Permitted Acquisition consummated during the periods described above, with such Consolidated EBITDA to be determined as if such Permitted Acquisition was consummated on the first day of the relevant calculation period, taking into account factually supportable and identifiable cost savings and expenses or which would otherwise be permitted to be accounted for as an adjustment pursuant to Article 11 of Regulation S-X under the Securities Act, as if such cost savings or expenses were realized on the first day of the respective calculation period.

“Qualified Preferred Stock” means any preferred stock of the Borrower so long as the terms of any such preferred stock (a) do not contain any mandatory put, redemption, repayment, sinking fund or other similar provision, (b) do not require the cash payment of dividends or distributions, (c) do not contain any covenants, (d) do not grant the holders thereof any voting rights except for (i) voting rights required to be granted to such holders under applicable law and (ii) limited customary voting rights on fundamental matters such as mergers, consolidations, sales of all or substantially all of the assets of the Borrower, or liquidations

involving the Borrower and (e) are otherwise reasonably satisfactory to the Administrative Agent.

“Quotation Day” means, with respect to any Eurocurrency Borrowing or Swingline Foreign Currency Borrowing and any Interest Period, the day on which it is market practice in the relevant interbank market for prime banks to give quotations for deposits in the currency of such Borrowing for delivery on the first day of such Interest Period. If such quotations would normally be given by prime banks on more than one day, the Quotation Day will be the last of such days.

“Real Property” of any Person means all the right, title and interest of such Person in and to land, improvements and fixtures.

“Receivables Indebtedness” means, at any time, sum of (a) the aggregate amount of uncollected accounts receivables of the Borrower and its Subsidiaries at such time which have been (or which are then being) sold pursuant to a Factoring Agreement plus (b) without duplication, the aggregate amount of outstanding obligations incurred by the Borrower and its Subsidiaries (including any SPC) in connection with a Permitted Securitization that would be characterized as principal if such Permitted Securitization in its entirety were structured as a secured lending transaction rather than a purchase (regardless, in either case, of whether any liability of the Borrower or any Subsidiary thereof in respect of related accounts receivable would be required to be reflected on a balance sheet of such Person in accordance with generally accepted accounting principles).

“Receiving Agent” means any person appointed as the receiving agent for the Offer with the consent of the Administrative Agent.

“Receiving Agent Agreement” means the agreement entered into, or to be entered into, between the Receiving Agent and Newco in relation (among other things) to the receipt and settlement of acceptances of the Offer.

“Register” has the meaning set forth in Section 9.04(b)(iv).

“Regulation T” means Regulation T of the Board as from time to time in effect and any successor to all or a portion thereof.

“Regulation U” means Regulation U of the Board as from time to time in effect and any successor to all or a portion thereof.

“Regulation X” means Regulation X of the Board as from time to time in effect and any successor to all or a portion thereof.

“Related Parties” means, with respect to any specified Person, such Person’s Affiliates and the respective directors, officers, employees, trustees, agents and advisors of such Person and such Person’s Affiliates.

“Release” means the active or passive disposing, discharging, injecting, spilling, pumping, leaking, leaching, dumping, emitting, escaping, emptying, pouring, seeping, migrating or the like, into or upon any land or water or air, or otherwise entering into the environment.

“Rental Fleet” means all crane products owned by the Borrower or its Subsidiaries which are (a) included in the consolidated balance sheet of the Borrower and (b) for which the current business purpose is to rent such crane products to customers under operating leases. GAAP restatement equipment and sale-leaseback equipment shall not be included in the Rental Fleet.

“Required Lenders” means, at any time, Lenders having Revolving Credit Exposures, unused Revolving Commitments, unused Term Commitments and outstanding Term Loans representing at least 50.1% of the sum of the total Revolving Credit Exposures, unused Revolving Commitments, unused Term Commitments and outstanding Term Loans at such time.

“Restatement Date” shall have the meaning provided in Section 4.01.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any Equity Interests in the Borrower or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such Equity Interests in the Borrower or any option, warrant or other right to acquire any such Equity Interests in the Borrower.

“Revolving Borrowing” means a Borrowing comprised of Revolving Loans.

“Revolving Commitment” means, with respect to each Lender, the commitment of such Lender to make Revolving Loans and to acquire participations in Letters of Credit, Swingline Loans and Alternate Currency Loans hereunder, expressed as an amount representing the maximum aggregate amount of such Lender’s Revolving Credit Exposure hereunder, as such commitment may be (a) reduced or increased from time to time pursuant to Section 2.09 and (b) reduced or increased from time to time pursuant to assignments by or to such Lender pursuant to Section 9.04. The initial amount of each Lender’s Revolving Commitment is set forth on Schedule 2.01, or in the Assignment and Assumption pursuant to which such Lender shall have assumed its Revolving Commitment, as applicable. The initial aggregate amount of the Lenders’ Revolving Commitments is \$400,000,000.

“Revolving Credit Exposure” means, with respect to any Lender at any time, the sum of the outstanding principal amount of such Lender’s Revolving Loans, LC Exposure, Swingline Exposure and Alternate Currency Exposure at such time.

“Revolving Loan” means a loan made pursuant to Section 2.01(a).

“Revolving Maturity Date” means the fifth anniversary of the Initial Borrowing Date.

“S&P” means Standard & Poor’s.

“Sale Transaction” means the sale by MMG Holding Co., LLC of all of the Equity Interests of Manitowoc Marine Group, LLC to Fincanteri Marine Group Holdings, Inc. on substantially the terms set forth in the Borrower’s Form 8-K filed with the Securities Exchange Commission on or about August 4, 2008.

“Sale-Leaseback Differential” means, with respect to any fiscal quarter end of the Borrower, the excess, if any, of (a) rent or other payments made by the Borrower or its Subsidiaries during the period of four fiscal quarters then ended to lessors pursuant to Sale-Leaseback Transactions over (b) the amount of rent or other payments received during such four fiscal quarter period by the Borrower or its Subsidiaries in their capacity as lessors of equipment which was the subject of a Sale-Leaseback Transaction.

“Sale-Leaseback Transaction” means a sale-leaseback transaction entered into by the Borrower or its Subsidiaries in the ordinary course of business and on a basis consistent with past practice with one or more financial institutions as lessor pursuant to which the Borrower or its Subsidiaries sells crane products to such lessor for cash and such lessor subsequently leases back such crane products to the Borrower or its Subsidiaries.

“Scheme” means a scheme of arrangement under Section 895 of the 2006 Companies Act in respect of the Target pursuant to which Newco subscribes in cash for all of the new shares issued in the Target in conjunction with the Target canceling all of its share capital existing immediately prior to such scheme of arrangement becoming effective;

“Scheme Document” means the document issued, or to be issued, by or on behalf of the Target to its shareholders in respect of the Scheme.

“Scheme Effective Date” means the date on which the Scheme becomes effective, being the later of the dates on which (a) an office copy of an appropriate court order approving the Scheme has been delivered to the registrar of companies for registration; and (b) a certificate of registration is issued by the registrar of companies evidencing registration of the order and minute (approved by the court) and giving effect to the reduction in the Target’s share capital under Section 138 of the Companies Act.

“Second Supplemental Press Release” means the press release in the form agreed by the Administrative Agent announcing the Borrower’s increase of its prior offer for the Target Shares (and supplementing the previously publicly announced proposed terms of the Acquisition as to price but not otherwise), such press release to be made, if at all, following completion of the auction relating to the Target Shares scheduled for June 30, 2008.

“Secured Creditors” shall have the meaning assigned that term in the respective Security Documents.

“Security Documents” means and includes each of the US Security Agreement, the US Pledge Agreement, the UK Security Agreement, the French Pledge Agreements, the Mortgages, after the execution and delivery thereof, each Additional Security Document and each other document or instrument pursuant to which security is granted to the Collateral Agent for the benefit of any of the Secured Creditors pursuant hereto.

“ Senior Note Documents ” means the Senior Note Indenture and all other documents executed and delivered with respect to the Senior Notes or Senior Note Indenture as in effect on the Effective Date and as the same may be amended, restated, amended and restated, modified or supplemented from time to time in accordance with the terms hereof and thereof.

“ Senior Note Indenture ” means the Indenture dated as of November 6, 2003, among the Borrower and the other parties thereto, as in effect on the Effective Date and as the same may be amended, restated, amended and restated, modified or supplemented from time to time in accordance with the terms hereof and thereof.

“ Senior Notes ” means the Borrower’s 7-1/8% Senior Notes due 2013, issued pursuant to the Senior Note Indenture, as in effect on the Effective Date and as the same may be amended, modified or supplemented from time to time in accordance with the terms hereof and thereof.

“ SPC ” means a special purpose, bankruptcy-remote Person formed for the sole and exclusive purpose of engaging in activities in connection with the purchase, sale and financing of accounts receivable and related rights in connection with and pursuant to a Permitted Securitization.

“ Specified Transaction ” means a customer financing transaction which occurs in the ordinary course of business of the Borrower or its Subsidiaries, which involves a credit extension of more than ninety days and which involves an assignment of the applicable receivable by the Borrower or its Subsidiaries to a third party lender.

“ Statutory Reserve Rate ” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one minus the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal established by the Board to which the Administrative Agent is subject (a) with respect to the Base CD Rate, for new negotiable nonpersonal time deposits in Dollars of over \$100,000 with maturities approximately equal to three months and (b) with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to such Regulation D. Eurocurrency Loans shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time to any Lender under such Regulation D or any comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in any reserve percentage.

“ Sterling ” or “ £ ” means the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

“ subsidiary ” means, with respect to any Person (the “ parent ”) at any date, any corporation, limited liability company, partnership, association or other entity the accounts of which would be consolidated with those of the parent in the parent’s consolidated financial statements if such financial statements were prepared in accordance with GAAP as of such date,

as well as any other corporation, limited liability company, partnership, association or other entity (a) of which securities or other ownership interests representing more than 50% of the equity or more than 50% of the ordinary voting power or, in the case of a partnership, more than 50% of the general partnership interests are, as of such date, owned, controlled or held or (b) that is, as of such date, otherwise Controlled, by the parent or one or more subsidiaries of the parent or by the parent and one or more subsidiaries of the parent.

“Subsidiary” means any subsidiary of the Borrower other than a FIN 46 Subsidiary.

“Subsidiary Borrower” means BPGR, Manitowoc Asia Holdings and each Wholly-Owned Foreign Subsidiary designated as such by the Borrower pursuant to Section 2.21.

“Subsidiary Guarantor” means each Subsidiary of the Borrower which is a party to the Subsidiary Guaranty.

“Subsidiary Guaranty” means the Subsidiary Guaranty dated as of the Effective Date made by the Subsidiaries party thereto in favor of the Secured Creditors, as the same may be amended, restated, amended and restated, modified or supplemented from time to time. The Subsidiary Guarantors initially party to the Subsidiary Guaranty are so designated on Schedule 3.13 hereto.

“Supplemental Press Release” means the first press release in the form agreed by the Administrative Agent announcing the Borrower’s increase of its prior offer for the Target Shares to a price of 294 pence per Target Share and supplementing the Original Press Release.

“Supplemental Sale Transaction” shall have the meaning assigned to that term in Schedule 1.03.

“Swap Agreement” means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; provided that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of the Borrower or the Subsidiaries shall be a Swap Agreement.

“Swingline Dollar Loan” means a Swingline Loan denominated in Dollars.

“Swingline Exposure” means, at any time, the aggregate principal amount of all Swingline Loans outstanding at such time. The Swingline Exposure of any Lender at any time shall be its Applicable Revolver Percentage of the total Swingline Exposure at such time.

“Swingline Foreign Currency Loan” means a Swingline Loan denominated in a Foreign Currency.

“Swingline Lender” means JPMorgan, in its capacity as lender of Swingline Loans hereunder.

“Swingline Loan” means a loan made pursuant to Section 2.05.

“Takeover Code” means the City Code on Takeovers and Mergers, as amended from time to time.

“Target” means Enodis plc, whose registered office is at 175 High Holborn, London WC1V7AA.

“TARGET” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes interlinked national real time gross settlement systems and the European Central Bank’s payment mechanism and which began operations on 4 January 1999.

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilizes a single shared platform and which was launched on 19 November 2007.

“Target Day” means:

- (a) until such time as TARGET is permanently closed down and ceases operations any day on which both TARGET and TARGET2 are; and
- (b) following such time as TARGET is permanently closed down and ceased operations, any day on which TARGET2 is,

open for the settlement of payments in Euro.

“Target Debt” means Indebtedness of any member of the Target Group pursuant to (a) that certain \$400,000,000 Multi-Currency Revolving Facility Agreement dated June 5, 2007 by and among certain members of the Target Group, Lloyds TSB Bank plc, Wachovia Bank, National Association, The Royal Bank of Scotland plc, BNP Paribas, London Branch and SunTrust Bank, as Mandated Lead Arrangers, DSB Bank Ltd, as Senior Lead Manager, Comerica Bank, as Lead Manager, Lloyds TSB Bank plc, as Facility Agent and The Royal Bank of Scotland plc, as Issuing Bank, to be paid in full on the Initial Funding Date, and (b) that certain Note Purchase and Guaranty Agreement dated as of September 6, 2007 among certain members of the Target Group, and the Purchasers party thereto, pursuant to which were issued \$30,000,000 5.90% Guaranteed Senior Notes, Series A, due September 6, 2014, its \$95,000,000 6.10% Guaranteed Senior Notes, Series B, due September 6, 2017, its \$50,000,000 Floating Rate Guaranteed Senior Notes, Series C, due September 6, 2014, its \$30,000,000 Floating Rate Guaranteed Senior Notes, Series D, due September 6, 2017, its \$2,500,000 5.86% Guaranteed Senior Notes, Series E, due September 6, 2014, and its \$42,200,000 6.07% Guaranteed Senior Notes, Series F, due September 6, 2017, to be paid in full not later than 45 days from the Initial Funding Date.

“Target Group” means the Target and its subsidiaries from time to time and “member of the Target Group” means any of them.

“Target Shares” means shares in the capital of the Target (whether in issue or, subject to the terms of the Scheme Document or (as applicable) the Offer Document, to be allotted or issued).

“Tax Sharing Agreements” means all tax sharing, tax allocation and other similar agreements entered into by the Borrower or any of its Subsidiaries.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“Term A Borrowing” means a Borrowing comprised of Term A Loans.

“Term A Commitment” means, with respect to each Lender, the commitment of such Lender to make Term A Loans hereunder, expressed as an amount representing the maximum aggregate principal amount of such Lender’s Term A Loans. The amount of each Lender’s Term A Commitment is set forth on Schedule 2.01. The initial aggregate amount of the Lenders’ Term A Commitment is \$1,025,000,000.

“Term A Loan” means, with respect to each Lender, such Lender’s pro-rata portion of the Term A Borrowings made by the Lenders pursuant to Section 2.01(b) and Section 2.09(d) and, with respect to all Lenders, the aggregate of all such pro-rata portions.

“Term A Maturity Date” means the fifth anniversary of the Initial Borrowing Date.

“Term B Borrowing” means a Borrowing comprised of Term B Loans.

“Term B Commitment” means, with respect to each Lender, the commitment of such Lender to make Term B Loans hereunder, expressed as an amount representing the maximum aggregate principal amount of such Lender’s Term B Loans. The amount of each Lender’s Term B Commitment is set forth on Schedule 2.01. The initial aggregate amount of the Lenders’ Term B Commitment is \$1,200,000,000.

“Term B Loan” means, with respect to each Lender, such Lender’s pro-rata portion of the Term B Borrowings made by the Lenders pursuant to Section 2.01(c) and, with respect to all Lenders, the aggregate of all such pro-rata portions.

“Term B Maturity Date” means the sixth anniversary of the Initial Borrowing Date.

“Term Borrowing” means a Term A Borrowing, a Term B Borrowing or a Term X Borrowing.

“Term Commitments” means the Term A Commitments, the Term B Commitments and the Term X Commitments.

“Term End Date” means the earlier of (a) the last day of the Certain Funds Period and (b) the date upon which all Term Commitments have terminated.

“Term Loans” means the Term A Loans, the Term B Loans and the Term X Loans.

“Term X Borrowing” means a Borrowing comprised of Term X Loans.

“Term X Commitment” means, with respect to each Lender, the commitment of such Lender to make Term X Loans hereunder, expressed as an amount representing the maximum aggregate principal amount of such Lender’s Term X Loans. The amount of each Lender’s Term X Commitment is set forth on Schedule 2.01. The initial aggregate amount of the Lenders’ Term X Commitment is \$300,000,000.

“Term X Loan” means, with respect to each Lender, such Lender’s pro-rata portion of the Term X Borrowings made by the Lenders pursuant to Section 2.01(d) and, with respect to all Lenders, the aggregate of all such pro-rata portions.

“Term X Maturity Date” means the eighteen-month anniversary of the Initial Borrowing Date.

“Termination Letter” means a letter in substantially the form of Exhibit D hereto.

“Three Month Secondary CD Rate” means, for any day, the secondary market rate for three month certificates of deposit reported as being in effect on such day (or, if such day is not a Business Day, the next preceding Business Day) by the Board through the public information telephone line of the Federal Reserve Bank of New York (which rate will, under the current practices of the Board, be published in Federal Reserve Statistical Release H.15(519) during the week following such day) or, if such rate is not so reported on such day or such next preceding Business Day, the average of the secondary market quotations for three month certificates of deposit of major money center banks in New York City received at approximately 10:00 a.m., New York City time, on such day (or, if such day is not a Business Day, on the next preceding Business Day) by the Administrative Agent from three negotiable certificate of deposit dealers of recognized standing selected by it.

“Transaction Documents” means the Credit Documents and the Acquisition Documents.

“Transactions” means the execution, delivery and performance by the Credit Parties of the Credit Documents, the borrowing of Loans, the use of the proceeds thereof, and the issuance of Letters of Credit hereunder and the other transactions contemplated by the Credit Documents (including without limitation the granting of Liens to secure the Obligations and the Acquisition).

“Type”, when used in reference to any Loan or Borrowing, refers to whether the rate of interest on such Loan, or on the Loans comprising such Borrowing, is determined by reference to the Adjusted LIBO Rate or the Alternate Base Rate.

“UCC” means the Uniform Commercial Code as from time to time in effect in the relevant jurisdiction.

“UK Security Agreement” means the Security Agreement dated the Effective Date made by North Central Crane & Excavator Sales Corp. (to be renamed Manitowoc FSG International Holdings, Inc.), in favor of the UK Security Trustee for the benefit of the Secured Creditors, as the same may be amended, restated, amended and restated, modified or supplemented from time to time.

“UK Security Agreement Collateral” means all “Security Assets” as defined in the UK Security Agreement.

“UK Security Trustee” means the Administrative Agent acting as trustee pursuant to the UK Security Agreement.

“Unconditional Date” means (a) if the Acquisition is effected by means of the Scheme, the Scheme Effective Date or (b) if the Acquisition is effected by means of the Offer, the date on which the Offer has become or is declared unconditional in all respects.

“United States” means the United States of America.

“US Pledge Agreement” means the Pledge Agreement dated as of the Effective Date made by certain of the Credit Parties in favor of the Collateral Agent for the benefit of the Secured Creditors, as the same may be amended, restated, amended and restated, modified or supplemented from time to time.

“US Pledge Agreement Collateral” means all “Collateral” as defined in the US Pledge Agreement.

“US Security Agreement” means the Security Agreement dated as of the Effective Date made by the Credit Parties in favor of the Collateral Agent for the benefit of the Secured Creditors, as the same may be amended, restated, amended and restated, modified or supplemented from time to time.

“US Security Agreement Collateral” means all “Collateral” as defined in the US Security Agreement.

“Weighted Average Life to Maturity” means, when applied to any Indebtedness, at any date, the quotient obtained by dividing:

- (i) the sum of the products of the number of years from the date of determination to the date of each successive scheduled principal payment of such Indebtedness multiplied by the amount of such payment, by
- (ii) the sum of all such payments.

“Wholly-Owned Domestic Subsidiary” means each Domestic Subsidiary of the Borrower that is also a Wholly-Owned Subsidiary of the Borrower.

“ Wholly-Owned Foreign Subsidiary ” means each Foreign Subsidiary of the Borrower that is also a Wholly-Owned Subsidiary of the Borrower.

“ Wholly-Owned Subsidiary ” means, as to any Person, (a) any corporation 100% of whose capital stock is at the time owned by such Person and/or one or more Wholly-Owned Subsidiaries of such Person and (b) any partnership, limited liability company, association, joint venture or other entity in which such Person and/or one or more Wholly-Owned Subsidiaries of such Person has a 100% equity interest at such time (other than, in the case of a Foreign Subsidiary with respect to preceding clauses (a) and (b), director’s qualifying shares and/or other nominal amount of shares required to be held by Persons other than the Borrower and its Subsidiaries under applicable law).

“ Withdrawal Liability ” means liability to a Multiemployer Plan as a result of a complete or partial withdrawal from such Multiemployer Plan, as such terms are defined in Part I of Subtitle E of Title IV of ERISA.

SECTION 1.02. Classification of Loans and Borrowings. For purposes of this Agreement, Loans may be classified and referred to by Class (e.g., a “Revolving Loan”) or by Type (e.g., a “Eurocurrency Loan”) or by Class and Type (e.g., a “Eurocurrency Revolving Loan”). Borrowings also may be classified and referred to by Class (e.g., a “Revolving Borrowing”) or by Type (e.g., a “Eurocurrency Borrowing”) or by Class and Type (e.g., a “Eurocurrency Revolving Borrowing”).

SECTION 1.03. Terms Generally. The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”. The word “will” shall be construed to have the same meaning and effect as the word “shall”. Unless the context requires otherwise (a) any definition of or reference to any agreement, instrument or other document herein shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein), (b) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (c) the words “herein”, “hereof” and “hereunder”, and words of similar import, shall be construed to refer to this Agreement in its entirety and not to any particular provision hereof, (d) all references herein to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, this Agreement and (e) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

SECTION 1.04. Accounting Terms; GAAP. Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Borrower notifies the Administrative Agent that the Borrower requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Effective Date in GAAP or in the application thereof on the operation of such provision (or if the Administrative Agent notifies the

Borrower that the Required Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

SECTION 1.05. Foreign Currency Calculations. (a) For purposes of determining the Dollar Equivalent of any Advance denominated in a Foreign Currency or any related amount, the Administrative Agent shall determine the Exchange Rate as of the applicable Exchange Rate Date with respect to each Foreign Currency in which any requested or outstanding Advance is denominated and shall apply such Exchange Rates to determine such amount (in each case after giving effect to any Advance to be made or repaid on or prior to the applicable date for such calculation).

(b) For purposes of any determination under Article VI or Article VII, all amounts incurred, outstanding or proposed to be incurred or outstanding in currencies other than Dollars shall be translated into Dollars at the currency exchange rates in effect on the date of such determination; provided that no Default shall arise as a result of any limitation set forth in Dollars in Section 6.01 or 6.02 being exceeded solely as a result of changes in currency exchange rates from those rates applicable at the time or times Indebtedness or Liens were initially consummated in reliance on the exceptions under such Sections. For purposes of any determination under Section 6.04 or 6.08, the amount of each investment, asset disposition or other applicable transaction denominated in a currency other than Dollars shall be translated into Dollars at the currency exchange rate in effect on the date such investment, disposition or other transaction is consummated. Such currency exchange rates shall be determined in good faith by the Borrower.

SECTION 1.06. Redenomination of Certain Foreign Currencies. (a) Each obligation of any party to this Agreement to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the Effective Date shall be redenominated into Euro at the time of such adoption (in accordance with the EMU Legislation). If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the London Interbank Market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any Borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Borrowing, at the end of the then current Interest Period.

(b) Without prejudice and in addition to any method of conversion or rounding prescribed by any EMU Legislation and (i) without limiting the liability of any Borrower for any amount due under this Agreement and (ii) without increasing any Commitment of any Lender, all references in this Agreement to minimum amounts (or integral multiples thereof) denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the Effective Date shall, immediately upon such adoption, be replaced by references to such minimum amounts (or integral multiples thereof) as shall be specified herein with respect to Borrowings denominated in Euros.

(c) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro or any other Foreign Currency.

ARTICLE II

The Credits

SECTION 2.01. Commitments. (a) Subject to the terms and conditions set forth herein, each Lender with a Revolving Commitment severally agrees to make revolving Loans denominated in Dollars and Foreign Currencies to the Borrowers from time to time during the Availability Period in an aggregate principal amount that will not result in (i) such Lender's Revolving Credit Exposure exceeding such Lender's Revolving Commitment, (ii) the sum of the total Revolving Credit Exposures exceeding the total Revolving Commitments, (iii) the Dollar Equivalent of the aggregate amount of all Revolving Loans, Letters of Credit, Alternate Currency Loans and Swingline Loans denominated in Foreign Currency exceeding \$300,000,000 or (iv) the Dollar Equivalent of the aggregate amount of all Revolving Loans, Alternate Currency Loans and Letters of Credit made to or issued for the account of Subsidiary Borrowers exceeding \$300,000,000. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Revolving Loans.

(b) Subject to the terms and conditions set forth herein, each Lender with a Term A Commitment agrees to make one or more Term A Loans denominated entirely either in Dollars or in a single Foreign Currency to the Borrower during the Availability Period in an aggregate principal amount that will not result in (i) such Lender's Term A Loan exceeding such Lender's Term A Commitment or (ii) the sum of the Term A Loans exceeding the total Term A Commitments. No amount of the Term A Loan which is repaid or prepaid by the Borrower may be reborrowed hereunder.

(c) Subject to the terms and conditions set forth herein, each Lender with a Term B Commitment agrees to make a Term B Loan denominated in Dollars to the Borrower during the Availability Period in an aggregate principal amount that will not result in (i) such Lender's Term B Loan exceeding such Lender's Term B Commitment or (ii) the sum of the Term B Loans exceeding the total Term B Commitments. No amount of the Term B Loan which is repaid or prepaid by the Borrower may be reborrowed hereunder.

(d) Subject to the terms and conditions set forth herein, each Lender with a Term X Commitment agrees to make a Term X Loan denominated in Dollars to the Borrower during the Availability Period in an aggregate principal amount that will not result in (i) such Lender's Term X Loan exceeding such Lender's Term X Commitment or (ii) the sum of the Term X Loans exceeding the total Term X Commitments. No amount of the Term X Loan which is repaid or prepaid by the Borrower may be reborrowed hereunder.

SECTION 2.02. Loans and Borrowings. (a) Each Revolving Loan shall be made as part of a Borrowing consisting of Revolving Loans made by the Lenders ratably in accordance with their respective Revolving Commitments. Each Term A Loan shall be made as

part of a Borrowing consisting of Term A Loans made by the Lenders ratably in accordance with their respective Term A Commitments. Each Term B Loan shall be made as part of a Borrowing consisting of Term B Loans made by the Lenders ratably in accordance with their respective Term B Commitments. Each Term X Loan shall be made as part of a Borrowing consisting of Term X Loans made by the Lenders ratably in accordance with their respective Term X Commitments. The failure of any Lender to make any Loan required to be made by it shall not relieve any other Lender of its obligations hereunder; provided that the Commitments of the Lenders are several and no Lender shall be responsible for any other Lender's failure to make Loans as required.

(b) Subject to Section 2.15, (i) each Borrowing denominated in Dollars shall be comprised entirely of ABR Loans or Eurocurrency Loans as the Borrower may request in accordance herewith and (ii) each Revolving Borrowing denominated in a Foreign Currency shall be comprised entirely of Eurocurrency Loans. Each Swingline Dollar Loan shall be an ABR Loan and each Swingline Foreign Currency Loan shall bear interest at such rate agreed to between the Borrower and the Swingline Lender. Each Term Loan shall be in an amount that is not less than the lesser of \$10,000,000 and the unused Term Commitment of the applicable Class of Term Loan. Each Lender at its option may make any Eurocurrency Loan by causing any domestic or foreign branch or Affiliate of such Lender to make such Loan; provided that any exercise of such option shall not affect the obligation of the Borrower to repay such Loan in accordance with the terms of this Agreement.

(c) At the commencement of each Interest Period for any Eurocurrency Revolving Borrowing, such Borrowing shall be in an aggregate amount that is an integral multiple of \$500,000 and not less than \$2,000,000. At the time that each ABR Revolving Borrowing is made, such Borrowing shall be in an aggregate amount that is an integral multiple of \$250,000 and not less than \$1,000,000; provided that an ABR Revolving Borrowing may be in an aggregate amount that is equal to the entire unused balance of the total Revolving Commitments or that is required to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e). Each Swingline Loan shall be in an amount that is an integral multiple of \$100,000 and not less than \$500,000 (or in the case of a Swingline Loan denominated in Euros not less than \$1,000,000). Borrowings of more than one Type and Class may be outstanding at the same time; provided that there shall not at any time be more than a total of 8 Eurocurrency Revolving Borrowings outstanding.

(d) Notwithstanding any other provision of this Agreement, the Borrower shall not be entitled to request, or to elect to convert or continue, any Borrowing if the Interest Period requested with respect thereto would end after the Term A Maturity Date, Term B Maturity Date, Term X Maturity Date or Revolving Maturity Date, as applicable.

(e) Notwithstanding any other provision of this Agreement, each Lender at its option may make any ABR Loan or Eurocurrency Loan by causing any domestic or foreign office, branch or Affiliate of such Lender (an "Applicable Lending Installation") to make such Loan that has been designated by such Lender to the Administrative Agent. All terms of this Agreement shall apply to any such Applicable Lending Installation of such Lender and the Loans and any Notes issued hereunder shall be deemed held by each Lender for the benefit of any such Applicable Lending Installation. Each Lender may, by written notice to the Administrative

Agent and the Borrower, designate replacement or additional Applicable Lending Installations through which Loans will be made by it and for whose account Loan payments are to be made.

SECTION 2.03. **Requests for Borrowings.** To request a Borrowing (other than a Swingline Loan or Alternate Currency Loan), the Borrower shall notify the Administrative Agent of such request in writing (a) in the case of a Eurocurrency Borrowing denominated in Dollars, not later than 12:00 noon, New York City time, three Business Days before the date of the proposed Borrowing, (b) in the case of a Eurocurrency Borrowing denominated in a currency other than Dollars, not later than 12:00 noon, New York City time, four Business Days before the date of the proposed Borrowing or (c) in the case of an ABR Borrowing, not later than 11:00 a.m., New York City time, one Business Day before the date of the proposed Borrowing; provided that any such notice of an ABR Revolving Borrowing to finance the reimbursement of an LC Disbursement as contemplated by Section 2.06(e) may be given not later than 10:00 a.m., New York City time, on the date of the proposed Borrowing. Each such Borrowing Request shall be irrevocable and shall be in a form approved by the Administrative Agent and signed by the Borrower. Each such written Borrowing Request shall specify the following information in compliance with Section 2.02:

- (i) the identity of the Applicable Borrower;
- (ii) the aggregate amount of the requested Borrowing;
- (iii) the Class of such Borrowing;
- (iv) the currency (which may be Dollars or, if applicable, a Foreign Currency) in which such Borrowing is to be denominated;
- (v) the date of such Borrowing, which shall be a Business Day;
- (vi) in the case of a Borrowing denominated in Dollars, whether such Borrowing is to be an ABR Borrowing or a Eurocurrency Borrowing;
- (vii) in the case of a Eurocurrency Borrowing, the initial Interest Period to be applicable thereto, which shall be a period contemplated by clause (a) of the definition of the term "Interest Period"; and
- (viii) the location and number of the Applicable Borrower's account to which funds are to be disbursed, which shall comply with the requirements of Section 2.07.

If no election as to the Type of such Borrowing is specified, then the requested Borrowing shall be an ABR Borrowing, unless such Borrowing is denominated in a Foreign Currency, in which case such Borrowing shall be a Eurocurrency Borrowing. If no Interest Period is specified with respect to any requested Eurocurrency Borrowing, then the Borrower shall be deemed to have selected an Interest Period of one month's duration. Promptly following receipt of a Borrowing Request in accordance with this Section, the Administrative Agent shall advise each Lender of the details thereof and of the amount of such Lender's Loan to be made as part of the requested Borrowing.

SECTION 2.04. Alternate Currency Loans. (a) Subject to the terms and conditions set forth herein, each Alternate Currency Lender agrees to make revolving Loans denominated in Foreign Currency to the Borrowers from time to time during the Availability Period, in an aggregate principal amount at any time outstanding that will not result in (i) such Lender's Revolving Credit Exposure exceeding such Lender's Revolving Commitment, (ii) the sum of the total Revolving Credit Exposures exceeding the total Revolving Commitments, (iii) the Dollar Equivalent of the aggregate amount of all Revolving Loans, Letters of Credit, Swingline Loans and Alternate Currency Loans denominated in Foreign Currency exceeding \$300,000,000 or (iv) the Dollar Equivalent of the aggregate amount of all Revolving Loans, Alternate Currency Loans and Letters of Credit made to or issued for the account of Subsidiary Borrowers exceeding \$300,000,000. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrowers may borrow, prepay and reborrow Alternate Currency Loans.

(b) Each Alternate Currency Loan shall be made as part of a Borrowing consisting of Alternate Currency Loans made by the applicable Alternate Currency Lenders, with the Alternate Currency Loan of each Alternate Currency Lender (other than the Alternate Currency Fronting Lender) being in an amount equal to its Applicable Revolver Percentage of the applicable Borrowing and the Alternate Currency Loan of the Alternate Currency Fronting Lender being in an amount equal to the aggregate amount of such Borrowing less the aggregate amount of the Alternate Currency Loans being made by the other Alternate Currency Lenders and comprising part of such Borrowing. The Alternate Currency Loans shall be Eurocurrency Loans. The principal of and interest on each Alternate Currency Borrowing shall be paid in the applicable currency for such Alternate Currency Borrowing and shall be paid to the Administrative Agent for the ratable (relative to Loans made as a part of such Borrowing) account of the Alternate Currency Lenders. Each Alternate Currency Borrowing and continuation thereof shall be in a minimum aggregate amount reasonably acceptable to the Administrative Agent and the Alternate Currency Fronting Lender.

(c) To request an Alternate Currency Loan, the Borrower shall notify the Administrative Agent of such request in writing, not later than 11:00 a.m., London time, four (or, if so requested by the Alternate Currency Fronting Lender with respect to Alternate Currency Loans in a specified currency, five) Business Days before the date of the proposed Alternate Currency Loan. Each such notice shall be irrevocable and shall specify (i) the identity of the Applicable Borrower, (ii) the requested date (which shall be a Business Day), (iii) the Foreign Currency in which such Alternate Currency Loan is to be denominated, (iv) the amount of the requested Alternate Currency Loan, and (v) the Interest Period requested to be applicable thereto, which shall be a period contemplated by clause (a) of the definition of the term "Interest Period". The Administrative Agent will promptly advise the applicable Alternate Currency Lenders of any such notice received from the Borrower.

(d) The applicable Alternate Currency Lenders shall make each Alternate Currency Loan to be made by them hereunder on the proposed date thereof by wire transfer of immediately available funds by 3:00 p.m., Local Time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the applicable Alternate Currency Lenders. The Administrative Agent will make such Alternate Currency Loans available to the Applicable Borrower by promptly crediting the amounts so received, in like

funds, to an account of the Applicable Borrower designated by the Borrower in the applicable Borrowing Request and acceptable to the Administrative Agent.

(e) Except as the Applicable Borrower and the applicable Alternate Currency Lenders may otherwise agree, Alternate Currency Loans may, at the conclusion of the Interest Period applicable thereto, be continued in the manner (to the extent applicable) set forth in Section 2.08 with respect to Revolving Loan Borrowings. If the Applicable Borrower fails to either repay an Alternate Currency Loan on or before the last day of the applicable Interest Period or deliver a timely continuation request as set forth in Section 2.08(b), the applicable Borrowing shall be continued with an Interest Period of one month's duration commencing on the last day of the expiring Interest Period.

(f) The Alternate Currency Fronting Lender irrevocably agrees to grant and hereby grants to each Participating Lender and, to induce the Alternate Currency Fronting Lender to make Alternate Currency Loans hereunder, each Participating Lender irrevocably agrees to accept and purchase and hereby accepts and purchases from the Alternate Currency Fronting Lender, on the terms and conditions set forth below, for such Lender's own account and risk, an undivided risk participation interest equal to such Participating Lender's Applicable Participation Percentage of the Alternate Currency Fronting Lender's obligations and rights in respect of each Alternate Currency Loan made by or assigned to the Alternate Currency Fronting Lender hereunder as to which such Lender is a Participating Lender. Each Participating Lender unconditionally and irrevocably agrees with the Alternate Currency Fronting Lender that if any amount in respect of the principal or interest owing to the Alternate Currency Fronting Lender in respect of an applicable Alternate Currency Loan is not paid when due in accordance with the terms of this Agreement, such Participating Lender shall pay to the Alternate Currency Fronting Lender upon demand an amount in Dollars (with the Dollar Equivalent of the unpaid amount of such Alternate Currency Loan to be calculated by the Administrative Agent) equal to such Lender's Applicable Participation Percentage of such unpaid amount. Each Participating Lender acknowledges and agrees that its payment obligation pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. If the Alternate Currency Fronting Lender accepts an assignment pursuant to Section 9.04(b) of one or more Alternate Currency Loans, the Applicable Participation Percentages of the Participating Lenders with respect to such Loans will be adjusted as applicable immediately upon such assignment taking effect.

(g) If any amount required to be paid by any Participating Lender to the Alternate Currency Fronting Lender pursuant to this Section 2.04 is not made available to the Alternate Currency Fronting Lender when due, such Participating Lender shall pay to the Alternate Currency Fronting Lender, on demand, such amount with interest thereon at a rate equal to the greater of the daily average Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation for the period until such Lender makes such amount immediately available to the Alternate Currency Fronting Lender. If such amount is not made available to the Alternate Currency Fronting Lender by such Participating Lender within three Business Days of such due date, the Alternate Currency Fronting Lender shall also be entitled to recover such amount with interest

thereon at the rate per annum applicable to ABR Loans, on demand. A certificate of the Alternate Currency Fronting Lender submitted to any Lender with respect to any amounts owing under this Section 2.04 shall be conclusive in the absence of manifest error.

(h) Whenever, at any time after the Alternate Currency Fronting Lender has received from any Participating Lender the full amount owing by such Lender pursuant to and in accordance with this Section 2.04 in respect of any Alternate Currency Loan, the Alternate Currency Fronting Lender receives any payment related to such Alternate Currency Loan (whether directly from any Borrower or otherwise, including proceeds of collateral applied thereto by the Alternate Currency Fronting Lender or the Administrative Agent, on behalf of the Alternate Currency Fronting Lender), or any payment of interest on account thereof, the Alternate Currency Fronting Lender will distribute to such Participating Lender its pro rata share thereof (and hereby directs the Administrative Agent to remit such pro rata share to such Lender out of any such payment received by the Administrative Agent for the account of the Alternate Currency Fronting Lender).

(i) If any payment received by the Alternate Currency Fronting Lender pursuant to this Section 2.04 with respect to any Alternate Currency Loan made by it shall be required to be returned by the Alternate Currency Fronting Lender, each Participating Lender with respect to such Loan shall pay to the Alternate Currency Fronting Lender its Applicable Participation Percentage thereof.

(j) All outstanding Alternate Currency Loans shall be due and payable, to the extent not previously paid in accordance with the terms hereof, on the Revolving Maturity Date.

(k) Following the date on which any risk participation with respect to an Alternate Currency Loan is converted to Dollars pursuant to Section 2.04(f), all amounts payable in connection with such Loan and risk participation shall be denominated and paid in Dollars for all purposes.

(l) At the request of the Borrower, and with the consent of the applicable Lender(s) (which may be withheld by any Lender in its sole discretion), one or more Lenders in addition to JPMorgan shall be deemed to be Alternate Currency Lenders with respect to Alternate Currency Loans proposed to be made to a specified Subsidiary Borrower. The Lenders set forth on Schedule 2.04 hereto are hereby requested to act and designated by the Borrower as and agree to act as, Alternate Currency Lenders with respect to Alternate Currency Loans to be made to BPGR and to Manitowoc Asia Holdings in Euros. The Lenders set forth on Schedule 2.04 hereto are hereby requested to act and designated by the Borrower as, and agree to act as, Alternate Currency Lenders with respect to Alternate Currency Loans to be made to the Borrower in Euros, Sterling and Canadian Dollars. Any Alternate Currency Lender may comply with its obligations as such by causing an Applicable Lending Installation to perform such obligations as contemplated by Section 2.02(e), and the terms of this Agreement shall be applicable to such Applicable Lending Installation as set forth in Section 2.02(e).

(m) In the event that any Lender acting as an Alternate Currency Lender pursuant to Section 2.04(l) makes an assignment pursuant to Section 9.04(b) of all or a part of its Commitment to a Lender which determines in good faith and notifies the Administrative Agent

that lending to the applicable Subsidiary Borrower would be illegal, impossible or impracticable for such Lender or would result in costs or expenses for which such Lender would not be indemnified by the Subsidiary Borrower or the Borrower pursuant hereto, then (i) the applicable assignee Lender shall not be an Alternate Currency Lender with respect to such Subsidiary Borrower and (ii) at the written request of the assignee Lender made at least five (5) Business Days prior to the date of the proposed assignment, the Borrower shall cause all Alternate Currency Loans outstanding to the applicable Subsidiary Borrower to be repaid in full prior to or substantially contemporaneously with the making of such assignment (it being understood that, following or contemporaneously with such repayment, the applicable Subsidiary Borrower shall, subject to the other terms and conditions hereof, be entitled to reborrow such Alternate Currency Loans from the remaining applicable Alternate Currency Lenders); provided that in the event the Alternate Currency Fronting Lender in its sole discretion accepts an assignment of such assigning Lender's Alternate Currency Loans to such Subsidiary Borrower, the repayment described in this clause (ii) shall not be required.

SECTION 2.05. Swingline Loans. (a) Subject to the terms and conditions set forth herein, the Swingline Lender agrees to make Swingline Loans in Dollars or in a Foreign Currency to the Borrower from time to time during the Availability Period, in an aggregate principal amount at any time outstanding that will not result in (i) the Dollar Equivalent of the aggregate principal amount of outstanding Swingline Loans exceeding \$35,000,000, (ii) the sum of the total Revolving Credit Exposures exceeding the total Revolving Commitments, or (iii) the Dollar Equivalent of the aggregate amount of all Revolving Loans, Letters of Credit, Swingline Loans and Alternate Currency Loans denominated in a Foreign Currency exceeding \$300,000,000; provided that the Swingline Lender shall not be required to make a Swingline Loan to refinance an outstanding Swingline Loan. Within the foregoing limits and subject to the terms and conditions set forth herein, the Borrower may borrow, prepay and reborrow Swingline Loans.

(b) To request a Swingline Loan, the Borrower shall notify the Administrative Agent of such request in writing, not later than 2:00 p.m., New York City time, on the day of a proposed Swingline Loan in the case of Swingline Loans denominated in Dollars and not later than 10:00 a.m., Local Time on the day of any other proposed Swingline Loan. Each such notice shall be irrevocable and shall specify (i) the requested date (which shall be a Business Day), (ii) whether such Swingline Loan is to be denominated in Dollars or in a Foreign Currency, (iii) the amount of the requested Swingline Loan, and (iv) in the case of a Swingline Borrowing denominated in a Foreign Currency, the Interest Period requested to be applicable thereto, which shall be a period contemplated by clause (b) of the definition of the term "Interest Period." The Administrative Agent will promptly advise the Swingline Lender of any such notice received from the Borrower. The Swingline Lender and the Borrower shall agree upon the interest rate applicable to any Swingline Foreign Currency Loan, provided that if such agreement cannot be reached prior to 1:00 p.m., Local Time, on the day of such Swingline Foreign Currency Loan then such Swingline Foreign Currency Loan shall not be made. The Swingline Lender shall make each Swingline Loan available to the Borrower by means of a credit to the general deposit account of the Borrower with the Swingline Lender (or, in the case of (x) a Swingline Loan made to finance the reimbursement of an LC Disbursement as provided in Section 2.06(e), by remittance to the Issuing Bank or (y) a Swingline Foreign Currency Loan, to such deposit

account as the Borrower shall identify to the Swingline Lender) by 3:00 p.m., Local Time, on the requested date of such Swingline Loan.

(c) The Swingline Lender may by written notice given to the Administrative Agent not later than 10:00 a.m., Local Time, on any Business Day require the Lenders to acquire participations on such Business Day in all or a portion of the Swingline Loans outstanding. Such notice shall specify the aggregate amount of Swingline Loans in which Lenders will participate, and such amount of Swingline Loans, if denominated in Foreign Currency, shall be converted to Dollars and shall bear interest at the Alternate Base Rate (or such lower rate to which the Borrower and Swingline Lender may agree). Promptly upon receipt of such notice, the Administrative Agent will give notice thereof to each Lender, specifying in such notice such Lender's Applicable Revolver Percentage of such Swingline Loan or Loans. Each Lender hereby absolutely and unconditionally agrees, upon receipt of notice as provided above, to pay to the Administrative Agent, for the account of the Swingline Lender, such Lender's Applicable Revolver Percentage of such Swingline Loan or Loans. Each Lender acknowledges and agrees that its obligation to acquire participations in Swingline Loans pursuant to this paragraph is absolute and unconditional and shall not be affected by any circumstance whatsoever, including the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever. Each Lender shall comply with its obligation under this paragraph by wire transfer of immediately available funds, in the same manner as provided in Section 2.07 with respect to Loans made by such Lender (and Section 2.07 shall apply, mutatis mutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Swingline Lender the amounts so received by it from the Lenders. The Administrative Agent shall notify the Borrower of any participations in any Swingline Loan acquired pursuant to this paragraph, and thereafter payments in respect of such Swingline Loan shall be made to the Administrative Agent and not to the Swingline Lender. Any amounts received by the Swingline Lender from the Borrower (or other party on behalf of the Borrower) in respect of a Swingline Loan after receipt by the Swingline Lender of the proceeds of a sale of participations therein shall be promptly remitted to the Administrative Agent; any such amounts received by the Administrative Agent shall be promptly remitted by the Administrative Agent to the Lenders that shall have made their payments pursuant to this paragraph and to the Swingline Lender, as their interests may appear; provided that any such payment so remitted shall be repaid to the Swingline Lender or to the Administrative Agent, as applicable, if and to the extent such payment is required to be refunded to the Borrower for any reason. The purchase of participations in a Swingline Loan pursuant to this paragraph shall not relieve the Borrower of any default in the payment thereof. Notwithstanding the foregoing, a Lender shall not have any obligation to acquire a participation in a Swingline Loan pursuant to this paragraph if an Event of Default shall have occurred and be continuing at the time such Swingline Loan was made and such Lender shall have notified the Swingline Lender in writing, at least one Business Day prior to the time such Swingline Loan was made, that such Event of Default has occurred and that such Lender will not acquire participations in Swingline Loans made while such Event of Default is continuing.

SECTION 2.06. Letters of Credit. (a) General. Subject to the terms and conditions set forth herein, the Borrower may request the issuance by an Issuing Bank of Letters of Credit in Dollars or in a Foreign Currency for its own account or that of a Subsidiary

Borrower, in a form reasonably acceptable to the Administrative Agent and the Issuing Bank, at any time and from time to time during the Availability Period. In the event of any inconsistency between the terms and conditions of this Agreement and the terms and conditions of any form of letter of credit application or other agreement submitted by the Borrower to, or entered into by the Applicable Borrower with, the Issuing Bank relating to any Letter of Credit, the terms and conditions of this Agreement shall control.

(b) Notice of Issuance, Amendment, Renewal, Extension; Certain Conditions. To request the issuance of a Letter of Credit (or the amendment, renewal or extension of an outstanding Letter of Credit), the Borrower shall hand deliver or telecopy (or transmit by electronic communication, if arrangements for doing so have been approved by the Issuing Bank) to the Issuing Bank and the Administrative Agent (reasonably in advance of the requested date of issuance, amendment, renewal or extension) a notice requesting the issuance of a Letter of Credit, or identifying the Letter of Credit to be amended, renewed or extended, and specifying which of the Borrowers shall be the account party with respect thereto, the date of issuance, amendment, renewal or extension (which shall be a Business Day), the date on which such Letter of Credit is to expire (which shall comply with paragraph (c) of this Section), the amount of such Letter of Credit, the name and address of the beneficiary thereof and such other information as shall be necessary to prepare, amend, renew or extend such Letter of Credit. If requested by the Issuing Bank, the Applicable Borrower also shall submit a letter of credit application on the Issuing Bank's standard form in connection with any request for a Letter of Credit. A Letter of Credit shall be issued, amended, renewed or extended only if (and upon issuance, amendment, renewal or extension of each Letter of Credit the Borrower shall be deemed to represent and warrant that), after giving effect to such issuance, amendment, renewal or extension (i) the LC Exposure shall not exceed \$200,000,000, (ii) the sum of the total Revolving Credit Exposures shall not exceed the total Revolving Commitments, and (iii) the Dollar Equivalent of the aggregate amount of all Revolving Loans, Letters of Credit, Swingline Loans and Alternate Currency Loans denominated in Foreign Currency shall not exceed \$300,000,000; (iv) the Dollar Equivalent of the amount of all LC Exposure with respect to Letters of Credit issued for the account of Subsidiary Borrowers shall not exceed \$100,000,000; and (v) the Dollar Equivalent of the aggregate LC Exposure associated with the Letters of Credit issued by the applicable Issuing Bank shall not exceed \$75,000,000 without the consent of such Issuing Bank.

(c) Expiration Date. Each Letter of Credit shall expire at or prior to the close of business on the earlier of (i) the date one year after the date of the issuance of such Letter of Credit (or, in the case of any renewal or extension thereof, one year after such renewal or extension) and (ii) the date that is five Business Days prior to the Revolving Maturity Date.

(d) Participations. By the issuance of a Letter of Credit (or an amendment to a Letter of Credit increasing the amount thereof) and without any further action on the part of the Issuing Bank or the Lenders, the Issuing Bank hereby grants to each Lender, and each Lender hereby acquires from the Issuing Bank, a participation in such Letter of Credit equal to such Lender's Applicable Revolver Percentage of the aggregate amount available to be drawn under such Letter of Credit. In consideration and in furtherance of the foregoing, each Lender hereby absolutely and unconditionally agrees to pay to the Administrative Agent, for the account of the Issuing Bank, such Lender's Applicable Revolver Percentage of each LC Disbursement made by the Issuing Bank and not reimbursed by the Applicable Borrower on the date due as provided in

paragraph (e) of this Section, or of any reimbursement payment required to be refunded to the Applicable Borrower for any reason. Each Lender acknowledges and agrees that its obligation to acquire participations pursuant to this paragraph in respect of Letters of Credit is absolute and unconditional and shall not be affected by any circumstance whatsoever, including any amendment, renewal or extension of any Letter of Credit or the occurrence and continuance of a Default or reduction or termination of the Commitments, and that each such payment shall be made without any offset, abatement, withholding or reduction whatsoever.

(e) Reimbursement. If the Issuing Bank shall make any LC Disbursement in respect of a Letter of Credit, the Borrower shall reimburse such LC Disbursement by paying to the Administrative Agent an amount equal to such LC Disbursement not later than 12:00 noon, New York City time, on the date that such LC Disbursement is made, if the Borrower shall have received notice of such LC Disbursement prior to 10:00 a.m., New York City time, on such date, or, if such notice has not been received by the Borrower prior to such time on such date, then not later than 12:00 noon, New York City time, on (i) the Business Day that the Borrower receives such notice, if such notice is received prior to 10:00 a.m., New York City time, on the day of receipt, or (ii) the Business Day immediately following the day that the Borrower receives such notice, if such notice is not received prior to such time on the day of receipt; provided that the Borrower may, subject to the conditions to borrowing set forth herein, request in accordance with Section 2.03 or 2.05 that such payment be financed with an ABR Revolving Borrowing or Swingline Loan in an equivalent amount and, to the extent so financed, the Borrower's obligation to make such payment shall be discharged and replaced by the resulting ABR Revolving Borrowing or Swingline Loan. If the Applicable Borrower fails to make such payment when due, such amount, if denominated in Foreign Currency, shall be converted to Dollars and shall bear interest as provided in Section 2.06(h) and the Administrative Agent shall notify each Lender of the applicable LC Disbursement, the payment then due from the Applicable Borrower in respect thereof and such Lender's Applicable Revolver Percentage thereof. Promptly following receipt of such notice, each Lender shall pay to the Administrative Agent its Applicable Revolver Percentage of the payment then due from the Applicable Borrower, in the same manner as provided in Section 2.07 with respect to Loans made by such Lender (and Section 2.07 shall apply, mutatis mutandis, to the payment obligations of the Lenders), and the Administrative Agent shall promptly pay to the Issuing Bank the amounts so received by it from the Lenders. Promptly following receipt by the Administrative Agent of any payment from the Applicable Borrower pursuant to this paragraph, the Administrative Agent shall distribute such payment to the Issuing Bank or, to the extent that Lenders have made payments pursuant to this paragraph to reimburse the Issuing Bank, then to such Lenders and the Issuing Bank as their interests may appear. Any payment made by a Lender pursuant to this paragraph to reimburse the Issuing Bank for any LC Disbursement (other than the funding of ABR Revolving Loans or a Swingline Loan as contemplated above) shall not constitute a Loan and shall not relieve the Applicable Borrower of its obligation to reimburse such LC Disbursement.

(f) Obligations Absolute. The Applicable Borrower's obligation to reimburse LC Disbursements as provided in paragraph (e) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii) any

draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the Issuing Bank under a Letter of Credit against presentation of a draft or other document that does not comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section, constitute a legal or equitable discharge of, or provide a right of set-off against, the Applicable Borrower's obligations hereunder. Neither the Administrative Agent, the Lenders nor the Issuing Bank, nor any of their Related Parties, shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the Issuing Bank; provided that the foregoing shall not be construed to excuse the Issuing Bank from liability to the Applicable Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Applicable Borrower to the extent permitted by applicable law) suffered by the Applicable Borrower that are caused by the Issuing Bank's failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the Issuing Bank (as finally determined by a court of competent jurisdiction), the Issuing Bank shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the Issuing Bank may, in its sole discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(g) Disbursement Procedures. The Issuing Bank shall, promptly following its receipt thereof, examine all documents purporting to represent a demand for payment under a Letter of Credit. The Issuing Bank shall promptly notify the Administrative Agent and the Borrower by telephone (confirmed by telecopy) of such demand for payment and whether the Issuing Bank has made or will make an LC Disbursement thereunder; provided that any failure to give or delay in giving such notice shall not relieve the Applicable Borrower of its obligation to reimburse the Issuing Bank and the Lenders with respect to any such LC Disbursement.

(h) Interim Interest. If the Issuing Bank shall make any LC Disbursement, then, unless the Applicable Borrower shall reimburse such LC Disbursement in full on the date such LC Disbursement is made, the unpaid amount thereof shall bear interest, for each day from and including the date such LC Disbursement is made to but excluding the date that the Borrower reimburses such LC Disbursement, at the rate per annum then applicable to ABR Revolving Loans; provided that, if the Applicable Borrower fails to reimburse such LC Disbursement when due pursuant to paragraph (e) of this Section, then Section 2.14(d) shall apply. Interest accrued pursuant to this paragraph shall be for the account of the Issuing Bank, except that interest accrued on and after the date of payment by any Lender pursuant to

paragraph (e) of this Section to reimburse the Issuing Bank shall be for the account of such Lender to the extent of such payment.

(i) Replacement of an Issuing Bank. An Issuing Bank may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced Issuing Bank and the successor Issuing Bank. The Administrative Agent shall notify the Lenders of any such replacement of an Issuing Bank. At the time any such replacement shall become effective, the Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank pursuant to Section 2.13(b). From and after the effective date of any such replacement, (i) the successor Issuing Bank shall have all the rights and obligations of the Issuing Bank under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "Issuing Bank" shall be deemed to refer to such successor or to any previous Issuing Bank, or to such successor and all previous Issuing Banks, as the context shall require. After the replacement of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

(j) Cash Collateralization. If any Event of Default shall occur and be continuing, on the Business Day that the Borrower receives notice from the Administrative Agent or the Required Lenders (or, if the maturity of the Loans has been accelerated, Lenders with LC Exposure representing greater than 51% of the total LC Exposure) demanding the deposit of cash collateral pursuant to this paragraph, the Borrower shall deposit in an account with the Administrative Agent, in the name of the Administrative Agent and for the benefit of the Lenders, an amount in cash equal to the LC Exposure as of such date plus any accrued and unpaid interest thereon; provided that the obligation to deposit such cash collateral shall become effective immediately, and such deposit shall become immediately due and payable, without demand or other notice of any kind, upon the occurrence of any Event of Default with respect to the Borrower described in clause (h) or (i) of Article VII. Such deposit shall be held by the Administrative Agent as collateral for the payment and performance of the Obligations. The Administrative Agent shall have exclusive dominion and control, including the exclusive right of withdrawal, over such account. Other than any interest earned on the investment of such deposits, which investments shall be made at the option and sole discretion of the Administrative Agent and at the Borrower's risk and expense, such deposits shall not bear interest. Interest or profits, if any, on such investments shall accumulate in such account. Moneys in such account shall be applied by the Administrative Agent to reimburse the Issuing Bank for LC Disbursements for which it has not been reimbursed and, to the extent not so applied, shall be held for the satisfaction of the reimbursement obligations of the Borrower for the LC Exposure at such time or, if the maturity of the Loans has been accelerated (but subject to the consent of Lenders with LC Exposure representing greater than 51% of the total LC Exposure), be applied to satisfy other obligations of the Borrower under this Agreement. If the Borrower is required to provide an amount of cash collateral hereunder as a result of the occurrence of an Event of Default, such amount (to the extent not applied as aforesaid) shall be returned to the Borrower within three Business Days after all Events of Default have been cured or waived.

(k) Existing Letters of Credit. On the Initial Borrowing Date each Existing Letter of Credit shall be deemed to be a Letter of Credit issued hereunder on such date and

governed in all respects by the terms and conditions of this Agreement (including without limitation Section 2.06(d)).

SECTION 2.07. Funding of Borrowings. (a) Each Lender shall make each Loan to be made by it hereunder on the proposed date thereof by wire transfer of immediately available funds by 12:00 noon, Local Time, to the account of the Administrative Agent most recently designated by it for such purpose by notice to the Lenders; provided that Alternate Currency Loans shall be made as provided in Section 2.04 and Swingline Loans shall be made as provided in Section 2.05. The Administrative Agent will make such Loans available to the Applicable Borrower by promptly crediting the amounts so received, in like funds, to an account of the Applicable Borrower or, in the case of Subsidiary Borrowers or Loans denominated in a Foreign Currency, in another account, in each case as designated by the Borrower in the applicable Borrowing Request and acceptable to the Administrative Agent; provided that ABR Revolving Loans made to finance the reimbursement of an LC Disbursement as provided in Section 2.06(e) shall be remitted by the Administrative Agent to the Issuing Bank.

(b) Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with paragraph (a) of this Section and may, in reliance upon such assumption, make available to the Applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Applicable Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount with interest thereon, for each day from and including the date such amount is made available to the Applicable Borrower to but excluding the date of payment to the Administrative Agent, at (i) in the case of such Lender, (x) the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (in the case of a Borrowing denominated in Dollars) or (y) the rate reasonably determined by the Administrative Agent to be the cost to it of funding such amount (in the case of a Borrowing denominated in a Foreign Currency) or (ii) in the case of the Applicable Borrower, the interest rate applicable to ABR Loans. If such Lender pays such amount to the Administrative Agent, then such amount shall constitute such Lender's Loan included in such Borrowing.

SECTION 2.08. Interest Elections. (a) Each Revolving Borrowing and Term Borrowing initially shall be of the Type specified in the applicable Borrowing Request and, in the case of a Eurocurrency Borrowing, shall have an initial Interest Period as specified in such Borrowing Request. Thereafter, the Borrower may elect to convert such Borrowing to a different Type, in the case of Borrowings denominated in Dollars, or to continue such Borrowing and, in the case of a Eurocurrency Borrowing, may elect Interest Periods therefor, all as provided in this Section. The Borrower may elect different options with respect to different portions of the affected Borrowing, in which case each such portion shall be allocated ratably among the Lenders holding the Loans comprising such Borrowing, and the Loans comprising each such portion shall be considered a separate Borrowing. This Section shall not apply to Swingline Foreign Currency Borrowings or Swingline Dollar Borrowings, which may not be converted or continued.

(b) To make an election pursuant to this Section, the Borrower shall notify the Administrative Agent of such election in writing by the time that a Borrowing Request would be required under Section 2.03 if the Borrower were requesting a Borrowing of the Type and denominated in the Foreign Currency resulting from such election to be made on the effective date of such election. Each such written Interest Election Request shall be irrevocable and in a form approved by the Administrative Agent and signed by the Borrower.

(c) Each written Interest Election Request shall specify the following information in compliance with Section 2.02:

(i) the Borrowing to which such Interest Election Request applies and, if different options are being elected with respect to different portions thereof, the portions thereof to be allocated to each resulting Borrowing (in which case the information to be specified pursuant to clauses (iii) and (iv) below shall be specified for each resulting Borrowing);

(ii) the effective date of the election made pursuant to such Interest Election Request, which shall be a Business Day;

(iii) whether the resulting Borrowing is to be an ABR Borrowing or a Eurocurrency Borrowing; and

(iv) if the resulting Borrowing is a Eurocurrency Borrowing, the Interest Period to be applicable thereto after giving effect to such election, which shall be a period contemplated by the definition of the term "Interest Period".

If any such Interest Election Request requests a Eurocurrency Borrowing but does not specify an Interest Period, then the Borrower shall be deemed to have selected an Interest Period of one month's duration.

(d) Promptly following receipt of an Interest Election Request, the Administrative Agent shall advise each Lender of the details thereof and of such Lender's portion of each resulting Borrowing.

(e) If the Borrower fails to deliver a timely Interest Election Request with respect to a Eurocurrency Borrowing prior to the end of the Interest Period applicable thereto, then, unless such Borrowing is repaid as provided herein, at the end of such Interest Period such Borrowing shall be converted to an ABR Borrowing (unless such Borrowing is denominated in a Foreign Currency, in which case such Borrowing shall be continued as a Eurocurrency Borrowing with an Interest Period of one month's duration commencing on the last day of such Interest Period). Notwithstanding any contrary provision hereof, if an Event of Default has occurred and is continuing and the Administrative Agent, at the request of the Required Lenders, so notifies the Borrower, then, so long as an Event of Default is continuing (i) no outstanding Borrowing may be converted to or continued as a Eurocurrency Borrowing, (ii) unless repaid, each Eurocurrency Borrowing denominated in Dollars shall be converted to an ABR Borrowing at the end of the Interest Period applicable thereto, and (iii) unless repaid, each Eurocurrency Borrowing denominated in a Foreign Currency shall be continued as a Eurocurrency Borrowing with an Interest Period of one month's duration.

SECTION 2.09. Termination and Reduction of Commitments; Increase of Commitments. (a) Unless previously terminated, the Revolving Commitments shall terminate on the Revolving Maturity Date. Unless previously terminated, the Term A Commitments shall terminate upon the earlier of the close of business (New York time) on November 10, 2008 (or, solely with respect to incremental Term A Commitments arising pursuant to Section 2.09(d), upon the making of the related incremental Term A Loans) and the date on which the aggregate amount of the Term A Borrowings made is equal to the Term A Commitment. Unless previously terminated, the Term B Commitments shall terminate upon the making of the Term B Loans on the Initial Borrowing Date. Unless previously terminated, the Term X Commitments shall terminate upon the making of the Term X Loans on the Initial Borrowing Date.

(b) The Borrower may at any time terminate, or from time to time reduce, the Commitments; provided that (i) each reduction of the Commitments shall be in an amount that is an integral multiple of \$1,000,000 and not less than \$5,000,000 and (ii) the Borrower shall not terminate or reduce the Revolving Commitments if, after giving effect to any concurrent prepayment of the Revolving Loans in accordance with Section 2.12, the sum of the Revolving Credit Exposures would exceed the total Revolving Commitments.

(c) The Borrower shall notify the Administrative Agent of any election to terminate or reduce the Commitments under paragraph (b) of this Section at least three Business Days prior to the effective date of such termination or reduction, specifying such election and the effective date thereof. Promptly following receipt of any notice, the Administrative Agent shall advise the Lenders of the contents thereof. Each notice delivered by the Borrower pursuant to this Section shall be irrevocable; provided that a notice of termination of the Commitments delivered by the Borrower may state that such notice is conditioned upon the effectiveness of other credit facilities, in which case such notice may be revoked by the Borrower (by notice to the Administrative Agent on or prior to the specified effective date) if such condition is not satisfied. Any termination or reduction of the Commitments shall be permanent. Each reduction of the Commitments shall be made ratably among the Lenders in accordance with their respective Revolving Commitments or Term Commitments, as applicable.

(d) The Borrower may, at its option, on up to five occasions, seek to increase the Revolving Commitments and/or the Term A Commitments by up to an aggregate amount of \$300,000,000 in a minimum amount of \$10,000,000 and in integral multiples of \$5,000,000 in excess thereof, upon at least three (3) Business Days' prior written notice to the Administrative Agent, which notice shall (i) specify (a) the amount of any such increase and (b) whether such increase is in the Revolving Commitments, the Term A Commitments or a combination of any thereof, (ii) if any Indebtedness under the Senior Note Documents is then outstanding, certify that incurrence by the Borrower of Indebtedness under this Agreement in the full amount of the proposed increased Commitments is permitted by the Senior Note Documents, (iii) be delivered at a time when no Default has occurred and is continuing and the Term X Loan has been repaid in full, and (iv) specify the effective date of any Revolving Commitments or Term A Commitments and the effective date of any incremental Term A Loans to be made pursuant thereto. The Borrower may, after giving such notice, offer the increase (which may be declined by any Lender in its sole discretion) in the Commitments on either a ratably basis to the Lenders or on a non pro-rata basis to one or more Lenders and/or to other Lenders or entities reasonably acceptable to the Administrative Agent. No increase in the Commitments shall become effective

until the existing or new Lenders extending such incremental Revolving Commitments or Term A Commitments and the Borrower shall have delivered to the Administrative Agent a document in form and substance reasonably satisfactory to the Administrative Agent pursuant to which each such existing Lender states the amount of its Commitment or Loan increase, each such new Lender becomes a party hereto, states its Commitment or Loan amount and agrees to assume and accept the obligations and rights of a Lender hereunder and the Borrower accepts such incremental Commitments or Loans and certifies that on such date the conditions for a new Loan pursuant to Section 4.03 are satisfied. In the event of an increase in the Revolving Commitments pursuant to this Section, the Lenders with Revolving Commitments (new or existing) shall accept an assignment from the existing Lenders with Revolving Commitments, and the existing Lenders with Revolving Commitments shall make an assignment to the new or existing Lenders with Revolving Commitments accepting a new or increased Revolving Credit Commitment, of an interest in each then outstanding Revolving Loan, Swingline Loan, Letter of Credit, LC Disbursement and Alternate Currency Loan such that, after giving effect thereto, all Revolving Loans, Swingline Loans, Letters of Credit, LC Disbursements and Alternate Currency Loans are held ratably by the Lenders with Revolving Commitments in proportion to their respective Revolving Commitments. Assignments pursuant to the preceding sentence shall be made in exchange for the principal amount assigned plus accrued and unpaid interest and shall not be subject to the assignment fee set forth in Section 9.04(b)(ii)(C). The Borrower shall make any payments under Section 2.17 resulting from such assignments. In the event of an increase in the Term A Commitments pursuant to this Section, each Lender accepting a portion of such increased Term A Commitments shall, on the effective date of the increase in such Term A Commitments, make a loan to the Borrower in the amount of its portion of such increase. Any such increase of the Revolving Commitments or Term A Commitments shall be subject to receipt by the Administrative Agent from the Borrower of such supplemental opinions, resolutions, certificates and other documents as the Administrative Agent may reasonably request. From and after the making of an incremental Term A Loan or Revolving Loan pursuant to this Section, such Loan shall be deemed a "Term A Loan" or "Revolving Loan", as applicable, hereunder for all purposes hereof, and shall be subject to the same terms and conditions as each other Term A Loan or Revolving Loan made pursuant to this Agreement.

SECTION 2.10. Repayment of Loans; Evidence of Debt. (a) Each Applicable Borrower hereby unconditionally promises to pay (i) to the Administrative Agent for the account of each Lender the then unpaid principal amount of each of its Revolving Loans on the Revolving Maturity Date and (ii) to the Administrative Agent for the account of each applicable Lender the unpaid principal amount of each Term Loan of such Lender as provided in Section 2.11, (iii) to the Alternate Currency Lenders, the then unpaid principal amount of each of its Alternate Currency Loans on the Revolving Maturity Date, and (iv) to the Swingline Lender the then unpaid principal amount of each Swingline Loan on the earlier of (x) the Revolving Maturity Date and (y) a date that is no more than seven (7) Business Days after such Swingline Loan is made; provided that on each date that a Revolving Borrowing is made, the Borrower shall repay all Swingline Loans then outstanding.

(b) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrowers to such Lender resulting from each Loan made by such Lender, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(c) The Administrative Agent shall maintain accounts in which it shall record (i) the amount of each Loan made hereunder, the Class and Type thereof and the Interest Period applicable thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrowers to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder for the account of the Lenders and each Lender's share thereof.

(d) The entries made in the accounts maintained pursuant to paragraph (b) or (c) of this Section shall be prima facie evidence of the existence and amounts of the obligations recorded therein; provided that the failure of any Lender or the Administrative Agent to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrowers to repay the Loans in accordance with the terms of this Agreement.

(e) Any Lender may request that Loans made by it be evidenced by a promissory note. In such event, the Applicable Borrower shall prepare, execute and deliver to such Lender a promissory note payable to the order of such Lender (or, if requested by such Lender, to such Lender and its registered assigns) and in a form approved by the Administrative Agent. Thereafter, the Loans evidenced by such promissory note and interest thereon shall at all times (including after assignment pursuant to Section 9.04) be represented by one or more promissory notes in such form payable to the order of the payee named therein (or, if such promissory note is a registered note, to such payee and its registered assigns).

(f) In the event and on such occasion that the aggregate Revolving Credit Exposure of the Lenders exceeds the aggregate Revolving Commitments of the Lenders, the Borrower immediately shall prepay the Loans in the amount of such excess.

(g) The Administrative Agent will determine the aggregate LC Exposure and the Dollar Equivalent of each Loan (other than Term Loans) on each Exchange Rate Date. If at any time the sum of such amounts exceeds 105% of the aggregate Revolving Commitments of the Lenders, the Borrower shall (or shall cause one or more Subsidiary Borrowers to) immediately prepay the Loans (other than Term Loans) in the amount of such excess. To the extent that, after the prepayment of all Loans (other than Term Loans) an excess of the sum of such amounts over the aggregate Revolving Commitments still exists, the Borrower shall (or shall cause one or more Subsidiary Borrowers to) promptly cash collateralize the Letters of Credit in the manner described in Section 2.06(j) in an amount sufficient to eliminate such excess.

SECTION 2.11. Amortization of Term Loans. (a) Subject to adjustment pursuant to paragraph (d) of this Section, the Borrower shall repay Term A Borrowings on the last Business Day of each calendar quarter set forth below in the aggregate principal amount indicated (and in addition, to the extent that any incremental Term A Loans shall be made pursuant to Section 2.09(d), in an additional amount equal to the corresponding amount required to be amortized with respect to the other Term A Loans based on the initial aggregate principal amount of such incremental Term A Loans on the last Business Day of each calendar quarter from and including the calendar quarter immediately succeeding the calendar quarter in which such incremental Term A Loans are made):

(i) on the last Business Day of each calendar quarter ending after the calendar quarter in which the Term End Date occurs to and including the eighth such calendar quarter, the Borrower shall make an aggregate payment equal to 2.5% of the aggregate amount of the Term A Loan at the time the Term A Loan Commitment terminated;

(ii) on the last Business Day of each of the ninth through sixteenth calendar quarters next following the calendar quarter in which the Term End Date occurs, the Borrower shall make an aggregate payment equal to 3.75% of the initial aggregate principal amount of the Term A Loan at the time the Term A Loan Commitment terminated;

(iii) on the last Business Day of each of the seventeenth through nineteenth calendar quarters next following the calendar quarter in which the Term End Date occurs, the Borrower shall make an aggregate payment equal to 12.5% of the initial aggregate principal amount of the Term A Loan at the time the Term A Loan Commitment terminated; and

(iv) on the Term A Maturity Date, the Borrower shall pay the entire remaining unpaid principal amount of the Term A Loan.

(b) Subject to adjustment pursuant to paragraph (d) of this Section, the Borrower shall repay the Term B Loan on the last Business Day of each calendar quarter set forth below in the aggregate principal amount indicated:

(i) on the last Business Day of each calendar quarter ending after the calendar quarter in which the Term End Date occurs, to and including the twenty third such calendar quarter, the Borrower shall make an aggregate payment equal to .25% of the initial aggregate amount of the Term B Loan; and

(ii) on the Term B Maturity Date, the Borrower shall pay the entire remaining unpaid principal amount of the Term B Loan.

(c) The Borrower shall repay the entire unpaid principal amount of the Term X Loan in full on the Term X Maturity Date.

(d) Any optional or mandatory prepayment of a Term Borrowing of any Class shall be applied (i) first, in direct order of maturity to the scheduled repayments of the Term Borrowings of such Class occurring in the twelve months following the date of such prepayment and (ii) second, ratably to the remaining scheduled repayments of such Borrowings.

SECTION 2.12. Prepayment of Loans. (a) The Borrowers shall have the right at any time and from time to time to prepay any Borrowing in whole or in part, subject to prior notice in accordance with paragraph (b) of this Section and, in the case of prepayments of the Term B Loan, subject to compliance with Section 2.12(g).

(b) The Borrower shall notify the Administrative Agent (and, in the case of prepayment of a Swingline Loan or Alternate Currency Loan, the Swingline Lender or Alternate

Currency Lender, as the case may be) by telephone (confirmed by telecopy) of any prepayment hereunder (i) in the case of prepayment of a Eurocurrency Borrowing (excluding Alternate Currency Loans), not later than 11:00 a.m., New York City time, three Business Days before the date of prepayment, (ii) in the case of Alternate Currency Borrowings, not later than 11:00 a.m. London time, three (or, if so requested by the Alternate Currency Fronting Lender with respect to Alternate Currency Loans in a specified currency, four) Business Days before the date of prepayment, (iii) in the case of prepayment of an ABR Borrowing, not later than 11:00 a.m., New York City time, one Business Day before the date of prepayment or (iv) in the case of prepayment of a Swingline Loan, not later than 12:00 noon, New York City time (or in the case of a Swingline Foreign Currency Loan, 12:00 noon, London time, on the date of prepayment. Each such notice shall be irrevocable and shall specify the prepayment date and the principal amount of each Borrowing or portion thereof to be prepaid and, in the case of a mandatory prepayment, a reasonably detailed calculation of the amount of such prepayment; provided that, if a notice of prepayment is given in connection with a conditional notice of termination of the Commitments as contemplated by Section 2.09, then such notice of prepayment may be revoked if such notice of termination is revoked in accordance with Section 2.09. Promptly following receipt of any such notice relating to a Borrowing, the Administrative Agent shall advise the applicable Lenders of the contents thereof. Each partial prepayment of any Borrowing shall be in an amount that would be permitted in the case of an advance of a Borrowing of the same Type as provided in Section 2.02, except as necessary to apply fully the required amount of a mandatory prepayment. Each prepayment of a Borrowing shall be applied ratably to the Loans included in the prepaid Borrowing. Prepayments shall be accompanied by accrued interest to the extent required by Section 2.14. Prepayments shall be applied first, to any ABR Borrowings comprising all or a part of the Class being prepaid and second, if (or once) no ABR Borrowings of such Class remain outstanding, to outstanding Eurocurrency Borrowings of such Class with the shortest Interest Periods remaining.

(c) In the event and on each occasion that any Net Proceeds are received by or on behalf of the Borrower or any Subsidiary (i) in respect of any Prepayment Event described in clause (a) of the definition of the term “Prepayment Event”, the Borrower shall, within ten Business Days after such Net Proceeds are received, prepay first, Term X Borrowings and second, Term A Borrowings and Term B Borrowings, ratably and (ii) in respect of any other Prepayment Event described in the definition of the term “Prepayment Event”, the Borrower shall (subject to the following sentence, including the provisos thereto), within ten Business Days after such Net Proceeds are received, prepay first, Term X Borrowings and second, Term A Borrowings and Term B Borrowings, ratably. The prepayments required pursuant to this Section 2.12(c) shall be made ratably, in each case in an aggregate amount equal to (i) prior to repayment in full of the Term X Loans, 100% of the amount of such Net Proceeds, and (ii) thereafter, the Applicable Prepayment Percentage of the amount of such Net Proceeds, provided that in the case of any such event described in clause (a) (following repayment in full of the Term X Loans) or (b) of the definition of the term “Prepayment Event,” if any Borrower or any Subsidiary applies (or commits to apply) the Net Proceeds from such event (or a portion thereof) within twelve months after receipt of such Net Proceeds and at a time when no Event of Default has occurred and is continuing to pay all or a portion of the purchase price in connection with a Permitted Acquisition or to acquire, restore, replace, rebuild, develop, maintain or upgrade real property, equipment or other tangible assets useful or to be used in the business of the Borrower and the Subsidiaries, provided that, in each case, the Borrower has delivered to the Administrative Agent

within ten days after such Net Proceeds are received a certificate of its Financial Officer stating its intention to do so and certifying that no Event of Default has occurred and is continuing, then no prepayment shall be required pursuant to this paragraph in respect of the Net Proceeds in respect of such event (or the portion of such Net Proceeds specified in such certificate, if applicable) except (x) to the extent of any such Net Proceeds therefrom that have not been so applied (or committed to be so applied) by the end of such twelve-month period, (or if committed to be so applied within such twelve-month period, have not been so applied within 18 months after receipt), or (y) if an Event of Default shall thereafter occur and such Net Proceeds have not yet been so applied or committed to be so applied, at which time a prepayment shall be required in an amount equal to such Net Proceeds that have not been so applied (or committed to be so applied) prior to the expiration of such period or the occurrence of such Event of Default. The Borrower shall provide to the Administrative Agent any such evidence reasonably requested by the Administrative Agent with respect to any commitment of any Borrower or any Subsidiary to apply Net Proceeds in accordance with this Section 2.12(c).

(d) Following the end of each fiscal year of Borrower, commencing with the fiscal year ending December 31, 2009, the Borrower shall prepay the Term A Borrowings and Term B Borrowings ratably, in each case in an aggregate amount equal to (i) Excess Cash Flow for such fiscal year multiplied by the Applicable Prepayment Percentage, less (ii) the amount of optional prepayments of principal under the Term Loans made during such fiscal year. Each prepayment pursuant to this paragraph shall be made before the date that is ten Business Days after the date on which financial statements are delivered pursuant to Section 5.01 with respect to the fiscal year for which Excess Cash Flow is being calculated (and in any event within 95 days after the end of such fiscal year).

(e) Prior to any optional prepayment of Borrowings hereunder, the Borrower shall select the Borrowing or Borrowings to be prepaid and shall specify such selection in the notice of such prepayment pursuant to paragraph (b) of this Section; provided that at any time prior to repayment in full of the Term X Loans, any optional prepayment of the Term Loans shall first be applied to repay the Term X Loans to the extent thereof.

(f) (i) If after the Effective Date and on or prior to the Initial Borrowing Date (i) any Prepayment Event shall occur and (ii) prior to the initial extension of credit hereunder, the Borrower shall not have reduced the applicable Term Commitment by an amount corresponding to the amount of mandatory prepayment which the Borrower would have been required to make in respect of the Term A Loan, Term B Loan or Term X Loan, as applicable, as a result of such Prepayment Event had the Term Loans been outstanding at the time thereof in the amount of the corresponding Term Commitment specified in Article I hereof, then on the Business Day next following the Initial Borrowing Date, the Borrower shall prepay the applicable Term Loans in the amount which would have been required to be prepaid in respect of such Prepayment Event had such Term Loan been outstanding at the time of such Prepayment Event.

(g) In the event of any voluntary or mandatory prepayment of the Term B Loan made (or, in the event of mandatory prepayments, due) on or prior to the first anniversary of the Initial Borrowing Date, on the date of prepayment the Borrower shall pay the Administrative Agent for the ratable benefit of the holders of the Term B Loan a prepayment premium in an amount equal to 1% of the principal amount prepaid.

SECTION 2.13. Fees. (a) The Borrower agrees to pay to the Administrative Agent for the account of each Lender a commitment fee, which shall accrue at the Applicable Rate on (i) the average daily difference between the Revolving Commitment of such Lender and the Revolving Credit Exposure (excluding Swingline Exposure) of such Lender during the period from and including the Effective Date to but excluding the date on which such Revolving Commitment terminates and (ii) the average daily difference between the Term Commitments of such Lender and the outstanding Term Loans by such Lender during the period from and including the Effective Date to but excluding the date on which the applicable Term Commitments terminate. Accrued commitment fees shall be payable in arrears on the last day of March, June, September and December of each year and on the date on which the applicable Commitments terminate, commencing on the first such date to occur after the Effective Date. All commitment fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(b) The Borrower agrees to pay (i) to the Administrative Agent for the account of each Lender a participation fee with respect to its participations in Letters of Credit, which shall accrue at the same Applicable Rate used to determine the interest rate applicable to Eurocurrency Revolving Loans on the average daily amount of such Lender's LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date on which such Lender's Revolving Commitment terminates and the date on which such Lender ceases to have any LC Exposure, and (ii) to the Issuing Bank a fronting fee, which shall accrue at the rate or rates per annum separately agreed upon between the Borrower and the Issuing Bank on the average daily amount of the LC Exposure (excluding any portion thereof attributable to unreimbursed LC Disbursements) during the period from and including the Effective Date to but excluding the later of the date of termination of the Revolving Commitments and the date on which there ceases to be any LC Exposure, as well as the Issuing Bank's standard fees with respect to the issuance, amendment, renewal or extension of any Letter of Credit or processing of drawings thereunder. Participation fees and fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third Business Day following such last day, commencing on the first such date to occur after the Effective Date; provided that all such fees shall be payable on the date on which the Revolving Commitments terminate and any such fees accruing after the date on which the Revolving Commitments terminate shall be payable on demand. Any other fees payable to the Issuing Bank pursuant to this paragraph shall be payable within 10 days after demand. All participation fees and fronting fees shall be computed on the basis of a year of 360 days and shall be payable for the actual number of days elapsed (including the first day but excluding the last day).

(c) The Borrower agrees to pay (i) to the Administrative Agent for the ratable (relative to Revolving Commitment amount) account of each Lender (including each Alternate Currency Lender) a participation fee with respect to each Alternate Currency Loan, which shall accrue at the same Applicable Rate used to determine the interest rate applicable to Eurocurrency Revolving Loans on the average daily amount of such Alternate Currency Loan during the period from and including the date such Alternate Currency Loan was made to but excluding the date of repayment thereof, and (ii) to the Alternate Currency Fronting Lender with respect to each Alternate Currency Loan made by it, a fronting fee with respect to the period from and including the date of the applicable Alternate Currency Loan to but excluding the date of repayment

thereof at a rate per annum agreed between the Borrower and the Alternate Currency Fronting Lender. Such accrued participation fees with respect to any Alternate Currency Loan shall be payable on the Interest Payment Date for such Loan. Such fronting fees accrued through and including the last day of March, June, September and December of each year shall be payable on the third Business Day following such last day (or, if earlier, the date that the Revolving Commitments terminate). For purposes of clarity, no fee shall be payable under this clause (c) for Loans made pursuant to Section 2.01 or 2.05.

(d) The Borrower agrees to pay to the Administrative Agent, for its own account, fees payable in the amounts and at the times separately agreed upon between the Borrower and the Administrative Agent.

(e) All fees payable hereunder shall be paid on the dates due, in immediately available funds, to the Administrative Agent (or to the Issuing Bank or Alternate Currency Fronting Lender, in the case of fees payable to such Persons) for distribution, in the case of commitment fees and participation fees, to the Lenders. Fees paid shall not be refundable under any circumstances.

SECTION 2.14. Interest. (a) The Loans comprising each ABR Borrowing (including each Swingline Dollar Loan) shall bear interest at the Alternate Base Rate plus the Applicable Rate.

(b) The Loans comprising each Eurocurrency Borrowing (other than Alternate Currency Loans) shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing plus the Applicable Rate. Alternate Currency Loans shall bear interest at the Adjusted LIBO Rate for the Interest Period in effect for such Borrowing (without the addition of the Applicable Rate), in addition to the fees set forth in Section 2.13(c).

(c) Each Swingline Foreign Currency Loan shall bear interest as determined in Section 2.05.

(d) Notwithstanding the foregoing, if any principal of or interest on any Loan or any fee or other amount payable by any of the Borrowers hereunder is not paid when due, whether at stated maturity, upon acceleration or otherwise, such overdue amount shall bear interest, after as well as before judgment, at a rate per annum equal to (i) in the case of overdue principal of any Loan, 2% plus the rate otherwise applicable to such Loan as provided in the preceding paragraphs of this Section or (ii) in the case of any other amount, 2% plus the rate applicable to ABR Loans as provided in paragraph (a) of this Section.

(e) Accrued interest on each Loan shall be payable in arrears on each Interest Payment Date for such Loan, upon the final maturity thereof and, in the case of Revolving Loans, upon termination of the Revolving Commitments; provided that (i) interest accrued pursuant to paragraph (d) of this Section shall be payable on demand, (ii) in the event of any repayment or prepayment of any Loan (other than a prepayment of an ABR Loan prior to the end of the Availability Period), accrued interest on the principal amount repaid or prepaid shall be payable on the date of such repayment or prepayment and (iii) in the event of any conversion of

any Eurocurrency Loan prior to the end of the current Interest Period therefor, accrued interest on such Loan shall be payable on the effective date of such conversion.

(f) All interest hereunder shall be computed on the basis of a year of 360 days, except that (i) interest on Borrowings denominated in Sterling shall be computed on the basis of a year of 365 days, (ii) interest on Borrowings denominated in any other Foreign Currency for which it is required by applicable law or customary to compute interest on the basis of a year of 365 days or, if required by applicable law or customary, 366 days in a leap year, shall be computed on such basis, and (iii) interest computed by reference to the Alternate Base Rate at times when the Alternate Base Rate is based on the Prime Rate shall be computed on the basis of a year of 365 days (or 366 days in a leap year), and in each case shall be payable for the actual number of days elapsed (including the first day but excluding the last day). The applicable Alternate Base Rate or Adjusted LIBO Rate shall be determined by the Administrative Agent, and such determination shall be conclusive absent manifest error.

SECTION 2.15. Alternate Rate of Interest. If prior to the commencement of any Interest Period for a Eurocurrency Borrowing denominated in any currency:

(A) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Interest Period; or

(B) the Administrative Agent is advised by the Required Lenders that the Adjusted LIBO Rate for such Interest Period will not adequately and fairly reflect the cost to such Lenders (or Lender) of making or maintaining their Loans (or its Loan) included in such Borrowing for such Interest Period;

then the Administrative Agent shall give notice thereof to the Borrower and the Lenders by telephone or telecopy as promptly as practicable thereafter and, until the Administrative Agent notifies the Borrower and the Lenders that the circumstances giving rise to such notice no longer exist, (i) any Interest Election Request that requests the conversion of any Revolving Borrowing to, or continuation of any Revolving Borrowing as, a Eurocurrency Borrowing denominated in such currency shall be ineffective and (ii) such Borrowing shall be converted to or continued as on the last day of the Interest Period applicable thereto (A) if such Borrowing is denominated in Dollars, an ABR Borrowing or (B) if such Borrowing is denominated in a Foreign Currency, as a Borrowing bearing interest at such rate as the Administrative Agent determines adequately reflects the costs to the Lenders of making or maintaining such Borrowing, and (ii) if any Borrowing Request requests a Eurocurrency Borrowing in such currency, such Borrowing shall be made as an ABR Borrowing (if such Borrowing is requested to be made in Dollars) or shall be made as a Borrowing bearing interest at such rate as the Administrative Agent determines adequately reflects the costs to the Lender of making or maintaining such Borrowing.

SECTION 2.16. Increased Costs. (a) If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit

extended by, any Lender (except any such reserve requirement reflected in the Adjusted LIBO Rate or in payments required by Section 2.22) or the Issuing Bank; or

(ii) impose on any Lender or the Issuing Bank or the London interbank market any other condition affecting this Agreement or Eurocurrency Loans made by such Lender or any Letter of Credit or participation therein or in any Alternate Currency Loan;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurocurrency Loan (or of maintaining its obligation to make any such Loan or of participating in any Alternate Currency Loan), or to increase the cost to such Lender or the Issuing Bank of participating in, issuing or maintaining any Letter of Credit or to reduce the amount of any sum received or receivable by such Lender or the Issuing Bank hereunder (whether of principal, interest or otherwise), then the Borrower will pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank, as the case may be, for such additional costs incurred or reduction suffered.

(b) If any Lender or the Issuing Bank determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Lender's or the Issuing Bank's capital or on the capital of such Lender's or the Issuing Bank's holding company, if any, as a consequence of this Agreement or the Loans made by, or participations in Letters of Credit or Alternate Currency Loans held by, such Lender, or the Letters of Credit issued by the Issuing Bank, to a level below that which such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the Issuing Bank's policies and the policies of such Lender's or the Issuing Bank's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the Issuing Bank, as the case may be, such additional amount or amounts as will compensate such Lender or the Issuing Bank or such Lender's or the Issuing Bank's holding company for any such reduction suffered.

(c) A certificate of a Lender or the Issuing Bank setting forth in reasonable detail the amount or amounts necessary to compensate such Lender or the Issuing Bank or its holding company, as the case may be, as specified in paragraph (a) or (b) of this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender or the Issuing Bank, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Failure or delay on the part of any Lender or the Issuing Bank to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or the Issuing Bank's right to demand such compensation; provided that the Borrower shall not be required to compensate a Lender or the Issuing Bank pursuant to this Section for any increased costs or reductions incurred more than 180 days prior to the date that such Lender or the Issuing Bank, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the Issuing Bank's intention to claim compensation therefor; provided further that, if the Change in Law giving rise to such increased

costs or reductions is retroactive, then the 180-day period referred to above shall be extended to include the period of retroactive effect thereof.

SECTION 2.17. Break Funding Payments. In the event of (a) the payment of any principal of any Eurocurrency Loan other than on the last day of an Interest Period applicable thereto (including as a result of an Event of Default), (b) the conversion of any Eurocurrency Loan other than on the last day of the Interest Period applicable thereto, (c) the failure to borrow, convert, continue or prepay any Eurocurrency Loan on the date specified in any notice delivered pursuant hereto (regardless of whether such notice may be revoked under Section 2.12(b) and is revoked in accordance therewith) or (d) the assignment of any Eurocurrency Loan other than on the last day of the Interest Period applicable thereto as a result of a request by the Borrower pursuant to Section 2.20, then, in any such event, the Borrower shall compensate each Lender for the loss, cost and expense attributable to such event. In the case of a Eurocurrency Loan, such loss, cost or expense to any Lender shall be deemed to include an amount determined by such Lender to be the excess, if any, of (i) the amount of interest which would have accrued on the principal amount of such Loan had such event not occurred, at the Adjusted LIBO Rate that would have been applicable to such Loan, for the period from the date of such event to the last day of the then current Interest Period therefor (or, in the case of a failure to borrow, convert or continue, for the period that would have been the Interest Period for such Loan), over (ii) the amount of interest which would accrue on such principal amount for such period at the interest rate which such Lender would bid were it to bid, at the commencement of such period, for deposits in the applicable currency of a comparable amount and period from other banks in the eurocurrency market. A certificate of any Lender setting forth in reasonable detail any amount or amounts that such Lender is entitled to receive pursuant to this Section shall be delivered to the Borrower and shall be conclusive absent manifest error. The Borrower shall pay such Lender the amount shown as due on any such certificate within 10 days after receipt thereof.

SECTION 2.18. Taxes. (a) Subject to Section 2.18(h), any and all payments by or on account of any obligation of any of the Borrowers hereunder shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if any of the Borrowers shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) the Administrative Agent, Lender or Issuing Bank (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Applicable Borrower shall make such deductions and (iii) the Applicable Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, the Applicable Borrower shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) The Applicable Borrower shall indemnify the Administrative Agent, each Lender and the Issuing Bank, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent, such Lender or the Issuing Bank, as the case may be, on or with respect to any payment by or on account of any obligation of such Applicable Borrower hereunder (including Indemnified Taxes or Other Taxes

imposed or asserted on or attributable to amounts payable under this Section) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate in reasonable detail as to the amount of such payment or liability delivered to the Borrower by a Lender or the Issuing Bank, or by the Administrative Agent on its own behalf or on behalf of a Lender or the Issuing Bank, shall be conclusive absent manifest error.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Applicable Borrower to a Governmental Authority, the Applicable Borrower shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Applicable Borrower is regarded by the relevant Governmental Authority for purposes of its Tax laws as being resident, or under any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Borrower (with a copy to the Administrative Agent), at the time or times prescribed by applicable law, such properly completed and executed documentation prescribed by applicable law or reasonably requested by the Borrower as will permit such payments to be made without withholding or at a reduced rate.

(f) If the Administrative Agent and Issuing Bank or a Lender determines that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by one of the Borrowers or with respect to which one of the Borrowers has paid additional amounts pursuant to this Section 2.18, it shall pay over to the Applicable Borrower the amount of such refund (but only to the extent of indemnity payments made, or additional amounts paid, by the Applicable Borrower under this Section 2.18 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Administrative Agent, Issuing Bank, or such Lender (as the case may be) and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); provided that the Applicable Borrower, upon the request of the Administrative Agent, Issuing Bank or Lender (as the case may be), agrees to repay the amount paid over to the Applicable Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent, Issuing Bank, or Lender (as the case may be) in the event the Administrative Agent, Issuing Bank or Lender (as the case may be) is required to repay such refund to such Governmental Authority. This Section shall not be construed to require the Administrative Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to any of the Borrowers or any other Person.

(g) Each of the Borrowers that is either resident in the United Kingdom for United Kingdom tax purpose or that otherwise makes payments under this Agreement that have a United Kingdom source (in each case, a “UK Borrower”) must make all payments hereunder without any deduction or withholding for or on account of United Kingdom Taxes (“UK Tax Deduction”), unless a UK Tax Deduction is required by law. If such a UK Tax Deduction is required by law, the amount of the payment due from the UK Borrower in question will be

increased by an amount which (after making all UK Tax Deductions) leaves an amount equal to the payment which would have been due had no UK Tax Deduction been required.

(h) Except as provided below, a UK Borrower is not required to make an increased payment under paragraph (g) above for a UK Tax Deduction:

(i) if on the date on which the payment in respect of which the UK Tax Deduction is required falls due, the payment could have been made to the relevant Lender without a UK Tax Deduction if it was, or had not ceased to be, a Qualifying Lender, but on that date that Lender is not, or has ceased to be, a Qualifying Lender in respect of that UK Borrower;

(ii) if the relevant Lender is a Treaty Lender and the UK Borrower making the payment is able to demonstrate that the UK Tax Deduction would not have been required if the Lender had complied with its obligations under paragraph 2.18 (e) above; or

(iii) If on the date on which the payment falls due:

(A) the relevant Lender is a Qualifying Lender solely under sub-paragraphs (ii) and (iii) of the definition of UK Lender;

(B) an officer of HM Revenue & Customs has given (and not revoked a direction) (a "Direction") under section 931 of the Income Tax Act 2007 (as that provision has effect on the date on which the relevant Lender became a party to this Agreement) which relates to that payment and that Lender has received from that UK Borrower a certified copy of that Direction; and

(C) the payment could have been made to the Lender with out any Tax Deduction in the absence of that Direction; or

(iv) the relevant Lender is a Qualifying Lender solely under sub- paragraphs (ii) and (iii) of the definition of UK Lender and it has not, other than by reason of any change after the date of this Agreement in (or in the interpretation, administration or application of) any law, or any published practice or concession of any relevant taxing authority, given a Tax Confirmation to the Borrowers.

(i) Paragraph (h)(i) above will not apply if the relevant Lender has ceased to be a Qualifying Lender in respect of that UK Borrower by reason of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration or application of) any law or treaty or any published practice or concession of any relevant taxing authority.

(j) If a UK Borrower is required to make a UK Tax Deduction, that UK Borrower must make the minimum UK Tax Deduction allowed by law and must make any payment required in connection with that UK Tax Deduction within the time allowed by law.

(k) Within 30 days of making either a UK Tax Deduction or a payment required in connection with a UK Tax Deduction, the UK Borrower making that UK Tax Deduction or payment must deliver to the Administrative Agent evidence satisfactory to that Lender (acting reasonably) that the UK Tax Deduction has been made or (as applicable) the appropriate payment has been paid to Her Majesty's Revenue and Customs.

(l) If a Lender is expressed to be a UK Lender then it shall confirm to the Borrowers that it is a UK Lender by entering into this Agreement. A UK Lender must promptly notify the Borrower if it ceases to be a UK Lender.

(m) For the purposes of this Section 2.18:

“Qualifying Lender” means a Lender which is:

(i) a UK Lender; or

(ii) a Treaty Lender;

“Tax Confirmation” means a confirmation by a UK Lender that the person beneficially entitled to interest payable to that UK Lender in respect of a Loan is either:

(i) a company resident in the United Kingdom for United Kingdom tax purposes; or

(ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (for the purposes of section 11(2) of the United Kingdom Income and Corporation Taxes Act 1988) of that company.

“Treaty Lender” means, in respect of a UK Borrower, a Lender which:

(i) is treated as resident of a Treaty State for the purposes of a double taxation agreement with the United Kingdom;

(ii) does not carry on a business in the United Kingdom through a permanent establishment with which that Lender's participation in the Loan is effectively connected; and

(iii) meets all other conditions in the relevant double taxation agreement for full exemption from tax imposed by the United Kingdom on interest, except that for this purpose it shall be assumed that the following are satisfied:

(A) any condition which relates (expressly or by implication) to there being a special relationship between the UK Borrower and a Lender or between both of them and another person,

or to the amounts or terms of any Loan or the Credit Documents, or to any other matter that is outside the exclusive control of that Lender; and

(B) any necessary procedural formalities.

“Treaty State” means a jurisdiction having a double taxation agreement with the United Kingdom which makes provision for full exemption from tax imposed by the United Kingdom on interest.

“UK Lender” means a Lender which is:

- (i) within the charge to United Kingdom corporation tax in respect of, and beneficially entitled to, a payment of interest on a Loan made by a person that was a bank for the purposes of section 879 of the United Kingdom Income Tax Act 2007 at the time the Loan was made;
- (ii) a company resident in the United Kingdom for United Kingdom tax purposes; or
- (iii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and is required to bring into account interest paid to it under this Agreement in computing its chargeable profits (for the purposes of section 11(2) of the United Kingdom Income and Corporation Taxes Act 1988).

SECTION 2.19. Payments Generally; Pro Rata Treatment; Sharing of Set-offs. (a) Each of the Borrowers shall make each payment required to be made by it hereunder (whether of principal, interest, fees or reimbursement of LC Disbursements, or of amounts payable under Section 2.16, 2.17 or 2.18, or otherwise) prior to 12:00 noon, New York City time, on the date when due, in immediately available funds, without set-off or counterclaim. Any amounts received after such time on any date may, in the discretion of the Administrative Agent, be deemed to have been received on the next succeeding Business Day for purposes of calculating interest thereon. All such payments shall be made to the Administrative Agent at its offices at 270 Park Avenue, New York, New York, except payments to be made directly to the Issuing Bank, Alternate Currency Fronting Lender or Swingline Lender as expressly provided herein and except that payments pursuant to Sections 2.16, 2.17, 2.18 and 9.03 shall be made directly to the Persons entitled thereto. The Administrative Agent shall distribute any such payments received by it for the account of any other Person to the appropriate recipient promptly following receipt thereof. If any payment hereunder shall be due on a day that is not a Business Day, the date for payment shall be extended to the next succeeding Business Day, and, in the case of any payment accruing interest, interest thereon shall be payable for the period of such extension. All payments hereunder of (i) principal or interest in respect of any Loan shall be made in the currency in which such Loan is denominated, (ii) reimbursement obligations shall be made in the currency in which the Letter of Credit in respect of which such reimbursement obligation exists is denominated or (iii) any other amount due hereunder or under another Credit Document shall be made in Dollars. Any payment required to be made by the Administrative

Agent hereunder shall be deemed to have been made by the time required if the Administrative Agent shall at or before such time, have taken the necessary steps to make such payment in accordance with the regulations or operating procedures of the clearing or settlement system used by the Administrative Agent to make such payment.

(b) If at any time insufficient funds are received by and available to the Administrative Agent to pay fully all amounts of principal, unreimbursed LC Disbursements, interest and fees then due hereunder, such funds shall be applied (i) first, towards payment of interest and fees then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of interest and fees then due to such parties, and (ii) second, towards payment of principal and unreimbursed LC Disbursements then due hereunder, ratably among the parties entitled thereto in accordance with the amounts of principal and unreimbursed LC Disbursements then due to such parties.

(c) If any Lender shall, by exercising any right of set off or counterclaim or otherwise, obtain payment in respect of (i) any obligations due and payable to such Lender hereunder or under the other Credit Documents at such time in excess of its ratable share (according to the proportion of (A) the amount of such obligations due and payable to such Lender at such time to (B) the aggregate amount of obligations due and payable to all Lenders hereunder and under the other Credit Documents at such time) of payments on account of obligations due and payable to all Lenders hereunder and under the other Credit Documents at such time obtained by all the Lenders at such time or (ii) any obligations owing (but not due and payable) to such Lender hereunder and under the other Credit Documents at such time in excess of its ratable share (according to the proportion of (A) the amount of such obligations owing (but not due and payable) to such Lender at such time to (B) the aggregate amount of obligations owing (but not due and payable) to all Lenders hereunder and under the other Credit Documents at such time) of payments on account of obligations owing (but not due and payable) to all Lenders hereunder and under the other Credit Documents at such time obtained by all the Lenders at such time, then the Lender receiving such greater proportion shall notify the Administrative Agent of such fact and shall purchase (for cash at face value) participations in the Term Loans, Revolving Loans and participations in LC Disbursements, Alternate Currency Loans and Swingline Loans of other Lenders, as applicable, or make such other adjustments as shall be equitable, to the extent necessary so that the benefit of all such payments shall be shared by the Lenders ratably in accordance with the aggregate amount of obligations then due and payable to the Lenders or owing (but not due and payable) to the Lenders, as the case may be; provided that (i) if any such participations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations shall be rescinded and the purchase price restored to the extent of such recovery, without interest, and (ii) the provisions of this paragraph shall not be construed to apply to any payment made by any of the Borrowers pursuant to and in accordance with the express terms of this Agreement or any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Loans or participations in LC Disbursements, Alternate Currency Loans and Swingline Loans to any assignee or participant, other than to the Borrower or any Subsidiary or Affiliate thereof (as to which the provisions of this paragraph shall apply). Each of the Borrowers consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Applicable

Borrower rights of set-off and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Applicable Borrower in the amount of such participation.

(d) Unless the Administrative Agent shall have received notice from the Applicable Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the Issuing Bank hereunder that the Applicable Borrower will not make such payment, the Administrative Agent may assume that the Applicable Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Lenders or the Issuing Bank, as the case may be, the amount due. In such event, if the Applicable Borrower has not in fact made such payment, then each of the Lenders or the Issuing Bank, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or Issuing Bank with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, (i) at the greater of the Federal Funds Effective Rate and a rate determined by the Administrative Agent in accordance with banking industry rules on interbank compensation (in the case of an amount denominated in Dollars) and (ii) the rate reasonably determined by the Administrative Agent to be the cost to it of funding such amount (in the case of an amount denominated in a Foreign Currency).

(e) If any Lender shall fail to make any payment required to be made by it pursuant to Section 2.05(c), 2.06(d) or (e), 2.07(b), 2.19(d) or 9.03(c), then the Administrative Agent may, in its discretion (notwithstanding any contrary provision hereof), apply any amounts thereafter received by the Administrative Agent for the account of such Lender to satisfy such Lender's obligations under such Sections until all such unsatisfied obligations are fully paid.

SECTION 2.20. Mitigation Obligations; Replacement of Lenders. (a) If any Lender requests compensation under Section 2.16, or if any of the Borrowers is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.18, then such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 2.16 or 2.18, as the case may be, in the future and (ii) would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

(b) If any Lender requests compensation under Section 2.16, or if any of the Borrowers is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.18, or if any Lender defaults in its obligation to fund Loans hereunder, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in Section 9.04), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Borrower shall have received the prior written consent of the Administrative Agent (and if a Revolving Commitment is being assigned, the Issuing Bank), which consent shall

not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and participations in LC Disbursements and Swingline Loans, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts) and (iii) in the case of any such assignment resulting from a claim for compensation under Section 2.16 or payments required to be made pursuant to Section 2.18, such assignment will result in a reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

(c) If, in connection with any proposed amendment, modification or waiver pursuant to Section 9.02 (a “Proposed Change”) requiring the consent of all or all affected Lenders, the consent of the Required Lenders is obtained, but the consent of other Lenders whose consent is required is not obtained (any such Lender whose consent is not obtained as described in this clause (c) being referred to as a “Non-Consenting Lender”), then, so long as the Administrative Agent is not a Non-Consenting Lender, at the Borrower’s request and at its sole cost and expense, the Administrative Agent, or a Person or Persons reasonably acceptable to the Administrative Agent, shall have the right with the Administrative Agent’s consent (but shall have no obligation) to purchase from such Non-Consenting Lenders, and such Non-Consenting Lenders agree that they shall, upon the Administrative Agent’s request, sell and assign to the Administrative Agent or such Person, all of the Loans and Commitments of such Non-Consenting Lenders for an amount equal to the principal balance of all Loans held by the Non-Consenting Lenders and all accrued interest, fees and other amounts with respect thereto through the date of the sale, such purchase and sale to be consummated at par pursuant to an Assignment and Assumption (with the Borrower or the assignee paying any applicable assignment fee). Any such required sale and assignment shall be treated as a prepayment for purposes of Section 2.17 and the Borrower shall be liable for any amounts payable thereunder as a result of such sale and assignment.

SECTION 2.21. Subsidiary Borrowers .

(a) The Borrower may, at any time or from time to time, designate one or more Wholly-Owned Foreign Subsidiaries of the Borrower as a “Subsidiary Borrower” hereunder by furnishing to the Administrative Agent and the Lenders at least five Business Days before such designation is to take effect a Designation Letter in duplicate, duly completed and executed by the Borrower and such Wholly-Owned Foreign Subsidiary, together with (i) the items described in paragraphs (h) and (i) of Section 4.01 of the Original Credit Agreement relating to such Subsidiary Borrower in form and substance satisfactory to the Administrative Agent, (ii) such security agreements and similar documents as the Administrative Agent shall reasonably request to accomplish the pledge by such Subsidiary Borrower of substantially all of its assets (other than Real Property) and such immaterial assets as may be agreed upon between the Administrative Agent and the Borrower) to secure the obligations of such Subsidiary Borrower hereunder and under the Designation Letter, and (iii) such other documents and information (including information relating to “know your customer” rules and regulations) as the Administrative Agent shall reasonably request. Upon any such designation of a Wholly-Owned Foreign Subsidiary and the consent of each of the Lenders, which will not be

unreasonably withheld, such Subsidiary shall be a Subsidiary Borrower hereunder (with the related rights and obligations) and shall be entitled to request Revolving Loans on and subject to the terms and conditions of, and to the extent provided in, this Agreement; provided, however, that if the Borrower so indicates in the applicable Designation Letter, the Subsidiary Borrower may be entitled to request only Alternate Currency Loans, in which case such Subsidiary Borrower shall then be entitled to request Alternate Currency Loans on and subject to the terms and conditions of, and to the extent provided in, this Agreement and the consent to such designation of only the Administrative Agent and the applicable Alternate Currency Lenders shall be required.

(b) So long as all Loans made to any Subsidiary Borrower and any related obligations have been paid in full, the Borrower may terminate the status of such Subsidiary Borrower as a Subsidiary Borrower hereunder by furnishing to the Administrative Agent a Termination Letter in duplicate, duly completed and executed by the Borrower and such Subsidiary. Any Termination Letter furnished hereunder shall be effective upon receipt by the Administrative Agent, which shall promptly notify the Lenders. Notwithstanding the foregoing, the delivery of a Termination Letter with respect to any Subsidiary Borrower shall not terminate (i) any obligation of such Subsidiary Borrower that remains unpaid at the time of such delivery or (ii) the obligations of the Borrower under the Parent Guaranty with respect to any such unpaid obligations.

(c) BPGR and Manitowoc Asia Holdings as the initial Subsidiary Borrowers, hereby agree to be bound by the provisions of the second sentence of the third paragraph of the attached form of Designation Letter as if the same were fully set forth herein. The provisions of Section 2.21(a)(ii) shall not be applicable to such Subsidiary Borrowers. It is agreed that BPGR and Manitowoc Asia Holdings shall be entitled to request Alternate Currency Loans only and shall not be entitled to receive Loans pursuant to Section 2.01(a).

SECTION 2.22. Additional Reserve Costs. (a) For so long as any Lender is required to comply with (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions) or (b) the requirements of the European Central Bank, in each case in respect of such Lender's Eurocurrency Loans or Swingline Foreign Currency Loans, such Lender shall be entitled to require the Applicable Borrower to pay, contemporaneously with each payment of interest on each of such Loans, additional interest on such Loan at a rate per annum equal to the Mandatory Cost Rate calculated in accordance with the formula and in the manner set forth in Schedule 2.22 hereto.

(b) For so long as any Lender is required to comply with reserve assets, liquidity, cash margin or other requirements of any monetary or other authority (including any such requirement imposed by the European Central Bank or the European System of Central Banks, but excluding requirements reflected in the Statutory Reserves or the Mandatory Cost Rate) in respect of any of such Lender's Eurocurrency Loans and Swingline Foreign Currency Loans, such Lender shall be entitled to require the Applicable Borrower to pay, contemporaneously with each payment of interest on each of such Lender's Loans subject to such requirements, additional interest on such Loan at a rate per annum specified by such Lender to be the cost to such Lender of complying with such requirements in relation to such Loan.

(c) Any additional interest owed pursuant to paragraph (b) above shall be determined in reasonable detail by the applicable Lender, which determination shall be conclusive absent manifest error, and notified to the applicable Borrower (with a copy to the Administrative Agent) at least five Business Days before each date on which interest is payable for the applicable Loan, and such additional interest so notified to the applicable Borrower by such Lender shall be payable to the Administrative Agent for the account of such Lender on each date on which interest is payable for such Loan.

ARTICLE III

Representations and Warranties

The Borrower represents and warrants to the Lenders that:

SECTION 3.01. Organization; Powers. Except as set forth on Schedule 3.01, each of the Borrower and its Subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization (except, with respect to Subsidiaries that are not Subsidiary Guarantors, where the failure to be in good standing under the laws of their respective jurisdiction of incorporation could not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect), has all requisite power and authority to carry on its business as now conducted and, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required.

SECTION 3.02. Authorization; Enforceability. The Transactions are within the Credit Parties' corporate or limited liability company or other organizational powers and have been duly authorized by all necessary corporate and, if required, stockholder or similar action. This Agreement has been duly executed and delivered by the Borrower and constitutes a legal, valid and binding obligation of the Borrower, enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

SECTION 3.03. Governmental Approvals; No Conflicts. The Transactions (a) do not require any consent or approval of, registration or filing with, or any other action by, any Governmental Authority, except such as have been obtained or made and are in full force and effect (or, in the case of the Acquisition, shall have been obtained or made prior to the Initial Borrowing Date), (b) will not violate any applicable law or regulation or the charter, by-laws or other organizational documents of the Borrower or any of its Subsidiaries or any order of any Governmental Authority, (c) will not violate or result in a default under (i) the Senior Note Documents or (ii) any other indenture, agreement or other instrument binding upon the Borrower or any of its Subsidiaries or its assets, other than (in the case of such other indentures, agreements or instruments referred to in clause (ii)) such violations or defaults which could not reasonably be expected to result, individually or in the aggregate, in a Material Adverse Effect, or give rise to a right thereunder to require any payment to be made by the Borrower or any of its

Subsidiaries, and (d) will not result in the creation or imposition of any Lien on any asset of the Borrower or any of its Subsidiaries, other than Permitted Liens.

SECTION 3.04. Financial Condition; No Material Adverse Change. (a) The Borrower has heretofore furnished to the Lenders its consolidated balance sheet and statements of income, stockholders equity and cash flows as of and for the fiscal year ended December 31, 2007, reported on by Pricewaterhouse Coopers LLP, independent public accountants. Such financial statements present fairly, in all material respects, the financial position and results of operations and cash flows of the Borrower and its consolidated Subsidiaries as of such date and for such period in accordance with GAAP.

(b) Since December 31, 2007, there has been no material adverse change in the business, assets, operations, prospects or condition, financial or otherwise, of the Borrower and its Subsidiaries, taken as a whole.

SECTION 3.05. Properties. (a) Each of the Borrower and its Subsidiaries has good title to, or valid leasehold interests in, all its real and personal property material to its business, except for minor defects in title that do not interfere with its ability to conduct its business as currently conducted or to utilize such properties for their intended purposes, and free and clear of all Liens, other than Permitted Liens. All Real Property having a fair market value in excess of \$5,000,000 owned by the Borrower or any of the Subsidiary Guarantors as of the Effective Date is set forth on Schedule 3.05. Schedule 3.05 also sets forth (i) the locations of all leased Real Property of the Borrower or any Subsidiary Guarantor where equipment and/or inventory having a fair market value in excess of \$500,000 in the aggregate (as determined at any time during the immediately preceding four fiscal quarters) is held as of the Effective Date, and (ii) the locations where such equipment and/or inventory is held pursuant to bailment arrangements as of the Effective Date.

(b) Each of the Borrower and its Subsidiaries owns, or is licensed to use, all trademarks, tradenames, copyrights, patents and other intellectual property material to its business, and the use thereof by the Borrower and its Subsidiaries does not infringe upon the rights of any other Person, except for any such infringements that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.06. Litigation and Environmental Matters. (a) There are no actions, suits or proceedings by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its Subsidiaries (i) as to which there is a reasonable possibility of an adverse determination and that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect or (ii) that involve the Credit Documents or the Transactions.

(b) Except with respect to any other matters that, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect, neither the Borrower nor any of its Subsidiaries (i) has failed to comply with any Environmental Law or to obtain, maintain or comply with any permit, license or other approval required under any Environmental Law, (ii) has become subject to any Environmental Liability, (iii) has received

notice of any claim with respect to any Environmental Liability or (iv) knows of any basis for any Environmental Liability.

SECTION 3.07. Compliance with Laws and Agreements. Each of the Borrower and its Subsidiaries is in compliance with all laws, regulations and orders of any Governmental Authority applicable to it or its property and all indentures, agreements and other instruments binding upon it or its property, except where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect. No Default has occurred and is continuing.

SECTION 3.08. Investment Company Status. Neither the Borrower nor any of its Subsidiaries is an “investment company” as defined in, or subject to regulation under, the Investment Company Act of 1940.

SECTION 3.09. Taxes. Each of the Borrower and its Subsidiaries has timely filed or caused to be filed all Tax returns and reports required to have been filed (including the filing of extensions in respect thereof) and has paid or caused to be paid all Taxes required to have been paid by it, except (a) Taxes that are being contested in good faith by appropriate proceedings and for which the Borrower or such Subsidiary, as applicable, has set aside on its books adequate reserves or (b) to the extent that the failure to do so could not reasonably be expected to result in a Material Adverse Effect.

SECTION 3.10. ERISA; Foreign Pension Plans. (a) No ERISA Event has occurred or is reasonably expected to occur that, when taken together with all other such ERISA Events for which liability is reasonably expected to occur, could reasonably be expected to result in a Material Adverse Effect. Except as set forth on Schedule 3.10, the present value of all accumulated benefit obligations under each Plan (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements prior to the Effective Date reflecting such amounts, exceed by more than \$20,000,000 the fair market value of the assets of such Plan, and the present value of all accumulated benefit obligations of all underfunded Plans (based on the assumptions used for purposes of Statement of Financial Accounting Standards No. 87) did not, as of the date of the most recent financial statements prior to the Effective Date reflecting such amounts, exceed by more than \$20,000,000 the fair market value of the assets of all such underfunded Plans.

(b) Each Foreign Pension Plan has been maintained in substantial compliance with its terms and in substantial compliance with the requirements of any and all applicable laws, statutes, rules, regulations and orders and has been maintained, where required, in good standing with applicable regulatory authorities. All contributions required to be made with respect to a Foreign Pension Plan have been timely made. Neither the Borrower nor any of its Subsidiaries has incurred any material obligation in connection with the termination of or withdrawal from any Foreign Pension Plan. Except as set forth on Schedule 3.10, the present value of the accrued benefit liabilities (whether or not vested) under each Foreign Pension Plan, determined as of the end of the Borrower’s most recently ended fiscal year prior to the Effective Date on the basis of actuarial assumptions, each of which is reasonable, did not exceed by more than \$20,000,000 the current value of the assets of such Foreign Pension Plan allocable to such benefit liabilities.

(c) To the Borrower's knowledge, (i) there are no grounds to suspect that the Pensions Regulator would have the power to issue a Financial Support Direction or a Contribution Notice to any member of the Target Group as a result of the consummation of the Acquisition or the Transactions or, if the Pensions Regulator had such a power, it would not be reasonable for it to exercise such a power, in each case with respect to any of the UK defined benefit pension schemes operated by or maintained for the benefit of members of the Target Group; and (ii) there is no requirement (and no requirement will arise) to notify, or, in consequence of (i) above, the Borrower does not consider it necessary to seek any clearance from, the Pensions Regulator as a result of the consummation of the Acquisition or the Transactions. Under the terms of the UK defined benefit pension schemes operated by or maintained for the benefit of members of the Target Group, the pension trustees do not have the power to unilaterally wind up those schemes or to unilaterally increase the contributions required to be made by the members of the Target Group.

SECTION 3.11. Disclosure. The Borrower has disclosed to the Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. Neither the Information Memorandum nor any of the other reports, financial statements, certificates or other information furnished by or on behalf of the Borrower to the Administrative Agent or any Lender in connection with the negotiation of this Agreement or delivered hereunder (as modified or supplemented by other information so furnished) contains or will contain any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

SECTION 3.12. The Security Documents. (a) The provisions of the Security Documents are effective to create in favor of the Collateral Agent for the benefit of the Secured Creditors a legal, valid and enforceable security interest in all right, title and interest of the Credit Parties in the US Security Agreement Collateral and UK Security Agreement Collateral described therein, and the Collateral Agent, for the benefit of the Secured Creditors, will have, upon its taking all actions required of it under the UCC, a fully perfected security interest in all right, title and interest in all of the US Security Agreement Collateral described therein (to the extent that such security interest can be perfected by filing a UCC financing statement or, to the extent required by the US Security Agreement, by taking possession of (or taking certain other actions with respect to) the respective US Security Agreement Collateral), subject to no other Liens other than Permitted Liens. In addition, the recordation of (x) the Grant of Security Interest in U.S. Patents and (y) the Grant of Security Interest in U.S. Trademarks in the respective forms attached to the US Security Agreement, in each case in the United States Patent and Trademark Office, together with UCC filings made pursuant to the US Security Agreement, will create, as may be perfected by such filings and recordation, a perfected security interest in the United States trademarks and patents covered by the US Security Agreement, and the recordation of the Grant of Security Interest in U.S. Copyrights in the form attached to the US Security Agreement with the United States Copyright Office, together with UCC filings made pursuant to the US Security Agreement, will create, as may be perfected by such filings

and recordation, a perfected security interest in the United States copyrights covered by the US Security Agreement.

(b) The security interests created in favor of the Collateral Agent, as pledgee, for the benefit of the Secured Creditors, under the US Pledge Agreement constitute perfected security interests in the US Pledge Agreement Collateral described in the US Pledge Agreement, subject to no security interests of any other Person. No filings or recordings are required in order to perfect (or maintain the perfection or priority of) the security interests created in the US Pledge Agreement Collateral under the US Pledge Agreement other than with respect to that portion of the US Pledge Agreement Collateral constituting a “general intangible” under the UCC.

SECTION 3.13. Subsidiaries. As of the Effective Date, the Borrower has no Subsidiaries other than those Subsidiaries listed on Schedule 3.13. Schedule 3.13 correctly sets forth, as of the Effective Date, (i) the percentage ownership (direct or indirect) of the Borrower in each class of capital stock or other equity of its Subsidiaries and also identifies the direct owner thereof, and (ii) the jurisdiction of organization of each such Subsidiary. Each Subsidiary which was, as of the Effective Date, a Material Subsidiary is identified as such on Schedule 3.13.

SECTION 3.14. Indebtedness. Schedule 6.01 sets forth a true and complete list of all Indebtedness (including Guarantees (other than Guarantees otherwise permitted under Section 6.01)) of the Borrower and its Subsidiaries and, to the knowledge of Borrower, the Target Group as of the Effective Date and which is to remain outstanding after giving effect to the Transactions (excluding the Loans and the Letters of Credit), in each case showing the aggregate principal amount thereof and the name of the respective borrower and any Credit Party or any of its Subsidiaries (and, to the knowledge of the Borrower, any member of the Target Group) which directly or indirectly guarantees such debt.

SECTION 3.15. Insurance. Schedule 3.15 sets forth a true and complete listing of all insurance maintained by the Borrower and its Subsidiaries as of the Effective Date, with the amounts insured (and any deductibles) set forth therein.

SECTION 3.16. Regulation U. Margin stock (as defined in Regulation U of the Board of Governors of the Federal Reserve System) constitutes less than 25% of the value of those assets of the Borrower and its Subsidiaries which are subject to any limitation on sale, pledge, or other restriction hereunder. Neither the making of any Loan or issuance of any Letters of Credit hereunder, the use of the proceeds thereof, nor any other aspect of the financing of the Acquisition, will violate or be inconsistent with the provisions of Regulation T, Regulation U or Regulation X of the Board of Governors of the Federal Reserve System.

SECTION 3.17. Solvency. On the Initial Borrowing Date, after giving effect to the consummation of the transactions contemplated hereby and by the Transaction Documents and the payment of all fees, costs and expenses payable by the Borrower with respect to the transactions contemplated hereby and by the Transaction Documents, (a) on a going concern basis the fair market value of the assets of the Borrower and its Subsidiaries, on a consolidated basis, will exceed their debts and liabilities, subordinated, contingent or otherwise, (b) the present fair saleable value of the property of the Borrower and its Subsidiaries, on a

consolidated basis, will be greater than the amount that will be required to pay their debts and other liabilities, subordinated, contingent or otherwise, as such debts or other liabilities become absolute and matured in the ordinary course, (c) the Borrower and its Subsidiaries, on a consolidated basis, are able to pay their debts and liabilities, subordinated, contingent or otherwise, as such debts and liabilities become absolute and matured in the ordinary course, and (d) the Borrower and its Subsidiaries, on a consolidated basis, do not have unreasonably small capital with which to conduct the business in which they are engaged as such business is now conducted and is proposed to be conducted following the Initial Borrowing Date. The amount of contingent liabilities at any time shall be computed as the amount that can reasonably be expected to become an actual and matured liability.

ARTICLE IV

Conditions

SECTION 4.01. Effectiveness. This Agreement shall become effective upon, and only upon, the satisfaction of each of the following conditions precedent:

(a) The Administrative Agent (or its counsel) shall have received from each Credit Party and each financial institution identified on Schedule 2.01 either (i) a counterpart hereof (and, as applicable, of a Reaffirmation of Guaranty and Security Documents in the form of Exhibit H hereto) signed on behalf of such Credit Party or financial institution or (ii) written evidence satisfactory to the Administrative Agent (which may include telecopy or electronic transmission of a signed signature page of this Agreement or such Reaffirmation of Guaranty and Security Documents) that such party has signed a counterpart of such document.

(b) The Administrative Agent shall have received documents and certificates relating to the authorization of this Amendment and the transactions contemplated hereby by the Borrowers and each Subsidiary Guarantor in form and substance satisfactory to the Administrative Agent.

(c) The Administrative Agent shall have received an executed legal opinion (addressed to the Administrative Agent and the Lenders) from Foley & Lardner LLP in form and substance satisfactory to the Administrative Agent. The Borrower hereby requests such counsel to deliver such opinion.

(d) The Borrowers shall have provided such other corporate and other certificates, opinions, documents, instruments and agreements as the Administrative Agent may reasonably request.

The first date upon which all of the foregoing conditions shall have been satisfied is referred to as the "Restatement Date". The Administrative Agent shall notify the Borrower and the Lenders promptly of the occurrence of the Restatement Date and such notice shall be conclusive and binding on all parties hereto. In the event the Restatement Date has not occurred on or before September 2, 2008, this Agreement shall not become operative and shall be of no force or effect (in which case the Original Credit Agreement shall remain in full force and effect).

SECTION 4.02. Initial Funding. The obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit hereunder shall not become effective until the date on which this Agreement has become effective pursuant to Section 4.01 and each of the following conditions is satisfied (or waived in accordance with Section 9.02):

(a) The Administrative Agent shall have received a certificate, dated the Initial Borrowing Date and signed by the President, a Vice President or a Financial Officer of the Borrower, confirming compliance as of such date with the conditions set forth in paragraphs (a), (b) and (c) of Section 4.03 or, with respect to Certain Funds Loans during the Certain Funds Period, the conditions set forth in Section 4.04(a).

(b) The Administrative Agent shall have received all fees and other amounts due and payable on or prior to the Initial Borrowing Date, including, to the extent invoiced, reimbursement or payment of all out of pocket expenses required to be reimbursed or paid by the Borrower hereunder.

(c) (i) The Administrative Agent shall have received evidence that the Borrower has delivered to the Existing Agent an irrevocable notice with respect to the Existing Credit Agreement, notifying the Existing Agent that on the Initial Borrowing Date, the total commitments under the Existing Credit Agreement will be terminated, all loans thereunder will be repaid in full, together with interest thereon, all letters of credit, if any, issued thereunder will be terminated (or shall constitute Existing Letters of Credit hereunder) and all other amounts owing pursuant to the Existing Credit Agreement and all agreements related thereto will be repaid in full and (ii) the Borrower shall have irrevocably directed the Administrative Agent to disburse to the Existing Agent out of the proceeds of Loans being made on the Initial Borrowing Date an amount sufficient to effect such repayment in full.

(d) The Administrative Agent shall have received (i) all stock (or unit) certificates evidencing all Equity Interests to be pledged pursuant to the US Pledge Agreement, accompanied by stock (or unit) powers executed in blank, and all notes to be pledged pursuant to the US Pledge Agreement (including notes evidencing indebtedness required to be so evidenced pursuant to Section 6.05), accompanied by note powers executed in blank (provided that to the extent that such certificates are in the possession of the Existing Agent, this condition shall be satisfied by receipt by the Administrative Agent of evidence that the Borrower has irrevocably directed the Existing Agent to immediately deliver upon termination of commitments and repayment of amounts due under the Existing Credit Agreement, all such certificates to the Administrative Agent), (ii) all share certificates evidencing all Equity Interests in Newco to be charged pursuant to the UK Security Agreement, accompanied by executed and (unless exempt from stamp duty), pre-stamped share transfers with the transferee left blank, and (iii) pledged certificates or statements of pledge, as applicable, in the form attached to the French Pledge Agreement.

(e) Substantially contemporaneously with the making of the initial Loans, the Administrative Agent shall have received duly executed copies of (i) Mortgages (in substantially the form of Exhibit E or F, as applicable) with respect to the Real Property and leasehold mortgages identified on Schedule 4.02 (other than the Marine Mortgages) and (ii) such duly

executed promissory notes evidencing the Loans as may have been requested pursuant to Section 2.10(e).

(f) In the case of an Offer, the Administrative Agent shall have received evidence that the board of directors of the Target shall have recommended the Acquisition.

(g) The Administrative Agent shall have received certified copies of the Acquisition Documents (it being acknowledged that if the Scheme Document and Offer Document conform with Sections 5.14(a)(iv) and 5.15(a)(iv), respectively, they shall be satisfactory to the Administrative Agent).

(h) The Administrative Agent shall have received a certificate of the Borrower dated no earlier than the Initial Borrowing Date confirming and attaching evidence that, (i) the Unconditional Date has occurred, (ii) (A) the European Commission has taken a decision that it will not initiate proceedings under Article 6(1)(c) of the EC Merger Regulation, (B) the European Commission has taken a decision (or has been deemed to have taken a decision) to refer the whole or part of the Offer or Scheme to the competent authorities of one or more member states of the European Union under Article 9(3) of the EC Merger Regulation; and (x) each such authority has taken a decision with equivalent effect to that referred to in Section 4.02(h)(ii)(A) with respect to those parts of the Offer or Scheme referred to it; and (y) the European Commission has taken any of the decisions referred to in Section 4.02(h)(ii)(A) with respect to any part of the Offer or Scheme retained by it; and (C) all required filings have been made and any waiting period, including any extensions thereof, applicable under the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976 (as amended) and the regulations made thereunder has expired, lapsed or been terminated, (iii) Newco has not agreed to any arrangements with any Governmental Authority in order to satisfy any term or condition of the Offer or Scheme without the consent of the Required Lenders (other than the disposition of certain subsidiaries or businesses of the Borrower or Target) and (iv) either (A) the Acquisition is being effected by means of the Scheme or (B) if not, each of the Lenders shall have consented to the Acquisition being effected by means of the Offer.

The Administrative Agent shall notify the Borrower and the Lenders promptly of the Initial Borrowing Date, and such notice shall be conclusive and binding. Notwithstanding the foregoing, the obligations of the Lenders to make Loans and of the Issuing Bank to issue Letters of Credit hereunder shall not become effective unless each of the foregoing conditions is satisfied (or waived pursuant to Section 9.02) at or prior to 3:00 p.m., New York City time, on the last day of the Certain Funds Period (and, in the event such conditions are not so satisfied or waived, the Commitments shall terminate at such time).

SECTION 4.03. Each Credit Event. The obligation of each Lender to make a Loan on the occasion of any Borrowing, and of the Issuing Bank to issue, amend, renew or extend any Letter of Credit, is subject to the satisfaction of the following conditions:

(a) The representations and warranties of each Credit Party set forth in the Credit Documents shall be true and correct in all material respects (except that any representation or warranty which is already qualified as to materiality or by reference to Material Adverse Effect shall be true and correct in all respects) on and as of the date of such Borrowing (other

than representations and warranties that relate solely to an earlier date) or the date of issuance, amendment, renewal or extension of such Letter of Credit, as applicable.

(b) At the time of and immediately after giving effect to such Borrowing or the issuance, amendment, renewal or extension of such Letter of Credit, as applicable, no Default shall have occurred and be continuing.

(c) The requested extension of credit is permitted by the Senior Note Documents.

Each Borrowing and each issuance, amendment, renewal or extension of a Letter of Credit shall be deemed to constitute a representation and warranty by each Borrower on the date thereof as to the matters specified in paragraphs (a), (b) and (c) of this Section.

SECTION 4.04. Conditions during Certain Funds Period.

(a) Notwithstanding Section 4.03, the obligation of each Lender to make Certain Funds Loans during the Certain Funds Period is only subject to the conditions set forth in Section 4.02 and the further conditions that at the time of the Borrowing Request with respect to such Loan and at the time of such Loan being made:

(i) the Major Representations are true and correct in all respects and will be true and correct immediately after the Loan is made;

(ii) no Major Default shall have occurred and be continuing or would result from the proposed Loan; and

(iii) it is not unlawful for such Lender to make the requested Loans.

(b) During the Certain Funds Period (other than in circumstances where a Lender is not obligated to make a requested Loan pursuant to paragraph (a) above), none of the Lenders or the Administrative Agent or the Collateral Agent shall be entitled to:

(i) cancel any of its Commitments to the extent to do so would prevent or limit the making of a Certain Funds Loan;

(ii) rescind, terminate or cancel this Agreement or any of the Commitments or exercise any similar right or remedy or make or enforce any claim under the Credit Documents it may have to the extent to do so would prevent or limit the making of a Certain Funds Loan;

(iii) refuse to participate in the making of a Certain Funds Loan;

(iv) exercise any right of set-off or counterclaim in respect of a Loan to the extent to do so would prevent or limit the making of a Certain Funds Loan; or

- (v) cancel, accelerate or cause repayment or prepayment of any amounts owing hereunder or under any other Credit Document to the extent to do so would prevent or limit the making of a Certain Funds Loan;

provided that immediately upon the expiry of the Certain Funds Period all such rights, remedies and entitlements shall be available to the Lenders, the Administrative Agent and the Collateral Agent notwithstanding that they may not have been used or been available for use during the Certain Funds Period.

ARTICLE V

Affirmative Covenants

From the Effective Date until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full and all Letters of Credit have expired or terminated and all LC Disbursements shall have been reimbursed, the Borrower covenants and agrees with the Lenders that:

SECTION 5.01. Financial Statements and Other Information. The Borrower will furnish to the Administrative Agent and each Lender:

(a) within 90 days after the end of each fiscal year of the Borrower, its audited consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such year, setting forth in each case in comparative form the figures for the previous fiscal year, all reported on by PricewaterhouseCoopers LLP or other independent public accountants of recognized national standing (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit) to the effect that such consolidated financial statements present fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied;

(b) within 45 days after the end of each of the first three fiscal quarters of each fiscal year of the Borrower, its consolidated balance sheet and related statements of operations, stockholders' equity and cash flows as of the end of and for such fiscal quarter and the then elapsed portion of the fiscal year, setting forth in each case in comparative form the figures for the corresponding period or periods of (or, in the case of the balance sheet, as of the end of) the previous fiscal year, all certified by one of its Financial Officers as presenting fairly in all material respects the financial condition and results of operations of the Borrower and its consolidated Subsidiaries on a consolidated basis in accordance with GAAP consistently applied, subject to normal year-end audit adjustments and the absence of footnotes;

(c) concurrently with any delivery of financial statements under clause (a) or (b) above, a certificate of a Financial Officer of the Borrower (i) certifying as to whether a Default has occurred and, if a Default has occurred, specifying the details thereof and any action taken or proposed to be taken with respect thereto, (ii) setting forth reasonably detailed calculations (x) of the amount of "Permitted Indebtedness" (as described in part (2) of the

definition thereof in the Senior Note Indenture) then outstanding and then permitted to be incurred by the terms of the Senior Note Indenture and (y) demonstrating compliance with Sections 6.07 through 6.08 and 6.15 and 6.16, (iii) stating whether any change in GAAP or in the application thereof has occurred since the date of the audited financial statements referred to in Section 3.04 and, if any such change has occurred, specifying the effect of such change on the financial statements accompanying such certificate and (iv) if the assets, liabilities or results of operations of any FIN 46 Subsidiary are reflected in such financial statements, attaching such additional information, all certified by a Financial Officer of the Borrower and in form and detail satisfactory to the Administrative Agent, as may be necessary to permit computation of all amounts relevant to the determination of the Borrower's compliance with this Agreement (taking into account the fact that FIN 46 Subsidiaries and their respective assets, liabilities and results of operations are excluded from all computations made on a consolidated basis for the Borrower and its Subsidiaries hereunder);

(d) concurrently with any delivery of financial statements under clause (a) above, a certificate of the accounting firm that reported on such financial statements stating whether they obtained knowledge during the course of their examination of such financial statements of any Default (which certificate may be limited to the extent required by accounting rules or guidelines);

(e) promptly after the same become publicly available, copies of all periodic reports (including reports on Form 8-K), proxy statements and other financial materials filed by the Borrower or any Subsidiary with the Securities and Exchange Commission, or any Governmental Authority succeeding to any or all of the functions of said Commission, or with any national securities exchange, or distributed by the Borrower to its shareholders generally, as the case may be;

(f) promptly following any request therefor, such other information regarding the operations, business affairs and financial condition of the Borrower or any Subsidiary, or compliance with the terms of this Agreement, as the Administrative Agent or any Lender may reasonably request;

(g) no later than 60 days following the first day of each fiscal year of the Borrower, a budget in form reasonably satisfactory to the Administrative Agent (including budgeted statements of income, sources and uses of cash and balance sheets) for the Borrower and its Subsidiaries on a consolidated basis prepared by the Borrower for each of the four fiscal quarters of such fiscal year prepared in detail, setting forth, with appropriate discussion, the principal assumptions upon which such budgets are based; and

(h) promptly after the delivery thereof, copies of all financial information, proxy materials and reports which the Borrower or any of its Subsidiaries shall deliver to holders (or any trustee, agent or representative therefor) of any of its other Material Indebtedness in each case pursuant to the terms of the documentation governing such Material Indebtedness.

Any financial statement or other material required to be delivered pursuant to this Section 5.01 shall be deemed to have been furnished to the Lenders on the date that an electronic copy of such financial statement or other material is provided to the Administrative Agent or is available to

the Lenders on the website of the Securities and Exchange Commission at <http://www.sec.gov>; provided that the Borrower will furnish paper copies of such financial statements and other materials to any Lender that requests, by notice to the Borrower, that the Borrower do so, until the Borrower receives notice from such Lender to cease delivering such paper copies.

SECTION 5.02. Notices of Material Events. The Borrower will furnish to the Administrative Agent and each Lender written notice of the following promptly upon an officer of the Borrower obtaining knowledge thereof:

- (a) the occurrence of any Default;
- (b) the filing or commencement of any action, suit or proceeding by or before any arbitrator or Governmental Authority against or affecting the Borrower or any Affiliate thereof that, if adversely determined, could reasonably be expected to result in a Material Adverse Effect;
- (c) the occurrence of any ERISA Event that, alone or together with any other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrower and its Subsidiaries in an aggregate amount exceeding \$5,000,000; and
- (d) any other development that results in, or could reasonably be expected to result in, a Material Adverse Effect.

Each notice delivered under this Section shall be accompanied by a statement of a Financial Officer or other executive officer of the Borrower setting forth the details of the event or development requiring such notice and any action taken or proposed to be taken with respect thereto.

SECTION 5.03. Existence; Conduct of Business. The Borrower will, and will cause each of its Material Subsidiaries to, do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and the rights, licenses, permits, privileges and franchises material to the conduct of its business; provided that the foregoing shall not prohibit any sale of assets, merger, consolidation, liquidation or dissolution permitted under Section 6.03.

SECTION 5.04. Payment of Obligations. The Borrower will, and will cause each of its Subsidiaries to, pay its obligations, including Tax liabilities, that, if not paid, could result in a Material Adverse Effect before the same shall become delinquent or in default, except where (a) the validity or amount thereof is being contested in good faith by appropriate proceedings, (b) the Borrower or such Subsidiary has set aside on its books adequate reserves with respect thereto in accordance with GAAP and (c) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.05. Maintenance of Properties; Insurance. The Borrower will, and will cause each of its Material Subsidiaries to, (a) keep and maintain all property material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, (b) maintain, with financially sound and reputable insurance companies, insurance in such amounts and against such risks as are customarily maintained by companies engaged in the

same or similar businesses operating in the same or similar locations and (c) cause all insurance policies or certificates, as requested by the Administrative Agent, to be endorsed to the benefit of the Administrative Agent (including, without limitation, by naming the Administrative Agent as loss payee and/or additional insured). If the Borrower or any of its Material Subsidiaries shall fail to maintain insurance in accordance with this Section 5.05, or if the Borrower or any of its Material Subsidiaries shall fail to so endorse and deliver all policies or certificates with respect thereto, the Administrative Agent shall have the right (but shall be under no obligation) to procure such insurance and the Borrower agrees to reimburse the Administrative Agent for all reasonable costs and expenses of procuring such insurance.

SECTION 5.06. Books and Records; Inspection Rights. The Borrower will, and will cause each of its Subsidiaries to, keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. The Borrower will, and will cause each of its Subsidiaries to, permit any representatives designated by the Administrative Agent or any Lender, upon reasonable prior notice, to visit and inspect its properties, to examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and independent accountants, all at such reasonable times and as often as reasonably requested.

SECTION 5.07. Compliance with Laws and Material Contractual Obligations. The Borrower will, and will cause each of its Subsidiaries to, comply with (a) all laws, rules, regulations and orders of any Governmental Authority applicable to it or its property, and (b) all material contractual obligations, except in each case, where the failure to do so, individually or in the aggregate, could not reasonably be expected to result in a Material Adverse Effect.

SECTION 5.08. Use of Proceeds and Letters of Credit. The proceeds of the Loans will be used for general corporate purposes, including to refinance existing Indebtedness of the Borrower and its Subsidiaries, to finance the Acquisition, to pay related fees and expenses. No part of the proceeds of any Loan will be used, whether directly or indirectly, to purchase or carry Margin Stock or for any purpose that entails a violation of any of the Regulations of the Board, including Regulations T, U and X. Letters of Credit will be issued only to support the ordinary course of business operations of the Borrower and its Subsidiaries.

SECTION 5.09. Compliance with Environmental Laws. (a) The Borrower will comply, and will cause each of its Subsidiaries to comply, with all Environmental Laws and permits applicable to, or required by, the ownership, lease or use of its Real Property now or hereafter owned, leased or operated by the Borrower or any of its Subsidiaries, except such noncompliances as could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, and will promptly pay or cause to be paid all costs and expenses incurred in connection with such compliance, and will keep or cause to be kept all such Real Property free and clear of any Liens imposed pursuant to such Environmental Laws. Neither the Borrower nor any of its Subsidiaries will generate, use, treat, store, Release or dispose of, or permit the generation, use, treatment, storage, Release or disposal of Hazardous Materials on any Real Property now or hereafter owned, leased or operated by the Borrower or any of its Subsidiaries, or transport or permit the transportation of Hazardous Materials to or from any such Real Property, except for Hazardous Materials generated, used, treated, stored, Released or

disposed of at any such Real Properties in compliance in all material respects with all applicable Environmental Laws and as required in connection with the normal operation, use and maintenance of the business or operations of the Borrower or any of its Subsidiaries and which could not, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

(b) (i) After the receipt by the Administrative Agent or any Lender of any notice of material non-compliance with any Environmental Law by the Borrower or any of its Subsidiaries or with respect to any Real Property owned, leased or operated by the Borrower or any of its Subsidiaries, (ii) at any time that the Borrower or any of its Subsidiaries are not in compliance with Section 5.09(a) or (iii) in the event that the Administrative Agent or the Lenders have exercised any of the remedies pursuant to Article VII, the Borrower will (in each case) provide, at the sole expense of the Borrower and at the request of the Administrative Agent, an environmental site assessment report concerning such Real Property (or, in the case of clause (iii) above, any Real Property owned, leased or operated by the Borrower or any of its Subsidiaries), prepared by an environmental consulting firm reasonably approved by the Administrative Agent, indicating the presence or absence of Hazardous Materials and the potential cost of any removal or remedial action in connection with such Hazardous Materials on such Real Property. If the Borrower fails to provide the same within 30 days after such request was made, the Administrative Agent may order the same, the cost of which shall be borne by the Borrower, and the Borrower shall grant and hereby grants to the Administrative Agent and the Lenders and their respective agents access to such Real Property and specifically grants the Administrative Agent and the Lenders an irrevocable non-exclusive license, subject to the rights of tenants, to undertake such an assessment at any reasonable time upon reasonable notice to the Borrower, all at the sole expense of the Borrower.

SECTION 5.10. Further Assurances; etc. (a)(i) The Borrower will, and will cause each of its Subsidiaries to, at the expense of the Borrower, make, execute, endorse, acknowledge, file and/or use commercially reasonable efforts to deliver to the Collateral Agent from time to time such schedules, confirmatory assignments, financing statements, transfer endorsements, certificates, reports, landlord waivers and other assurances or instruments and take such further steps relating to the Collateral covered by any of the Security Documents as the Collateral Agent may reasonably require and as are generally consistent with the terms of this Agreement and the Security Documents and are necessary to effectuate the intent of said agreements.

(ii) Without limiting the foregoing, on or prior to the Initial Borrowing Date, the Borrower will, and will cause each of its Subsidiaries to use commercially reasonable efforts to (A) deliver to the Administrative Agent a landlord waiver with respect to each parcel of Real Property leased by the Borrower or any of the Subsidiary Guarantors, identified on Schedule 3.05 hereto and requested by the Administrative Agent, each in form and substance reasonably acceptable to the Administrative Agent and (B) deliver to the Administrative Agent such bailee letters with respect to Collateral held by third parties identified on Schedule 3.05 hereto and requested by the Administrative Agent, in form and substance reasonably acceptable to the Administrative Agent or, in the case of either (A) or (B) make arrangements reasonably satisfactory to the Administrative Agent for the delivery of such waivers or letters.

(iii) Without limiting the foregoing, on or prior to the Initial Borrowing Date, the Borrower will cause to be delivered to the Administrative Agent the following with respect to each parcel of Real Property which is subject to a Lien pursuant to a Mortgage, each in form and substance reasonably satisfactory to the Administrative Agent: (A) an ALTA mortgagee title insurance policy (or a commitment to issue such a policy, which policy would be issued at the Borrower's expense within a reasonable time period acceptable to the Administrative Agent) in an amount equal to at least 100% (or solely with respect to the Real Property located at 1565 Buchanan Trail East, Shady Grove, PA 17256, 110%) of the value of the subject Real Property as reasonably determined by the Administrative Agent and including such affirmative coverage endorsements as reasonably required by Administrative Agent; (B) an ALTA survey prepared and certified to the Administrative Agent by a surveyor acceptable to the Administrative Agent dated within ten (10) days of the date of the recording of the Mortgage and including such Table A items as reasonably requested by the Administrative Agent, but only if the title company will not provide survey coverage without such survey; (C) an opinion of counsel from the state in which such Real Property is located in substantially the form attached hereto as Exhibit G, or such other form as is reasonably acceptable to Administrative Agent and (D) such other information, documentation, consents and certifications with respect to such Real Property as the Administrative Agent may reasonably require.

(iv) Without limiting the foregoing, on or prior to the Initial Borrowing Date, the Borrower will cause to be delivered to the Administrative Agent insurance certificates or binders naming the Collateral Agent, on behalf of the Secured Creditors, as loss payee for any property insurance policies and additional insured for any general, excess or umbrella, automobile, marine or other similar liability policies, in form and substance acceptable to the Administrative Agent (other than in respect of the Target and its Subsidiaries).

(b) The Borrower agrees that each action required by clause (a) of this Section 5.10 shall be completed as soon as possible, but in no event later than 60 days after such action is requested to be taken by the Administrative Agent or the Required Lenders (or, if the Borrower is diligently pursuing such action, such longer period of time as the Administrative Agent may reasonably specify); provided that in no event will the Borrower or any of its Subsidiaries be required to take any action, other than using its commercially reasonable best efforts, to obtain consents from third parties with respect to its compliance with this Section 5.10.

(c) If, following a change in the relevant sections of the Code or the regulations, rules, rulings, notices or other official pronouncements issued or promulgated thereunder, the Borrower does not within 30 days after a request from the Administrative Agent or the Required Lenders deliver evidence, in form and substance reasonably satisfactory to the Administrative Agent (which evidence may be in the form of an opinion of counsel), with respect to any Foreign Subsidiary of the Borrower which has not already had all of its stock pledged pursuant to the US Pledge Agreement that (i) a pledge of 65% or more of the total combined voting power of all classes of capital stock of such Foreign Subsidiary entitled to vote and (ii) the entering into by such Foreign Subsidiary of a guarantee in substantially the form of the Subsidiary Guaranty, in any such case could reasonably be expected to cause (I) any undistributed earnings of such Foreign Subsidiary as determined for Federal income tax purposes to be treated as a deemed dividend to such Foreign Subsidiary's United States parent for Federal income tax purposes or (II) other Federal income tax consequences to the Credit Parties having

an adverse financial consequence to any Credit Party in any material respect, then in the case of a failure to deliver the evidence described in clause (i) above, that portion of such Foreign Subsidiary's outstanding capital stock not theretofore pledged pursuant to the US Pledge Agreement shall be promptly pledged to the Collateral Agent for the benefit of the Secured Creditors pursuant to the US Pledge Agreement (or another pledge agreement in substantially similar form, if needed), and in the case of a failure to deliver the evidence described in clause (ii) above such Foreign Subsidiary shall promptly execute and deliver the Subsidiary Guaranty (or another guarantee in substantially similar form, if needed), guaranteeing the obligations of the Borrower under the Credit Documents and under any Swap Agreement entered into with a Secured Creditor, in each case to the extent that the entering into of the US Pledge Agreement or Subsidiary Guaranty is permitted by the laws of the respective foreign jurisdiction and with all documents delivered pursuant to this Section 5.10(c) to be in form and substance reasonably satisfactory to the Administrative Agent. Notwithstanding the foregoing, (i) the Administrative Agent shall not take a security interest in those assets as to which the Administrative Agent shall determine, in its reasonable discretion, that the cost of obtaining such Lien (including any mortgage, stamp, intangibles or other tax, title insurance or similar items) is excessive in relation to the benefit to the Lenders of the security afforded thereby and (ii) no Foreign Subsidiary shall be required to guarantee the Obligations or provide collateral therefor to the extent such guarantee or collateral could reasonably be expected to result in personal liability to its directors or is otherwise prohibited by applicable law.

(d) As soon as reasonably practicable on or after the Unconditional Date and in any event no later than ten Business Days after the Unconditional Date, the Borrower shall deliver to the Administrative Agent a true and correct schedule of each subsidiary of Target, including as of the Unconditional Date, (i) the percentage ownership (direct or indirect) of the Target, as applicable, in each class of capital stock or other equity of its subsidiaries and the identity of the direct owner thereof, and (ii) the jurisdiction of organization of each such subsidiary.

(e) The parties acknowledge that the Borrower has requested, and the Lenders have agreed, that the consummation of the Marine Mortgages shall be deferred and/or waived entirely on the terms set forth in this Section. If the Sale Transaction is consummated prior to the date (the "Trigger Date") which is the earlier of (i) March 31, 2009 (or such later date to which the Administrative Agent may agree) and (ii) the date ten (10) Business Days after the date upon which the Purchase Agreement dated as of August 1, 2008 entered into by the Borrower with respect to the Sale Transaction shall have been terminated, then the Borrower shall not be required to execute or cause the execution of the Marine Mortgages or to take the other actions set forth in Section 5.10(a)(iii) with respect to the Marine Mortgages and the collateral subject thereto. If the Sale Transaction has not been consummated prior to the Trigger Date, then (A) on or prior to the Trigger Date the Borrower shall execute or cause to be executed the Marine Mortgages and (B) not later than thirty days (or such longer period to which the Administrative Agent may agree) after the Trigger Date, the Borrower shall take or cause to be taken the other actions set forth in such Section with respect to the Marine Mortgages and the collateral subject thereto.

SECTION 5.11. Ownership of Subsidiaries; etc. Except as otherwise permitted by Section 6.05(c) or (m) or pursuant to a Permitted Acquisition consummated in

accordance with the terms of this Agreement, the Borrower will directly or indirectly own 100% of the capital stock or other equity interests of each of its Subsidiaries (other than, in the case of Foreign Subsidiaries, director's qualifying shares and/or other nominal amounts of shares required to be held by Persons other than the Borrower and its Subsidiaries under applicable law).

SECTION 5.12. Margin Regulations. The Borrower will take all actions so that at all times the fair market value of all Margin Stock owned by the Borrower and its Subsidiaries (other than capital stock of the Borrower held in treasury) shall not exceed \$2,500,000. So long as the covenant contained in the immediately preceding sentence is complied with, all Margin Stock at any time owned by the Borrower and its Subsidiaries will not constitute Collateral and no security interest shall be granted therein pursuant to any Credit Document. Without excusing any violation of the first sentence of this Section 5.12, if at any time the fair market value of all Margin Stock owned by the Borrower and its Subsidiaries (other than capital stock of the Borrower held in treasury) exceeds \$2,500,000, then (a) all Margin Stock owned by the Credit Parties (other than capital stock of the Borrower held in treasury) shall be pledged, and delivered for pledge, pursuant to the US Pledge Agreement and (b) the Borrower will execute and deliver to the Lenders appropriate completed forms (including, without limitation, Forms G-3 and U-1, as appropriate) establishing compliance with Regulations T, U and X. If at any time any Margin Stock is required to be pledged as a result of the provisions of the immediately preceding sentence, repayments of outstanding obligations hereunder shall be required, and subsequent makings of Loans and issuances of Letters of Credit shall be permitted, only in compliance with the applicable provisions of Regulations T, U and X.

SECTION 5.13. Additional Guarantors and Collateral. (a) Effective upon any Domestic Subsidiary (other than an SPC) which was not a Material Subsidiary on the Effective Date (either because it was not a Subsidiary on the Effective Date or because it did not on the Effective Date meet the other criteria of a Material Subsidiary) becoming a Material Subsidiary, the Borrower shall cause such Domestic Subsidiary within ten Business Days (or, solely with respect to any subsidiary of the Target which, giving effect to the Acquisition, is a Domestic Subsidiary which is a Material Subsidiary, within 45 days after the Initial Borrowing Date) to (i) execute and deliver to the Administrative Agent for the benefit of the Secured Creditors a joinder to the Subsidiary Guaranty and (ii) pledge to the Administrative Agent for the benefit of the Secured Creditors a first priority security interest in (A) all personal property owned by such Person pursuant to a security or pledge agreement substantially similar to the US Security Agreement or, as applicable US Pledge Agreement (or pursuant to a joinder agreement to the US Security Agreement or US Pledge Agreement in form satisfactory to the Administrative Agent) and (B) all real property (including leasehold interests) having a fair market value in excess of \$5,000,000 owned by such Person pursuant to a Mortgage in form satisfactory to the Administrative Agent. The Borrower shall promptly notify the Administrative Agent at any time at which any Domestic Subsidiary becomes a Material Subsidiary.

(b) If at any time, more than 45 days after the Initial Borrowing Date, the aggregate assets of all Domestic Subsidiaries of the Borrower that are not Subsidiary Guarantors which have pledged their assets to secure the Obligations (any such Subsidiary, a "Non-Subject Subsidiary") exceed ten percent (10%) of the consolidated total assets of the Borrower and its Subsidiaries, then the Borrower shall cause one or more of such Non-Subject Subsidiaries (other

than any SPC) to promptly (i) execute a Subsidiary Guaranty and (ii) pledge to the Administrative Agent for the benefit of the Secured Creditors a first priority security interest in (A) all personal property owned by such Person pursuant to a security or pledge agreement substantially similar to the US Security Agreement or, as applicable, US Pledge Agreement (or pursuant to a joinder agreement to the US Security Agreement or US Pledge Agreement in form satisfactory to the Administrative Agent) and (B) all real property (including leaseholds) having a fair market value in excess of \$5,000,000 owned by such Person pursuant to a Mortgage in form satisfactory to the Administrative Agent, so that the aggregate assets of all Non-Subject Subsidiaries do not exceed ten percent (10%) of the consolidated total assets of the Borrower and its Subsidiaries.

(c) Without limiting the provisions of Sections 5.10(c) or 5.13, the Borrower agrees that within 60 days after the Initial Borrowing Date (and periodically thereafter as the Administrative Agent may request) it will identify to the Administrative Agent by written notice each Foreign Subsidiary of the Borrower which may (i) become a guarantor of some or all of the Obligations, (ii) have 65% or more of its Equity Interests pledged to secure some or all of the Obligations or (iii) pledge its assets to secure some or all of the Obligations (each of the foregoing being “Credit Support”), in each case (A) without having an adverse tax or other financial consequence to the Borrower or any of its Subsidiaries in any material respect, (B) solely to the extent any of the foregoing actions could not reasonably be expected to result in personal liability to the directors of such Foreign Subsidiary and (C) solely to the extent any of the foregoing actions are not otherwise prohibited by applicable law (any of the actions described in (i) – (iii) above which do not have any of the consequences described in (A) – (C) above being “Permitted Credit Support”). Such notice shall not be required to identify Foreign Subsidiaries already providing Credit Support which are not required to provide incremental Credit Support pursuant to this section.

(d) Within 30 days after the delivery of such notice pursuant to Section 5.13(c) (or such longer period to which the Administrative Agent may agree) the Borrower will cause the applicable Foreign Subsidiary (or the Subsidiary which is the holder of Equity Interests therein, as applicable) to provide the applicable Permitted Credit Support pursuant to such documentation (including certificates and opinions of counsel) as the Administrative Agent may reasonably request (which documentation shall provide equal and ratable credit support for Swap Agreements and Banking Product Agreements (as defined in the US Security Agreement) to the same extent as provided in the US Security Agreement). To the extent that provision of Credit Support by any Foreign Subsidiary would constitute Permitted Credit Support but for the completion by such Foreign Subsidiary or its parent entity of the Section 155 to 158 of the Company’s Act financial assistance whitewash procedure or any similar procedure (a “Whitewash”), then such Foreign Subsidiary shall be included in the notice referred to above and the Borrower shall cause such Foreign Subsidiary (or, if applicable, its parent entity) (i) to take all commercially reasonable steps necessary to complete such Whitewash as soon as practicable and (ii) following completion of the Whitewash, to take the actions described in the first sentence of this Section 5.13(d) within 30 days (or such longer period to which the Administrative Agent may agree) thereafter. Notwithstanding the foregoing, (i) no Lien shall be taken pursuant to this Section 5.13(d) in any assets as to which the Administrative Agent shall determine, in its reasonable discretion, that the cost of obtaining such Lien (including any mortgage, stamp, intangibles or other tax, title insurance or similar items or the cost of the Whitewash procedure)

is excessive in relation to the benefit to the Lenders of the security afforded thereby or in real estate.

SECTION 5.14. The Scheme. In the event that the Acquisition Parties proceed with the Scheme in order to make the Acquisition, the Borrower covenants and agrees with the Lenders as follows:

(a) General. The Borrower shall (and shall cause Newco to):

(i) comply in all material respects with the Takeover Code (subject to any applicable waivers granted by the Panel on Takeovers and Mergers), the Financial Services and Markets Act 2000, the Companies Act, the 2006 Companies Act and all other applicable laws and regulations relevant in the context of the Scheme and all court orders relating to the Scheme;

(ii) subject to any relevant requirement of the Takeover Code, provide the Administrative Agent with (i) copies of the Acquisition Documents, together with evidence that the office copy of the appropriate court order approving the Scheme has been delivered to the registrar of companies for registration, and all other material documents, certificates, notices or announcements received or issued by it (or on its behalf) in relation to the Scheme; and (ii) such information regarding the progress of the Scheme as it may reasonably request and in any event regarding all material matters likely to affect the interests of the Lenders in respect of the Scheme and upon request consult with the Administrative Agent on all such matters;

(iii) subject as required by law or any relevant regulatory requirement (including, without, limitation, any provisions of the Takeover Code) not issue any press release or make any statement which is reasonably likely to enter the public domain during the course of the Scheme which contains any information not already in the public domain concerning (i) the Credit Documents or (ii) the Administrative Agent or any Lender, without first obtaining the prior approval of the information or statement from the Administrative Agent;

(iv) ensure that to the extent possible the Scheme Document is consistent in all material respects with the Press Release and, in particular, that the conditions and terms of the Scheme are as set out in the Press Release (except as required by the Panel on Takeovers and Mergers or the court (provided that the Borrower and its Subsidiaries shall not, nor shall they request the Target to, request the Panel on Takeovers and Mergers or petition the court to so require));

(v) (i) issue the Original Press Release or ensure that the Original Press Release is issued within five days of the Effective Date, (ii) issue the Supplemental Press Release or ensure that the Supplemental Press Release is issued within five days of the date of Amendment No. 1 to this Agreement and (iii) issue the Second Supplemental Press Release or ensure that the Second Supplemental Press Release is issued within five days of the date of Amendment No. 2 to this Agreement if the Borrower's offer is

recommended by the Target after completion of the auction relating to the Target Shares scheduled for June 30, 2008.

(vi) promptly give notice to the Administrative Agent of any circumstance or event which, if not waived, would entitle any Acquisition Party (with the consent of the Panel on Takeovers and Mergers, if needed) to lapse or withdraw the Scheme; and

(vii) promptly give notice to the Administrative Agent of the date of the lapse or withdrawal of the Scheme or the rejection of it or of the reduction of capital by the court.

(b) **Conduct of the Scheme.** The Borrower shall (and shall cause Newco to) ensure that the Scheme Document is posted within 28 days of the Announcement Date (or such longer period as is allowed by the Panel on Takeovers and Mergers), and the Borrower shall not (and shall not permit Newco to) without the prior the written consent of the Administrative Agent:

(i) except as required by the Panel on Takeovers and Mergers or the presiding court (provided that the Borrower and its Subsidiaries shall not, nor shall they request the Target to, request the Panel on Takeovers and Mergers or petition the court to so require), amend, vary, supplement or otherwise modify (in each case, in any way deemed material by the Administrative Agent or the Required Lenders in their sole discretion) any of the conditions or terms of the Scheme or the Implementation Agreement following posting of the Scheme Document;

(ii) except as required by the Panel on Takeovers and Mergers or the presiding court (provided that the Borrower and its Subsidiaries shall not, nor shall they request the Target to, request the Panel on Takeovers and Mergers or petition the court to so require) (A) waive, withdraw or fail to invoke (in whole or in part) any condition to the Scheme or (B) determine or declare or accept that any such condition is satisfied where it is not actually satisfied or (C) permit the Scheme to become effective if any condition thereof is not fulfilled;

(iii) permit any circumstances to arise whereby a mandatory offer is required to be made by an Acquisition Party by the terms of Rule 9 of the Code in respect of the Target Shares; or

(iv) acquire any Target Shares at a price above the Scheme price or do anything which might result in an increase of the Scheme price for the Target Shares to which the Scheme relates, as specified in the Press Release.

SECTION 5.15. The Offer. Notwithstanding any other provision of this Agreement or any other Credit Document to the contrary, the Borrower will not (and will ensure that its Subsidiaries will not) proceed with a bid for the Target by way of the Offer without the prior written consent of all of the Lenders. In the event that the Borrower has received such prior written consent and the Acquisition Parties proceed with the Offer in order to make the

Acquisition (which has been consented to in writing by all of the Lenders), they covenant and agree with the Lenders as follows:

(a) General . The Borrower shall (and shall cause Newco to):

(i) comply in all material respects with the Takeover Code (subject to any applicable waivers granted by the Panel on Takeovers and Mergers), the Financial Services and Markets Act 2000, the Companies Act, the 2006 Companies Act and all other applicable laws and regulations relevant in the context of the Offer;

(ii) enter into a Receiving Agent Agreement in form acceptable to the Administrative Agent and, subject to any relevant requirement of the Takeover Code, provide the Administrative Agent with (A) copies of the Acquisition Documents and all other material documents, certificates, notices or announcements received or issued by it (or on its behalf) in relation to the Offer; (B) at the time of giving any Borrowing Request for a Term Loan to be used to acquire any Target Shares a copy of a certificate from the Receiving Agent as to the levels of acceptances of the Offer for cash consideration and as to the amounts actually paid or due to be paid to shareholders who have accepted the Offer; and (C) such information regarding the progress of the Offer as it may reasonably request and in any event regarding all material matters likely to affect the interests of the Lenders in respect of the Offer (which shall include, without limitation, any market purchases of Target Shares made or agreed by or on behalf of the Acquisition Parties or persons acting in concert with them);

(iii) subject as required by law or by any relevant regulatory requirement (including, without limitation, any provision of the Takeover Code) not issue any press release or make any statement which is reasonably likely to enter the public domain during the course of the Offer which contains any information not already in the public domain concerning (i) the Credit Documents or (ii) the Administrative Agent or any Lender (and in either case which is detrimental to the Administrative Agent or any Lender), without first obtaining the prior approval of the information or statement from the Administrative Agent;

(iv) ensure that to the extent possible the Offer Document (A) is consistent in all material respects with the Press Release and, in particular, that the terms and conditions of the Offer are as set out in the Press Release (except as required by the Panel on Takeovers and Mergers (provided that the Borrower and its Subsidiaries shall not, nor shall they request the Target to, request the Panel on Takeovers and Mergers or petition the court to so require)), and (B) is consistent with the provisions of Section 5.15 (b) (iii) below;

(v) issue the Press Release or ensure that the Press Release is issued within five days of the date of this Agreement;

(vi) promptly notify the Administrative Agent of any circumstance or event which if not waived would entitle any Acquisition Party (with the consent of the Panel on Takeovers and Mergers, if needed) to lapse or withdraw the Offer; and

(vii) promptly give notice to the Administrative Agent of the date of the lapse or withdrawal of the Offer.

(b) Conduct of the Offer. The Borrower shall (and shall cause Newco to) post the Offer Document within 28 days of the Announcement Date (or such longer period as is allowed by the Panel on Takeovers and Mergers), and the Borrower shall not (and shall not permit Newco to) without prior written consent of the Administrative Agent:

(i) except as required by the Panel on Takeovers and Mergers, (provided that the Borrower and its Subsidiaries shall not, nor shall they request the Target to, request the Panel on Takeovers and Mergers or petition the court to so require) amend, vary, supplement or otherwise modify (in each case, in any way deemed material by the Administrative Agent or the Required Lenders in their sole discretion) any of the conditions or terms of the Offer following posting of the Offer Document or agree to an extension or increase in the Offer;

(ii) except as required by the Panel on Takeovers and Mergers (provided that the Borrower and its Subsidiaries shall not, nor shall they request the Target to, request the Panel on Takeovers and Mergers or petition the court to so require) (A) waive, withdraw, or fail to invoke (in whole or in part) any condition of the Offer or (B) determine or declare or accept that any such condition is satisfied where it is not actually satisfied or (C) declare the Offer unconditional if any condition therein is not fulfilled;

(iii) (without prejudice to clause (b)(ii)) declare the Offer unconditional as to acceptances unless Newco has received acceptances from the holders of Offer Shares which, when aggregated with any Offer Shares purchased by or on behalf of the Acquisition Parties in the market after the Posting Date, equal or exceed 90 percent (or such lesser percentage as the Lenders may agree) of the Offer Shares and, if the Administrative Agent and Lenders have not agreed to a lower percentage than 90 percent, is entitled to invoke the compulsory purchase provisions in Section 979 of the 2006 Companies Act in respect of the remaining Offer Shares;

(iv) permit any circumstances to arise whereby a mandatory offer is required to be made by an Acquisition Party by the terms of Rule 9 of the Takeover Code in respect of the Target Shares; or

(v) acquire any Offer Shares at a price above the Offer price or do anything which might result in an increase of, the Offer price for the Target Shares to which the Offer relates, as specified in the Press Release.

(c) Action after the Unconditional Date. The Borrower shall (and shall cause Newco to) after the Unconditional Date:

(i) use all reasonable endeavors (which shall not include making any purchases in the market at above the Offer price) to acquire all of the Target Shares in issue from time to time as soon as practicable either pursuant to or otherwise on the same terms as the Offer;

(ii) as soon as practicable and in any event within 10 Business Days of becoming entitled so to do, deliver or procure that the Receiving Agent delivers the appropriate notices under Section 979 of the 2006 Companies Act to shareholders in the Target who have not accepted the Offer and diligently pursue its rights to ensure that all of the Target Shares are acquired by it; and

(iii) as soon as practicable and in any event within 14 days after the Unconditional Date, procure that the articles of association of the Target are amended to provide that any further Target Shares issued will automatically convert into a cash amount equal to the number of shares multiplied by the price payable in respect of the Target Shares under the Acquisition Documents.

SECTION 5.16. Rate Hedging Obligations. Within ninety (90) days after the Initial Borrowing Date, the Borrower will enter into Swap Agreements with one or more financial institutions acceptable to the Administrative Agent in its reasonable discretion, providing for a fixed rate of interest on a notional amount equal to at least the Dollar Equivalent of an amount equal to 50% of the aggregate Indebtedness for money borrowed of the Borrower and its Subsidiaries (excluding the Term X Loans, Indebtedness of the Target set forth on Schedule 6.01 and any Indebtedness otherwise accruing interest at a fixed rate) and having an average weighted maturity of at least three (3) years.

SECTION 5.17. Rated Credit Facilities. The Borrower will use commercially reasonable efforts to cause the credit facilities made available under the Agreement to be continuously rated by S&P and Moody's.

SECTION 5.18. Pensions. The Borrower shall immediately notify the Administrative Agent (a) upon having knowledge thereof of any investigation or proposed investigation by the Pensions Regulator which may lead to the issue of a Financial Support Direction or a Contribution Notice to any member of the Target Group and (b) if it receives a Financial Support Direction or a Contribution Notice from the Pensions Regulator.

ARTICLE VI

Negative Covenants

From the Effective Date until the Commitments have expired or terminated and the principal of and interest on each Loan and all fees payable hereunder have been paid in full and all Letters of Credit have expired or terminated and all LC Disbursements shall have been reimbursed, the Borrower covenants and agrees with the Lenders that:

SECTION 6.01. Indebtedness. The Borrower will not, and will not permit any Subsidiary to, create, incur, assume or permit to exist any Indebtedness, except:

(a) Indebtedness created under the Credit Documents and, only until such time as the initial extension of credit is made under this Agreement, Indebtedness created under the "Credit Documents" (as defined in the Existing Credit Agreement);

(b) (i) Indebtedness existing on the Effective Date and set forth in Schedule 6.01 as reduced by any permanent repayments of principal thereof, and extensions, renewals and replacements of any such Indebtedness that do not increase the principal amount or facility amount, as applicable, outstanding at the time of any such extension, renewal or replacement); provided, however, that, as applicable, such Indebtedness shall be repaid in full as indicated on Schedule 6.01.

(c) intercompany Indebtedness among the Borrower and its Subsidiaries to the extent permitted by Sections 6.05(i) and (j) and Indebtedness of Foreign Credit Parties in respect of intercompany notes payable described in subsection (y) of Section 6.04;

(d) Indebtedness of the Borrower or any of its Subsidiaries under Swap Agreements entered into in the ordinary course of business with respect to other Indebtedness permitted under this Section 6.01, with respect to commodity hedging arrangements or with respect to currency hedging arrangements so long as, in each case, the entering into of such Swap Agreements are bona fide hedging activities and are not for speculative purposes;

(e) Indebtedness of the Borrower and its Subsidiaries evidenced by Capital Lease Obligations and purchase money Indebtedness described in Section 6.02(j);

(f) Indebtedness of a Subsidiary of the Borrower acquired pursuant to a Permitted Acquisition (or Indebtedness assumed at the time of a Permitted Acquisition of an asset securing such Indebtedness), provided that (i) such Indebtedness was not incurred in connection with, or in anticipation or contemplation of, such Permitted Acquisition, (ii) such Indebtedness does not constitute debt for borrowed money, it being understood and agreed that Capital Lease Obligations and purchase money Indebtedness shall not constitute debt for borrowed money for purposes of this clause (ii) and (iii) the aggregate principal amount of all Indebtedness permitted by this clause (f) to be outstanding at any time shall not exceed \$50,000,000 minus the aggregate principal amount of Indebtedness outstanding under Section 6.01(s);

(g) Indebtedness in respect of bid, payments, performance, advance payment or surety bonds entered into in the ordinary course of business and consistent with past practices;

(h) to the extent that same constitutes Indebtedness, obligations in respect of earn-out arrangements permitted pursuant to a Permitted Acquisition;

(i) Indebtedness of Foreign Subsidiaries of the Borrower under lines of credit to any such Foreign Subsidiary from Persons other than the Borrower or any of its Subsidiaries, the proceeds of which Indebtedness are used for such Foreign Subsidiary's working capital and other general corporate purposes; provided that the aggregate principal amount of all such Indebtedness outstanding at any time for all such Foreign Subsidiaries (excluding Indebtedness set forth on Schedule 6.01 and refinancings thereof by the applicable Subsidiary or another Subsidiary in the same country so long as such refinancings do not increase the amount of the applicable Indebtedness nor provide security not applicable to such scheduled Indebtedness) shall not exceed \$50,000,000;

(j) Receivables Indebtedness; provided that the Borrower shall at no time permit the aggregate outstanding amount of Receivables Indebtedness to exceed \$200,000,000;

(k) Indebtedness arising from the honoring by a bank or other financial institution of a check, draft or similar instrument inadvertently (except in the case of daylight overdrafts) drawn against insufficient funds in the ordinary course of business so long as such Indebtedness is extinguished within four Business Days of the incurrence thereof;

(l) Indebtedness of the Borrower or any of its Subsidiaries which may be deemed to exist in connection with agreements providing for indemnification, purchase price adjustments and similar obligations in connection with the acquisition or disposition of assets permitted by this Agreement so long as any such obligations are those of the Person making the respective acquisition or sale, and are not guaranteed by any other Person (other than the Borrower or a Subsidiary to the extent permitted by Section 6.01(n));

(m) unsecured guarantees by the Borrower and its Subsidiaries in respect of Customer Financing;

(n) Indebtedness consisting of guarantees (w) by the Domestic Credit Parties of each other's Indebtedness and lease and other contractual obligations permitted under this Agreement, (x) by the Foreign Credit Parties of each other's and each Domestic Credit Party's Indebtedness and lease and other contractual obligations permitted under this Agreement, (y) by External Subsidiaries of each other's and each Credit Party's Indebtedness and lease and other contractual obligations permitted under this Agreement or (z) by any Credit Party of any Indebtedness and lease and other contractual obligations permitted under this Agreement of any External Subsidiary (or by any Domestic Credit Party of any Indebtedness and lease and other contractual obligations permitted under this Agreement of any Foreign Credit Party) so long as the amount of such Guarantee under this clause (z), when aggregated with (1) the aggregate outstanding principal amount of Intercompany Loans which are restricted in amount by the proviso to Section 6.05(i) and (2) the aggregate amount of contributions, capitalizations and debt forgiveness which are restricted in amount by the proviso to Section 6.05(j) and which have theretofore been made and not repaid do not at any time exceed the Dollar Equivalent of \$80,000,000;

(o) Indebtedness of a Chinese finance Subsidiary, provided that the aggregate principal amount of such Indebtedness outstanding at any time does not exceed the Dollar Equivalent of \$35,000,000;

(p) additional unsecured Indebtedness incurred by the Borrower and the Subsidiary Guarantors (other than Indebtedness of the type described in Section 6.01(n)(z)); provided that (i) no Default exists at the time of its incurrence or would result therefrom, (ii) both before and after giving effect to the incurrence of such Indebtedness the Consolidated Senior Leverage Ratio is less than 3.50 to 1.00 and (iii) such Indebtedness shall have a Weighted Average Life to Maturity which is at least six months after the latest scheduled Loan maturity date under this Agreement and shall be on terms no less favorable to the Lenders than the terms of the Senior Note Documents; provided, however, that Indebtedness may be incurred pursuant to this clause (p) only if at the time of its incurrence the Term X Loan has been paid in full;

(q) so long as no Default then exists or would result therefrom, additional unsecured Indebtedness incurred by the Borrower for the purpose of (i) refinancing any portion of the Obligations or (ii) refinancing other senior Indebtedness provided, however, that such refinancing Indebtedness pursuant to this clause (ii) has a Weighted Average Life to Maturity at the time such refinancing Indebtedness is incurred which is not less than the remaining Weighted Average Life to Maturity of the Indebtedness being refinanced, is in a principal amount not in excess of the principal amount of Indebtedness being refinanced and is on terms not materially more onerous to the Borrower than the terms of the Indebtedness being refinanced; provided, however, that Indebtedness may be incurred pursuant to this clause (s)(ii) only if at the time of its incurrence the Term X Loan has been paid in full;

(r) Indebtedness incurred in consummating the Funding Transactions; and

(s) Indebtedness of the Target or its Subsidiaries incurred prior to the Initial Borrowing Date (excluding Target Debt) in an aggregate principal amount which, when aggregated with the aggregate principal amount of Indebtedness incurred pursuant to Section 6.01(f), does not exceed \$50,000,000.

SECTION 6.02. Liens. From and after the Initial Borrowing Date, the Borrower will not, and will not permit any of its Subsidiaries to, create, incur, assume or suffer to exist any Lien upon or with respect to any property or assets of the Borrower or any of its Subsidiaries, whether now owned or hereafter acquired, or sell any property or assets subject to an understanding or agreement, contingent or otherwise, to repurchase such property or assets (including sales of accounts receivable with recourse to the Borrower or any of its Subsidiaries), or assign any right to receive income or authorize the filing of any financing statement under the UCC or any other similar notice of Lien under any similar recording or notice statute; provided that the provisions of this Section 6.02 shall not prevent the creation, incurrence, assumption or existence of the following (Liens described below are herein referred to as “Permitted Liens”):

(a) inchoate Liens for taxes, assessments or governmental charges or levies not yet due or Liens for taxes, assessments or governmental charges or levies being contested in good faith and by appropriate proceedings for which adequate reserves have been established in accordance with generally accepted accounting principles;

(b) Liens in respect of property or assets of the Borrower or any of its Subsidiaries imposed by law, which were incurred in the ordinary course of business and do not secure Indebtedness for borrowed money, such as carriers', warehousemen's, materialmen's and mechanics' liens and other similar Liens arising in the ordinary course of business, and (x) which do not in the aggregate materially detract from the value of the Borrower's or such Subsidiary's property or assets or materially impair the use thereof in the operation of the business of the Borrower or such Subsidiary or (y) which are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with generally accepted accounting principles and which proceedings have the effect of preventing the forfeiture or sale of the property or assets subject to any such Lien;

(c) Liens (other than Liens imposed under ERISA) (i) incurred in the ordinary course of business in connection with workers compensation claims, unemployment insurance

and social security benefits and (ii) Liens securing the performance of bids, tenders, leases and contracts in the ordinary course of business and statutory obligations, surety bonds, performance bonds and other obligations of a like nature (other than appeal bonds) incurred in the ordinary course of business;

(d) easements, rights-of-way, restrictions, encroachments, municipal and zoning ordinances and other similar charges or encumbrances, and minor title deficiencies, in each case not securing Indebtedness and not materially interfering with the conduct of the business of the Borrower or any of its Subsidiaries;

(e) Liens arising out of the existence of judgments or awards in respect of which the Borrower or any of its Subsidiaries shall in good faith be prosecuting an appeal or proceedings for review and in respect of which there shall have been secured a subsisting stay of execution pending such appeal or proceedings; provided that the aggregate amount of all cash (including, for this purpose, the amount of all letters of credit) and the fair market value of all other property pledged or deposited to obtain a subsisting stay of execution pending such appeal does not exceed \$10,000,000 at any time outstanding;

provided that Liens described in clauses (a) through (e) of this Section 6.02 shall not include Liens securing Indebtedness;

(f) Liens in existence on the Effective Date which are listed, and the property subject thereto described, in Schedule 6.02, plus renewals, replacements and extensions of such Liens to the extent set forth in Schedule 6.02; provided that (i) such Liens secure no more than the aggregate principal amount of Indebtedness, if any, secured by such Liens on the Effective Date and (ii) such Liens do not encumber any additional assets or properties of the Borrower or any of its Subsidiaries other than those encumbered on the Effective Date;

(g) Liens created pursuant to the Security Documents and, only until the Initial Borrowing Date, Liens securing the “Security Documents” (as defined in the Existing Credit Agreement);

(h) licenses, sublicenses, leases or subleases granted to other Persons not materially interfering with the conduct of the business of the Borrower or any of its Subsidiaries;

(i) Liens on assets of the Borrower or any of its Subsidiaries subject to Capital Lease Obligations to the extent such Capital Lease Obligations are permitted by Section 6.01(e); provided that (i) such Liens only serve to secure the payment of Indebtedness arising under such Capital Lease Obligation and (ii) the Lien encumbering the asset giving rise to the Capital Lease Obligation does not encumber any other asset of the Borrower or any Subsidiary of the Borrower (other than proceeds of the asset giving rise to such Capital Lease Obligation);

(j) Liens on fixed or capital assets acquired after the Effective Date and used in the ordinary course of business of the Borrower or any of its Subsidiaries and created at the time of the acquisition thereof by the Borrower or such Subsidiary or within 90 days thereafter to secure Indebtedness incurred to pay all or a portion of the purchase price thereof or extensions, renewals or replacements of any of the foregoing for the same or a lesser amount; provided that (i) the Indebtedness secured by such Liens is permitted by Section 6.01(e) and (ii) in all events,

any Lien encumbering the equipment or machinery so acquired does not encumber any other asset of the Borrower or such Subsidiary (other than proceeds of such equipment or machinery);

(k) Liens arising from precautionary UCC financing statement filings regarding operating leases entered into in the ordinary course of business;

(l) statutory and common law landlords' liens under leases to which the Borrower or any of its Subsidiaries is a party;

(m) Liens on property or assets acquired pursuant to a Permitted Acquisition, or on property or assets of a Subsidiary of the Borrower in existence at the time such Subsidiary is acquired pursuant to a Permitted Acquisition; provided that (i) any Indebtedness that is secured by such Liens is permitted to exist under Section 6.01(f), (ii) such Liens are not created in connection with, or in contemplation or anticipation of, such Permitted Acquisition and do not attach to any other asset of the Borrower or any of its Subsidiaries and (iii) such Liens secure no more than the aggregate principal amount of the Indebtedness, if any, secured by such Liens on the date of the Permitted Acquisition;

(n) Liens on assets of Foreign Subsidiaries that are not Credit Parties and that secure Indebtedness permitted to be incurred by such Foreign Subsidiaries pursuant to Section 6.01;

(o) Liens in favor of customs or revenue authorities arising as a matter of law to secure payment of customs duties in connection with the importation of goods;

(p) Liens granted by Subsidiaries of the Borrower that are not Credit Parties in favor of the Borrower or any Subsidiary Guarantor;

(q) Liens upon assets of an SPC granted in connection with a Permitted Securitization (including customary backup Liens granted by the transferor in accounts receivable and related rights transferred to an SPC);

(r) customary Liens in favor of banking institutions encumbering deposits (including the right of set-off) held by such banking institutions incurred in the ordinary course of business;

(s) rights of customers (or institutions providing financing to such customers) with respect to inventory which arise from deposits and progress payments made in the ordinary course of business;

(t) Liens arising out of the rights of buyers of accounts under Factoring Agreements in the ordinary course of business;

(u) Liens created by the transfer of title to work in progress to customers in return for progress payments;

(v) Liens arising out of the escrowing of (or making similar arrangements with respect to) Loan proceeds to be used for the sole purpose of making payments pursuant to

the Scheme or of assuring repayment of Indebtedness arising under the Note Purchase and Guaranty Agreement dated as of September 6, 2007 referred to on Schedule 6.01, in any case on terms reasonably satisfactory to the Administrative Agent; and

(w) other Liens incidental to the conduct of the business of the Borrower or any of its Subsidiaries that do not encumber any Collateral (other than on a junior and subordinated basis) and do not secure outstanding obligations in the aggregate in excess of \$25,000,000 at any time outstanding for all such Liens.

SECTION 6.03. Merger, Purchase or Sale of Assets, Change in Business. (a) The Borrower will not, and will not permit any of its Subsidiaries to, wind up, liquidate or dissolve its affairs or enter into any transaction of merger or consolidation, or convey, sell, lease or otherwise dispose of all or any part of its property or assets (whether now owned or hereafter acquired), or enter into any sale-leaseback transactions, or purchase or otherwise acquire (in one or a series of related transactions) any part of the property or assets (other than purchases or other acquisitions of inventory, materials and equipment in the ordinary course of business) of any Person (or agree to do any of the foregoing at any future time), except that:

- (i) capital expenditures by the Borrower or any of its Subsidiaries shall be permitted;
- (ii) each of the Borrower and its Subsidiaries may make sales and/or rentals of inventory in the ordinary course of business;
- (iii) each of the Borrower and its Subsidiaries may sell or otherwise transfer obsolete, uneconomic or worn-out equipment, materials or other assets in the ordinary course of business;
- (iv) Investments may be made to the extent permitted by Section 6.05;
- (v) the Borrower and its Subsidiaries may sell assets (other than the capital stock or other equity interests of any Wholly-Owned Subsidiary unless all of the capital stock or other equity interests are sold in accordance with this clause (v)) so long as (A) no Default or Event of Default then exists or would result therefrom, (B) each such sale is in an arm's-length transaction and the Borrower or the respective Subsidiary receives at least fair market value (as determined in good faith by the Borrower or such Subsidiary, as the case may be), (C) the total consideration received by the Borrower or such Subsidiary is at least 80% cash and is paid at the time of the closing of such sale and (D) the aggregate amount of the proceeds received from all assets sold pursuant to this clause (v) shall not exceed \$150,000,000 (or such greater amount as may be required to permit the Borrower to repay the Term X Loan) in any fiscal year of the Borrower;
- (vi) each of the Borrower and its Subsidiaries may lease (as lessee) or license (as licensee) real or personal property (so long as any such lease or license does not create a Capital Lease Obligation except to the extent permitted by Section 6.01 (e));
- (vii) each of the Borrowers and its Subsidiaries may sell or discount accounts receivable arising in the ordinary course of business in Specified Transactions

so long as (A) such sales or discounts occur only in connection with the collection of such accounts receivable and (B) after giving effect to any such sale or discount, the aggregate recourse exposure of the Borrower and its Subsidiaries with respect to all Specified Transactions does not exceed \$50,000,000;

(viii) each of the Borrower and its Subsidiaries may grant licenses, sublicenses, leases or subleases to other Persons not materially interfering with the conduct of the business of the Borrower or any of its Subsidiaries, in each case so long as no such grant otherwise affects the Collateral Agent's security interest in the asset or property subject thereto;

(ix) the Borrower may transfer assets to any Wholly-Owned Domestic Subsidiary of the Borrower which is a Subsidiary Guarantor (or which substantially contemporaneously with such transfer becomes a Subsidiary Guarantor) and any Subsidiary of the Borrower may transfer assets to the Borrower or to any Wholly-Owned Domestic Subsidiary of the Borrower which is a Subsidiary Guarantor (or which substantially contemporaneously with such transfer becomes a Subsidiary Guarantor), in each case so long as the security interests granted to the Collateral Agent for the benefit of the Secured Creditors pursuant to the Security Documents in the assets so transferred shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such transfer);

(x) any Subsidiary of the Borrower may merge with and into, or be dissolved or liquidated into, the Borrower or any Wholly-Owned Domestic Subsidiary of the Borrower so long as (I) in the case of any such merger, dissolution or liquidation involving the Borrower, the Borrower is the surviving corporation of any such merger, dissolution or liquidation, (II) in all other cases, a Wholly-Owned Domestic Subsidiary is the surviving corporation of any such merger, dissolution or liquidation, (III) in all cases, the security interests granted to the Collateral Agent for the benefit of the Secured Creditors pursuant to the Security Documents in the assets of such Subsidiary shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such merger, dissolution or liquidation) and (IV) the Borrower has complied with Section 5.13, if applicable;

(xi) any Foreign Subsidiary of the Borrower may merge with and into, or be dissolved or liquidated into, or transfer any of its assets to, any Wholly-Owned Subsidiary of the Borrower so long as (I) the Wholly-Owned Subsidiary of the Borrower is the survivor of such merger, dissolution or liquidation and, if either party is a Subsidiary Borrower, a Subsidiary Borrower is the survivor of such merger dissolution or liquidation, (II) any security interests granted to the Collateral Agent for the benefit of the Secured Creditors pursuant to the Security Documents in the equity interests of such Foreign Subsidiary or Wholly-Owned Subsidiary shall remain in full force and effect and perfected (to at least the same extent as in effect immediately prior to such merger, dissolution or liquidation) and (III) any guaranty made in favor of the Administrative Agent for the benefit of the Secured Creditors by such Foreign Subsidiary or Wholly-Owned Subsidiary shall remain in full force and effect;

- (xii) Permitted Acquisitions may be made to the extent permitted by Section 6.05(m);
- (xiii) subject to Section 6.16, Subsidiaries of the Borrower may repurchase equipment as may be required in accordance with the terms of the Buy-Back Arrangements relating to such equipment;
- (xiv) subject to Section 6.01(j) and so long as no Default or Event of Default then exists or would result therefrom, each of the Borrower and its Subsidiaries may from time to time (I) sell accounts receivable (and rights ancillary thereto) pursuant to, and in accordance with the terms of, a Permitted Securitization or Factoring Agreement and (II) repurchase accounts receivable theretofore sold pursuant to a Permitted Securitization or Factoring Agreement in the ordinary course of business;
- (xv) the Borrower may enter into one or more Sale-Leaseback Transactions;
- (xvi) Restricted Payments may be made as, and to the extent, permitted by Section 6.04;
- (xvii) the Borrower and Newco may consummate the Acquisition;
- (xviii) subject to compliance with the conditions set forth in Section 6.03(a)(v)((A)–(C)), the Borrower and its Subsidiaries may consummate Divestiture Transactions;
- (xix) prior to March 31, 2009, the Borrower or its Subsidiaries may consummate the Sale Transaction; and
- (xx) prior to the Term X Maturity Date (or such later date to which the holders of more than 50% of the Term X Loan may agree), the Borrower or its Subsidiaries may consummate the Supplemental Sale Transaction on terms acceptable to the Administrative Agent.

(b) The Borrower will not, and will not permit any of its Subsidiaries to, engage to any material extent in any business other than businesses of the type conducted by the Borrower, the Target and their Subsidiaries on the date of execution of this Agreement and businesses reasonably related thereto.

SECTION 6.04. Restricted Payments. The Borrower will not, and (on or after the Initial Borrowing Date) will not permit any of its Subsidiaries to, declare or make, or agree to pay or make, directly or indirectly, any Restricted Payment, except (a) the Borrower may declare and pay dividends with respect to its Equity Interests payable solely in additional shares of its common stock, (b) Subsidiaries may declare and pay dividends ratably with respect to their Equity Interests, (c) the Borrower may make Restricted Payments pursuant to and in accordance with stock option plans or other benefit plans for directors, management or employees of the Borrower and its Subsidiaries and (d) so long as no Default has occurred and is continuing or would result therefrom, then (i) at any time when the Consolidated Total Leverage

Ratio is less than 2.00 to 1.00 (both immediately before and immediately after the making of such Restricted Payment) the Borrower may make Restricted Payments which, when aggregated with all other Restricted Payments made pursuant to this Section 6.04(d) during the then current calendar year do not exceed \$75,000,000 and (ii) at any time when the Consolidated Total Leverage Ratio is greater than or equal to 2.00 to 1.00 (both immediately before and immediately after the making of such Restricted Payment) the Borrower may make Restricted Payments which, when aggregated with all other Restricted Payments made pursuant to this Section 6.04(d) during the then current calendar year do not exceed \$35,000,000; provided that in the case of either Section (d)(i) or (d)(ii), the Borrower shall have delivered to the Administrative Agent and each Lender a certificate satisfactory in form and substance to the Administrative Agent and executed by its chief financial officer or treasurer evidencing compliance with the requirements of such Section and in no event shall the Borrower make a Restricted Payment in violation of the terms of any Material Indebtedness. Notwithstanding clause (b) of this Section 6.04, a Foreign Credit Party may not pay any dividend to an External Subsidiary unless (x) such dividend is substantially contemporaneously therewith directly or indirectly remitted as a dividend or distribution to a Domestic Credit Party, (y) such dividend is in the form of an intercompany note payable of such Foreign Credit Party which is subordinated on terms satisfactory to the Administrative Agent to the obligations of such Foreign Credit Party under the Credit Documents (a “Dividend Note”) or (z) at the time such dividend is paid no Default has occurred and is continuing and, after giving effect to such dividend, the “Outflow Amount” (as defined below) does not exceed €30,000,000. For purposes hereof, “Outflow Amount” means an amount equal to (1) the aggregate amount of (A) all dividends paid by Foreign Credit Parties to External Subsidiaries after May 1, 2007 other than as permitted by subsection (x) or (y) of the preceding sentence plus (B) all amounts (including principal, interest and other amounts) paid by Foreign Credit Parties to non-Credit Parties after May 1, 2007 in respect of Dividend Notes (other than such amounts substantially contemporaneously therewith directly or indirectly remitted as a dividend or distribution to a Domestic Credit Party) minus (2) the amount of all cash capital contributions received by such paying Foreign Credit Parties from External Subsidiaries after May 1, 2007. Payments (including principal, interest and other amounts) on account of Dividend Notes shall only be made if a dividend in the amount of such payment could then be made pursuant to subsection (z) of the second sentence of this Section 6.04; provided that the foregoing restriction shall not apply to such payments to the extent they are either made to a Credit Party or are substantially contemporaneously therewith directly or indirectly remitted as a dividend or a distribution to a Domestic Credit Party.

SECTION 6.05. Advances, Investments and Loans. The Borrower will not, and will not permit any of its Subsidiaries to, directly or indirectly, purchase or acquire (including pursuant to any merger with any Person not a Wholly-Owned Subsidiary prior to such merger) any stock, obligations or securities (including any option, warrant or other right to acquire any of the foregoing) of, or any other interest in, or make any capital contribution to, any Person, or lend money or make advances to any Person, or purchase or own a futures contract or otherwise become liable for the purchase or sale of currency or other commodities at a future date in the nature of a futures contract, or hold any cash or Cash Equivalents (each of the foregoing an “Investment” and, collectively, “Investments”), except that the following shall be permitted:

(a) the Borrower and its Domestic Subsidiaries may acquire and hold cash and Cash Equivalents and Foreign Subsidiaries of the Borrower may acquire and hold cash, Cash Equivalents and Foreign Cash Equivalents;

(b) the Borrower and its Subsidiaries may hold the Investments held by them on the Effective Date and described on Schedule 6.05, provided that any additional Investments made with respect thereto shall be permitted only if independently permitted under the other provisions of this Section 6.05;

(c) the Borrower and its Subsidiaries may acquire and own investments (including debt obligations) received in connection with the bankruptcy or reorganization of suppliers and customers and in good faith settlement of delinquent obligations of, and other disputes with, customers and suppliers arising in the ordinary course of business;

(d) the Borrower and its Subsidiaries may make loans and advances to their officers and employees for moving, relocation and travel expenses and other similar expenditures, in each case in the ordinary course of business in an aggregate amount not to exceed \$5,000,000 at any time outstanding (determined without regard to any write-downs or write-offs of such loans and advances);

(e) the Borrower may acquire and hold obligations of one or more officers, directors or other employees of the Borrower or any of its Subsidiaries in connection with such officers', directors' or employees' acquisition of shares of capital stock of the Borrower so long as no cash is paid by the Borrower or any of its Subsidiaries to such officers, directors or employees in connection with the acquisition of any such obligations;

(f) the Borrower and its Subsidiaries may enter into Swap Agreements to the extent permitted by Section 6.01(d);

(g) the Borrower and its Subsidiaries may acquire and hold promissory notes and other non-cash consideration issued by the purchaser of assets in connection with a sale of such assets to the extent permitted by Sections 6.03(a)(iii) and (v);

(h) the Borrower and its Subsidiaries may acquire and hold accounts receivables owing to any of them (i) if created or acquired in the ordinary course of business of the Borrower or such Subsidiary or (ii) as contemplated by Section 6.03(a)(xiv)(II);

(i) the Borrower and its Wholly-Owned Subsidiaries may make intercompany loans and advances between and among one another (collectively, "Intercompany Loans"); provided that (I) at no time shall the sum of (A) the aggregate outstanding principal amount of all Intercompany Loans (excluding Intercompany Loans outstanding on the Effective Date and set forth on Schedule 1.02) made pursuant to this clause (i) by Credit Parties to External Subsidiaries or by Domestic Credit Parties to Foreign Credit Parties, plus (B) the aggregate amount of contributions, capitalizations and forgiveness theretofore made by Credit Parties to (or in respect of) External Subsidiaries and by Domestic Credit Parties to (or in respect of) Foreign Credit Parties, in each case pursuant to Section 6.05(j) (net of cash equity returns), plus (C) the outstanding amount of Guarantees issued pursuant to Section 6.01(n)(z) exceed the Dollar Equivalent of \$80,000,000 (determined without regard to any write-downs or write-offs of such

Intercompany Loans), (II) no Intercompany Loans may be made by a Credit Party to an External Subsidiary or by a Domestic Credit Party to a Foreign Credit Party at a time that an Event of Default exists and is continuing, (III) any such Intercompany Loan made by a Credit Party shall be evidenced by an Intercompany Note which shall be pledged to the Collateral Agent to the extent required pursuant to the US Pledge Agreement, and (IV) each Intercompany Loan made to any Credit Party by an External Subsidiary shall include (or, if not evidenced by an Intercompany Note, the books and records of the respective parties shall note that such Intercompany Loan shall be subject to) the subordination provisions attached as Annex A to the form of Intercompany Note;

(j) the Borrower and its Wholly-Owned Subsidiaries may make cash capital contributions to their respective Wholly-Owned Subsidiaries, and may capitalize or forgive any Indebtedness owed to them by a Wholly-Owned Foreign Subsidiary and outstanding under clause (i) of this Section 6.05; provided that at no time shall (I) the sum of (A) the aggregate amount of such contributions, capitalizations and forgiveness made by Credit Parties to External Subsidiaries or by Domestic Credit Parties to Foreign Credit Parties (net of cash equity returns), plus (B) the aggregate outstanding principal amount of Intercompany Loans (excluding Intercompany Loans outstanding on the Effective Date and set forth on Schedule 1.02) made by Credit Parties to External Subsidiaries and by Domestic Credit Parties to Foreign Credit Parties, in each case pursuant to Section 6.05(i) (determined without regard to any write-downs or write-offs thereof), plus (C) the outstanding amount of Guarantees issued pursuant to Section 6.01(n)(z), exceed the Dollar Equivalent of \$80,000,000, (II) Credit Parties may only make capital contributions to, and capitalize or forgive any Indebtedness owed to them by, a Wholly-Owned Foreign Subsidiary pursuant to this clause (j) to the extent (A) required to comply with any thin capitalization rules applicable to such Wholly-Owned Foreign Subsidiary or (B) that the making of Intercompany Loans to such Wholly-Owned Foreign Subsidiary would have adverse tax consequences to the Credit Party making the same, and (III) no such contributions, capitalizations or forgivenesses may be made by a Credit Party to a External Subsidiary or by a Domestic Credit Party to a Foreign Credit Party at any time that an Event of Default exists and is continuing;

(k) the Borrower and its Subsidiaries may make transfers of assets to their respective Subsidiaries as permitted by Sections 6.03(a)(ix), (x) and (xi);

(l) so long as no Default or Event of Default then exists or would result therefrom, the Borrower and its Subsidiaries may make Investments not otherwise permitted by clauses (a) through (k) above or clause (m) below of this Section 6.05 in an aggregate amount not to exceed \$75,000,000 (taking the fair market value (as determined in good faith by the Borrower) of property other than cash) at any time outstanding (determined without regard to any write-downs or write-offs thereof);

(m) subject to the provisions of this Section 6.05(m) and the requirements contained in the definition of Permitted Acquisition, the Borrower and its Wholly-Owned Subsidiaries may from time to time effect Permitted Acquisitions, so long as: (i) no Default or Event of Default shall have occurred and be continuing at the time of the consummation of the proposed Permitted Acquisition or immediately after giving effect thereto; (ii) if the proposed Permitted Acquisition is for aggregate consideration of \$75,000,000 or more, the Borrower shall

have given to the Administrative Agent at least 10 Business Days' prior written notice of such proposed Permitted Acquisition (or such shorter period of time as may be reasonably acceptable to the Administrative Agent), which notice shall be executed by its chief financial officer or treasurer and shall describe in reasonable detail the principal terms and conditions of such Permitted Acquisition; (iii) both before and after giving effect to the Permitted Acquisition, the Borrower is in compliance with Section 6.01(p); (iv) at the time of any such Permitted Acquisition involving the creation or acquisition of a Subsidiary, or the acquisition of capital stock or other equity interest of any Person, the capital stock or other equity interests thereof created or acquired in connection with such Permitted Acquisition shall have been pledged for the benefit of the Secured Creditors pursuant to (and to the extent required by) the US Pledge Agreement and such Person, if a Domestic Subsidiary which is a Material Subsidiary, shall have executed and delivered to the Administrative Agent a joinder to the Subsidiary Guaranty; and (v) giving effect to such Permitted Acquisition, the Borrower is in compliance with Section 6.07 and 6.08 on a Pro Forma Basis;

- (n) the Borrower and Newco may consummate the Acquisition; and
- (o) the Borrower and its Subsidiaries may consummate the Funding Transactions.

SECTION 6.06. Transactions with Affiliates. The Borrower will not, and will not permit any of its Subsidiaries to, enter into any transaction or series of related transactions with any Affiliate of the Borrower or any of its Subsidiaries, other than in the ordinary course of business and on terms and conditions substantially as favorable to the Borrower or such Subsidiary as would reasonably be obtained by the Borrower or such Subsidiary at that time in a comparable arm's-length transaction with a Person other than an Affiliate, except that the following in any event shall be permitted:

- (a) Restricted Payments may be made to the extent permitted by Section 6.04;
- (b) loans may be made and other transactions may be entered into by the Borrower and its Subsidiaries to the extent permitted by Sections 6.01, 6.03 and 6.05;
- (c) customary fees may be paid to non-officer directors of the Borrower and its Subsidiaries;
- (d) the Borrower and its Subsidiaries may enter into, and may make payments under, employment agreements, employee benefits plans, stock option plans, indemnification provisions, severance arrangements, and other similar compensatory arrangements with officers, employees and directors of the Borrower and its Subsidiaries in the ordinary course of business;
- (e) Subsidiaries of the Borrower may pay management fees, licensing fees and similar fees to (i) the Borrower or any Subsidiary Guarantor or (ii) any other Subsidiary so long as such fees are no greater than would result from an arm's-length transaction; and
- (f) the Borrower and its Wholly-Owned Subsidiaries may otherwise engage in transactions exclusively between or among themselves so long as such transactions are otherwise permitted under this Agreement.

SECTION 6.07. Minimum Consolidated Interest Coverage Ratio. The Borrower will not permit the Consolidated Interest Coverage Ratio for any fiscal quarter of the Borrower set forth below to be less than or equal to the ratio set forth opposite such fiscal quarter below:

<u>Fiscal Quarter Ending</u>	<u>Ratio</u>
June 30, 2008	2.50:1.00
September 30, 2008	2.50:1.00
December 31, 2008	2.50:1.00
March 31, 2009	2.50:1.00
June 30, 2009	2.75:1.00
September 30, 2009	2.75:1.00
December 31, 2009	2.75:1.00
March 31, 2010	2.75:1.00
Thereafter	3.00:1.00

SECTION 6.08. Maximum Consolidated Total Leverage Ratio. The Borrower will cause the Consolidated Total Leverage Ratio to be less than (a) 4.00 to 1.00 at all times during the period from the Effective Date to and including December 30, 2009, (b) 3.75 to 1.00 at all times during the period from December 31, 2009 to and including December 30, 2010 and (c) less than 3.50 to 1.00 at all times thereafter.

SECTION 6.09. Limitations on Prepayments of Certain Indebtedness; Modifications of Certain Indebtedness; Modifications of Certificate of Incorporation, By-Laws and Certain Other Agreements, etc.. The Borrower will not, and will not permit any of its Subsidiaries to:

(a) make (or give any notice in respect of) any voluntary or optional payment or prepayment on or redemption or acquisition for value of, or any prepayment or redemption as a result of any asset sale, change of control or similar event of (including in each case, without limitation, by way of depositing with the trustee with respect thereto or any other Person money or securities before due for the purpose of paying when due), (i) any Indebtedness (other than the Obligations) unless no Default has occurred and is continuing, (ii) any Indebtedness which is subordinated to any of the Obligations or (iii) any Senior Notes unless the Consolidated Total Leverage Ratio immediately prior to and after giving effect to making such payment is less than 2.00 to 1.00;

(b) amend or modify, or permit the amendment or modification of, (i) any provision of any Senior Note Document, (ii) any documents pursuant to which Indebtedness subordinated to any of the Obligations was incurred or by which it is governed or (iii) any of the Acquisition Documents; or

(c) amend, modify or change any Factoring Agreement, any Permitted Securitization documentation, any Tax Sharing Agreement or its certificate or articles of incorporation, certificate of formation, limited liability company agreement or by-laws (or the equivalent organizational documents), as applicable, or any agreement entered into by it with respect to its capital stock or other equity interests (including any shareholders' agreement), or enter into any new Factoring Agreement, Permitted Securitization documentation, Tax Sharing Agreement or agreement with respect to its capital stock or other equity interests, unless such new agreement or amendment, modification, change or other action contemplated by this clause (c) could not reasonably be expected to be adverse to the interests of the Lenders in any material respect.

SECTION 6.10. Restrictive Agreements. The Borrower will not, and will not permit any of its Subsidiaries to, directly or indirectly, enter into, incur or permit to exist any agreement or other arrangement that prohibits, restricts or imposes any condition upon (a) the ability of the Borrower or any Subsidiary to create, incur or permit to exist any Lien upon any of its property or assets, or (b) the ability of any Subsidiary to pay dividends or other distributions with respect to any shares of its capital stock or to make or repay loans or advances to the Borrower or any other Subsidiary or to Guarantee Indebtedness of the Borrower or any other Subsidiary; provided that (i) the foregoing shall not apply to restrictions and conditions imposed by law or by this Agreement or the other Credit Documents or, only until the Initial Borrowing Date, restrictions or conditions imposed by any of the "Credit Documents" (as defined in the Existing Credit Agreement), (ii) the foregoing shall not apply to restrictions and conditions existing on the Effective Date identified on Schedule 6.10 (but shall apply to any extension or renewal of, or any amendment or modification expanding the scope of, any such restriction or condition), (iii) the foregoing shall not apply to customary restrictions and conditions contained in agreements relating to the sale of a Subsidiary pending such sale, provided such restrictions and conditions apply only to the Subsidiary that is to be sold and such sale is permitted hereunder, (iv) clause (a) of the foregoing shall not apply to restrictions or conditions imposed by any agreement relating to secured Indebtedness permitted by this Agreement if such restrictions or conditions apply only to the property or assets securing such Indebtedness and (v) clause (a) of the foregoing shall not apply to customary provisions in leases and other contracts restricting the assignment thereof.

SECTION 6.11. End of Fiscal Years; Fiscal Quarters. The Borrower will cause (i) each of its fiscal years to end on December 31 of each year and (ii) its fiscal quarters to end on March 31, June 30, September 30 and December 31, respectively, of each year.

SECTION 6.12. Limitation on Issuance of Capital Stock. (a) The Borrower will not, and will not permit any of its Subsidiaries to, issue (i) any preferred stock or other preferred equity interests other than Qualified Preferred Stock of the Borrower or (ii) any redeemable common stock or other redeemable common equity interests other than common stock or other redeemable common equity interests that is redeemable at the sole option of the Borrower or such Subsidiary, as the case may be.

(b) The Borrower will not permit any of its Subsidiaries to issue any capital stock or other equity interests (including by way of sales of treasury stock) or any options or warrants to purchase, or securities convertible into, capital stock or other equity interests, except

(i) for transfers and replacements of then outstanding shares of capital stock or other equity interests, (ii) for stock splits, stock dividends and issuances which do not decrease the percentage ownership of the Borrower and its Subsidiaries in any class of the capital stock or other equity interests of such Subsidiary, (iii) in the case of Foreign Subsidiaries, to qualify directors to the extent required by applicable law and for other nominal share issuances to Persons other than the Borrower and its Subsidiaries to the extent required under applicable law or (iv) for issuances by newly created or acquired Subsidiaries in accordance with the terms of this Agreement.

SECTION 6.13. Limitation on Creation of Subsidiaries. The Borrower will not, and will not permit any of its Subsidiaries to, establish, create or acquire after the Effective Date any Subsidiary; provided that the Borrower and its Wholly-Owned Subsidiaries shall be permitted to (A) establish, create and, to the extent permitted by this Agreement, acquire Wholly-Owned Subsidiaries so long as (i) the equity interests of each such new Wholly-Owned Subsidiary is pledged pursuant to, and to the extent required by, the US Pledge Agreement, (ii) if required by Section 5.13, each such new Wholly-Owned Domestic Subsidiary (and, to the extent required by Section 5.10, each such new Wholly-Owned Foreign Subsidiary) executes a counterpart of the Subsidiary Guaranty, the US Pledge Agreement and the US Security Agreement, and (iii) each such new Wholly-Owned Domestic Subsidiary (and, to the extent required by Section 5.10, each such new Wholly-Owned Foreign Subsidiary), to the extent requested by the Administrative Agent or the Required Lenders, takes all actions required pursuant to Section 5.10, (B) establish, create and acquire non-Wholly-Owned Subsidiaries in each case to the extent permitted by Section 6.05 (l) and the definition of Permitted Acquisition so long as the equity interest of each such non-Wholly-Owned Subsidiary is pledged pursuant to, and to the extent required by, the US Pledge Agreement and (C) consummate the Acquisition. In addition, each such new Wholly-Owned Subsidiary which is required to become a Credit Party shall execute and deliver, or cause to be executed and delivered, all other relevant documentation of the type described in Article IV as such new Wholly-Owned Subsidiary would have had to deliver if such new Wholly-Owned Subsidiary were a Credit Party on the Effective Date.

SECTION 6.14. Rental Fleet. The Borrower will not permit the aggregate net book value of all crane products of the Borrower and its Subsidiaries that are part of their Rental Fleet to exceed \$100,000,000 at any time.

SECTION 6.15. Sale-Leaseback Restriction. The Borrower will not permit the Sale-Leaseback Differential as of the end of any fiscal quarter of the Borrower to exceed an amount equal to 7.5% of Consolidated EBITDA for the four fiscal quarter period then ended.

SECTION 6.16. Buy-Back Limitation. The Borrower will not permit the Dollar Equivalent amount of the Buy-Back Obligations at any time to exceed an amount equal to 12.5% of Consolidated Tangible Net Assets, determined as of the most recent fiscal quarter end of the Borrower.

SECTION 6.17. Swap Agreements. The Borrower will not, and will not permit any of its Subsidiaries to, enter into any Swap Agreement, except (a) Swap Agreements entered into to hedge or mitigate risks to which the Borrower or any Subsidiary has actual exposure (other than those in respect of Equity Interests of the Borrower or any of its Subsidiaries), and (b) Swap Agreements entered into in order to effectively cap, collar or

exchange interest rates (from fixed or floating rates, from one floating rate to another floating rate or otherwise) with respect to any interest-bearing liability or investment of the Borrower or any Subsidiary.

SECTION 6.18. BPGR. The Borrower shall not permit BPGR to engage in any activities other than those not materially different from those engaged in on the Effective Date and acting as a holding company for shares of Manitowoc Cranes, Inc. and other Subsidiaries of the Borrower and, in any event, shall not permit BPGR to incur Indebtedness other than Indebtedness under the Credit Documents and other Indebtedness subordinated on terms satisfactory to the Administrative Agent to the obligations of BPGR under the Credit Documents.

SECTION 6.19. Manitowoc Asia Holdings. The Borrower shall not permit Manitowoc Asia Holdings to engage in any activities other than those not materially different from those engaged in on the Effective Date, consisting exclusively of acting as a holding company for the equity of Manitowoc Crane Group Asia Pte Ltd. and other Subsidiaries of the Borrower and, in any event, shall not permit Manitowoc Asia Holdings to incur Indebtedness other than Indebtedness under the Credit Documents and other Indebtedness subordinated on terms satisfactory to the Administrative Agent to the obligations of Manitowoc Asia Holdings under the Credit Documents.

ARTICLE VII

Events of Default

If any of the following events (“Events of Default”) shall occur:

- (a) any of the Borrowers shall fail to pay any principal of any Loan or any reimbursement obligation in respect of any LC Disbursement when and as the same shall become due and payable, whether at the due date thereof or at a date fixed for prepayment thereof or otherwise;
- (b) any of the Borrowers shall fail to pay any interest on any Loan or any fee or any other amount (other than an amount referred to in clause (a) of this Article) payable under this Agreement, when and as the same shall become due and payable, and such failure shall continue unremedied for a period of three Business Days;
- (c) any representation or warranty made or deemed made by or on behalf of the Borrower or any Subsidiary in or in connection with any Credit Document or any amendment or modification thereof or waiver thereunder, or in any report, certificate, financial statement or other document furnished pursuant to or in connection with any Credit Document or any amendment or modification thereof or waiver thereunder, shall prove to have been incorrect in any material respect when made or deemed made;
- (d) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in Section 5.02, 5.03 (with respect to the Borrower’s existence) or 5.08, in Article VI or in the third sentence of Section 9.02(b);

(e) the Borrower shall fail to observe or perform any covenant, condition or agreement contained in this Agreement (other than those specified in clause (a), (b) or (d) of this Article), and such failure shall continue unremedied for a period of 30 days after written notice thereof from the Administrative Agent to the Borrower (which notice will be given at the request of any Lender);

(f) the Borrower or any Subsidiary shall fail to make any payment (whether of principal or interest and regardless of amount) in respect of any Material Indebtedness, when and as the same shall become due and payable;

(g) any event or condition occurs that results in any Material Indebtedness becoming due prior to its scheduled maturity or that enables or permits (with or without the giving of notice, the lapse of time or both) the holder or holders of any Material Indebtedness or any trustee or agent on its or their behalf to cause any Material Indebtedness to become due, or to require the prepayment, repurchase, redemption or defeasance thereof, prior to its scheduled maturity; provided that this clause (g) shall not apply to secured Indebtedness that becomes due as a result of the voluntary sale or transfer of the property or assets securing such Indebtedness;

(h) an involuntary proceeding shall be commenced or an involuntary petition shall be filed seeking (i) liquidation, reorganization or other relief in respect of any of the Borrowers or any Material Subsidiary or its debts, or of a substantial part of its assets, under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect or (ii) the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any of the Borrowers or any Material Subsidiary or for a substantial part of its assets, and, in any such case, such proceeding or petition shall continue undismissed for 60 days or an order or decree approving or ordering any of the foregoing shall be entered;

(i) any of the Borrowers or any Material Subsidiary shall (i) voluntarily commence any proceeding or file any petition seeking liquidation, reorganization or other relief under any Federal, state or foreign bankruptcy, insolvency, receivership or similar law now or hereafter in effect, (ii) consent to the institution of, or fail to contest in a timely and appropriate manner, any proceeding or petition described in clause (h) of this Article, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator, conservator or similar official for any of the Borrowers or any Material Subsidiary or for a substantial part of its assets, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors or (vi) take any action for the purpose of effecting any of the foregoing;

(j) any of the Borrowers or any Material Subsidiary shall become unable, admit in writing its inability or fail generally to pay its debts as they become due;

(k) one or more judgments for the payment of money in an aggregate amount in excess of \$20,000,000 shall be rendered against any of the Borrowers, any Material Subsidiary or any combination thereof and the same shall remain undischarged for a period of 30 consecutive days during which execution shall not be effectively stayed, or any action shall be legally taken by a judgment creditor to attach or levy upon any assets of any of the Borrowers or any Material Subsidiary to enforce any such judgment;

(l) an ERISA Event shall have occurred that, in the opinion of the Required Lenders, when taken together with all other ERISA Events that have occurred, could reasonably be expected to result in liability of the Borrower and its Subsidiaries in an aggregate amount exceeding \$20,000,000;

(m) a Change in Control shall occur;

(n) (i) any Security Document shall cease to be in full force and effect, or shall cease to give the Collateral Agent for the benefit of the Secured Creditors, the Liens, rights, powers and privileges purported to be created thereby, or any Credit Party shall deny or disaffirm such Credit Party's obligations under any Security Document or the Liens granted thereunder, or (ii) any Credit Party shall default in the due performance or observance of any term, covenant or agreement on its part to be performed or observed pursuant to any such Security Document and such default shall continue beyond the period of grace, if any, specifically applicable thereto pursuant to the terms of such Security Document; or

(o) except as otherwise provided in Section 6.03(a)(x) or (xi), (i) the Subsidiary Guaranty or any provision thereof shall cease to be in full force or effect as to any Subsidiary Guarantor, or any Subsidiary Guarantor or any Person acting for or on behalf of such Subsidiary Guarantor shall deny or disaffirm such Subsidiary Guarantor's obligations under the Subsidiary Guaranty or (ii) any Subsidiary Guarantor shall default in the due performance or observance of any term, covenant or agreement on its part to be performed or observed pursuant to the Subsidiary Guaranty; or

(p) (i) the Parent Guaranty or any provision thereof shall cease to be in full force or effect or the Borrower or any Person acting for or on behalf of the Borrower shall deny or disaffirm the Borrower's obligations under the Parent Guaranty or (ii) the Borrower shall default in the due performance or observance of any term, covenant or agreement on its part to be performed or observed pursuant to the Parent Guaranty;

then, and in every such event (other than an event with respect to any of the Borrowers described in clause (h) or (i) of this Article), and at any time thereafter during the continuance of such event, the Administrative Agent may, and at the request of the Required Lenders shall, by notice to the Borrower, take either or both of the following actions, at the same or different times: (i) terminate the Commitments, and thereupon the Commitments shall terminate immediately, and (ii) declare the Loans then outstanding to be due and payable in whole (or in part, in which case any principal not so declared to be due and payable may thereafter be declared to be due and payable), and thereupon the principal of the Loans so declared to be due and payable, together with accrued interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall become due and payable immediately, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers; and in case of any event with respect to any of the Borrowers described in clause (h) or (i) of this Article, the Commitments shall automatically terminate and the principal of the Loans then outstanding, together with accrued interest thereon and all fees and other obligations of the Borrowers accrued hereunder, shall automatically become due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Borrowers.

Notwithstanding any other provision of any Credit Document:

- (a) any breach of a representation, warranty or covenant set forth in any Credit Document; or
- (b) any Event of Default (other than an Event of Default under paragraph (a), (b), (h), (i) or (j) of Article VII),

(each, a “Curable Circumstance”) will be deemed not to be a breach of representation or warranty, a breach of covenant or an Event of Default (as the case may be) during the period expiring on the day (the “Clean-Up Date”) falling 90 days after the Unconditional Date, if:

- (i) it would have been (if it were not for this provision) a breach of representation or warranty, a breach of covenant or an Event of Default only by reason of circumstances relating exclusively to any member of the Target Group (or any obligation to procure or ensure in relation to a member of the Target Group);
- (ii) it is capable of remedy and reasonable steps are being taken to remedy it;
- (iii) the circumstances giving rise to it have not been procured by (A) the Borrower or (B) a Subsidiary of the Borrower which is not a member of the Target Group, and neither the Borrower nor any such Subsidiary has acquiesced to such circumstances where they were legally able to avoid them; and
- (iv) it could not reasonably be expected (either individually or in the aggregate with all other Curable Circumstances) to have a Material Adverse Effect.

If the relevant circumstances are continuing on or after the Clean-Up Date, there shall be a breach of representation or warranty, breach of covenant or Event of Default, as the case may be notwithstanding the above (and without prejudice to the rights and remedies of the Lenders, the Administrative Agent and the Collateral Agent).

ARTICLE VIII

The Administrative Agent

SECTION 8.01. The Administrative Agent.

- (a) Each of the Lenders and the Issuing Bank hereby irrevocably appoints the Administrative Agent as its agent and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof, together with such actions and powers as are reasonably incidental thereto.
- (b) The bank serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and such bank and its Affiliates may

accept deposits from, lend money to and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if it were not the Administrative Agent hereunder.

(c) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein. Without limiting the generality of the foregoing, (i) the Administrative Agent shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing, (ii) the Administrative Agent shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby that the Administrative Agent is required to exercise in writing as directed by the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02), and (iii) except as expressly set forth herein, the Administrative Agent shall not have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of its Subsidiaries that is communicated to or obtained by the bank serving as Administrative Agent or any of its Affiliates in any capacity. The Administrative Agent shall not be liable for any action taken or not taken by it with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary under the circumstances as provided in Section 9.02) or in the absence of its own gross negligence or willful misconduct. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until written notice thereof is given to the Administrative Agent by the Borrower or a Lender, and the Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement, (ii) the contents of any certificate, report or other document delivered hereunder or in connection herewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

(d) The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing believed by it to be genuine and to have been signed or sent by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to be made by the proper Person, and shall not incur any liability for relying thereon. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

(e) The Administrative Agent may perform any and all its duties and exercise its rights and powers by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all its duties and exercise its rights and powers through their respective Related Parties. The exculpatory provisions of the preceding paragraphs shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective

activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent.

(f) Subject to the appointment and acceptance of a successor Administrative Agent as provided in this paragraph, the Administrative Agent may resign at any time by notifying the Lenders, the Issuing Bank and the Borrower. Upon any such resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor. If no successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation, then the retiring Administrative Agent may, on behalf of the Lenders and the Issuing Bank, appoint a successor Administrative Agent which shall be a bank with an office in New York, New York, or an Affiliate of any such bank. Upon the acceptance of its appointment as Administrative Agent hereunder by a successor, such successor shall succeed to and become vested with all the rights, powers, privileges and duties of the retiring Administrative Agent, and the retiring Administrative Agent shall be discharged from its duties and obligations hereunder. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the Administrative Agent's resignation hereunder, the provisions of this Article and Section 9.03 shall continue in effect for the benefit of such retiring Administrative Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while it was acting as Administrative Agent.

(g) Each Lender acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any related agreement or any document furnished hereunder or thereunder.

(h) The Administrative Agent shall be permitted from time to time to designate one of its Affiliates to perform the duties to be performed by the Administrative Agent hereunder with respect to Loans and Borrowings denominated in Foreign Currencies. The provisions of this Article VIII shall apply to any such Affiliate mutatis mutandis. All provisions of this Article VIII relating to the Administrative Agent shall be equally applicable to the Collateral Agent mutatis mutandis.

Without limiting the foregoing, if any Collateral or any Subsidiary is sold in a transaction permitted hereunder (excluding sales to the Borrower or a Subsidiary thereof other than sales comprising part of a Permitted Securitization made to a Subsidiary which is an SPC), (a) such Collateral and the assets of such Subsidiary shall be sold free and clear of the Liens created by the Security Documents and (b) in the case of such a sale of a Subsidiary Guarantor, such Subsidiary Guarantor and its subsidiaries shall be released from the Subsidiary Guaranty and, in each case, the Administrative Agent, the Collateral Agent and the UK Security Trustee shall be authorized to take any actions deemed appropriate in order to effect the foregoing. Each of the Administrative Agent, the Collateral Agent and the UK Security Trustee shall also be

authorized, on behalf of the Lenders, to enter into such amendments of the Security Documents and to enter into such agreements (including intercreditor agreements but excluding any releases of Collateral not otherwise authorized hereby) as, in either case, it deems necessary or appropriate in connection with a Permitted Securitization. Additionally, in connection with the granting of Liens of the type described in clauses (i), (j), (m) or (s) of Section 6.02 by the Borrower or any of its Subsidiaries, each of the Administrative Agent, the Collateral Agent and the UK Security Trustee is authorized to take any actions deemed appropriate by it in connection therewith (including, without limitation, the execution of appropriate lien releases or lien subordination agreements in favor of the holder or holders of such Liens, in either case solely with respect to the item or items of equipment or other assets subject to such Liens.

SECTION 8.02. Administrative Agent as UK Security Trustee .

(a) In this Agreement, any rights and remedies exercisable by, any documents to be delivered to, or any other indemnities or obligations in favor of the Administrative Agent shall be, as the case may be, exercisable by, delivered to, or be indemnities or other obligations in favor of, the Administrative Agent (or any other Person acting in such capacity) in its capacity as the UK Security Trustee to the extent that the rights, deliveries, indemnities or other obligations relate to the UK Security Agreements or the security thereby created. Any obligations of the Administrative Agent (or any other Person acting in such capacity) in this Agreement shall be obligations of the Administrative Agent in its capacity as UK Security Trustee to the extent that the obligations relate to the UK Security Agreement or the security thereby created. Additionally, in its capacity as UK Security Trustee, the Administrative Agent (or any Person acting in such capacity) shall have all the rights, remedies, and benefits in favor of the Administrative Agent contained in the provisions of the whole of this Article VIII and, subject always to the provisions of the UK Security Agreement, (i) all the powers of an absolute owner of the security constituted by the US Pledge Agreement governed by English law and (ii) all the rights, remedies and powers granted to it and be subject to all the obligations and duties owed by it under the UK Security Agreements and/or any of the Credit Documents.

(b) Each Lender and the Administrative Agent hereby appoint the UK Security Trustee to act as its trustee under and in relation to the UK Security Agreements and to hold the assets subject to the security thereby created as trustee for the Administrative Agent and Lenders on the trusts and other terms contained in the UK Security Agreements and the Administrative Agent and each Lender hereby irrevocably authorize the UK Security Trustee to exercise such rights, remedies, powers and discretions as are specifically delegated to the UK Security Trustee by the terms of the UK Security Agreements together with all such rights, remedies, powers and discretions as are reasonably incidental thereto.

(c) Any reference in this Agreement to Liens stated to be in favor of the Administrative Agent shall be construed so as to include a reference to Liens granted in favor of the UK Security Trustee.

(d) The Lenders agree that at any time that the UK Security Trustee shall be a Person other than the Administrative Agent, such other Person shall have the rights, remedies, benefits and powers granted to the Administrative Agent in its capacity as the UK Security Trustee in this Agreement.

(e) Nothing in this Section 8.02 shall require the UK Security Trustee to act as a trustee at common law or to be holding any property on trust, in any jurisdiction outside the United States or the United Kingdom which may not operate under principles of trust or where such trust would not be recognized or its effects would not be enforceable.

ARTICLE IX

Miscellaneous

SECTION 9.01. Notices. (a) Except in the case of notices and other communications expressly permitted to be given by telephone (and subject to paragraph (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopy, as follows:

(i) if to the Borrower or any Subsidiary Borrower, to it at The Manitowoc Company, Inc., 2400 South 44th Street, Manitowoc, Wisconsin 54221, Attention of Carl Laurino, Chief Financial Officer and Dean Nolden, Vice President of Finance and Assistant Treasurer, (Telecopy No. (920) 652-9775), with a copy to Foley & Lardner LLP, 777 East Wisconsin Avenue, Milwaukee, Wisconsin 53202, Attn: Emory Ireland (Telecopy No. 414-297-4900);

(ii) if to the Administrative Agent, to JPMorgan Chase Bank, N.A., Loan Operations, 10 South Dearborn, Floor 07, Chicago, Illinois 60603-2003, Attention of Cheryl Lyons (Telecopy No. 312-385-7103; email: Cheryl.x.lyons@jpmchase.com), and, in the case of any Loan denominated in a Foreign Currency, to the J.P. Morgan Europe Limited, 125 Loan Wall, London, EC2Y 5AJ, Attn: Loans Agency (Telecopy No. 44 207 777 2360);

(iii) if to the Issuing Bank, to it at JPMorgan Chase Bank, N.A., Letter of Credit Group, 10 South Dearborn, Floor 07, Chicago, IL 60603-2003, Attention of Phyllis Huggins (Telecopy No. 312-732-2729);

(iv) if to the Swingline Lender, c/o the Administrative Agent at the address set forth in clause (ii) above; and

(v) if to the Alternate Currency Fronting Lender, c/o the Administrative Agent at the address set forth in clause (ii) above; and

(vi) if to any other Lender, to it at its address (or telecopy number) set forth in its Administrative Questionnaire.

(b) Notices and other communications to the Lenders hereunder may be delivered or furnished by electronic communications pursuant to procedures approved by the Administrative Agent; provided that the foregoing shall not apply to notices pursuant to Article II unless otherwise agreed by the Administrative Agent and the applicable Lender. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved

by it; provided that approval of such procedures may be limited to particular notices or communications.

(c) Any party hereto may change its address or telecopy number for notices and other communications hereunder by notice to the other parties hereto. All notices and other communications given to any party hereto in accordance with the provisions of this Agreement shall be deemed to have been given on the date of receipt.

SECTION 9.02. Waivers; Amendments. (a) No failure or delay by the Administrative Agent, the Issuing Bank or any Lender in exercising any right or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such a right or power, preclude any other or further exercise thereof or the exercise of any other right or power. The rights and remedies of the Administrative Agent, the Issuing Bank and the Lenders hereunder are cumulative and are not exclusive of any rights or remedies that they would otherwise have. No waiver of any provision of this Agreement or consent to any departure by the Borrowers therefrom shall in any event be effective unless the same shall be permitted by paragraph (b) of this Section, and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. Without limiting the generality of the foregoing, the making of a Loan or issuance of a Letter of Credit shall not be construed as a waiver of any Default, regardless of whether the Administrative Agent, any Lender or the Issuing Bank may have had notice or knowledge of such Default at the time.

(b) Neither this Agreement nor any provision hereof may be waived, amended or modified except pursuant to an agreement or agreements in writing entered into by the Borrower and the Required Lenders or by the Borrower and the Administrative Agent with the consent of the Required Lenders; provided that no such agreement shall (i) increase the Commitment of any Lender without the written consent of such Lender, (ii) reduce or forgive the principal amount of any Loan or LC Disbursement or reduce the rate of interest thereon, or reduce any fees payable hereunder, without the written consent of each Lender affected thereby, (iii) postpone the scheduled date of payment of the principal amount of any Loan or LC Disbursement, or any interest thereon, or any fees payable hereunder, or reduce the amount of, waive or excuse any such payment, postpone the scheduled date of expiration of any Commitment (it being understood that an amendment or waiver extending the Certain Funds Period shall not be deemed to constitute such a postponement) or extend the stated expiration date of any Letter of Credit beyond the Revolving Maturity Date, without the written consent of each Lender affected thereby, (iv) change Section 2.19 (b) or (c) in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender or change Section 2.09(c) in a manner which would alter the pro-rata sharing of Commitment reductions without the written consent of each Lender adversely affected thereby, (v) change any of the provisions of this Section or the definition of "Required Lenders" or any other provision hereof (including Sections 4.02(h)(iv) and 5.15) specifying the number or percentage of Lenders required to waive, amend or modify any rights hereunder or make any determination or grant any consent hereunder, without the written consent of each Lender, (vi) release all or substantially all of the Collateral, release the Borrower from the Parent Guaranty or release any Subsidiary Guarantor from its obligations under the Subsidiary Guaranty, except in connection with the sale of a Subsidiary Guarantor permitted under this Agreement, without the written consent of each

Lender, (vii) except as permitted by the terms hereof on the date hereof, change the currency of any Loan or the currency in which any Commitment is required to be funded without the written consent of each Lender affected thereby or (viii) alter the amount or the application of any prepayment required by Section 2.12 without the consent of Lenders holding at least 50.1% of the Term Loans and/or Term Commitments, as applicable, affected thereby; provided further that no such agreement shall amend, modify or otherwise affect the rights or duties of the Administrative Agent, the Issuing Bank, the Alternate Currency Fronting Lender, the Swingline Lender hereunder without the prior written consent of the Administrative Agent, the Issuing Bank, the Alternate Currency Fronting Lender, the Swingline Lender, as the case may be. Notwithstanding the foregoing, (i) upon the execution and delivery of all documentation required by Section 2.09(d) to be delivered in connection with an increase to the total Commitments, the Administrative Agent, the Borrower and the new or existing Lenders whose Commitments have been affected may and shall enter into an amendment hereof (which shall be binding on all parties hereto and the new Lenders) solely for the purpose of reflecting any new Lenders and their new Commitments and any increase in the Commitment of any existing Lender, (ii) no consent of any Credit Party (nor, to the extent that the amendments referred to below are not materially adverse to the interests of the Lenders, the consent of any Lender other than the Flex Lenders) shall be required in connection with an amendment hereof or of any other Credit Document (which in each case shall be binding upon each party to the applicable Credit Agreement) being made pursuant to the letter agreement dated June 30, 2008 among the Borrower, the Arrangers and certain of their Lender Affiliates relating to fees and “flex” matters and (iii) an amendment of this Agreement signed only by the Administrative Agent and the Flex Lenders shall be binding upon all parties hereto if the effect of such amendment is to (A) reduce the Term B Loan and/or Term B Commitments by an amount (the “Retranching Amount”) not in excess of the aggregate amount of the Term B Commitments (or, after the initial funding hereunder, the aggregate principal amount of the Term B Loans) of the Initial Lenders immediately prior to giving effect to such amendment, (B) restructure the Retranching Amount as a “Term Y” Loan by re-instating into this Agreement the terms and conditions relating to the “Term Y Loan” and “Term Y Commitments” set forth in the Original Agreement (except that the Term Y Loan/Term Y Commitment amount shall be the Retranching Amount, the Applicable Rate for the “Term Y Loan” hereunder shall be the same as the Applicable Rate relative to the Term B Loan and Subsections 2.12(c) – (f) shall be as set forth on Schedule 9.02)) and (C) allocate such Retranching Amount and related rights and obligations in respect of such “Term Y” facility to the Initial Lenders on a pro-rata (relative to their respective aggregate Commitments under the Original Credit Agreement) basis (i.e., giving effect to such amendment, each of the Initial Lenders will have a “Term Y Loan” or, as applicable, a “Term Y Commitment” in an amount corresponding to the amount by which its Term B Loan or Term B Commitment has been reduced); provided, however, that this subsection (iii) shall cease to be of any force or effect on the first day upon which the aggregate amount of the Term B Commitments and Term B Loans of the Initial Lenders is zero. The Borrower shall (A) at such time as the Flex Lenders shall request, execute and cause its Subsidiaries to execute such amendments to this Agreement or the other Credit Documents as may be requested by the Flex Lenders to effect compliance by the Borrower with its obligations under such letter agreement or, as applicable, to confirm an amendment contemplated by subsection (iii) of the preceding sentence (in each case without respect to whether such execution by the Borrower is, giving effect to subsections (ii) and (iii) of

the preceding sentence, required for the effectiveness thereof) and (B) otherwise comply with its obligations under such letter agreement.

SECTION 9.03. Expenses; Indemnity; Damage Waiver . (a) The Borrower shall pay (i) all reasonable out of pocket expenses incurred by the Administrative Agent and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Administrative Agent, in connection with the syndication of the credit facilities provided for herein, the preparation and administration of this Agreement or any amendments, modifications or waivers of the provisions hereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by the Issuing Bank in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by the Administrative Agent, the Collateral Agent, the Issuing Bank or any Lender, including the fees, charges and disbursements of any counsel for the Administrative Agent, the Issuing Bank or any Lender, in connection with the enforcement or protection of its rights in connection with this Agreement, including its rights under this Section, or in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) The Borrower shall indemnify the Administrative Agent, the Collateral Agent, the Issuing Bank and each Lender, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnatee”) against, and hold each Indemnatee harmless from, any and all losses, claims, damages, liabilities and related expenses, including the fees, charges and disbursements of any counsel for any Indemnatee, incurred by or asserted against any Indemnatee arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement or any agreement or instrument contemplated hereby, the performance by the parties hereto of their respective obligations hereunder or the consummation of the Transactions, the Acquisition or any other transactions contemplated hereby, (ii) any Loan or Letter of Credit or the use of the proceeds therefrom (including any refusal by the Issuing Bank to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory and regardless of whether any Indemnatee is a party thereto; provided that such indemnity shall not, as to any Indemnatee, be available to the extent that such losses, claims, damages, liabilities or related expenses are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnatee.

(c) To the extent that the Borrower fails to pay any amount required to be paid by it to the Administrative Agent, the Collateral Agent, the Issuing Bank, the Alternate Currency Fronting Lender or the Swingline Lender under paragraph (a) or (b) of this Section (and without limiting its obligation to do so), each Lender severally agrees to pay to the Administrative Agent, the Issuing Bank, the Alternate Currency Fronting Lender or the Swingline Lender, as the case may be, such Lender’s ratable share (determined as of the time that the applicable unreimbursed

expense or indemnity payment is sought by reference to the aggregate outstanding Term Loans and unused Term Commitments (or, if such Term Commitments have terminated, aggregate outstanding Term Loans) and Revolving Commitments (or, if such Revolving Commitments have terminated, aggregate Revolving Credit Exposure)) of such unpaid amount; provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent, the Issuing Bank, the Alternate Currency Fronting Lender or the Swingline Lender in its capacity as such.

(d) To the extent permitted by applicable law, the Borrowers shall not assert, and hereby waive, any claim against any Indemnatee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or any agreement or instrument contemplated hereby, the Transactions, any Loan or Letter of Credit or the use of the proceeds thereof.

(e) All amounts due under this Section shall be payable not later than ten Business Days after written demand therefor.

SECTION 9.04. Successors and Assigns. (a) The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby (including J. P. Morgan Europe Limited and any Affiliate of the Issuing Bank that issues any Letter of Credit), except that (i) the Borrowers may not assign or otherwise transfer any of their respective rights or obligations hereunder without the prior written consent of each Lender (and any attempted assignment or transfer by the Borrowers without such consent shall be null and void) and (ii) no Lender may assign or otherwise transfer its rights or obligations hereunder except in accordance with this Section. Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby (including J. P. Morgan Europe Limited and any Affiliate of the Issuing Bank that issues any Letter of Credit), Participants (to the extent provided in paragraph (c) of this Section) and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the Issuing Bank and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) (i) Subject to the conditions set forth in paragraph (b)(ii) below, any Lender may assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitments and the Loans at the time owing to it) with the prior written consent (such consent not to be unreasonably withheld) of:

(A) the Borrower, provided that no consent of the Borrower shall be required for an assignment to a Lender, an Affiliate of a Lender, an Approved Fund or, if an Event of Default has occurred and is continuing, any other assignee;

(B) the Administrative Agent, provided that no consent of the Administrative Agent shall be required for an assignment of (x) any Revolving Commitment to an assignee that is a Lender with a Revolving Commitment immediately

prior to giving effect to such assignment and (y) all or any portion of a Term Loan to a Lender, an Affiliate of a Lender or an Approved Fund; and

(C) each Issuing Bank; provided that no consent of any Issuing Bank shall be required for an assignment of all or any portion of a Term Loan.

(D) JPMorgan, in its capacity as the Alternate Currency Fronting Lender; provided that no consent of the Alternate Currency Fronting Lender shall be required for an assignment of all or any portion of a Term Loan.

(ii) Assignments shall be subject to the following additional conditions:

(A) except in the case of an assignment to a Lender or an Affiliate of a Lender or an assignment of the entire remaining amount of the assigning Lender's Commitment or Loans of any Class, the amount of the Commitment or Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent) shall not be less than \$5,000,000 (or, in the case of a Term Loan, \$1,000,000) unless each of the Borrower and the Administrative Agent otherwise consent, provided that no such consent of the Borrower shall be required if an Event of Default has occurred and is continuing;

(B) each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement, provided that this clause shall not be construed to prohibit the assignment of a proportionate part of all the assigning Lender's rights and obligations in respect of one Class of Commitments or Loans; and provided further that assignments of Alternate Currency Loans to the Alternate Currency Fronting Lender as described in clause (ii) of Section 2.04(m) or by the Alternate Currency Fronting Lender to a Lender which becomes an Alternate Currency Lender shall not be required to be made as a proportionate part of the assigning Lender's Commitment;

(C) the parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, together with a processing and recordation fee of \$3,500, except that no fee shall be required in the event of an assignment by a Lender to an Affiliate of such Lender; and

(D) the assignee, if it shall not be a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire in which the assignee designates one or more credit contacts to whom all syndicate-level information (which may contain material non-public information about the Borrower and its affiliates, the Credit Parties and their related parties or their respective securities) will be made available and who may receive such information in accordance with the assignee's compliance procedures and applicable laws, including Federal and state securities laws.

For the purposes of this Section 9.04(b), the term “ Approved Fund ” has the following meaning:

“ Approved Fund ” means any Person (other than a natural person) that is engaged in making, purchasing, holding or investing in bank loans and similar extensions of credit in the ordinary course and that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

(iii) Subject to acceptance and recording thereof pursuant to paragraph (b)(iv) of this Section, from and after the effective date specified in each Assignment and Assumption the assignee thereunder shall be a party hereto and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender’s rights and obligations under this Agreement, such Lender shall cease to be a party hereto but shall continue to be entitled to the benefits of Sections 2.16, 2.17, 2.18 and 9.03). Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section 9.04 shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with paragraph (c) of this Section.

(iv) The Administrative Agent, acting for this purpose as an agent of the Borrowers, shall maintain at one of its offices a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Commitment of, and principal amount of the Loans and LC Disbursements owing to, each Lender pursuant to the terms hereof from time to time (the “ Register ”). The entries in the Register shall be conclusive, and the Borrowers, the Administrative Agent, the Issuing Bank and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower, the Issuing Bank and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(v) Upon its receipt of a duly completed Assignment and Assumption executed by an assigning Lender and an assignee, the assignee’s completed Administrative Questionnaire (unless the assignee shall already be a Lender hereunder), the processing and recordation fee referred to in paragraph (b) of this Section and any written consent to such assignment required by paragraph (b) of this Section, the Administrative Agent shall accept such Assignment and Assumption and record the information contained therein in the Register; provided that if either the assigning Lender or the assignee shall have failed to make any payment required to be made by it pursuant to Section 2.05(c), 2.06(d) or (e), 2.07(b), 2.19(d) or 9.03(c), the Administrative Agent shall have no obligation to accept such Assignment and Assumption and record the information therein in the Register unless and until such payment shall have been made in full, together with all accrued interest thereon. No assignment shall be effective for purposes of this Agreement unless it has been recorded in the Register as provided in this paragraph.

(c) (i) Any Lender may, without the consent of the Borrowers, the Administrative Agent, the Issuing Bank, the Alternate Currency Fronting Lender or the Swingline Lender, sell participations to one or more banks or other entities (a “Participant”) in all or a portion of such Lender’s rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans owing to it); provided that (A) such Lender’s obligations under this Agreement shall remain unchanged, (B) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (C) the Borrowers, the Administrative Agent, the Issuing Bank and the other Lenders shall continue to deal solely and directly with such Lender in connection with such Lender’s rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, modification or waiver described in the first proviso to Section 9.02(b) that affects such Participant. Subject to paragraph (c)(ii) of this Section, the Borrowers agree that each Participant shall be entitled to the benefits of Sections 2.16, 2.17 and 2.18 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to paragraph (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 9.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.19 (c) as though it were a Lender.

(ii) A Participant shall not be entitled to receive any greater payment under Section 2.16 or 2.18 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with the Borrower’s prior written consent. A Participant that would be a Foreign Lender if it were a Lender shall not be entitled to the benefits of Section 2.18 unless the Borrower is notified of the participation sold to such Participant and such Participant agrees, for the benefit of the Borrower, to comply with Section 2.18(e) as though it were a Lender.

(d) Any Lender may, without the consent of the Borrower or the Administrative Agent, at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including without limitation any pledge or assignment to secure obligations to a Federal Reserve Bank, and this Section shall not apply to any such pledge or assignment of a security interest; provided that no such pledge or assignment of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

SECTION 9.05. Survival. All covenants, agreements, representations and warranties made by the Borrowers herein and in the certificates or other instruments delivered in connection with or pursuant to this Agreement shall be considered to have been relied upon by the other parties hereto and shall survive the execution and delivery of this Agreement and the making of any Loans and issuance of any Letters of Credit, regardless of any investigation made by any such other party or on its behalf and notwithstanding that the Administrative Agent, the Collateral Agent, the Issuing Bank or any Lender may have had notice or knowledge of any Default or incorrect representation or warranty at the time any credit is extended hereunder, and shall continue in full force and effect as long as the principal of or any accrued interest on any

Loan or any fee or any other amount payable under this Agreement is outstanding and unpaid or any Letter of Credit is outstanding and so long as the Commitments have not expired or terminated. The provisions of Sections 2.16, 2.17, 2.18 and 9.03 and Article VIII shall survive and remain in full force and effect regardless of the consummation of the transactions contemplated hereby, the repayment of the Loans, the expiration or termination of the Letters of Credit and the Commitments or the termination of this Agreement or any provision hereof.

SECTION 9.06. Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto on different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and any separate letter agreements with respect to fees payable to the Administrative Agent or any Arranger constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. The Borrower agrees to comply with its obligations under such letter agreements. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof which, when taken together, bear the signatures of each of the other parties hereto, and thereafter shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

SECTION 9.07. Severability. Any provision of this Agreement held to be invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without affecting the validity, legality and enforceability of the remaining provisions hereof; and the invalidity of a particular provision in a particular jurisdiction shall not invalidate such provision in any other jurisdiction.

SECTION 9.08. Right of Set-off. If an Event of Default shall have occurred and be continuing, each Lender and each of its Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by law, to set off and apply any and all deposits (general or special, time or demand, provisional or final) at any time held and other obligations at any time owing by such Lender or Affiliate to or for the credit or the account of any of the Borrowers against any of and all the obligations of such Person now or hereafter existing under this Agreement held by such Lender, irrespective of whether or not such Lender shall have made any demand under this Agreement and although such obligations may be unmatured. The rights of each Lender under this Section are in addition to other rights and remedies (including other rights of set-off) which such Lender may have.

SECTION 9.09. Governing Law; Jurisdiction; Consent to Service of Process. (a) This Agreement shall be construed in accordance with and governed by the law (without regard to conflict of law provisions) of the State of New York.

(b) Each of the Borrowers hereby irrevocably and unconditionally submits, for itself and its property, to the nonexclusive jurisdiction of the Supreme Court of the State of New York sitting in New York County and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, in any action or proceeding

arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto hereby irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such New York State or, to the extent permitted by law, in such Federal court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Administrative Agent, the Issuing Bank or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Borrowers or their respective properties in the courts of any jurisdiction.

(c) Each of the Borrowers hereby irrevocably and unconditionally waives, to the fullest extent it may legally and effectively do so, any objection which it may now or hereafter have to the laying of venue of any suit, action or proceeding arising out of or relating to this Agreement in any court referred to in paragraph (b) of this Section. Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by law, the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) Each party to this Agreement irrevocably consents to service of process in the manner provided for notices in Section 9.01; provided that service of process may not be made by telecopy. Nothing in this Agreement will affect the right of any party to this Agreement to serve process in any other manner permitted by law.

SECTION 9.10. WAIVER OF JURY TRIAL. EACH PARTY HERETO HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

SECTION 9.11. Headings. Article and Section headings and the Table of Contents used herein are for convenience of reference only, are not part of this Agreement and shall not affect the construction of, or be taken into consideration in interpreting, this Agreement.

SECTION 9.12. Confidentiality. Each of the Administrative Agent, the Issuing Bank and the Lenders agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party to this

Agreement, (e) in connection with the exercise of any remedies hereunder or any suit, action or proceeding relating to this Agreement or the enforcement of rights hereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement, (ii) any pledgee referred to in Section 9.04(d) or (iii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to any of the Borrowers and its obligations, (g) with the consent of the Borrower or (h) to the extent such Information (i) becomes publicly available other than as a result of a breach of this Section or (ii) becomes available to the Administrative Agent, the Issuing Bank or any Lender on a nonconfidential basis from a source other than the Borrower. For the purposes of this Section, “Information” means all information received from the Borrower relating to the Borrower or its business, other than any such information that is available to the Administrative Agent, the Issuing Bank or any Lender on a nonconfidential basis prior to disclosure by the Borrower; provided that, in the case of information received from the Borrower after the Effective Date, such information is or was clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

EACH LENDER ACKNOWLEDGES THAT INFORMATION AS DEFINED IN SECTION 9.12 FURNISHED TO IT PURSUANT TO THIS AGREEMENT MAY INCLUDE MATERIAL NON-PUBLIC INFORMATION CONCERNING THE BORROWER AND ITS RELATED PARTIES OR THEIR RESPECTIVE SECURITIES, AND CONFIRMS THAT IT HAS DEVELOPED COMPLIANCE PROCEDURES REGARDING THE USE OF MATERIAL NON-PUBLIC INFORMATION AND THAT IT WILL HANDLE SUCH MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH THOSE PROCEDURES AND APPLICABLE LAW, INCLUDING FEDERAL AND STATE SECURITIES LAWS.

ALL INFORMATION, INCLUDING REQUESTS FOR WAIVERS AND AMENDMENTS, FURNISHED BY THE BORROWER OR THE ADMINISTRATIVE AGENT PURSUANT TO, OR IN THE COURSE OF ADMINISTERING, THIS AGREEMENT WILL BE SYNDICATE-LEVEL INFORMATION, WHICH MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION ABOUT THE BORROWER AND ITS AFFILIATES, THE PARTIES AND THEIR RELATED PARTIES OR THEIR RESPECTIVE SECURITIES) AND ITS SECURITIES. ACCORDINGLY, EACH LENDER REPRESENTS TO THE BORROWER AND THE ADMINISTRATIVE AGENT THAT IT HAS IDENTIFIED IN ITS ADMINISTRATIVE QUESTIONNAIRE A CREDIT CONTACT WHO MAY RECEIVE INFORMATION THAT MAY CONTAIN MATERIAL NON-PUBLIC INFORMATION IN ACCORDANCE WITH ITS COMPLIANCE PROCEDURES AND APPLICABLE LAW.

SECTION 9.13. Interest Rate Limitation. Notwithstanding anything herein to the contrary, if at any time the interest rate applicable to any Loan, together with all fees, charges and other amounts which are treated as interest on such Loan under applicable law (collectively the “Charges”), shall exceed the maximum lawful rate (the “Maximum Rate”) which may be contracted for, charged, taken, received or reserved by the Lender holding such Loan in accordance with applicable law, the rate of interest payable in respect of such Loan

hereunder, together with all Charges payable in respect thereof, shall be limited to the Maximum Rate and, to the extent lawful, the interest and Charges that would have been payable in respect of such Loan but were not payable as a result of the operation of this Section shall be cumulated and the interest and Charges payable to such Lender in respect of other Loans or periods shall be increased (but not above the Maximum Rate therefor) until such cumulated amount, together with interest thereon at the Federal Funds Effective Rate to the date of repayment, shall have been received by such Lender.

SECTION 9.14. USA PATRIOT Act. Each Lender that is subject to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”) hereby notifies the Borrowers that pursuant to the requirements of the Act, it is required to obtain, verify and record information that identifies such Person, which information includes the names and addresses of the Borrowers and other information that will allow such Lender to identify the Borrowers in accordance with the Act.

SECTION 9.15. Conversion of Currencies. (a) If, for the purpose of obtaining judgment in any court, it is necessary to convert a sum owing hereunder in one currency into another currency, each party hereto agrees, to the fullest extent that it may effectively do so, that the rate of exchange used shall be that at which in accordance with normal banking procedures in the relevant jurisdiction the first currency could be purchased with such other currency on the Business Day immediately preceding the day on which final judgment is given.

(b) The obligations of each Borrower in respect of any sum due to any party hereto or any holder of the obligations owing hereunder (the “Applicable Creditor”) shall, notwithstanding any judgment in a currency (the “Judgment Currency”) other than the currency in which such sum is stated to be due hereunder (the “Agreement Currency”), be discharged only to the extent that, on the Business Day following receipt by the Applicable Creditor of any sum adjudged to be so due in the Judgment Currency, the Applicable Creditor may in accordance with normal banking procedures in the relevant jurisdiction purchase the Agreement Currency with the Judgment Currency; if the amount of the Agreement Currency so purchased is less than the sum originally due to the Applicable Creditor in the Agreement Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Applicable Creditor against such loss. The obligations of the Borrower contained in this Section 9.15 shall survive the termination of this Agreement and the payment of all other amounts owing hereunder.

SECTION 9.16. Syndication Agent and Documentation Agents. Any syndication agent or documentation agents appointed with respect to this Agreement shall, in their capacities as such, have no duties or responsibilities under this Agreement or any other Credit Document. No syndication agent or documentation agent shall have or be deemed to have any fiduciary relationship with any Lender. Each Lender acknowledges that it has not relied, and will not rely, on any syndication agent or documentation agent in deciding to enter into this Agreement or any other Credit Document or in taking or not taking any action hereunder.

(a) On the Restatement Date the Original Credit Agreement shall be amended, restated and superseded in its entirety hereby. The parties hereto acknowledge and agree that (a) this Agreement, any promissory notes delivered pursuant to Section 2.10 and the other Credit Documents executed and delivered in connection herewith do not constitute a novation or termination of the “Obligations” (as defined in the Original Credit Agreement) under the Original Credit Agreement as in effect prior to the Effective Date and (b) such “Obligations” are in all respects continuing with only the terms thereof being modified as provided in this Agreement.

(b) Notwithstanding the modifications effected by this Agreement of the representations, warranties and covenants of the Borrower contained in the Original Credit Agreement, the Borrower acknowledges and agrees that any causes of action or other rights created in favor of the Administrative Agent, the Collateral Agent or any Lender or its successors arising out of the representations and warranties of the Borrower contained in or delivered in connection with the Original Credit Agreement shall survive the execution, delivery and effectiveness of this Agreement.

(c) All indemnification obligations of the Borrower arising under the Original Credit Agreement (including any arising from a breach of the representations thereunder) shall survive this amendment and restatement of the Original Credit Agreement.

ARTICLE X

Collection Action Mechanism

SECTION 10.01. Implementation of CAM. (a) On the CAM Exchange Date, (i) the Commitments shall automatically and without further act be terminated in accordance with Article VII, (ii) the Lenders shall automatically and without further act be deemed to have exchanged interests in the Designated Obligations such that, in lieu of the interests of each Lender in the Designated Obligations under each Tranche (as defined below) in which it shall participate as of such date, such Lender shall own an interest equal to such Lender’s CAM Percentage in the Designated Obligations under each of the Tranches and (iii) simultaneously with the deemed exchange of interests pursuant to clause (ii) above, the interests in the Designated Obligations to be received in such deemed exchange shall, automatically and with no further action required, be converted into the Dollar Equivalent, determined using the Exchange Rate calculated as of such date, of such amount and on and after such date all amounts accruing and owed to the Lenders in respect of such Designated Obligations shall accrue and be payable in Dollars at the rate otherwise applicable hereunder. Each Lender, each person acquiring a participation from any Lender as contemplated by Section 9.04 and each of the Borrowers hereby consents and agrees to the CAM Exchange. Each of the Borrowers and the Lenders agrees from time to time to execute and deliver to the Administrative Agent all such promissory notes and other instruments and documents as the Administrative Agent shall reasonably request to evidence and confirm the respective interests and obligations of the Lenders after giving effect to the CAM Exchange, and each Lender agrees to surrender any promissory notes originally received by it in connection with its Loans hereunder to the Administrative Agent against delivery of any promissory notes so executed and delivered; *provided* that the failure of any of the Borrowers to execute or deliver or of any Lender to accept any such promissory note,

instrument or document shall not affect the validity or effectiveness of the CAM Exchange. For purposes hereof, “Tranche” means a category of Commitments and extensions of credits thereunder. For purposes of such definition, each of the following comprises a separate Tranche: (i) the Letters of Credit issued for the account of, and the Swingline Loans, Alternate Currency Loans and Revolving Loans made to, the Borrower, (ii) the Letters of Credit issued for the account of, and the Revolving Loans and Alternate Currency Loans made to, each Subsidiary Borrower, (iii) the Term A Loan, (iv) the Term B Loan and (v) the Term X Loan.

(b) As a result of the CAM Exchange, on and after the CAM Exchange Date, each payment received by the Administrative Agent pursuant to any Credit Document in respect of the Designated Obligations shall (notwithstanding any provision therein to the contrary) be distributed to the Lenders pro rata in accordance with their respective CAM Percentages (to be redetermined as of each such date of payment or distribution to the extent required by Section 10.01(c)).

(c) In the event that, on or after the CAM Exchange Date, the aggregate amount of the Designated Obligations shall change as a result of the making of a disbursement under a Letter of Credit by an Issuing Bank that is not reimbursed by the Applicable Borrower, then (i) each Lender which, immediately prior to the CAM Exchange Date, had a Revolving Commitment or Revolving Credit Exposure (a “Revolving Lender”) shall, in accordance with Section 2.06(d), promptly purchase from the applicable Issuing Bank a participation in such L/C Disbursement in the amount of such Revolving Lender’s Applicable Revolver Percentage (determined without giving effect to the CAM Exchange) of such L/C Disbursement, (ii) the Administrative Agent shall redetermine the CAM Percentages after giving effect to such disbursement and the making of such L/C Disbursement and the purchase of participations therein by the applicable Revolving Lenders and the Lenders shall automatically and without further act be deemed to have exchanged interests in the Designated Obligations such that each Lender shall own an interest equal to such Lender’s CAM Percentage in the Designated Obligations under each of the Tranches (and the interests in the Designated Obligations to be received in such deemed exchange shall, automatically and with no further action required, be converted into the Dollar Equivalent of such amount in accordance with the first sentence of Section 10.01(a)), and (iii) in the event distributions shall have been made in accordance with Section 10.01(b), the Lenders shall make such payments to one another as shall be necessary in order that the amounts received by them shall be equal to the amounts they would have received had each such disbursement and L/C Disbursement been outstanding on the CAM Exchange Date. Each such redetermination shall be binding on each of the Lenders and their successors and assigns and shall be conclusive, absent manifest error.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their respective authorized officers as of the day and year first above written.

THE MANITOWOC COMPANY, INC.

By /s/ Maurice D. Jones
Name: Maurice D. Jones
Title: Senior Vice President,
General Counsel & Secretary

MANITOWOC EMEA HOLDING SARL

By /s/ Maurice D. Jones
Name: Maurice D. Jones
Title: Manager

MANITOWOC HOLDING ASIA SAS

By /s/ Maurice D. Jones
Name: Maurice D. Jones
Title: General Manager

[Signature Page to Credit Agreement]

JPMORGAN CHASE BANK, N.A., individually
and as Administrative Agent

By /s/ Brian Grossman
Name: Brian Grossman
Title: Vice President

[Signature Page to Credit Agreement]

DEUTSCHE BANK AG NEW YORK BRANCH

By /s/ Albert Fischetti

Name: Albert Fischetti

Title: Director

By /s/ Mark Funk

Name: Mark Funk

Title: Managing Director

[Signature Page to Credit Agreement]

MORGAN STANLEY SENIOR FUNDING, INC.

By /s/ Kevin D. Emerson

Name: Kevin D. Emerson

Title: Vice President

[Signature Page to Credit Agreement]

BNP PARIBAS

By /s/ Constantin Driken

Name: Constantin Driken

Title: Director

By /s/ Andrew Kirby

Name: Andrew Kirby

Title: Vice President

[Signature Page to Credit Agreement]

Bank of America, N.A.

By /s/ Michael Delaney

Name: Michael Delaney

Title: Vice President

[Signature Page to Credit Agreement]

CALYON NEW YORK BRANCH

By: /s/ Blake Wright
Name: Blake Wright
Title: Managing Director

By: /s/ Joseph Philbin
Name: Joseph Philbin
Title: Director

[Signature Page to Credit Agreement]

CREDIT INDUSTRIEL ET COMMERCIAL

By /s/ Albert M. Calo

Name: Albert M. Calo

Title: Vice President

By /s/ Nicolas Courtaigne

Name: Nicolas Courtaigne

Title: Assistant Vice President

[Signature Page to Credit Agreement]

NATIXIS

By /s/ James R. Williams
Name: James R. Williams
Title: Senior Managing Director

By /s/ Paul Moisselin
Name: Paul Moisselin
Title: Associate

[Signature Page to Credit Agreement]

THE BANK OF NOVA SCOTIA

By /s/ Paula Czach

Name: Paula Czach

Title: Director

[Signature Page to Credit Agreement]

SOCIETE GENERALE

By /s/ Anne-Marie Dumortier

Name: Anne-Marie Dumortier

Title: Director

[Signature Page to Credit Agreement]

SUNTRUST BANK

By /s/ Robert Maddox

Name: Robert Maddox

Title: Director

[Signature Page to Credit Agreement]

WELLS FARGO BANK, NATIONAL
ASSOCIATION

By /s/ Mark H. Halldorson
Name: Mark H. Halldorson
Title: Vice President

[Signature Page to Credit Agreement]

**THE BANK OF TOKYO-MITSUBISHI UFJ,
LTD.,**

By: /s/ Christine Howatt
Name: Christine Howatt
Title: Authorized Signatory

[Signature Page to Credit Agreement]

Mizuho Corporate Bank, Ltd.

By /s/ Robert Gallagher

Name: Robert Gallagher

Title: Authorized Signatory

[Signature Page to Credit Agreement]

CO ÖPERATIEVE CENTRALE RAIFFEISEN-
BOERENLEENBANK B.A., "RABOBANK
NEDERLAND" NEW YORK BRANCH

By /s/ Peter Glawe

Name: Peter Glawe

Title: Vice President

By /s/ Brett Delfino

Name: Brett Delfino

Title: Executive Director

[Signature Page to Credit Agreement]

**COMMERZBANK AG, NEW YORK AND
GRAND CAYMAN BRANCHES**

By /s/ Patrick Hartweger

Name: Patrick Hartweger

Title: Vice President

By /s/ Al Morrow

Name: Al Morrow

Title: Assistant Vice President

[Signature Page to Credit Agreement]

M&I Marshall & Ilsley Bank

By /s/ Ronald J. Carey

Name: Ronald J. Carey

Title: Vice President

By /s/ James R. Miller

Name: James R. Miller

Title: Senior Vice President

[Signature Page to Credit Agreement]

BAYERISCHE LANDESBANK, NEW YORK
BRANCH

By /s/ Christopher Dowd
Name: Christopher Dowd
Title: Vice President

By /s/ Georgina Fiordalisi
Name: Georgina Fiordalisi
Title: Vice President

[Signature Page to Credit Agreement]

BAYERISCHE HYPO- UND VEREINSBANK
AG, NEW YORK BRANCH

By /s/ Yoram Dankner

Name: Yoram Dankner

Title: Managing Director

By /s/ Richard Cordover

Name: Richard Cordover

Title: Director

[Signature Page to Credit Agreement]

SUMITOMO MITSUI BANKING CORPORATION

By /s/ Leo Pagarigan

Name: Leo Pagarigan

Title: General Manager

[Signature Page to Credit Agreement]

THE NORTHERN TRUST COMPANY

By /s/ Peter J. Hallan

Name: Peter J. Hallan

Title: Vice President

[Signature Page to Credit Agreement]

TD Bank, N.A.

By /s/ Todd S. Sturza, RVP

Name: Todd S. Sturza

Title: Regional Vice President

[Signature Page to Credit Agreement]

U.S. Bank National Association

By /s/ Jason Nadler

Name: Jason Nadler

Title: Vice President

[Signature Page to Credit Agreement]

MERRILL LYNCH BANK USA

By /s/ Louis Alder

Name: Louis Alder

Title: First Vice President

[Signature Page to Credit Agreement]

Fifth Third Bank

By /s/ Garland F. Robeson
Name: Garland F. Robeson IV
Title: Assistant Vice President

[Signature Page to Credit Agreement]

Associated Bank, N.A.

By /s/ Viktor R. Gottlieb

Name: Viktor R. Gottlieb

Title: AVP

[Signature Page to Credit Agreement]

SIEMENS FINANCIAL SERVICES, INC.

By /s/ David Kantes
Name: David Kantes
Title: Senior Vice President and
Chief Risk Officer

SIEMENS FINANCIAL SERVICES, INC.

By /s/ Carol Walters
Name: CAROL WALTERS
Title: VICE PRESIDENT-DOCUMENTATION

[Signature Page to Credit Agreement]

Mercantil Commercebank

By /s/ Javier Miranda
Name: Javier Miranda
Title: Assistant Vice President

By /s/ Alan Hills
Name: Alan Hills
Title: Senior Vice President

[Signature Page to Credit Agreement]

PPM America Inc., as
Attorney-in-fact, on behalf
of Jackson National Life Insurance
Company, as Lender

By: /s/ Eddie Hebert
Name: Eddie Hebert,
Title: Assistant Vice President

[Signature Page to Credit Agreement]

PT, Bank Negara Indonesia (Persero) Tbk
New York Agency

By /s/ Pieter Siadari
Name: Pieter Siadari
Title: General Manager

By /s/ Jerry Phillips
Name: Jerry Phillips
Title: Credit Manager

[Signature Page to Credit Agreement]

CHANG HWA COMMERCIAL BANK, LTD.,
NEW YORK BRANCH

By /s/ Jim C.Y. Chen
Name: Jim C.Y. Chen
Title: VP & General Manager

[Signature Page to Credit Agreement]

Chinatrust Commercial Bank, New York Branch

By /s/ Alan Ong

Name: Alan Ong

Title: Vice President

[Signature Page to Credit Agreement]

Certification of Principal Executive Officer

I, Glen E. Tellock, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Manitowoc Company, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedure and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2008

/s/ Glen E. Tellock

Glen E. Tellock

President and Chief Executive Officer

Certification of Principal Financial Officer

I, Carl J. Laurino, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of The Manitowoc Company, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of and for the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedure and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2008

/s/ Carl J. Laurino

Carl J. Laurino

Senior Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of The Manitowoc Company, Inc. (the "Company") on Form 10-Q for the three and nine months ended September 30, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Glen E. Tellock, President and Chief Executive Officer of the company, certify, pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the date and for the periods expressed in the Report.

/s/ Glen E. Tellock

Glen E. Tellock

President and Chief Executive Officer

November 10, 2008

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to The Manitowoc Company, Inc. and will be retained by The Manitowoc Company, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO
18 U.S.C SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of The Manitowoc Company, Inc. (the "Company") on Form 10-Q for the three and nine months ended September 30, 2008, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Carl J. Laurino, Senior Vice President and Chief Financial Officer of the company, certify, pursuant to 18. U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the date and for the periods expressed in the Report.

/s/ Carl J. Laurino

Carl J. Laurino

Senior Vice President and Chief Financial Officer

November 10, 2008

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to The Manitowoc Company, Inc. and will be retained by The Manitowoc Company, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.