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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

or

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended August 31, 2015

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

or

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

Commission file number: 001-36356

NORD ANGLIA EDUCATION, INC.
(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

Cayman Islands
(Jurisdiction of incorporation or organization)

Level 12, St. George's Building, 2 Ice House Street,
Central, Hong Kong
(Address of principal executive offices)

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(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Ordinary shares, par value $0.01 per share	The New York Stock Exchange

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None

(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report.

104,091,367 ordinary shares, par value $0.01 per share, as of August 31, 2015.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

☐ Yes ☒ No

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 has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

☐ Item 17 ☐ Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

☐ Yes ☒ No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court.

☐ Yes ☐ No

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IMPLICATIONS OF BEING AN EMERGING GROWTH COMPANY

We qualify as an "emerging growth company" as defined in the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act"). An emerging growth company may take advantage of specified reduced reporting and other burdens that are otherwise applicable generally to public companies. We may take advantage of these provisions until August 31, 2019 or such earlier time that we are no longer an emerging growth company. We would cease to be an emerging growth company if we have more than $1.0 billion in annual revenue, have more than $700 million in market value of our ordinary shares held by non-affiliates as of the last business day of our most recently completed second fiscal quarter, or issue more than $1.0 billion of non-convertible debt over a three-year period.

In addition, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards issued by the Financial Accounting Standards Board until those standards apply to private companies. We have irrevocably elected not to avail ourselves of this exemption from new or revised accounting standards. Because we prepare our financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"), accounting standards issued by the Financial Accounting Stands Board will not apply to us unless we adopt U.S. generally accepted accounting principles in place of IFRS or present a reconciliation of our financial statements to U.S. generally accepted accounting principles.

FORWARD-LOOKING STATEMENTS

This annual report includes statements that express our current opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and therefore are, or may be deemed to be, "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"). The following cautionary statements are being made pursuant to the provisions of the Act and with the intention of obtaining the benefits of the "safe harbor" provisions of the Act. These forward looking statements can generally be identified by the use of forward-looking terminology, including the terms "believe," "expect," "may," "will," "should," "seek," "project," "approximately," "intend," "plan," "estimate" or "anticipate," or, in each case, their negatives or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this report and include statements regarding our intentions, beliefs or current expectations concerning among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which we operate.

By their nature, forward-looking statements relate to events that involve risks and uncertainties or that depend on circumstances that may or may not occur in the future. These statements include, among other things, statements relating to:

- our future market opportunities;
- our goals and strategies;
- our competitive strengths;
- our future results of operations and financial condition;
- our future business developments; and
- our acquisition and expansion strategy.

Although we base these forward-looking statements on assumptions that we believe are reasonable when made, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and the development of the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this quarterly report. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this report, those results or developments may not be indicative of results or developments in subsequent periods.

Given these risks and uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statement that we make in this report speaks only as of the date of such statement, and we undertake no obligation to update any forward-looking statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments.

Other sections of this annual report include additional factors that could adversely impact our business and financial performance, principally "Item 3. Key Information—D. Risk Factors." Moreover, we operate in an evolving environment. New risk factors and uncertainties emerge from time to time and it is not possible for our management to predict all risk factors and uncertainties, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. We qualify all of our forward-looking statements by these cautionary statements.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not Applicable.

Item 2. Offer Statistics and Expected Timetable

Not Applicable.

Item 3. Key Information

A. Selected Financial Data

The following selected financial data for and as of the years ended August 31, 2013, 2014 and 2015 have been derived from our audited consolidated financial statements included in this annual report. In preparing our financial statements for the year ended August 31, 2015, we changed our accounting policy for expenses in respect of premium school land and building operating leases and depreciation charges arising from tangible assets owned by premium schools. These expenses are now treated as a direct cost and are included in cost of sales, instead of selling and administrative expenses as previously recorded. We have also adopted amendments to International Accounting Standards that are more fully described in Note 1 to our audited financial statements included elsewhere in this annual report. Financial information for and as of the years ended August 31, 2013 and 2014 have been retrospectively adjusted to reflect these changes in accounting policies.

The following selected consolidated income statement data for the years ended August 31, 2011 and 2012 and consolidated balance sheet data as of August 31, 2012 have been derived from our consolidated financial statements not included in this annual report, as retrospectively adjusted to reflect the changes in accounting policies described above.

The selected financial data presented in the tables below should be read in conjunction with, and is qualified in its entirety by reference to, our audited consolidated financial statements and accompanying notes. Our consolidated financial statements have been prepared in accordance with IFRS.

Consolidated Income Statement Data:

	Year Ended August 31,				
	2011	2012	2013	2014	2015
	(unaudited)	(unaudited)			
	(in millions of dollars, except per share data)				
Revenue	225.2	274.4	323.7	474.6	577.0
Cost of sales	(131.9)	(162.4)	(190.4)	(280.3)	(355.9)
Gross profit	**93.3**	**112.0**	**133.3**	**194.3**	**221.1**
Selling, general and administrative expenses	(57.8)	(58.3)	(64.5)	(92.9)	(127.0)
Depreciation	(0.6)	(0.3)	(0.4)	(2.0)	(0.7)
Amortization	(2.8)	(3.5)	(5.7)	(10.4)	(13.9)
Impairment of Goodwill	(16.7)	(10.7)	—	—	—
Other losses	—	—	—	—	(3.0)
Exceptional expenses	(9.4)	(12.5)	(17.7)	(100.2)	(18.8)
Total expenses	**(87.3)**	**(85.3)**	**(88.3)**	**(205.5)**	**(163.4)**
Operating profit/(loss)	**6.0**	**26.7**	**45.0**	**(11.2)**	**57.7**
Finance income	10.1	2.0	2.3	2.0	2.8
Finance expense	(51.7)	(49.7)	(51.3)	(55.5)	(39.7)
Net finance expense	**(41.6)**	**(47.7)**	**(49.0)**	**(53.5)**	**(36.9)**
(Loss)/profit before income tax	(35.6)	(21.0)	(4.0)	(64.7)	20.8
Income tax expense	(12.5)	(16.4)	(19.3)	(25.7)	(12.2)
(Loss)/profit after income tax	(48.1)	(37.4)	(23.3)	(90.4)	8.6
(Loss)/profit attributable to:					
- Owners of the parent	(48.1)	(37.4)	(23.3)	(90.4)	7.4
- Non-controlling interest	—	—	—	—	1.2
(Loss)/profit for the period	**(48.1)**	**(37.4)**	**(23.3)**	**(90.4)**	**8.6**
Earnings per ordinary share [1] (in dollars)					
Basic	(0.65)	(0.52)	(0.34)	(1.07)	0.07
Diluted	(0.65)	(0.52)	(0.34)	(1.07)	0.07

(1) Earnings per ordinary share is calculated by dividing (loss)/profit for the period by the weighted average ordinary shares outstanding for the period. For the fiscal years 2011, 2012 and 2013 the basic and diluted weighted average ordinary shares outstanding were 74.0 million ordinary shares. On completion of our initial public offering on March 31, 2014, we issued 21.8 million ordinary shares and all previously existing preference shares and classes of ordinary shares were converted into 75.9 million ordinary shares of par value $0.01 per share. For the year ended August 31, 2014, the basic and diluted weighted average ordinary shares outstanding were 85.1 million ordinary shares. For the year ended August 31, 2015, the basic and diluted weighted average ordinary shares outstanding were 99.4 million and 99.5 million, respectively.

Consolidated Balance Sheet Data:

	As of August 31,			
	2012 (unaudited)	2013	2014	2015
	(in millions of dollars)			
Non-current assets				
Property, plant and equipment	36.1	98.2	140.1	449.7
Intangible assets	455.1	763.4	801.5	1,415.5
Investments in joint ventures and associates	0.5	0.5	0.5	0.5
Trade and other receivables	10.9	12.4	9.2	37.9
Deferred tax assets	6.1	21.2	20.9	70.4
	508.7	**895.7**	**972.2**	**1,974.0**
Current assets				
Current tax assets	0.3	1.0	1.6	1.2
Trade and other receivables	49.3	83.2	94.8	131.1
Cash and cash equivalents (excluding bank overdrafts)	167.6	222.9	256.4	317.0
	217.2	**307.1**	**352.8**	**449.3**
Total assets	**725.9**	**1,202.8**	**1,325.0**	**2,423.3**
Current liabilities				
Trade and other payables	(62.3)	(96.8)	(63.7)	(170.9)
Interest-bearing loans and borrowings	(80.9)	(82.4)	(113.4)	(98.3)
Finance lease liabilities	—	(0.0)	(0.0)	(3.7)
Deferred revenue	(162.1)	(267.2)	(324.0)	(518.8)
Provisions for other liabilities and charges	(3.1)	(3.6)	(0.5)	(0.0)
Current tax liabilities	(5.0)	(4.2)	(1.7)	(2.9)
	(313.4)	**(454.2)**	**(503.3)**	**(794.6)**
Non-current liabilities				
Interest-bearing loans and borrowings	(318.9)	(630.4)	(499.2)	(1,066.3)
Derivative financial instruments	—	—	—	(3.0)
Finance lease liabilities	—	—	—	(44.6)
Other payables	(6.6)	(38.5)	(50.7)	(45.7)
Deferred revenue	—	—	(8.6)	(27.4)
Retirement benefit obligations	(30.4)	(22.2)	(25.8)	(46.6)
Provisions for other liabilities and charges	(2.3)	(2.2)	(1.2)	(1.7)
Deferred tax liabilities	(10.5)	(35.3)	(45.5)	(114.1)
	(368.7)	**(728.6)**	**(631.0)**	**(1,349.4)**
Total liabilities	**(682.1)**	**(1,182.8)**	**(1,134.3)**	**(2,144.0)**
Net assets	**43.8**	**20.0**	**190.7**	**279.3**
Equity attributable to equity holders of the parent				
Share capital	67.5	67.5	1.0	1.0
Share premium	255.2	256.5	597.1	735.2
Other reserves	6.9	6.9	6.9	6.9
Currency translation reserve	(0.1)	9.8	(1.1)	(53.7)
Shareholder deficit	(285.7)	(320.7)	(413.2)	(414.0)
Shareholders' funds	**43.8**	**20.0**	**190.7**	**275.4**
Non-controlling interest	**—**	—	—	**3.9**
	43.8	**20.0**	**190.7**	**279.3**

B. Capitalization and Indebtedness

Not Applicable.

C. Reasons for the Offer and Use of Proceeds

Not Applicable.

D. Risk Factors

An investment in our ordinary shares involves significant risks. You should carefully consider the risks described below as well as the other information in this annual report, including our consolidated financial statements and related notes, before you decide to buy our ordinary shares. If any of the following risks materializes, our business, prospects, financial condition and results of operations could be materially harmed, the trading price of our ordinary shares could decline and you could lose all or part of your investment.

Risks Related to Our Business

Adverse changes in key industry drivers may reduce demand for our schools.

We believe that the key industry drivers for our schools include:

- globalization and increasing foreign direct investment ("FDI"); and
- a growing emphasis by parents on high-quality education for their children.

Changes in our key industry drivers may materially adversely affect our business, prospects, results of operations and financial condition. For example, if FDI stock declines in one of the countries in which we operate, the number of expatriate families in that country may decrease, which could reduce demand for our schools. During the 2009/2010 academic year, attracting new students was more difficult than in previous and subsequent academic years, which we believe was due in part to the 2008 global financial crisis. Furthermore, as some of the emerging markets in which we operate reach a higher level of economic development and develop a more skilled local workforce, companies could increasingly rely on the local workforce and employ fewer expatriates, which could reduce our business if we are unable to adapt or attract local students.

In addition, we believe that growth of GDP and individual disposable income in emerging markets tends to increase demand from local families, as they increase their focus and spending on premium quality education. Accordingly, decreases or limited growth in GDP or disposable income may reduce demand for our schools from local families and limit our ability to recruit and retain local students.

Competition in the premium school market could reduce enrollments, increase our cost of recruiting and retaining students and teachers and put downward pressure on our tuition fees and profitability.

We face competition from other schools in the locations in which we operate that target the children of expatriate and affluent local families. Some of our existing and future competitors may be able to devote greater resources than we can to the development and construction of schools offering premium quality education and respond more quickly to changes in parents' demands, admissions standards, market needs or new technologies. Moreover, our competitors may increase capacity in any of our markets to an extent that leads to an over-supply.

If we are unable to differentiate our schools from those of our competitors and successfully market our schools to parents and students, we could face competitive pressures that reduce enrollment. If our enrollment falls, we may be required to reduce our tuition fees or increase spending in order to attract and retain students, which could materially adversely affect our business, prospects, results of operations and financial condition. See "Item 4. Information on the Company—B. Business Overview—Competition."

If we fail to increase or maintain our tuition fees, our financial performance may suffer.

Tuition fees at our schools are among the highest in their markets. Factors that could affect our ability to increase or maintain our premium tuition fees include:

- a decline in our reputation for quality;
- resistance to tuition fee increases from parents and expatriates' employers as a result of difficult economic conditions or fee increases in recent academic years;
- pricing pressure from other premium schools in our markets; and
- government restrictions that limit our ability to increase tuition fees, such as those to which our schools in Qatar, Dubai and Abu Dhabi are subject (see "Item 4. Information on the Company—B. Business Overview—Regulation").

In addition, changes in expatriate compensation and benefits packages that alter the way in which employers pay for tuition fees may negatively affect our ability to increase or maintain our tuition fees. For example, if employers were to increasingly rely on cost of living adjustments in the form of lump sum payments in cash to expatriate parents rather than paying tuition fees directly, parents may become more price sensitive to tuition fees. Our inability to increase or maintain our tuition fees could materially adversely affect our business, prospects, financial condition and results of operations.

Any damage to the reputation of any of our schools may adversely affect our overall business, prospects, results of operations and financial condition.

Our reputation could be adversely affected under many circumstances, including the following:

- members of our staff behave or are perceived to behave inappropriately or illegally;
- members of our staff fail to appropriately supervise children under their care;
- we fail to properly deal with an accident or other event that injures our students;
- we fail to conduct proper checks on members of our staff who come into contact with children and young adults;
- accidents, epidemics or other events adversely affect our students;
- our students engage in inappropriate or illegal conduct;
- we fail to obtain or lose a license, permit, accreditation or other authorization to operate a school;
- poor-quality operators use names that create confusion with our schools or fraudulently use our brand name or the name of one of our schools;
- we do not maintain consistent teaching quality or fail to deliver strong academic results;
- the curricula in our schools are not perceived as being sufficiently high quality;
- our school facilities do not meet the standards expected by parents and students of premium schools;
- we close one or more of our schools; and
- we become subject to litigation or other legal proceedings relating to any of the above or other matters.

The likelihood that any of the foregoing occurs increases as we expand our network of schools. These events could influence the way our schools are viewed not only by students and parents, but also by other constituencies in the education sector and the general public. Moreover, an event that directly damages the reputation of one of our schools could adversely affect the reputation and operations of our other schools. If our reputation declines, our overall business, prospects, results of operations and financial condition could be harmed.

If we fail to enroll new students and re-enroll existing students, our financial performance may suffer.

Increasing enrollments in our schools is critical to our financial performance. In our experience, approximately 28% of our students leave our schools each academic year, primarily due to expatriate relocations and graduation. If our recruitment efforts fail to increase enrollment or replace departing students, our financial performance may suffer. In addition, if we fail to maintain our quality of education, parents may choose not to re-enroll their children in our schools. If we are unable to recruit and retain students, our business, prospects, results of operations and financial condition (including working capital and cash flow) could be materially adversely affected.

We may lose accreditations or permits that we require to operate our schools.

In order to operate our schools, we maintain various accreditations from curriculum providers and permits from examination bodies, such as the International Baccalaureate Organization. To maintain our accreditations and permits, we must meet standards related to, among other things, performance, governance, institutional integrity, educational quality, staff, administrative capability, resources and financial stability. If any of our schools fails to meet these standards, it could lose its accreditations or permits, which could materially adversely affect our business, prospects, results of operations and financial condition.

We may be unable to recruit, train and retain qualified and experienced principals and teaching staff.

The process of hiring employees with the combination of skills and attributes required to implement our business strategy can be difficult and time-consuming. Our school principals in particular are key to the success of their schools. We face competition in attracting and retaining principals and teachers who possess the necessary experience and accreditation to teach at our schools. We may find it difficult to recruit principals and teachers who are willing to relocate to some of our international locations, and we must provide competitive compensation packages to attract and retain qualified individuals. Some of our principals and teachers remain at their school only for a limited time, which could affect our reputation in the market if we provide insufficient continuity. As we expand and add personnel, it may be difficult to maintain consistency in the quality of our principals and teachers. If we are unable to, or are perceived to be unable to, attract and retain experienced and qualified principals and teachers, our business, prospects, results of operations and financial condition may be materially adversely affected.

We may lose the services of members of our senior management team.

Our success depends in part on the continued skills, efforts and motivation of our officers and senior management team. We have in the past, and may in the future, experience changes in our senior management for a variety of reasons, including restructuring, medical problems, retirement and resignations. In addition, key personnel could leave us to join our competitors. Losing the services of key members of senior management or experienced personnel may be disruptive and cause uncertainty. We depend upon the services of our executive committee members and other members of our management team who have significant experience with our company and within the education industry. If one or more members of our senior management team or key personnel are unable or unwilling to continue in their present positions, including for health, family or other personal reasons, we may not be able to replace them easily or at all. Our inability to attract and retain qualified senior managers or key personnel in a timely manner could materially adversely affect our business, prospects, results of operations and financial condition.

We may be unable to manage our current operations and future growth.

Our recent significant growth may strain our ability to manage our operations and integrate our acquisitions. During fiscal 2014 and 2015, we acquired 12 new schools, 7 of which are in jurisdictions in which we had not previously operated schools— Singapore, Cambodia, Vietnam and Mexico.

Acquiring or developing greenfield schools entails significant risks, including the following:

- we may be unable to integrate acquired schools into our network or achieve expected cost savings or synergies from acquisitions without disrupting our operations or diverting management's attention or at all;
- we may incorrectly evaluate the financial performance or potential of our acquisitions or greenfield developments or schools we acquire may have insufficient financial or operational resources;
- we may be unable to successfully integrate and retain an acquired school's principal, teachers and other employees or adequately staff greenfield schools;
- our use of cash to pay for acquisitions limits other potential uses of our cash and may deplete our cash reserves;
- acquisitions may require substantial new capital, either by the issuance of debt or equity, and we may not be able to access the capital or loan markets or obtain new capital on terms acceptable to us, or at all. Increases in our level of indebtedness resulting from acquisitions may have significant implications for our future business and operations. See "—Risks Related to our Debt;"
- the development of greenfield projects may be delayed as a result of many factors, such as delays in obtaining government approvals or licenses, delays in acquiring possession of the project site, shortage of key supplies and skilled labor, construction accidents, natural catastrophes and adverse weather conditions, some of which are beyond our control;
- cost overruns;
- resistance from parents, teachers or administrators to an acquisition could reduce its value; and
- we may incur write-offs, impairment charges, amortization expenses or other expenses related to goodwill and other intangible assets we record.

These risks may increase when we expand into new countries or new cities in countries where we already operate. Managing the growth of a geographically diverse business involves significant risks and challenges. We may find it difficult to manage financial resources, implement uniform policies and standards and maintain our operational, management and technology systems across our global network. New markets also pose challenges related to cultural differences and relationships with local education authorities.

If we are unable to manage our current operations, our growth strategy or the risks that we may encounter in expanding our operations into new markets, our business, prospects, results of operations and financial condition may be materially adversely affected.

Acquisitions may expose us to liabilities.

When we acquire a school, we may become subject to regulatory, licensing, litigation, tax and other liabilities based on circumstances we fail to discover in our due diligence review. When we do discover potential liabilities during our due diligence review, neither the valuation adjustment nor the contractual protections we negotiate may be sufficient to fully protect us from losses. Although we generally have rights to indemnification, our rights are limited by survival periods for bringing claims and limitations on the nature and amount of losses we may recover, and we cannot be certain that any indemnification will be collectible or sufficient in amount, scope or duration to fully offset any loss we may suffer. For example, we estimate that we face potential tax liabilities of up to $4.9 million as a result of one of our acquisitions. Although the seller indemnified us against tax liabilities, we cannot assure you that our estimate of our potential tax liability is accurate or that we would be able to recover the full amount of any potential losses.

If we fail to obtain suitable sites for greenfield schools, increase capacity at existing schools or acquire new schools we may not be able to grow our business.

Our growth strategies include developing greenfield schools, increasing capacity at our current schools and acquiring new schools. We may be unable to find suitable greenfield sites in desirable locations in markets where we wish to build new schools or expand our operations. Available sites may be too small for our capacity requirements, prohibitively expensive or subject to zoning restrictions that do not permit school facilities. If we do locate suitable sites for new schools or to expand capacity at existing schools, we may be unable to finance acquisition, construction or other costs. Similarly, we may be unable to find acquisition targets that satisfy our requirements for size, quality, location, price or other factors we consider important, and we may be unable to finance the acquisition of suitable targets that we do find. If we fail to grow our business, our prospects, results of operations and financial condition may be materially adversely affected.

If we are unable to upgrade our schools, they may become less attractive to parents and students and we may fail to grow our business.

All of our schools require periodic upgrades to remain attractive to parents and students. Upgrading the facilities at our schools could be difficult for a number of reasons, including the following:

- our properties may not have the capacity or configuration to accommodate proposed renovations;
- construction and other costs may be prohibitive;
- we may fail to obtain regulatory approvals;
- we may be unable to finance construction and other costs; and
- we may not be able to negotiate reasonable terms with our landlords or developers or complete the work within acceptable timeframes.

Our failure to upgrade the facilities of our schools could lead to lower enrollment and may materially adversely affect our business, prospects, results of operations and financial condition.

Some of the cities in which we operate schools may become less popular destinations for expatriates.

Changing environmental, political and other factors could make cities in which we operate schools less attractive to expatriates.

For example, concerns about air quality in Beijing have been widely reported by international media. Poor air quality may particularly concern parents with school-age children, who are generally perceived to be more vulnerable to air pollution than adults. We have recently experienced slower enrollment growth at our schools in Beijing, and we believe this is partially the result of concerns about air pollution. If air quality in Beijing fails to improve or deteriorates, the number of expatriates with school-age children may decline, which could reduce our enrollments or limit our ability to grow.

Political tensions could also make cities less attractive to expatriates. For example, if protests begin to occur regularly or become more severe in one of the cities where we have schools, we could face enrollment pressures as expatriates leave the region.

Our leases may be terminated or we may be unable to renew our leases on acceptable terms; if we wish to relocate, we may incur additional costs if we terminate a lease.

Many of the buildings our schools occupy underwent renovations or were custom-built to meet our requirements. If we are unable to renew a lease on acceptable terms or if a lease is terminated:

- we may be unable to find a new property with the amenities and in the location we require, which may force us to close the school or move to a less desirable location;
- we may incur significant costs in identifying, securing and moving to a new location; and
- the relocation may significantly disrupt the school's operations and the school may be unable to collect tuition fees or retain its students.

Our school properties in Singapore, Hong Kong and China are leased from government authorities, which can terminate our leases at any time due to public purpose or need. In some cases a third party may take actions that would interfere with our use of a leased property as a result of contractual arrangements between the third party and the lessor.

In addition, terminating any of our school leases could be costly. Many of our leases do not contain break provisions that would permit us to terminate the lease prior to its expiration. In the past, we found it difficult to obtain early termination of some of our leases. If we wish to terminate a lease in order to relocate or close a school, we may be unable to negotiate satisfactory termination arrangements and could incur significant costs or liabilities under the lease, which could materially adversely affect our business, prospects, results of operations and financial condition.

If our landlords do not perform their obligations under the terms of our leases or a landlord changes in the course of the lease, our operations could be disrupted and our costs could increase.

A good working relationship with the landlords of our school properties is fundamental to the successful operation of our schools and can generate additional property development opportunities that support our growth. In many cases, our landlords are responsible for the maintenance of all or part of the facilities we lease. If our landlords do not maintain our facilities to the required standards, we may have to increase our expenditures to maintain the quality of our schools. In addition, during the course of our lease, the landlord of one or more of our schools could change, for example due to its insolvency or the sale of the underlying property, and we may need to develop a relationship with a new contracting party. The new landlord may have interests that conflict with ours, may be less willing to expand the school's capacity or improve its facilities or be a less reliable counterparty in fulfilling its obligations under the terms of the lease. If an existing landlord or a new landlord does not comply with the terms of our leases for any reason, our operations could be disrupted, our costs could increase and we may be required to close or relocate the affected school, which could materially adversely affect our business, prospects, results of operations and financial condition.

If we sell or close a school we may not achieve anticipated cost savings or other benefits and could remain liable for events that occurred while we operated the school.

If we sell or close a school, we may not achieve anticipated cost savings or other benefits. We could be subject to claims by the new owner, parents and educational authorities for financial liabilities related to our previous operation of the school and could be subject to unforeseen liabilities. The reputation of some or all of our remaining schools may also suffer in the event we close one of our schools. In addition, if a new owner does not operate the school to a high standard, our reputation could suffer by association, even though we no longer have any control over the operations of the school, which could damage our reputation. As a result, selling or closing a school could materially adversely affect our business, prospects, results of operations and financial condition.

Any change in the timing of tuition fee payments could create cash flow issues for us.

We collect most of our tuition fees before the beginning of the first term of the academic year and more than half of the remainder before the beginning of the second and third terms of the academic year. If regulations in new markets, new regulations in existing markets or changing market conditions require us to collect our fees more evenly over the course of the academic year, our cash flow may be negatively affected and we may require additional working capital or third-party funding to finance our operations.

We may not have adequate protection for our intellectual property, and we may infringe upon the intellectual property of others.

In most of the markets where we operate schools, we do not have trademark protection for the brand names under which the schools operate. As a result, we may need to spend significant resources in legal proceedings if other organizations improperly use a similar school name. We rely on trademark protection in selected jurisdictions to protect our rights to the mark "Nord Anglia," our distinctive logos and other marks associated with our services. We cannot assure you that these measures will be adequate, that we have secured, or will be able to secure, appropriate protection for all of our proprietary rights in selected jurisdictions or that third parties will not infringe upon or misappropriate our trademark and brand name. In particular, in some new jurisdictions in which we operate, e.g. Cambodia, Singapore and Vietnam, we have submitted trademark applications but there is no guarantee that they can be successfully registered. Policing the unauthorized use of our trademarks and brand names can be difficult and expensive, and litigation may be necessary to enforce or protect our brand name or determine the validity and scope of the proprietary rights of others. We may not prevail in any intellectual property litigation and a favorable outcome may not be adequate to protect our rights. In addition, third parties may accuse us of infringing their intellectual property. Third-party intellectual property rights may be extremely broad and it may not be possible for us to conduct our operations without infringing those intellectual property rights.

We could incur significant defense costs and losses in litigation or other legal proceedings and may become liable for the legal costs of the adverse party.

From time to time, we are party to legal proceedings in the various jurisdictions in which we operate. Litigation can be costly and time-consuming and may divert management attention and resources from our operations. We could incur significant defense costs and, in the event of an adverse outcome, be required to pay damages and interest to the prevailing party and, depending on the jurisdiction of the litigation, be held responsible for the costs of the prevailing party. Operating in highly litigious jurisdictions, such as the United States, increases the risk of materially adverse litigation.

We may be liable for accidents or other events that affect our students and staff. Events of this kind may harm our reputation among parents and government bodies.

We may be held responsible for the health and safety of our students and staff. If personal injuries or accidents occur, we may face claims from parents, government officials or other parties alleging that we were negligent, provided inadequate supervision or were otherwise responsible for causing injury. We may also face allegations that teachers, other personnel or students committed unlawful acts. The occurrence or alleged occurrence of these events and others that impact our students or staff could expose us to financial liability or harm our reputation, even if we are not at fault. This would be especially true if the potential liability exceeded our insurance coverage.

A successful liability claim against us for injuries or other harm suffered by students, employees or other people could materially adversely affect our reputation and results of operations. Even if such a claim is unsuccessful or unwarranted, it could divert management attention from our operations, cause us to incur substantial costs in defending the claim and harm our reputation, all of which could materially adversely affect our business, prospects, results of operations and financial condition.

Our insurance may be inadequate or premiums may increase substantially.

We maintain liability insurance at a level we believe to be adequate and consistent with industry practice. However, claims in excess of our insurance coverage or claims not covered by our insurance could arise. Furthermore, there can be no assurance that we will be able to obtain liability insurance coverage in the future on acceptable terms or at all. A successful claim against us that is not covered by or is in excess of our insurance coverage could materially adversely affect our business, prospects, results of operations and financial condition. Any such claims may also increase our insurance premiums.

Security breaches and other disruptions could compromise our information and expose us to liability, which would cause our business and reputation to suffer.

In the ordinary course of our business, we collect and store sensitive data, including intellectual property, our proprietary business information and personally identifiable information of our employees and our students and their families, including academic and medical records, on our networks. The secure processing, maintenance and transmission of this information is critical to our operations. Despite our security measures, our information technology and infrastructure may be vulnerable to attacks by hackers or breached due to employee error, malfeasance or other disruptions. Any such breach could compromise our networks and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure or other loss of information could result in legal claims or proceedings, liability under laws that protect the privacy of personal information and regulatory penalties, and could disrupt our operations, damage our reputation and harm our ability to attract and retain students, any of which could adversely affect our business, prospects, results of operations and financial condition.

We operate various information technology systems in different jurisdictions; the incompatibility or failure of these systems could materially adversely affect our business.

We do not have a universal information technology system in place across all the jurisdictions in which we operate. As a result, schools may have difficulty sharing information and curricula and we may have difficulties taking advantage of synergies among our different schools. These difficulties and related risks are heightened by the growth of our business. We may incur greater costs and achieve fewer savings as a result of maintaining multiple information technology systems than we would if there were one information technology system operating across all our jurisdictions. These increased costs and lost opportunities for savings and synergies could materially adversely affect our business, prospects, results of operations and financial condition.

Exchange rate fluctuations may materially adversely affect our results of operations and profitability.

It is our general practice to collect revenues and pay expenses in the local currency. The Chinese renminbi has an exchange rate tied to a basket of foreign currencies that include the U.S. dollar, euro, Japanese yen and South Korean won and is allowed to float within a narrow band around the central parity managed by the People's Bank of China. In the Middle East, substantially all of our operations are conducted in the Qatari riyal and the United Arab Emirates ("UAE") dirham, which are pegged to the U.S. dollar. Our operations in the United Kingdom are conducted in sterling. Elsewhere in Europe, our operations are conducted in the euro and local currencies, including the Swiss franc, Czech crown, Hungarian forint and Polish zloty. Our operations in Thailand are conducted in Thai baht. Our operations in Singapore are conducted in Singapore dollars. Our operations in Cambodia are conducted in Cambodian riel. Our operations in Vietnam are conducted in Vietnamese dong. Our operations in Hong Kong are conducted in Hong Kong dollars. Our operations in the United States are conducted in U.S. dollars. Our operations in Mexico are conducted in Mexican pesos. Conducting business across multiple currencies subjects us to currency fluctuation risks. In particular, fluctuations in currency exchange rates can have an impact on the translation of foreign currency-denominated amounts into U.S. dollars, which is our functional currency, and affect our results of operations when we transact between foreign currencies. As of August 31, 2015, the majority of our debt was denominated in U.S. dollars. Because a majority of our income is denominated in currencies other than the U.S. dollar and we do not hedge our exchange rate risk, changes in exchange rates could reduce our ability to service our debt. Conducting business in multiple currencies subjects us to exchange rate and currency risk that could materially adversely affect our business and reported results.

We may become subject to taxes, penalties or additional liabilities in relation to our current and past use of independent consultants and the payment of some of our teachers.

If our independent consultants are deemed to be, or deemed to have been, our employees, we could be subject to penalties and be liable for unpaid taxes, as well as unpaid employment benefits, and we would have to incur the cost of providing these consultants with such benefits going forward. In addition, in some of our European schools we make payments to teachers through an offshore entity. We have set aside a reserve of $0.9 million in our consolidated financial statements for fiscal 2015 in relation to this offshore payment arrangement. If the local authorities were to successfully challenge the nature of such arrangements, we could be held liable for the payment of additional taxes, social security contributions, interest and penalties, and any such payment may materially adversely affect our business, results of operations and financial condition.

The occurrence of epidemics or other adverse public heath developments, natural disasters or unanticipated catastrophic events could have an adverse material effect on our business, prospects, results of operations and financial condition.

If an epidemic or other outbreak of disease occurs, parents may withdraw their children from school to protect them from the possibility of infection, faculty and staff may become ill or avoid coming to work in order to protect themselves from the outbreak or the government may order schools to close in order to contain the epidemic or outbreak. For example, certain Asian countries have encountered epidemics, such as SARS, the avian flu and other influenza strains. Past epidemic outbreaks, depending on their scale, have caused different degrees of damage to national and local economies throughout the world. In 2012, there were reports of the outbreak of the viral hand, foot and mouth disease in Thailand, China and other neighboring countries, including several confirmed human cases and deaths, particularly among children. In 2014, cases of Ebola virus disease, which originated in West Africa, appeared in Europe and the United States. An outbreak of SARS, avian flu, viral hand, foot and mouth disease, the Ebola virus or any other epidemic in any region in which we operate could materially adversely affect our business operations, including temporary closures of our schools. Similarly, the occurrence of natural disasters or unanticipated catastrophic events could result in material disruptions to our businesses. To the extent that any such interruption is not covered by our insurance, our business and results of operation could suffer and it may take a significant amount of time for our business to recover to previous levels of student enrollment and revenues.

Risks Related to Our Debt

Our debt could adversely affect our financial health and competitive position.

As of August 31, 2015, we had total debt of face value $1,196.0 million. Of this amount, $897.2 million was due under our term loan facility, which will mature in 2021, and $208.1 million was due under our Swiss franc denominated senior secured notes, which will mature in 2022. See "Item 5. Operating and Financial Review and Prospects—B. Liquidity and Capital Resources—Borrowings."

Our debt could materially adversely affect our business by, for example:

- limiting our ability to pay dividends;
- increasing our vulnerability to general adverse economic and industry conditions;
- requiring us to dedicate a material portion of our cash flows from operations to make payments on our debt, thereby reducing the availability of cash to fund our operations or make capital expenditures;
- limiting our flexibility in planning for, or reacting to, changes in our business or industry; and
- limiting our ability to borrow additional funds.

We require cash to service our debt, and our ability to generate cash is subject to many factors beyond our control.

Our ability to service our debt and fund capital expenditures will depend on our ability to generate cash. Our ability to generate cash depends on the performance of our schools, which in turn depends on global and local economic, financial, competitive, regulatory and other factors that are beyond our control.

We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to service our debt or to fund our other liquidity needs. We may need to refinance all or a portion of our debt on or before maturity. We cannot assure you that we will be able to refinance any of our debt on commercially reasonable terms or at all. Failure to refinance our debt on terms we believe to be acceptable could materially adversely affect our business, financial condition, results of operations and cash flow.

Our indebtedness may restrict our ability to pursue our business strategies.

Our debt instruments limit our ability to, among other things:

- incur additional debt;
- pay dividends or make other distributions or repurchase or redeem our shares;
- make investments;
- sell assets, including capital stock of restricted subsidiaries;
- enter into agreements restricting our subsidiaries' ability to pay dividends;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- enter into sale and leaseback transactions;
- enter into transactions with our affiliates; and
- incur liens.

Our ability to comply with these covenants and restrictions may be affected by events beyond our control. If we breach any of our covenants, we could be in default under our debt instruments. This would permit our lenders to take certain actions, including requiring us to repay all our debt prior to the scheduled maturity. Furthermore, our lenders could cancel our credit facility. If our debt repayment were to be accelerated, we may not have the cash or liquid assets to repay our debt. The occurrence of any of these events could materially adversely affect our business, financial condition and results of operations.

We are subject to interest rate risk resulting from general economic conditions and policies of governmental and regulatory agencies.

As of August 31, 2015, we had total principal amount of $897.2 million floating rate debt outstanding. Interest rates are highly sensitive to many factors that are beyond our control, including general economic conditions and policies of governmental and regulatory agencies and, in particular, the United States Federal Reserve Board. Changes in monetary policy, including changes in interest rates, could influence the amount of interest we pay on our floating interest rate obligations and any floating interest rate obligations we may incur in the future. If interest rates increase, our debt service obligations on our floating rate debt would increase even though the amount borrowed remained the same, and our net income would decrease. We do not hedge our interest rate risk by use of derivative instruments and we may in the future be unable to do so. An increase in our financing costs could materially adversely affect our results of operations and our ability to pay amounts due on our debt and make distributions to our shareholders.

Risks Related to the Jurisdictions in which We Operate

We may experience adverse changes in general economic, political, social and regulatory conditions in our markets.

We operate in China, Europe, the Middle East and Southeast Asia ("ME/SEA") and North America where many local communities, economies and legal and administrative structures are rapidly evolving. As a result, our success depends in part upon our ability to adapt to and succeed in differing economic, legal, social and political conditions. In particular, financial risks associated with our operations include risks of liquidity, inflation, devaluation, price volatility, currency convertibility and exchange rates and actual or perceived risk of country default resulting from significant deficits or political instability. Government interference in the economy in certain countries, changes in economic, political and social conditions (including, for example, significant changes to foreign exchange policies and wage controls) and changes in government attitudes toward for-profit education, particularly K-12 schools, could materially adversely affect our business, prospects, results of operations and financial condition.

Uncertainties regarding the general regulatory and legal environment, particularly in China, the Middle East and parts of Southeast Asia, could adversely affect our business.

Our international operations are governed by local laws and regulations applicable to foreign investments, foreign-owned enterprises and the operation of international schools generally. Our business could be adversely affected by the interpretation and enforcement of and changes in these laws and regulations. These laws and regulations often lack transparency, can be difficult to interpret and may be enforced inconsistently.

China, the Middle East and parts of Southeast Asia have not developed integrated legal systems that cover all aspects of our activities. The Chinese legal system is based on written statutes. Prior court decisions may be cited for reference but have limited precedential value. Since 1979, Chinese legislation and regulations have significantly enhanced the protections afforded to various forms of foreign investments in China. Because these laws and regulations are relatively new, and because of the limited volume of published decisions and their nonbinding nature, the interpretation and enforcement of these laws and regulations are uncertain. In addition, the Chinese legal system is based in part on government policies and internal rules that may have retroactive effect and, in some cases, are not published at all. As a result, we may not be aware of any alleged violation of these policies and rules until after the alleged violation has occurred. Any litigation in China may be protracted and result in substantial costs and diversion of resources and management attention.

The laws and regulations of China and countries in ME/SEA are often unclear and subject to differing regulatory interpretation. National, regional, local and other governmental bodies may issue inconsistent decisions and opinions. In particular, the laws and regulations applicable to the establishment and operation of international schools can be vague and uncertain. Regulatory agencies in China, the Middle East and parts of Southeast Asia have substantial discretionary authority to implement and enforce regulations. Such implementation and enforcement is not always consistent or predictable. We cannot assure you that we will not be found to be in violation of any current or future laws and regulations in these countries, including laws and regulations relating to the ownership and operation of our schools, including our curricula, admissions criteria and leases. Potential consequences could include fines, penalties or the revocation of a school's education license, or the ownership of a school could be challenged which would cause such school to cease operations. In some jurisdictions, the legal interpretation of our leases and other agreements may be uncertain. Exposure to regulatory uncertainty could limit our legal protection and ability to comply with regulations applicable to us, which could materially adversely affect our business, prospects, results of operations and financial condition.

Policies, laws and regulations of foreign governments, including those relating to education, could adversely affect our existing business and our potential growth.

Our business is subject to the policies, laws and regulations of each jurisdiction in which we operate. These policies and regulations apply to many aspects of our business, including:

- applying for, obtaining and maintaining necessary licenses, permits, visas, accreditations and other authorizations for operating our schools and employing our teachers;
- our ability to recruit expatriate and local students;
- pricing and mechanisms for receipt of tuition fees;
- employment conditions, including taxation rates and other factors related to both foreign and local staff;
- the development of curricula that meet the requirements of local educational authorities;
- ownership structure and governance, in particular policies and regulations that relate to foreign ownership; and
- the ability of our schools to earn profits or pay management or product fees or royalties and our ability to repatriate cash through dividends or fees.

We may not be able, in part or at all, to comply with such policies, laws and regulations in each of the jurisdictions in which we operate or would like to expand our operations, or we may incur significant costs to do so. Our failure to comply or the imposition of significant compliance costs on us could materially adversely affect our business, prospects, results of operations and financial condition.

Our schools in Guangzhou, Shanghai and Chengdu have not registered with the local Civil Affairs Bureau, which could subject the schools to enforcement actions resulting in sanctions, including a suspension of our operations.

Under PRC laws and regulations, civil non-enterprise entities are generally required to register with the local Civil Affairs Bureau. Failure to do so may give rise to sanctions such as warnings, orders for rectification or suspension of operations. The Guangzhou Education Commission and the Guangdong Education Commission, which are the education commissions at the municipal and provincial levels, respectively, have each advised us that our recently acquired school in Guangzhou is not required to register with the Guangzhou Civil Affairs Bureau, and to our knowledge no other international school in Guangzhou has registered. The Guangdong Education Commission has renewed the school's annual license each year, most recently in June 2015. In Shanghai, in the past, the Shanghai Education Commission had advised us not to register with the Shanghai Civil Affairs Bureau until the completion of a pilot program under which a few international schools registered. Previously, we obtained a certificate of approval from the Shanghai Foreign Economic and Trade Commission. The Shanghai Education Commission is now satisfied with the success of the pilot program and asked the British International School Shanghai ("BISS") (among other international schools) to register with the Shanghai Civil Affairs Bureau. Based on this advice, BISS has now: (i) submitted the necessary papers to the Shanghai Education Commission to begin the registration process with the Shanghai Civil Affairs Bureau as a civil non-enterprise entity (which would involve filing its articles of association with the Shanghai Civil Affairs Bureau) and (ii) not applied to renew its certificate of approval from the Shanghai Foreign Economic and Trade Commission which it had previously held. We have worked under the oversight of the Shanghai Education Commission since the inception of BISS and the Shanghai Education Commission has renewed BISS's education license each year after completing its annual inspections, most recently in November 2015. Our school in Chengdu, Leman International School ("LIS"), which we acquired in June 2015, has commenced the process for registration with the Sichuan Provincial Department of Civil Affairs for its official establishment.

Given the uncertainties of interpretation and implementation of relevant regulations by different authorities, we cannot assure you that our school in Guangzhou will not be required to register with the Guangzhou Civil Affairs Bureau or that BISS and LIS will be successful with their applications to the Shanghai Civil Affairs Bureau and the Sichuan Provincial Department of Civil Affairs, respectively. Our failure to complete required registrations could materially adversely affect our reputation, business, prospects, results of operations and financial condition.

We may face restrictions on our ability to transfer and distribute funds.

We currently transfer and distribute funds among the jurisdictions in which we operate and we expect to continue to do so in order to fund our group-wide cash and financing requirements, including servicing our debt. To transfer funds among jurisdictions, we rely principally on cash-pooling arrangements, dividends and other distributions, inter-company loans, and the payment of administrative and management fees, royalties and licensing fees.

BISS has made substantial distributions through dividends and our schools in Shanghai, Beijing and Guangzhou have transferred cash through consultancy services fees, royalties and management charges paid to one of our subsidiaries. In addition, we have repatriated cash from China through intercompany transfers of interests in subsidiaries. Our schools in Thailand and Vietnam make distributions through quarterly and annual dividends, respectively. We also receive management charges from our school in Guangzhou. If any of the transfers or arrangements described above were found to be invalid by the relevant authorities, distributions from these schools could be discontinued and we may be required to repay amounts previously transferred.

Our ability to make distributions is restricted in some jurisdictions.

Due to restrictions imposed by local authorities and regulations, the entities operating our schools in Hong Kong, Hungary, Slovakia and Mexico are non-profit making and cannot make distributions in the form of dividends. If we acquire or build more schools which are subject to similar restrictions, our ability to fund our operations, make distributions and pay dividends will be adversely affected.

If the PRC government finds that the structures of our schools in China do not comply with applicable PRC laws and regulations or we failed to obtain required permits or approvals for our intra-group transfer of our schools in Beijing, we may be unable to operate these schools and may be subject to penalties.

In China, the Ministry of Education regulates the education industry, and the local education commissions in the Chinese cities in which we operate have responsibility for local enforcement and oversight with respect to matters under their jurisdiction. These authorities have broad discretion in dealing with any violation of PRC laws or regulations, including any failure to obtain, maintain or comply with any required permit or approval, by our schools in China.

Under the Interim Regulations Concerning the Establishment of Schools for the Children of Expatriates (the "Interim Regulations"), only foreign individuals with lawful residence in China, wholly foreign-owned enterprises and certain foreign entities duly registered or established in China may apply to establish an international school, subject to the approval of the Ministry of Education. The approval authority has been delegated to the Ministry of Education's local counterpart at the provincial level pursuant to the Decision of the State Council on the Sixth Batch of Cancelled and Amended Administrative Examination and Approval Items issued by the State Council of the PRC on September 23, 2012. An employee of Nord Anglia Education, who had lawful residence in China at the time, applied to the Ministry of Education for the establishment of BISS in 2002 as its sponsor. Since 2005, documents that we have submitted to the Shanghai Education Commission have identified as sponsor one of our wholly-owned subsidiaries that does not fall within one of the categories of permitted sponsors in the Interim Regulations. To date, no challenges in this respect have been brought against the operations of BISS by local or national educational authorities. We have not directly approached the Ministry of Education on this matter and do not anticipate doing so.

Pursuant to the Interim Measures for the Administration of Examination and Approval of Overseas Investment Projects, the National Development and Reform Commission ("NDRC") requires approvals for overseas investment projects made by PRC entities. We obtained approvals from the Ministry of Commerce of the PRC and the PRC State Administration of Foreign Exchange for the intra-group transfer of our schools in Beijing to our PRC subsidiaries and were advised by transaction counsel that local NDRC approval was not required.

If the Ministry of Education, the NDRC or other applicable PRC regulatory agencies were to find that the ownership structures of our schools do not comply with applicable PRC laws and regulations or we failed to obtain required approvals for the transfer of our schools in Beijing, we may be unable to operate our schools in Beijing and may be subject to penalties.

Our school in Guangzhou has not obtained written endorsement from the local and provincial education commissions for the site that houses its kindergarten.

International schools in China require an endorsement from the local or provincial education commission to operate multiple teaching sites. Prior to the acquisition of our school in Guangzhou, the school had not obtained a written endorsement from either the Guangzhou or Guangdong education commission for the site that houses its kindergarten. Both the Guangzhou and Guangdong education commissions are aware of the kindergarten, and we intend to seek their formal endorsement. However, we cannot assure you that we will obtain a formal endorsement. If we are unable to obtain a formal endorsement, the education commissions could take various regulatory actions against us and we may be required to relocate our kindergarten students to our main Guangzhou campus.

If our landlords' title to the properties and/or other legal status of the facilities we lease for our schools were challenged, our operations could be disrupted.

We lease all of our school facilities in China and Vietnam. Our landlords should have valid land use and property ownership rights with respect to such school facilities and associated land. If our landlords are not the holders of land use rights or lessees of such holders, they are required to receive full authorization to sub-lease the relevant properties. In addition, in order to build new facilities or expand existing facilities, our landlords are also required to obtain all necessary planning, building and other regulatory approvals.

For five of our six schools in China there is some uncertainty as to the landlords' land use and property ownership rights or the receipt by such landlords of all necessary regulatory approvals. For the BISS Puxi campus, although the landlord has confirmed to us that the formal lease agreements and ownership certificates have been granted, it is unclear that the respective owners have obtained all of the requisite approvals from the competent land and building administrative authority to lease these facilities to BISS. Also for the BISS Puxi campus, the landlord is in the process of obtaining the land use right associated with a grass sports field for the secondary school. In Beijing, we have been advised by the landlord of The British School of Beijing's Shunyi facility that it has requested from the competent land and building administrative authority the certificate confirming its valid property ownership needed to lease that facility. With respect to The British School of Beijing's Sanlitun facility, the landlord has not provided us with a valid land use right certificate. Although we have been advised by the landlord that it is in the process of obtaining such certificate and other requisite approvals, they have not yet been obtained. The landlord has advised that the facility was built more than 30 years ago and to the knowledge of our management no enforcement action has been taken by the relevant Beijing governmental authorities with respect to the allocation of the land to the landlord, the educational use of the land and the construction approvals held by the landlord. With respect to the kindergarten campus of the British School of Guangzhou ("BSG"), the landlord has not provided us with a valid property ownership certificate. With respect to the LIS campus, the landlord, the Chengdu Education Bureau, has yet to obtain a land use right certificate, approval to lease the land to LIS or real estate property certificates for the facilities on the land.

In each of these situations, we are not aware of any sanction, claim, or investigation being contemplated by the competent authorities. However, due to the discretionary nature of regulatory enforcement in China, we cannot be certain that such action could not and will not be taken. We cannot assure you that if title to and/or other legal status of the facilities leased by The British School of Beijing, BISS, BSG or LIS were challenged by the competent regulatory authorities or any third party, our landlords' ability to perform their obligations under their leases with us would not be materially adversely affected and our operations in China would not be disrupted. In addition, such uncertainty as to the landlords' title to the properties may limit our ability to seek and obtain specific performance of such landlords' obligations under their leases with us in the event of a dispute.

In addition, in accordance with local practice we did not register our lease contracts with the competent administrative department of the PRC within 30 days after their execution. As a result, if our landlords enter into lease agreements with third parties for the premises we lease and the third parties register the leases, then the third parties may be able to challenge the validity of our leases.

In Vietnam, our landlord has not provided us with valid land use right certificates and building ownership documents in relation to certain areas leased by BIS Ho Chi Minh City, and our joint venture partners in Hanoi have not provided us with valid land use right certificates and building ownership documents for our two schools in Hanoi.

In the future, we may also operate more schools where there is defect or uncertainty in our title to land and property used for school operation, and the abovementioned risk we face will increase.

We operate three defined benefit pension schemes in the United Kingdom, all of which are currently in deficit.

We operate three defined benefits plans in the United Kingdom: the Lifetime Pension Scheme, the Wyburn School Limited Pension & Life Assurance Scheme (1985) and the Nord Anglia Joint Pension Scheme (collectively, the "UK Defined Benefit Plans"). The Lifetime Pension Scheme is closed to future accrual, meaning new members cannot join the plan and existing members cannot build up additional entitlements within it. The other two UK Defined Benefit Plans have no active members, meaning that no employees are currently accruing benefits in those plans in respect of their on-going employment. In their place, we offer a defined contribution pension plan to our UK employees. While this closure to future accrual will reduce any future service deficit, the past service deficit in respect of benefits already accrued will not be reduced by this change.

Our consolidated financial statements include reference to our defined benefit pension liability. As of August 31, 2015, the aggregate deficit for the UK Defined Benefit Plans was $21.8 million on an IFRS accounting basis.

The last agreed actuarial valuation of the Lifetime Pension Scheme was carried out as of August 31, 2011, resulting in a deficit of £14.6 million on the scheme-specific basis. Should a wind-up trigger occur in relation to this plan, the buy-out deficit will become due and payable by the employers with a liability to the plan, and the deficit of the Lifetime Pension Scheme on a buy-out basis was £29.6 million as of August 31, 2011.

The last actuarial valuation of each of the Wyburn School Limited Pension & Life Assurance Scheme (1985) and the Nord Anglia Joint Pension Scheme was carried out as of September 1, 2013. The aggregate of the scheme-specific deficits of these plans was £0.9 million, and we estimate that the aggregate of their buy-out deficits was approximately £1.8 million. Any movement as a result of changes reported in the actuarial valuations would not be regarded as significant.

As a result of these valuations, we are required to make on-going cash contributions in order to reduce the funding deficits. We have agreed with the trustees to a schedule of payments until September 2020 for the Lifetime Pension Scheme based on the 2011 valuation. This schedule began with a payment of £1.8 million in September 2013, increasing each year by 3.1% per annum until 2020, when the payment is £2.2 million. We have also agreed on a funding recovery plan with the trustees of the Wyburn School Limited Pension & Life Assurance Scheme (1985) and the Nord Anglia Joint Pension Scheme of aggregate payments of £48,300 per annum until May 2020.

A number of our subsidiary companies also participate in the Lifetime Pension Scheme, making it a multi-employer pension plan. Due to a number of these participating employers ceasing to employ any active members in the pension plan, statutory debts have become due from them to the plan.

These statutory debts represent a proportion of the plan's overall liabilities, based on the amount which would be needed to secure annuities for members, calculated with reference to the number of members each participating employer is liable for. As part of the 2011 valuation, these statutory debts have been allocated to the continuing employers in the Lifetime Pension Scheme. In addition, Nord Anglia Education Limited has provided a guarantee in respect of the obligations of the participating subsidiary companies in the plan.

Disputes with our joint venture partners may adversely affect our business.

In some of the jurisdictions in which we operate or may operate in the future, including Abu Dhabi, Dubai, Qatar, Thailand and Vietnam, we operate our schools through joint ventures with local businesses or individuals due to regulatory or other business requirements. Our joint venture partners may (i) have economic or business interests or goals that are inconsistent with ours, (ii) take actions contrary to our instructions or requests or contrary to our policies or objectives or (iii) be unable or unwilling to fulfill their obligations under their agreements with us. A serious dispute with a joint venture partner could materially adversely affect our business, financial condition and results of operations. In addition, if there is any adverse publicity in relation to our joint venture partners, the reputation and operations of our relevant joint ventures may be adversely affected.

The ownership structure of our schools in Thailand may be challenged.

Thai law requires all school permit holders to be majority owned by Thai persons. Although the articles of association of our Thai subsidiaries entitle us to 100% of the economic benefits of our Thai schools, we hold 49% of the shares of each school while Thai persons hold the remaining shares. The articles of association entitle the Thai persons to fixed, de minimus payments upon the declaration of dividends by the subsidiaries. We consolidate these companies because we are entitled to 100% of their economic benefit.

We cannot assure you that, if our ownership structure is challenged, the Thai regulator will interpret the relevant legislation so as to find that the ownership structure of our Thai schools, including our entitlement to 100% of their economic benefit, complies with Thai regulations, or that Thai regulations governing foreign ownership of schools will not change in the future. If the ownership structure of our schools in Thailand is found to be non-compliant with Thai regulations, we may be unable to operate our schools in Thailand, which could materially adversely affect our business, prospects, results of operations and financial condition.

We are subject to anti-corruption laws in the jurisdictions in which we operate including, anti-corruption laws of China and the U.S. Foreign Corrupt Practices Act ("FCPA"). Our failure to comply with these laws could result in penalties which could harm our reputation and materially adversely affect our business, results of operations and financial condition.

We are subject to the FCPA, which generally prohibits companies and their intermediaries from making improper payments to foreign officials for the purpose of obtaining any benefit, along with various other anti-corruption laws. Although we have implemented policies and continue to carry out training and introduce procedures designed to ensure that we, our employees and other intermediaries comply with the FCPA and other anti-corruption laws to which we are subject, there is no assurance that such measures will work effectively all of the time or protect us against liability under the FCPA or other laws for actions taken by our employees and other intermediaries with respect to our business or any businesses that we may acquire. If we fail to comply with the FCPA or other laws governing the conduct of business with government entities or other corruption offences, or if any of the schools we acquire are found to have failed to comply with those laws before we acquired them, we may be subject to criminal and civil penalties and other remedial measures, which could adversely affect our business, financial condition, results of operations and liquidity. Any investigation of any potential violations of the FCPA or other anti-corruption laws by U.S. or foreign authorities could also adversely affect our business, financial condition, results of operations and liquidity, regardless of the outcome of the investigation.

The audit report included in this annual report is prepared by auditors who are not inspected fully by the Public Company Accounting Oversight Board and, as such, you are deprived of the benefits of such inspection.

As an auditor of companies that are publicly traded in the United States and a firm registered with the Public Company Accounting Oversight Board, or PCAOB, PricewaterhouseCoopers is required under the laws of the United States to undergo regular inspections by the PCAOB. However, because we have substantial operations within the People's Republic of China, a jurisdiction where the PCAOB is currently unable to conduct inspections without the approval of the Chinese government authorities, our auditor and its audit work is not currently inspected fully by the PCAOB.

Inspections of other auditors conducted by the PCAOB outside of China have at times identified deficiencies in those auditors' audit procedures and quality control procedures, which may be addressed as part of the inspection process to improve future audit quality. The lack of PCAOB inspections of audit work undertaken in China prevents the PCAOB from regularly evaluating our auditor's audits and its quality control procedures. As a result, shareholders may be deprived of the benefits of PCAOB inspections, and may lose confidence in our reported financial information and procedures and the quality of our financial statements.

Proceedings instituted by the SEC against five PRC-based accounting firms, including the affiliate of our independent registered public accounting firm, and/or any related adverse regulatory development in the PRC, could result in our financial statements being determined to not be in compliance with the requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act.

Proceedings instituted by the SEC against five PRC-based accounting firms, including the affiliate of our independent registered public accounting firm, could result in our financial statements being determined to not be in compliance with the requirements of the Exchange Act.

In late 2012, the SEC commenced administrative proceedings under Rule 102(e) of its Rules of Practice and also under the Sarbanes-Oxley Act of 2002 against the mainland Chinese affiliates of the "big four" accounting firms, including the affiliate of our auditor, and also against Dahua, the former BDO affiliate in China. The Rule 102(e) proceedings initiated by the SEC relate to the failure of these firms to produce documents, including audit work papers, in response to the request of the SEC pursuant to Section 106 of the Sarbanes-Oxley Act of 2002, as the auditors located in China are not in a position lawfully to produce documents directly to the SEC because of restrictions under PRC law and specific directives issued by the CSRC. The issues raised by the proceedings are not specific to the Chinese affiliate of our auditor or to us, but potentially affect equally all PCAOB-registered audit firms based in China and all businesses based in China (or with substantial operations in China) with securities listed in the United States. In addition, auditors based outside of China are subject to similar restrictions under PRC law and CSRC directives in respect of audit work that is carried out in China which supports the audit opinions issued on financial statements of entities with substantial China operations.

In January 2014, the administrative judge reached an initial decision that the China-based affiliates of the "big four" accounting firms should be barred from practicing before the SEC for a period of six months.

In February 2015, each of the "big four" accounting firms agreed to a censure and to pay a fine to the SEC to settle the dispute with the SEC. The settlement stays the current proceeding for four years, during which time the firms are required to follow detailed procedures to seek to provide the SEC with access to Chinese firms' audit documents via the CSRC. If a firm does not follow the procedures, the SEC would impose penalties such as suspensions, or commence a new, expedited administrative proceeding against the non-compliant firm or it could restart the administrative proceeding against all four firms.

If the affiliate of our independent registered public accounting firm were denied, temporarily, the ability to practice before the SEC, we would need to consider with our Hong Kong based auditor the alternate support arrangements they would need in their audit of our operations in China. In addition, in May 2014, PRC Ministry of Finance proposed certain draft regulations that would require auditors based outside of China, including our independent registered public accounting firm, to cooperate with mainland Chinese auditors with requisite qualifications in order to conduct audit work for overseas-registered mainland Chinese companies but with operating entities in China. Since the proposed regulations are in draft form and the interpretation, application or enforcement of such proposed regulations is uncertain. However, if the proposed regulations were to be adopted in their current form, our independent registered public accounting firm may need to establish appropriate arrangements with mainland Chinese auditors in order to continue to audit our financial statements, which may be difficult in light of the SEC's administrative proceedings described above. If our auditor were unable to have alternate support or cooperation arrangements or otherwise were unable to address issues related to the production of documents pursuant to Section 106 of the Sarbanes—Oxley Act of 2002 or any adverse regulatory development in the PRC, and we were unable to timely find another independent registered public accounting firm to audit and issue an opinion on our financial statements, our financial statements could be determined to not be in compliance with the requirements of the Exchange Act. Such a determination could ultimately lead to delisting of our shares from the New York Stock Exchange or deregistration from the SEC, or both. Moreover, any negative news about the proceedings against these audit firms may adversely affect investor confidence in companies with substantial mainland China based operations listed in the U.S. All these would materially and adversely affect the market price of our shares and substantially reduce or effectively terminate the trading of our shares in the United States.

Risks Related to Ownership of Our Ordinary Shares

The trading price of our ordinary shares may be volatile, which could result in substantial losses to investors.

The trading price of our ordinary shares could fluctuate widely. Factors that could affect the trading price of our ordinary shares include broad market and industry trends over which we have no control and factors specific to our operations, including the following:

- actual or anticipated fluctuations in our quarterly results of operations;
- variations in our revenues, earnings and cash flow;
- announcements of new investments, acquisitions, strategic partnerships or joint ventures;
- announcements of expansions by us or our competitors;
- changes in financial estimates by securities research analysts;
- departures of our executive officers and key personnel;
- release or expiry of lock up or other transfer restrictions on our outstanding equity securities or sales of additional equity securities; and
- potential litigation or regulatory investigations.

Any of these factors may result in large and sudden changes in the volume and price at which our ordinary shares will trade. Furthermore, the securities market has from time to time experienced significant price and volume fluctuations that are not related to the operating performance of particular companies. These market fluctuations may also materially adversely affect the market price of our ordinary shares. As a result, you could lose all or part of your investment.

If our operating results do not meet analyst projections, our stock price could decline.

Several independent securities analysts publish quarterly and annual projections of our financial performance. These projections are developed independently by these analysts based on their own analyses. We do not disclose to analysts any material non-public information, internal forecasts or other confidential business information. As a result, you should not assume that we endorse any reports issued by, or any statement or view expressed in, these securities analysts' reports. Moreover, we expressly disclaim any responsibility to advise securities analysts or the public markets of our views regarding the accuracy of their published reports. If our actual results do not meet analysts' guidance, our stock price could decline.

Substantial future sales or expected sales of our ordinary shares in the public market could cause the price of our ordinary shares to decline.

Sales of substantial amounts of our ordinary shares, or the expectation that these sales could occur, could adversely affect the price of our ordinary shares and could impair our ability to raise capital through the sale of additional shares. As of December 24, 2015, we had 104,101,223 ordinary shares outstanding. The ordinary shares are freely tradable without restriction under the Securities Act, except for any of our ordinary shares that may be held or acquired by our directors, executive officers and other affiliates, as that term is defined in the Securities Act, which are restricted securities under the Securities Act. Restricted securities may not be sold in the public market unless the sale is registered under the Securities Act or an exemption from registration is available.

In the future, we may also issue our securities if we need to raise capital in connection with a capital raise or acquisition. The amount of our ordinary shares issued in connection with a capital raise or acquisition could constitute a material portion of our then-outstanding ordinary shares.

Because we do not expect to pay any dividends on our ordinary shares for the foreseeable future, you may never receive a return on your investment.

You should not rely on an investment in our ordinary shares to provide dividend income. We do not anticipate paying any cash dividends to our shareholders in the foreseeable future. Instead, we plan to retain any earnings to maintain and expand our operations. In addition, our ability to pay cash dividends is currently limited by the terms of our debt instruments, and any future debt instruments may contain terms prohibiting or limiting the amount of dividends that may be declared or paid on our ordinary shares. Accordingly, you must rely on sales of your ordinary shares after price appreciation, which may never occur, as the only way to realize any return on your investment.

Our articles of association contain anti-takeover provisions that could materially adversely affect the rights of holders of our ordinary shares.

Our articles of association limit the ability of others to acquire control of our company or cause us to engage in change-of-control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transaction. For example, our board of directors has the authority, without further action by our shareholders, to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges, and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our ordinary shares. Preferred shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue preferred shares, the price of our ordinary shares may fall and the voting and other rights of the holders of our ordinary shares may be materially adversely affected.

Premier Education Holdings has significant influence over us, including control over decisions that require the approval of shareholders, which could limit your ability to influence the outcome of key transactions, including a change of control.

Our controlling shareholder is Premier Education Holdings. Premier Education Holdings owns 65.2% of our outstanding shares. For as long as Premier Education Holdings continues to beneficially own shares representing more than 50% of the voting power of our shares, it will be able to direct the election of a majority of the members of our board of directors and exercise a controlling influence over our business and affairs, including any determinations requiring shareholder approval with respect to mergers or other business combinations, the acquisition or disposition of assets, the incurrence of debt, the issuance of any additional shares or other equity securities, the repurchase or redemption of shares and the payment of dividends. Similarly, Premier Education Holdings has the power to determine matters submitted to a vote of our shareholders without the consent of our other shareholders, has the power to prevent a change in our control and could take other actions that might be favorable to it. Even if its ownership falls below 50%, Premier Education Holdings may continue to be able to strongly influence or effectively control our decisions.

Additionally, affiliates of Premier Education Holdings are in the business of making investments in companies and may acquire and hold interests in businesses that compete directly or indirectly with us and may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us.

Your right to participate in any future rights offerings may be limited, which may cause dilution to your holdings, and you may not receive distributions with respect to the underlying ordinary shares if it is impractical to make them available to you.

We may from time to time distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make rights available to our shareholders in the United States unless we register the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective. Moreover, we may not be able to establish an exemption from registration under the Securities Act. Accordingly, you may be unable to participate in our rights offerings and may experience dilution in your holdings.

We are a Cayman Islands company and, because judicial precedent regarding the rights of shareholders is more limited under Cayman Islands law than under U.S. law, you may have less protection for your shareholder rights than you would under U.S. law.

Our corporate affairs are governed by our amended and restated memorandum and articles of association, the Cayman Islands Companies Law (2013 Revision) and the common law of the Cayman Islands. The rights of shareholders to take action against the directors, actions by minority shareholders and the fiduciary responsibilities of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as that from English common law, which has persuasive, but not binding, authority on a court in the Cayman Islands. The rights of our shareholders and the fiduciary responsibilities of our directors under Cayman Islands law are different from what they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a different body of securities laws than the United States. In addition, some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands.

As a result of all of the above, public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as shareholders of a U.S. public company.

We are a foreign private issuer and, as a result, are not subject to U.S. proxy rules and are subject to more lenient and less frequent Exchange Act reporting obligations than a U.S. issuer.

Because we qualify as a foreign private issuer under the Securities Exchange Act of 1934, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. public companies, including (i) the sections of the Exchange Act that regulate the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act, (ii) the sections of the Exchange Act that require insiders to file public reports of their stock ownership and trading activities and impose liability on insiders who profit from trades made in a short period of time and (iii) the rules under the Exchange Act that require the filing of quarterly reports on Form 10-Q containing unaudited financial and other specified information and current reports on Form 8-K upon the occurrence of specified significant events. In addition, foreign private issuers are not required to file their annual report on Form 20-F until 120 days after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year. Foreign private issuers are also exempt from Regulation FD, aimed at preventing issuers from making selective disclosures of material information. As a result, you may not have the same protections afforded to stockholders of companies that are not foreign private issuers.

We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses.

The determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter and, accordingly, the next determination will be made with respect to us on February 29, 2016. We would lose our foreign private issuer status if (i) a majority of our outstanding voting securities are directly or indirectly held of record by U.S. residents and (ii) a majority of our directors or executive officers are U.S. citizens or residents, a majority of our assets are located in the United States or our business is administered principally in the United States. If we were to lose our foreign private issuer status, the regulatory and compliance costs to us under U.S. securities laws as a U.S. domestic issuer may be significantly higher. We may also be required to modify certain of our policies to comply with corporate governance practices associated with U.S. domestic issuers, which would involve additional costs.

We are an "emerging growth company" and we cannot be certain if the reduced disclosure requirements applicable to emerging growth companies will make our ordinary shares less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act, and we may take advantage of certain exemptions from various reporting requirements that are applicable to public companies that are not "emerging growth companies" including, but not limited to, not being required to comply with the auditor attestation requirements of section 404 of the Sarbanes-Oxley Act. We cannot predict if investors will find our ordinary shares less attractive because we may rely on these exemptions. If some investors find our ordinary shares less attractive as a result, there may be a less active trading market for our ordinary shares and the trading price of our ordinary shares may be more volatile. In addition, our costs of operating as a public company may increase when we cease to be an emerging growth company.

The obligations associated with being a public company require significant resources and management attention, and failure to achieve and maintain effective internal controls could have a material adverse effect on our business, results of operations and the trading price of our ordinary shares.

As a public company in the United States, we incur legal, accounting and other expenses that we did not previously incur as a private company. We are subject to the reporting requirements of the Exchange Act, and the Sarbanes-Oxley Act, the listing requirements of the New York Stock Exchange and other applicable securities rules and regulations. Compliance with these rules and regulations increases our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increases demand on our systems and resources, particularly after we are no longer an "emerging growth company." The Exchange Act requires that we file annual and current reports with respect to our business, financial condition and results of operations. The Sarbanes-Oxley Act requires, among other things, that we establish and maintain effective internal controls and procedures for financial reporting. Furthermore, the need to establish and maintain the corporate infrastructure demanded of a public company may divert management's attention from implementing our growth strategy, which could prevent us from improving our business, financial condition and results of operations. We have made, and will continue to make, changes to our internal controls and procedures for financial reporting and accounting systems to meet our reporting obligations as a public company. However, the measures we have taken, and will continue to take, may not be sufficient to satisfy our obligations as a public company. In addition, these rules and regulations increase our legal and financial compliance costs and make some activities more time-consuming and costly. For example, these rules and regulations make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage. These additional obligations could have a material adverse effect on our business, financial condition, results of operations and cash flow.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and our business, financial condition, results of operations and cash flow could be adversely affected.

For as long as we are an "emerging growth company" under the JOBS Act, our independent registered public accounting firm will not be required to attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act. We could be an emerging growth company until August 31, 2019. Furthermore, after the date we are no longer an emerging growth company, our independent registered public accounting firm will only be required to attest to the effectiveness of our internal control over financial reporting depending on our market capitalization. Even if our management concludes that our internal controls over financial reporting are effective, our independent registered public accounting firm may still decline to attest to our management's assessment or may issue a report that is qualified if it is not satisfied with our controls or the level at which our controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from us.

In connection with the preparation of this annual report on Form 20-F, we carried out an evaluation of the effectiveness of our internal control over financial reporting. Based on this evaluation, our principal executive officer and principal financial officer concluded that our internal control over financial reporting was not effective based on management's identification of two material weaknesses. See "Item 15. Controls and Procedures."

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual and interim financial statements will not be prevented or detected on a timely basis.

We are in the process of implementing measures to remedy these material weaknesses. We cannot assure you that we will be able to resolve these material weakness in internal control over financial reporting in a timely and effective manner or that a significant deficiency or material weakness in our internal control over financial reporting will not be identified in the future. If we fail to maintain effective internal control over financial reporting in the future, we and our independent registered public accounting firm may not be able to conclude that we have effective internal control over financial reporting. This could in turn result in the loss of investor confidence in the reliability of our financial statements and negatively impact the trading price of our common shares, inhibiting our ability to raise sufficient capital on favorable terms.

We may be classified as a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to U.S. holders of our ordinary shares.

Based on the current market price of our ordinary shares and the composition of our income, assets and operations, we do not expect to be treated as a passive foreign investment company ("PFIC") for U.S. federal income tax purposes for the current taxable year or in the foreseeable future. However, the application of the PFIC rules is subject to uncertainty in several respects, and we cannot assure you the U.S. Internal Revenue Service will not take a contrary position. Furthermore, this is a factual determination that must be made annually after the close of each taxable year. If we are a PFIC for any taxable year during which a U.S. Holder (as defined in "Item 10. Additional Information—E. Taxation—Material United States Federal Income Tax Considerations") holds our ordinary shares, certain adverse U.S. federal income tax consequences could apply to such U.S. Holder. See "Item 10. Additional Information—E. Taxation—Material United States Federal Income Tax Considerations—Passive Foreign Investment Company."

Item 4. Information on the Company

A. History and Development of the Company

Our controlling shareholder is Premier Education Holdings Ltd, which is controlled by Baring Private Equity Asia.

Our business was founded in 1972. From 1997 through August 2008, we conducted business as Nord Anglia Education plc, whose shares were listed on the main board of the London Stock Exchange. In August 2008, Nord Anglia Education plc was acquired in a going-private transaction led by Baring Private Equity Asia. Premier Education (UK) Holdco Limited, renamed "Nord Anglia Education (UK) Holdings plc" in 2012, was the buying consortium's ultimate holding vehicle that owned the acquiring entity that purchased all the shares in Nord Anglia Education plc. After the acquisition, Nord Anglia Education plc was delisted and renamed "Nord Anglia Education Limited." We, Nord Anglia Education, Inc., were incorporated in the Cayman Islands as an exempted company in 2011, and in 2012 shareholders of Nord Anglia Education (UK) Holdings plc swapped their shares for shares in our company.

Our principal executive offices are located at Level 12, St. George's Building, 2 Ice House Street, Central, Hong Kong. Our telephone number at this address is +852-3951-1100. Our registered office is located at Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

B. Business Overview

Overview

We believe we are the world's leading global operator of premium international schools. We teach over 34,300 students, from kindergarten through the end of secondary school ("K-12"), at our 42 premium schools in China, Europe, ME/SEA and North America. We primarily operate in geographic markets with high FDI, large expatriate populations and rising disposable income. We believe that these factors contribute to high demand for premium schools and strong growth in our business. Our student enrollment increased at a compound annual growth rate ("CAGR") of 29% from the end of fiscal 2008 to the end of fiscal 2015.

Our commitment to quality drives our strong operating performance. Our highly qualified principals, teachers and support staff strive to maximize every student's academic performance. Although we accept students with a wide range of academic ability, for many of whom English is their second language, our students' standardized examination results exceed global averages. In 2015, our IBDP pass rate equaled 90.9% compared to the IB World Average of 79.3%, and 12.5% of our IBDP students scored over 40 points out of 45, compared with the IB World Average of 6.7%. In 2015, one out of three of our graduates matriculated to one of the world's top 100 universities in QS World University Rankings. Our academic quality helps us maintain our market-leading position, supports our premium pricing and drives consistent enrollment growth.

Our schools derive all of their revenue from private sources and therefore are not exposed to government funding risk. As of September 27, 2015, 63% of our students were expatriates and 37% were from local families. Employers of expatriates fund most of our tuition fees as part of expatriate compensation packages, through allowances or direct payments to our schools. Education allowances are often key recruitment incentives for expatriate employees.

Our attractive business model leads to good visibility, price inelasticity, low capital requirements and strong cash generation. Our average student tenure of 3.6 years provides good visibility on future enrollments and revenues. Giving pro forma effect to our acquisition of our four schools in Vietnam and six schools from Meritas, our average tenure in the last two years would have been 4.3 years. Our private-pay model and the importance of education to parents make us resilient to changing economic conditions and government policies. We have been able to increase tuition fees at an average of approximately 4-5% per year over the last five years. Our capital-light approach to growth enables us to generate high returns on capital. We focus on securing high-quality, purpose-built schools through long-term leases, with the construction costs of many of our schools funded by real estate developers desiring premium schools within their residential and commercial developments. Our strong margins and working capital dynamics make our business highly cash generative. We generally receive a large portion of our schools' revenue before the beginning of the fiscal year. As an example, we received approximately 51% of our fiscal 2015 schools' revenue before August 31, 2014.

We have grown our business significantly since 2008. We increased our student capacity and enrollments from 5,393 places and 4,010 students as of August 31, 2008 to 48,998 places and 34,314 students as of November 15, 2015. During that period, we expanded capacity at our existing schools by 4,651 places, developed six greenfield schools with a total of 7,012 places and acquired 31 schools with a total of 31,942 places.

In fiscal 2015, we had revenue of $577.0 million, profit for the period of $8.6 million and Adjusted EBITDA of $133.7 million. In fiscal 2015, our schools in China, Europe, ME/SEA and North America contributed 32.5 %, 23.7%, 29.1% and 14.7% of our schools' revenue, respectively.

The following table shows our regional enrollments as of November 15, 2015:

	November 15, 2015	% of Total
Full-time equivalent students:		
China	5,752	17%
Europe	6,492	19%
ME/SEA	12,630	37%
North America	9,440	27%
Total	34,314	100%

Our Market Opportunity

We primarily target geographic markets with high FDI, large expatriate populations and rising disposable incomes, all of which increase demand for premium schools. Employers of expatriates fund most of our tuition fees. We believe that companies that rely on expatriate employees view the availability of high-quality schools as vital to recruiting and retaining key employees. In addition, many governments and business and trade associations actively promote premium international schools in their jurisdictions, recognizing that the availability of premium quality education for the children of expatriate employees is critical to attracting FDI from corporations.

A majority of premium schools are family-owned and operated or managed by foundations. Family operators and foundations typically focus on academic performance, exclusivity and prestige. These operators have historically been reluctant to add capacity even when demand in their markets exceeds supply, leaving significant opportunities for companies that operate schools with high academic standards while also focusing on financial performance and growth.

Competitors seeking to enter the premium school market face significant barriers to entry, including:

- the lead time required to build brand recognition and reputation, both locally and globally;
- the challenges unproven operators face in securing government licenses and regulatory approval in many jurisdictions;
- in many markets, the scarcity of real estate in desirable areas that can accommodate a sizeable campus with the comprehensive and high-quality facilities expected of premium schools;
- the tendency of property developers and landlords to require school operators with significant financial resources and a reputation for quality in order to enhance the value of their adjacent residential or retail real estate; and
- the tendency of students to stay enrolled in the same school until they graduate or their parents relocate.

We believe increasing globalization and a growing emphasis by parents on high-quality education for their children will drive strong growth in many markets. There are few premium-quality operators with the global scale required to benefit from this attractive opportunity.

Our Strengths

Global Market Leadership and Partner of Choice

We believe we are the world's leading operator of premium international schools. We teach over 34,300 students at our network of 42 premium international schools in 34 locations in 15 countries. We are a trusted partner of key stakeholders, including governments, sellers of premium schools and real estate developers, and enjoy significant benefits of scale.

Our strong reputation among governmental authorities, which recognize the importance of premium schools in attracting FDI, helps us secure schools in prime education markets. For example, in April 2013, following an extensive tender process, the Hong Kong Education Bureau awarded us a vacant school site in Kowloon, Hong Kong. This school was one of three allocated by the Hong Kong Education Bureau in 2013, and we were the only school operator without an established school in Hong Kong to be granted a campus. We opened the school in September 2014 with a capacity of 792 places.

Sellers of premium schools often focus on the operating record, financial stability and reputation of potential buyers. Our acquisitions in China, Switzerland, Thailand, Singapore, Cambodia and Vietnam resulted from exclusive discussions with sellers who were primarily concerned with the success and reputation of their schools under their new owners. In addition, real estate developers and landlords seek school operators with a reputation for quality in order to enhance the value of their adjacent residential or retail real estate. For example, in Shanghai-Puxi we collaborated with a developer and the local government, who were eager to develop Puxi into an attractive location for expatriates. We started the school in 2005 with a capacity of 668 places and have increased capacity to 2,000 places, with all of the building expansion costs funded by the developer.

Our reputation also helps create unique opportunities to improve our educational offering. For example, in February 2015 we announced The Juilliard-Nord Anglia Performing Arts Program, a multifaceted collaboration to provide an innovative arts education curriculum for students in grades K-12. Developed in conjunction with The Juilliard School, the world-renowned performing arts conservatory, the program seeks to inspire and equip our students with the skills, curiosity and cultural literacy to engage in the performing arts throughout their lives.

Our market leadership and scale also enable us to:

- recruit, develop and retain top-quality principals and teachers;
- set tuition fees at the high end of each market;
- apply best practices throughout our network, including cost management and control through benchmarking;
- stay at the forefront of educational theory; and
- offer initiatives, such as the Global Campus and The Juilliard-Nord Anglia Performing Arts Program, which develop our students into world-ready, global citizens.

Premium Quality Education with Strong Brand Recognition

Our schools have excellent reputations and are among the most respected premium K-12 school brands in their markets. We focus on the needs of individual students and track each student's performance against personalized targets to help maximize every student's academic achievement.

Our approach to education and the benefits of belonging to a global network of premium schools help to distinguish our schools from our competitors. For example, we have developed a supplementary learning platform, the Global Campus, which is accessible to all of our students from grade 4. The Global Campus Online is an Internet-based system that complements our curricula and allows our students to interact online with experts in various fields and collaborate with students at any of our schools around the world. This innovative learning environment creates independent learners, prepares students for future university study and helps them to become global citizens. As part of the Global Campus, students also have opportunities to come together from around the world and take part in unique experiences in the Global Campus Worldwide. In 2014, our Global Campus Worldwide brought 100 students from 18 schools in 11 countries to Tanzania for an eight-day transformational learning experience, and in 2015 our Global Orchestra Challenge invited students of all ages from all of our schools to audition for choir, soloist and instrumental ensembles which will join together in New York for a week-long residential program culminating in a public performance to celebrate their musical accomplishments in June 2015.

Although our admissions policy is not based on academic ability, and English is not the first language of many of our students, our students' standardized examination results well exceed global averages. In 2015, our International Baccalaureate Diploma Program ("IBDP") pass rate equaled 90.9% compared to the IB World Average of 79.3%, and 12.5% of our IBDP students scored over 40 points out of 45, compared with the IB World Average of 6.7%. In 2015, one out of three of our graduates matriculated to one of the world's top 100 universities in QS World University Rankings.

Our reputation for quality and a distinctive approach to education result in high referral rates, with 92% of parents of children at our schools whom we surveyed in the academic year 2014/2015 reporting that they would recommend our schools. Our reputation and attention to individual students are key to parents who choose our schools over competing schools.

Our principals and teaching staff are highly qualified and experienced, and we recruit them through a rigorous hiring process. We are able to attract highly qualified staff through our international scale, reputation for quality and competitive compensation packages. We emphasize on-going professional development and a policy to promote from within to attract and retain teachers. Initiatives such as Nord Anglia University, which provides comprehensive professional training programs for teachers and principals, underscore our commitment to professional development.

In our drive to align our teacher recruitment practices with our status as the leading global premium schools organization, we launched the Outstanding Teachers for Outstanding Schools project ("OTOS") across our network of schools in August 2012. OTOS aims to attract premium candidates, maintain an outstanding recruitment process and ensure that we select the highest quality candidates. As part of OTOS, we hold an annual teacher recruitment event in London that is exclusive to Nord Anglia Education's schools. We believe we are the only premium schools organization to host an exclusive event of this nature. Our OTOS recruitment event held in London in January 2015 attracted 9,688 applications for 284 job advertisements for our schools.

Superior Business Model

Our business model emphasizes operational efficiency and uses a data-driven approach to enhance student achievement, growth and profitability. Our global, regional and school teams track and analyze key performance indicators and we refine our operating strategy accordingly.

We focus on the following key areas of our operations:

- *Academic quality assurance* : We monitor the academic quality of our schools and assess the quality of schools we acquire through a structured quality review framework that includes an annual review by our central Schools' Academic Performance Board. In addition, we perform ad hoc assessments of schools as required. We evaluate the achievement of students, the quality of teaching, the behavior and safety of students, the quality of school leadership and management and overall effectiveness.

- *Student recruitment* : We have a systematic approach to student recruitment. Our comprehensive recruitment strategies are adapted to each school's local market and executed by each school's principal, admissions team and marketing manager. We use a relationship management system to monitor an applicant's file from initial inquiry through enrollment.

- *Pricing* : We monitor local market trends, including economic developments and supply and demand dynamics, to set tuition fees.

- *Cost management* : We use metrics-based management throughout our school operations to enhance efficiencies. We achieve operational efficiencies through various means, including efficient class scheduling and optimizing our teaching resources. We accomplish this by minimizing teachers' administrative responsibilities, allowing them to spend more time focused on teaching.

- *Capacity planning* : Our expertise in planning and adding capacity to meet demand enables us to manage growth by efficiently utilizing capacity at existing schools and expanding as necessary. We also work with architectural consultants who specialize in optimizing school configurations. Our approach to growing our network of schools is highly analytical, includes the use of demographic and economic models and we often commission third-party market research to identify opportunities for expansion.

We use a balanced scorecard of key performance indicators that measures each school's performance from the perspective of all stakeholders, including parents, students, teachers and investors. Our balanced scorecard evaluates each school based on student safety, student performance, financial performance, staff performance and marketing and admissions. By regularly monitoring key performance indicators at each school, we can ensure that its operations meet our expectations. We learn of potential problems at any school in real time and intervene as required. This helps us maintain consistency across our schools and allows us to quickly integrate newly acquired or greenfield schools, which makes our business highly scalable.

Capital Efficient, Returns-Focused Approach to Growth

We have significantly grown our business while driving high returns on capital. Our capital efficient expansion strategy focuses on securing high-quality, purpose-built schools through long-term leases, with the construction cost of many of our schools funded by real estate developers. When we acquire existing schools, we often acquire the operating businesses and enter into long-term leases with the sellers who retain ownership of the real estate.

Highly Attractive Financial Profile

- *High Visibility and Predictability* : We operate a highly visible and predictable business. Average student tenure across our network in the last five years was 3.6 years. Giving pro forma effect to acquisition of four schools in Vietnam and six schools from Meritas, our average tenure in the last two years would have been 4.3 years. In our latest academic year we lost only 2% of our students for reasons related to academic quality, student needs or tuition levels, based on parent responses to our exit surveys. At a majority of our schools, our terms and conditions require a full term's notice of withdrawal for a refund of prepaid tuition. The final academic term at most of our schools starts in April of each year and historically we have had few requests for refunds. We track inquiries and visits to estimate new enrollments. In fiscal 2015, we converted 50% of prospective student visits to our schools into enrollments (excluding schools acquired in 2015). As a result, we can estimate in-year and year-to-year student re-enrollment, new enrollment and revenue.

- *Favorable Working Capital Dynamics* : We generally receive a large portion of our schools' revenue before the beginning of the fiscal year. As an example, we received approximately 51% of our fiscal 2015 schools' revenue before August 31, 2014. We collected an additional 25% of our schools' revenue prior to January 2015, and an additional 17% prior to April 2015. The timing of our schools' revenue collection allows us to finance our operating expenses principally with pre-paid tuition fees.

- *Price Inelasticity Supported by Private Pay Model* : We have been able to increase our tuition fees at an average of approximately 4-5% per year over the last five years, which we believe exceeds the median rate of inflation in the markets where our schools are located, while continuing to grow enrollment organically. Our private pay model insulates our schools from volatility in government funding resulting from changing economic conditions or policies. The high quality of our schools supports our premium pricing. A majority of our tuition fees are directly or indirectly paid by employers, who we believe accept price increases because education allowances typically represent only a small percentage of an expatriate's total compensation. We believe self-funding expatriates and affluent local families also accept our price increases because of the importance they place on a quality education for their children.

- *Strong Margins* : Our premium pricing and operating efficiencies result in strong margins. In fiscal 2015, our Adjusted EBITDA margin was 23.2%. With capacity utilization of 75% as of November 15, 2015, we have significant scope to expand our margins by growing enrollments without increasing capacity.

Experienced Management Team with Local and Global Expertise

Our management team combines seasoned executives with experience in running publicly listed companies and leading education specialists. Andrew Fitzmaurice has been our CEO for more than 12 years and was CEO when Nord Anglia Education plc was listed on the main board of the London Stock Exchange. Over the last several years, we have bolstered our senior management team with a number of significant appointments, including our corporate development director, education director, human resources director and marketing director. Our senior management team is supported by experienced regional managers and local school administrators who implement our operating philosophy in each of our markets.

Our Strategies

Continue to Deliver High-Quality Education and Strong Outcomes for Students

Our commitment to quality will remain the foundation of our operating performance and growth. We will continue to offer our students an excellent education, recruit and retain experienced and highly qualified principals and teachers and strive to help each student achieve high academic performance. We believe that building upon our reputation for quality and ensuring that our schools live up to the expectations of students and parents are key to strengthening our position as the world's leading international operator of premium schools.

Increase Student Enrollments at Our Existing Schools

We aim to continue to increase enrollments by applying our systematic processes for generating inquiries, converting inquiries to enrollments and retaining existing students. Our school principals lead the recruitment effort with dedicated admissions and marketing teams. We generate inquiries and visits through referrals and digital and other marketing activities. In fiscal 2015, we converted 50% of prospective student visits to our schools into enrollments (excluding schools acquired in fiscal 2015).

Continue Price Leadership

We will continue to invest in our teachers and campuses to enable us to consistently provide high-quality premium education. Improving our schools supports our strong reputation in the markets where we operate, which we expect will allow us to continue increasing prices in excess of inflation.

Increase Capacity

Using our capital efficient, returns-focused approach, we may increase capacity across our geographically diverse school portfolio.

- *Capacity Expansion at Our Existing Schools* . At our existing schools, we may increase capacity where market demand supports additional places. We will continue to develop our relationships with real estate developers and landlords, who we expect will continue to fund our capacity expansion. Our systematic approach to capacity expansion has enabled us to add 4,651 places to existing schools since August 31, 2008.

- *Greenfield Expansion in Existing and New Markets* . We may strategically open new schools in markets where we currently operate and in attractive new markets. We have successfully completed eleven greenfield projects since 1992. We have one greenfield project under development in Houston where we are partnering with a real estate developer to build a new campus with approximately 2,000 places to open in September 2016 and our existing campus will relocate to the new campus at that time.

  In many new markets, our global market leadership and premium quality attract inquiries from governments, real estate developers and landlords. Governments and business and trade associations recognize that the availability of premium quality education for the children of expatriate employees is critical to attracting FDI from corporations.

- *Pursue Acquisitions* . An abundance of single-site operators provides a continuous supply of incremental acquisition opportunities. Potential sellers often engage with us in exclusive negotiations because of our reputation, success at integrating schools, capital resources and interest in keeping sellers involved as landlords and consultants without the ongoing responsibility of operating the school. We evaluate each potential acquisition using a returns-based approach focused on the school's quality, reputation, curriculum, local market dynamics, tuition levels, financial position and opportunities for growth. Once we acquire a school, our proven operating model drives educational improvements, enrollment growth and operational efficiencies. We have a highly successful record of acquiring and integrating schools.

Our Approach to Academic Quality

Although our schools are inclusive in that they accept students with a wide range of academic ability, we ensure that our students achieve academic results that are comparable to those of students attending schools with admissions policies based on academic ability.

The key elements that we focus on to promote academic quality are:

An academically rigorous educational program

We believe that our personalized approach to teaching and learning can help every student achieve strong academic results. We use a customized technology platform designed around individual students, which enables us to track the performance of individual students as well as benchmark within and across our schools. We believe that this maximizes our students' performance by giving each student and our faculty an accurate gauge of individual progress. In addition, this platform allows us to set clear objectives for a classroom, class year or entire school and intervene as required. Our technology platform also creates accountability among faculty members and drives consistency in instruction by applying comparable metrics across our network.

In addition, we have a supplementary informal online learning environment, our Global Campus Online, which is accessible to all of our students. The Global Campus Online is an Internet-based system that complements our curricula while allowing our students to interact online with experts in various fields and collaborate with students at any of our schools around the world. This innovative learning environment creates independent learners, preparing them for future university study and turning them into global citizens. Almost all of our schools teach the English National Curriculum.

Highly qualified principals, teachers and administrative staff

We demonstrate our commitment to premium quality education by hiring and retaining highly qualified principals, teachers and administrative staff. Our international reputation allows us to recruit from among the best candidates. We generally require our teachers to have formal teacher qualifications, such as a Post Graduate Certification in Education or its equivalent, and at least two years of teaching experience.

Our principals and teachers also benefit from the centralized support and experience of our educational team. In addition, we have in place various continuing professional development initiatives, including Nord Anglia University, which is designed to prepare our staff for career progression and help continuously improve all of our teachers. We regularly and rigorously review our principals and teaching staff to ensure that their performance meets our high standards.

Small class sizes

We restrict classes to a maximum of 22 students, with a few exceptions, in order to provide each student with close teacher interaction and individual attention and support. This benefits students and promotes staff retention by providing a rewarding environment for our teachers.

High-quality school facilities

Our school facilities, such as science laboratories, music and theater resources, swimming pools and other sports facilities enhance the educational experience of our students. In addition, the majority of classrooms provide interactive digital technologies that facilitate student participation. We use internationally-recognized architectural consultants specializing in school design to develop new facilities and expand or refurbish our existing schools in order to create outstanding learning environments for our staff and students.

Our Schools

We operate 42 schools in 34 locations across China, Europe, ME/SEA and North America. The following table sets forth certain information about each school and its educational programs.

School	Date Founded	Date Acquired/ Founded	Curriculum	Qualification
China				
Nord Anglia International School Shanghai, Pudong (Pudong, Shanghai, China)	2002	2002	English National Curriculum	IGCSE/IBD
The British International School Shanghai, Puxi (Puxi, Shanghai, China)	2005	2005	English National Curriculum	IGCSE/IBD
The British School of Beijing, Sanlitun (Sanlitun, Beijing, China)	2003	2009	English National Curriculum	K-6 (1)
The British School of Beijing, Shunyi (Shunyi, Beijing, China)	2009	2009	English National Curriculum	IGCSE/IBD
The British School of Guangzhou (Guangzhou, China)	2006	2013	English National Curriculum	IGCSE/A levels
Léman International School (Chengdu, China)	2009	2015	IB Curriculum	AP/IBD
Nord Anglia International School Hong Kong (Hong Kong, China)	2014	2014	English National Curriculum	K-9 (1)
Europe				
The British School Warsaw (Warsaw, Poland)	1992	1992	English National Curriculum	IGCSE/IBD
The English International School Prague (Prague, Czech Republic)	1995	1995	English National Curriculum	IGCSE/IBD
The British International School Bratislava (Bratislava, Slovakia)	1998	1998	English National Curriculum	IGSE/IBD
The British International School Budapest (Budapest, Hungary)	2002	2002	English National Curriculum	IGCSE/IBD
Collège Beau-Soleil (Villars-sur-Ollon, Switzerland)	1910	2011	French and Swiss Curriculum	IBD or French Bac
Collège Champittet Pully (Pully, Switzerland)	1903	2011	French and Swiss Curriculum	French Bac/Swiss Maturité/ IBD
Collège Champittet Nyon (Nyon, Switzerland)	2007	2011	French and Swiss Curriculum	K-7 (1)
La Côte International School Aubonne (Aubonne, Switzerland)	2008	2011	English National Curriculum and IBC	IBD
Collège du Léman (Geneva, Switzerland)	1960	2005	U.S., French, Swiss & IB Curriculum	AP/IBD/ICSE/Swiss Maturité/French Bac
International College Spain (Madrid, Spain)	1982	2013	IB Curriculum	IBD
ME/SEA				
Nord Anglia International School Dubai (Dubai, UAE)	2014	2014	English National Curriculum	IGCSE/IBD
The British International School Abu Dhabi (Abu Dhabi, UAE)	2009	2013	English National Curriculum	IGCSE/IBD

School	Date Founded	Date Acquired/ Founded	Curriculum	Qualification
Compass International School Doha, Gharaffa (Gharaffa, Doha, Qatar)	2006	2013	English National Curriculum	K-6 (1)
Compass International School Doha, Madinat Khalifa (Madinat Khalifa, Doha, Qatar)	2010	2013	English National Curriculum	IGCSE (1)
Compass International School Doha, Rayyan, (Al Rayyan, Doha, Qatar)	2009	2013	English National Curriculum	K-6 (1)
Nord Anglia International School, Al Khor (Al Khor, Qatar)	2012	2013	English National Curriculum	K-9 (1)
Regents International School Pattaya (Pattaya, Thailand)	1994	2012	English National Curriculum	IGCSE/IBD
St Andrews International School Bangkok (Bangkok, Thailand)	1997	2013	English National Curriculum	IGCSE/IBD
Dover Court International School (Singapore)	1972	2014	English National Curriculum	IGCSE
Northbridge International School Cambodia (Phnom Penh, Cambodia)	1996	2014	English National Curriculum	IBD
The British International School, Ho Chi Minh City (Ho Chi Minh City, Vietnam)	2000	2015	English National Curriculum	IGCSE/IBD
The British International School, Hanoi (Hanoi, Vietnam)	2012	2015	English National Curriculum	IGCSE/A-Levels
The British Vietnamese School, Ho Chi Minh City (Ho Chi Minh City, Vietnam)	2011	2015	English National Curriculum	IGCSE/A-Levels
The British Vietnamese School, Hanoi (Hanoi, Vietnam)	2012	2015	English National Curriculum	IGCSE/A-Levels
North America				
The British School of Washington (Washington D.C., U.S.A.)	1998	2013	English National Curriculum	IGCSE/IBD
The British International School of Boston (Boston, Massachusetts, U.S.A).	2000	2013	English National Curriculum	IGCSE/IBD
The British International School of Houston (Houston, Texas, U.S.A.)	2000	2013	English National Curriculum	IGCSE/IBD/A-Levels
The British International School of Chicago, Lincoln Park (Chicago, Illinois, U.S.A.)	2001	2013	English National Curriculum	IGCSE/IBD
The British International School of Chicago, South Loop (Chicago, Illinois, U.S.A.)	2015	2015	English National Curriculum	IGCSE/IBD
The British International School of Charlotte (Charlotte, North Carolina, U.S.A.)	2003	2013	English National Curriculum	IGCSE
Nord Anglia International School New York (New York, U.S.A.)	2011	2013	English National Curriculum	K-6 (1)
The Village School (Houston, Texas, USA)	1966	2015	U.S. & IB Curriculum	AP/IBD
North Broward Preparatory School (Coconut Creek, Florida, USA)	1957	2015	U.S. & IB Curriculum	AP/IBD
Windermere Preparatory School (Windermere, Florida, USA)	2000	2015	U.S. & IB Curriculum	AP/IBD
Instituto San Roberto (Monterrey, Mexico)	1982	2015	U.S. & IB Curriculum	K-9 (1)

(1) This school educates students in pre-qualification years.

"AP" stands for Advanced Placement; "IBD" stands for International Baccalaureate Diploma Program; and "ICSE" stands for International General Certificate of Secondary Education.

Our Seven Schools in China

Our schools in China all use English as the primary language of instruction and, in compliance with our Chinese education licenses, each student receives four lessons in Mandarin a week (except in Hong Kong, where this is optional).

All of our schools are located in prime areas for expatriates and have premium sporting and extracurricular facilities.

Nord Anglia International School Shanghai, Pudong —Pudong, Shanghai, China

We opened this school, our first school in China, in 2002 with an initial capacity of 100 places. The school now has a capacity of 1,800 places. The school is located within a large scale residential development in Pudong, approximately five miles from the center of Shanghai in the free trade zone.

Its facilities include science laboratories, computer suites, art, music and physical education rooms, libraries, a 1,000-seat state-of-the-art theater, a new secondary school building, three indoor sports halls and a 25-meter indoor swimming pool.

As of September 27, 2015, 97% of the students at this school were expatriates.

The British International School Shanghai, Puxi—Puxi, Shanghai, China

We opened this school in 2005 with an initial capacity of 668 places and the school now has a capacity of 2,000 places. The school is adjacent to several high-end residential developments popular with expatriate families. The school's facilities include two gymnasiums, two swimming pools of 15 and 25 meters, a dance studio, a fitness suite, outdoor basketball courts, four tennis courts, one astro-turf football field and playing fields. Other facilities include two libraries, a 250 seat auditorium, a 500 seat auditorium, an internet cafe, science laboratories, music rooms and two cafeterias. The expansion to this school was officially opened by His Royal Highness Prince Andrew in 2011.

As of September 27, 2015, 98% of the students at this school were expatriates.

The British School of Beijing, Shunyi—Shunyi, Beijing, China

We acquired this school in 2009 with a capacity of 400 places and moved it to new custom built facilities with 1,500 places one mile from its original location. The school is located in a large residential area containing many expatriate developments in suburbs on the outskirts of Beijing. The school's campus includes outdoor and indoor sport facilities, gymnasiums, fitness suites, a football field and tennis and basketball courts, along with an indoor swimming pool and dance studio. In addition, the school has two theaters, dedicated music rooms, computer music suites, a recording studio, a Lego robotics laboratory, science laboratories and art studios. The school was officially opened by His Royal Highness Prince Andrew in 2010.

As of September 27, 2015, 100% of the students at this school were expatriates.

The British School of Beijing, Sanlitun—Sanlitun, Beijing, China

We acquired this school in 2009 with a capacity of 280 places and the school now has a capacity of 600 places. The school is located in the heart of the Embassy district of Beijing and educates students from age three to age 13. Its facilities include a football pitch, a full size gymnasium, an assembly hall, tennis and basketball courts and an Astroturf play area with climbing frames.

As of September 27, 2015, 100% of the students at this school were expatriates.

The British School of Guangzhou—Guangzhou, China

We acquired this school in 2013 with a capacity of 904 places and the school now has a capacity of 1,184 places. The school is located on the shores of scenic Nanhu Lake, a short drive from the business district of Guangzhou. The school features separate campuses for lower- and upper-school students. Facilities include gymnasiums, four basketball courts, four football pitches, a driving range and a top-class swimming pool complex. In addition, the school has a theater, three fully-equipped music rooms, a dance studio and two libraries.

As of September 27, 2015, 100% of the students at this school were expatriates.

Léman International School—Chengdu, China

We acquired Léman International School in June 2015 as part of the Meritas acquisition with a capacity of 1,050 places. Founded in 2009, Léman International School is located near the city center of Chengdu. The expansive campus features a library, state-of-the-art media center, science and computer labs, large dance and theater studio, art and music studios, gymnasium, and a 25-meter heated swimming pool. Outdoor facilities include an extensive green space with a 400m/6 lane athletic track, two soccer fields and tennis courts.

As of September 27, 2015, 89% of the students at this school were expatriates.

Nord Anglia International School Hong Kong—Hong Kong, China

We opened this school in September 2014 with a capacity of 792 places. The school's facilities include a large sports and performance hall, specialist classrooms for music, art, drama and science and a Learning Resource Centre that can be used for individual and group study. A 25 meter enclosed swimming pool is currently under development and is scheduled to open in 2015.

As of September 27, 2015, 78% of the students at this school were expatriates.

Our Ten Schools in Europe

Collège Champittet Pully—Pully, Switzerland

Founded by Dominican monks in 1903, we believe that Collège Champittet is one of the best known private schools in Switzerland. The school is located near the banks of Lake Geneva in Lausanne. An affiliate of our parent company acquired this school in 2009 and we acquired it in February 2011. The school includes high-quality academic and recreation facilities including sports fields, playgrounds, a library, science laboratories, a chapel, a dining hall and cafeteria and computer suites. The school also has boarding accommodation for up to 100 students. The school has a capacity of 944 places.

As of September 27, 2015, 28% of the students at this school were expatriates.

Collège Champittet Nyon—Nyon, Switzerland

This school opened in 2007 and was acquired by an affiliate of our parent company in 2009. We acquired it in February 2011 in conjunction with the acquisition of Collège Champittet-Lausanne. The school is located near the banks of Lake Geneva between Geneva and Lausanne. Its facilities include playgrounds, a dining hall and a computer lab. The school has a capacity of 240 places.

As of September 27, 2015, 15% of the students at this school were expatriates.

Collège Beau-Soleil—Villars-sur-Ollon, Switzerland

We acquired this boarding school in January 2011 with a capacity of 220 places and the school now has a capacity of 240 places. The school is located in the Alpine region not far from Lake Geneva. The school's facilities include an Astroturf pitch with seating, premium boarding facilities, a recently renovated art center, a fitness center, two restaurants, a theater and a private ski slope. Founded in 1910, Beau-Soleil is one of the oldest Swiss educational establishments.

As of September 27, 2015, 94% of the students at this school were expatriates.

La Côte International School—Aubonne, Switzerland

This school was founded in 2008 and we acquired the school in September 2011. At acquisition, the school had a capacity of 220 places and was located near Lake Geneva in Gland. In September 2014, we relocated the school to a new state-of-the-art campus in Aubonne, Switzerland with a total capacity of 840 places. The new campus boasts 44 classrooms and 12 special rooms designed for science, computing, art and music.

As of September 27, 2015, 73% of the students at this school were expatriates.

Collège du Léman—Geneva, Switzerland

We acquired Collège du Léman in June 2015 as part of the Meritas acquisition with a capacity of 2,475 places. Founded in 1960, the school is situated at the right bank of Lake Geneva and nestled between the Jura Mountains and the lake on the outskirts of Geneva. The campus offers attractive residential facilities and recreational areas including a theater, outdoor sports grounds for tennis, basketball and football, a swimming pool and two sports domes for indoor use. The school also has boarding accommodation for approximately 275 students.

As of September 27, 2015, 88% of the students at this school were expatriates.

The British International School Bratislava—Bratislava, Slovakia

We opened this school in 1998 with a capacity of 100 places. The school is operated out of two locations, with one allocated for the kindergarten and Year 1 students and the other for students in Years 2 to 13. The location for younger students has its own library, information and communication technology room, music area, and a playground. The second building has three well-equipped science labs, three ICT rooms, two specialist music rooms, and a computer-equipped library. The campus also has two gymnasiums, one of which has a climbing wall, a dance studio, basketball courts, a 200-meter athletics track, and a half-size football field. In response to increasing demand, we opened the second building in 2006 bringing the school to its current capacity of 770 places. The new facilities were formally opened by His Royal Highness Prince Andrew.

As of September 27, 2015, 71% of the students at this school were expatriates.

The British International School Budapest—Budapest, Hungary

We assumed operations of this school in 2002 with a capacity of 420 places. In 2005, we relocated the school to new custom built facilities in its current location in Budapest's third district. Its facilities include two science labs, music rooms equipped with computers, a dance and drama studio, an amphitheater and a library. Its outdoor facilities include an organic wild garden for science lessons as well as an outdoor pavilion classroom. Its sporting facilities include a half-size football pitch, a 220-meter track, an outdoor basketball court, and a large indoor gymnasium. The school now has a capacity of 730 places.

As of September 27, 2015, 68% of the students at this school were expatriates.

The English International School Prague—Prague, Czech Republic

We opened this school in 1995 on a site that we converted for educational use near the center of the city. In September 2007, we moved the school to a new custom built campus with modern facilities in two buildings including a sports field, a gymnasium, two libraries, art and music rooms and a dance studio. The classrooms are all networked, with interactive digital technologies, and each section of the school is equipped with its own computer suite. The new campus was formally opened by Her Royal Highness Princess Anne. The school has a capacity of 550 places.

As of September 27, 2015, 80% of the students at this school were expatriates.

The British School Warsaw—Warsaw, Poland

Founded by Nord Anglia Education in 1992 in association with a local family, this was our first international school. In 2004, we opened a new building, which was formally opened by His Royal Highness Prince Andrew, by converting a former electrical engineering college into high-quality academic facilities and this building has been further expanded and upgraded on a number of occasions. The school boasts modern facilities, including a sports field, a gymnasium, and art and music rooms. The school has a capacity of 1,028 places.

As of September 27, 2015, 54% of the students at this school were expatriates.

International College Spain—Madrid, Spain

We acquired International College Spain through our acquisition of WCL Group in 2013. This prestigious school is located in the prosperous suburbs of Alcobendes and has built an excellent reputation since it was established in 1980. The campus has five science laboratories, two music rooms, six language rooms, two gymnasiums, two libraries, a dance studio, a drama room and an auditorium including a stage. Outdoor facilities include extensive open recreational space for students, including fenced-in tennis courts and space for a football pitch. The school has a capacity of 800 places.

As of September 27, 2015, 65% of the students at this school were expatriates.

Our Fourteen Schools in ME/SEA

The British International School Abu Dhabi— Abu Dhabi, United Arab Emirates

We opened the British International School Abu Dhabi ("BISAD") in September 2009 and in August 2010 sold our 49% equity interest in the school to Premier Education Holdings, our shareholder, and entered into an agreement to manage the school. On September 28, 2012, Nord Anglia Education entered into an agreement to re-purchase the 49% equity interest from Premier Education Holdings. On April 1, 2013, we began consolidating the results of BISAD under IFRS, as we obtained effective control of BISAD from that date. The school's facilities include dedicated music rooms, a drama studio with the latest media technology, gardens and outdoor learning areas as well as a wide range of indoor and outdoor sports. The school has a capacity of 1,800 places.

As of September 27, 2015, 80% of the students at this school were expatriates.

Nord Anglia International School Dubai—Dubai, United Arab Emirates

We opened Nord Anglia International School Dubai in September 2014 with a state-of-the-art new campus. The school has excellent facilities including an auditorium, large well-lit open plan art studios, craft centers, dark rooms and theater spaces. The school also has outdoor sports facilities, a swimming pool and three dining rooms. The school has a capacity of 1,500 places.

As of September 27, 2015, 99% of the students at this school were expatriates.

Compass International School Doha, Rayaan—Doha, Qatar

We acquired this school through our acquisition of WCL Group in 2013. Founded in 2006, this campus is situated in the west of Doha on the grounds of a former palace. Since the school first opened, extensive renovations have been completed, including the recent addition of 10 new classrooms, a large sports hall, IT facilities, a library and enhanced play facilities. The school has a capacity of 413 places.

As of September 27, 2015, 83% of the students at this school were expatriates.

Compass International School Doha, Gharaffa —Doha, Qatar

We acquired this school through our acquisition of WCL Group in 2013. The Gharaffa campus is a primary school campus and the facilities include outdoor grass play areas, a football pitch, a swimming pool, a large multipurpose hall, two libraries, a computer suite and dedicated language learning rooms. The school has a capacity of 600 places.

As of September 27, 2015, 83% of the students at this school were expatriates.

Compass International School Doha, Madinat Khalifa —Doha, Qatar

We acquired this school through our acquisition of WCL Group in 2013. The Madinat Khalifa campus opened in September 2010 to meet growing demand for places in the area. The campus is based in a residential area near the Landmark Shopping Mall. School facilities include a 20 meter swimming pool, specialist rooms for science, music, art and languages, and an air-conditioned sports hall. The school has a capacity of 720 places.

As of September 27, 2015, 88% of the students at this school were expatriates.

Nord Anglia International School Al Khor—Al Khor, Qatar

We acquired this school through our acquisition of WCL Group in 2013. Founded in 2012, the school is located on the outskirts of Doha, 15 miles from the city limits. The school has two science laboratories, a language room, a gymnasium and a library. Outdoor facilities include an extensive hard and soft area for sports and recreation, including a football pitch, a basketball court and a covered courtyard area. The school has a capacity of 818 places.

The school was established to provide high-quality education to employees of Shell. While Al Khor accepts students whose parents do not work for Shell, it benefits from a contract with Shell to supply up to 300 guaranteed student places. The initial contract with Shell expires in July 2016 (unless terminated early with twelve months' notice). We expect the contract to be extended beyond 2016.

As of September 27, 2015, 59% of the students at this school were expatriates.

Regents International School Pattaya—Pattaya, Thailand

We acquired this school on August 1, 2012. The school is located in the Eastern Seaboard region of the Gulf of Thailand, 120 kilometers southeast of Bangkok and 16 kilometers northeast of Pattaya. The facilities at the school include a 25 meter swimming pool with audience seating, a full-size rugby and football pitch (with two additional, smaller football pitches), a double gymnasium with basketball facilities and tennis courts, a 400-seat theater, a brand new early-years building for younger children and boarding houses. The school has a capacity of 1,350 places.

As of September 27, 2015, 70% of the students at this school were expatriates.

St. Andrews International School Bangkok—Bangkok, Thailand

We acquired this school in August 2013. The school is located on an attractive campus close to Bangkok's amenities and transportation links. The school features a gymnasium, a football pitch and a 25-meter salt water swimming pool. In addition, the school has computer suites and computer research centers, a new library, design technology and art facilities and two fully-equipped music rooms. The school has a capacity of 1,120 places.

As of September 27, 2015, 51% of the students at this school were expatriates.

Dover Court International School—Singapore, Singapore

We acquired this school in April 2014. Founded in 1972, Dover Court International School is set in 14 acres in the center of Singapore with facilities including a large swimming pool complex, a six-lane running track, a full sized soccer pitch, extensive playing fields and an indoor multi-purpose hall. The school is also equipped with modern classroom facilities, computer rooms, music halls and science labs. The school has a capacity of 1,025 places.

As of September 27, 2015, 93% of the students at this school were expatriates.

Northbridge International School Cambodia—Phnom Penh, Cambodia

We acquired this school in July 2014 with an initial capacity of 650 places. Founded in 1996, the school is situated on a 20 acre-campus and provides outstanding facilities to students. It has a world-class performing arts center, an outdoor plaza with amphitheater, a covered gymnasium, outdoor playing fields, tennis courts, and a 25-meter long by six-lane wide competition sized swimming pool. The school has a capacity of 954 places.

As of September 27, 2015, 42% of the students at this school were expatriates.

The British International School, Ho Chi Minh City—Ho Chi Minh City, Vietnam

We acquired this school in January 2015 with an initial capacity of 2,100 places. Founded in 2000, the school operates on a modern purpose-built campus in the vibrant city of Ho Chi Minh. It has superb facilities including interactive whiteboards in every primary school classroom, a 25 meter indoor swimming pool, state-of-the-art libraries, large sports halls, and a 250 seat auditorium.

As of September 27, 2015, 70% of the students at this school were expatriates.

The British International School, Hanoi—Hanoi, Vietnam

We acquired this school in January 2015 with an initial capacity of 1,718 places. Founded in 2012, BIS Hanoi is a first class, purpose-built school situated in Vinhomes, Riverside, Long Bien District, Hanoi. The campus boasts exceptional facilities including large libraries, a theater, an auditorium, a 25 meter indoor swimming pool and grass playing fields.

As of September 27, 2015, 22% of the students at this school were expatriates.

The British Vietnamese International School, Ho Chi Minh City—Ho Chi Minh City, Vietnam

We acquired this school in January 2015 with an initial capacity of 2,480 places. Founded in 2011, the BVIS HCMC campus is situated in the Binh Chanh District, Ho Chi Minh City. The facilities include a modern theater, a library, a sports hall, grass playing fields and specialist suites for Science, Music, Art and Drama. In addition, Primary classrooms also feature special 'breakout' rooms for dual-language work and Early Years classrooms have their own dedicated mini splash pools, sand pits and outside playground.

As of September 27, 2015, 5% of the students at this school were expatriates.

The British Vietnamese International School Hanoi—Hanoi, Vietnam

We acquired this school in January 2015 with an initial capacity of 1,350 places. Founded in 2012, this campus is conveniently situated in the city center of Hanoi. The facilities include well stocked libraries, music and computer suites, large sports halls, an auditorium with full stage, lighting and sound system and science laboratories.

As of September 27, 2015, 10% of the students at this school were expatriates.

Our Eleven Schools in North America

The British School of Washington—Washington, D.C.

We acquired this school through our acquisition of WCL Group in 2013. Founded in 1998, the British School of Washington was the first WCL Group school and established the British Schools of America brand. The school is located in the Georgetown neighborhood, in the heart of Washington, D.C. The school has four science laboratories, four language rooms, two libraries, an indoor fitness room and an auditorium including a stage. A nearby gymnasium and playing fields are rented as required for tennis, swimming, football, athletics and rugby. The school has a capacity of 735 places.

As of September 27, 2015, 68% of the students at this school were expatriates.

The British International School of Boston—Boston, Massachusetts

We acquired this school through our acquisition of WCL Group in 2013. The British School of Boston was founded in 2000 and has been located at its current site near Jamaica Plains in Boston since 2004. The school has three science laboratories, a music room, a gymnasium and a dance studio. Outdoor facilities include a playing field and wooded areas, all-weather outdoor play areas and a shared swimming pool. The school has a capacity of 480 places.

As of September 27, 2015, 43% of the students at this school were expatriates.

The British International School of Houston—Houston, Texas

We acquired this school through our acquisition of WCL Group in 2013. Founded in 2000, the British School of Houston is located in northwest Houston, twenty minutes from downtown. The school has four science laboratories, a music room, five language rooms, two gymnasiums, two libraries, a dance studio and a drama room. Outdoor facilities include a large outdoor space with an all-weather running track, extensive green space for play and a purpose-built all-weather play area for younger children. The school has a capacity of 1,000 places.

As of September 27, 2015, 93% of the students at this school were expatriates.

The British International School of Chicago, Lincoln Park—Chicago, Illinois

We acquired this school through our acquisition of WCL Group in 2013. Founded in 2001, the British International School of Chicago moved in 2008 to the prestigious Lincoln Park neighborhood of Chicago, minutes from the business district. The school has three science laboratories, three music rooms, three language rooms, a gymnasium, three libraries and a dance studio. Students also have access to third-party sports facilities. The school has a capacity of 900 places.

As of September 27, 2015, 13% of the students at this school were expatriates.

The British International School of Chicago, South Loop—Chicago, Illinois

We opened a second campus for The British International School of Chicago in September 2015. Located on South Wells Street, the new campus features a 9,000-square-foot gymnasium, technology classrooms with 3D printers, a state-of-the-art science wing, two libraries, a music recording studio and sound-proof practice rooms, a restaurant-style cafeteria, a community rooftop garden, and an on-site sports field with artificial turf. The school has a capacity of 1,100 places.

As of September 27, 2015, 20% of the students at this school were expatriates.

The British International School of Charlotte—Charlotte, North Carolina

We acquired this school through our acquisition of WCL Group in 2013. Founded in 2003, the British American School of Charlotte is located in the Ballantyne section of Charlotte. The school has science laboratories, a computer room, an arts room, a music room, a language room, a gymnasium and a library. Outdoor facilities include an extensive green space with a soccer pitch, and a playground area. The school has a capacity of 400 places.

As of September 27, 2015, 41% of the students at this school were expatriates.

Nord Anglia International School New York—New York, New York

Nord Anglia International School New York was founded in 2011 and we acquired this school through our acquisition of WCL Group in 2013. The recently refurbished facilities in New York include a music room, a gymnasium and a library. A roof area accessible by an elevator is currently being built and will be converted into an outside play area. The school has a capacity of 480 places.

As of September 27, 2015, 42% of the students at this school were expatriates.

The Village School—Houston, Texas, USA

We acquired the Village School as part of the Meritas acquisition in June 2015 with an initial capacity of 1,766 places. Founded in 1966, the Village School is the only IB boarding school in the greater Houston area, located in a residential area of West Houston near the prestigious Energy Corridor. The school has three libraries, three computer labs, a dance studio and a gymnasium. Outdoor facilities include a large outdoor space with athletic fields. The school also has boarding accommodation for up to 152 students and capacity of 2,098 places.

As of September 27, 2015, 58% of the students at this school were expatriates.

North Broward Preparatory School—Coconut Creek, Florida, USA

We acquired North Broward Preparatory School as part of the Meritas acquisition in June 2015 with an initial capacity of 1,758 places. Founded in 1957, the school is a prestigious, purpose-built boarding school comprising two campuses. The primary campus is located in Coconut Creek north of Ft. Lauderdale and a second boarding campus is located in Coral Springs approximately 15 minutes' drive away from the primary campus. The campuses offer exceptional indoor facilities including a large athletic center, elite boarding suites, gymnasium, and theater. Outdoor facilities include a running track, football and baseball field. The school also has boarding accommodation for up to 298 students. The school has a capacity of 2,090 places.

As of September 27, 2015, 27% of the students at this school were expatriates.

Windermere Preparatory School—Windermere, Florida, USA

We acquired Windermere Preparatory School as part of the Meritas acquisition in June 2015 with an initial capacity of 1,400 places. Founded in 2000, the school is located by Lake Cypress in the Windermere Rural Settlement of southwest Orange County, Florida. The expansive campus includes a library, specialist rooms for science, computers, music and art, a sports center, track and football field, baseball field and basketball and tennis courts. The school also has boarding accommodation for up to 104 students. The school has a capacity of 1,625 places.

As of September 27, 2015, 13% of the students at this school were expatriates.

Instituto San Roberto—Monterrey, Mexico

We acquired Institution San Roberto as part of the Meritas acquisition in June 2015 with an initial capacity of 2,931 places. Founded in 1982, the school is located in the Monterrey metropolitan area with two campuses. Both campuses offer indoor and outdoor facilities including a library, auditorium, science and technology labs, art and music rooms, outdoor basketball courts, turf soccer fields, racetrack, gymnasium with basketball courts and semi-Olympic pool.

As of September 27, 2015, 15% of the students at this school were expatriates.

Marketing Our Schools

Our Brand

Our marketing strategy is designed to develop brand awareness among prospective parents and students and brand loyalty and advocacy amongst existing parents and students. We seek to build brand awareness in each of our existing and new markets with respect to our individual schools and the "Nord Anglia Education" name. We believe that this brand building approach also contributes to the recruitment and retention of quality teachers and principals.

In April 2015, we launched our new philosophy, which can be summed up by the phrase "Be Ambitious." We are ambitious for our students, our people and our family of schools. All the schools in our family are aligned to this philosophy and therefore promote the same brand values. This clear message allows everyone to understand what Nord Anglia Education stands for and enables us to develop Nord Anglia Education as a leading global brand. Our brand identity was also refreshed at this time to reflect our brand positioning with an identity that better resonates with parents.

We believe that a school's attractiveness to parents and students is based largely upon its reputation. Accordingly, our marketing strategy is focused on the communication and enhancement of the excellent reputation that our schools enjoy within their respective markets. Our marketing strategy is executed at each school by our principals and the admissions and marketing teams. Our marketing strategy focuses on our online presence, reputation and referrals from existing parents as opposed to costly media campaigns. Accordingly, we achieve our enrollment results in a highly cost-effective manner.

We have developed a systematic approach to student recruitment and retention and we ensure that enquiry generation and conversion into new student enrollments are prioritized and well managed.

Student Recruitment

The student recruitment process has three stages:

- *Enquiries:* parents considering enrolling their child at one of our schools register their child's details and request further information.
- *Visits* : parents personally visit the school campus often accompanied by their children.
- *Enrollments* : parents register their child with the school, specify a start date and pay a non-refundable application fee. Almost all applicants enroll either within the academic year in which they applied or in the subsequent academic year.

Generation of Enquiries

The majority of our enquiries are generated through the following methods.

Digital Marketing

In our experience, when considering overseas assignments, parents' first step is often to thoroughly research schools online. We recognize that online marketing is a critical means of communication with prospective parents and students and a key part of our strategy is to prioritize online tools. We ensure that our websites are optimized to deliver important information to prospective parents in a concise and user friendly manner. This enables them to make informed decisions when evaluating our schools.

Corporate and School Websites

Our corporate website is designed to introduce parents to our commitment and approach to outstanding education, network of schools and history. Our corporate website contains direct web links to each individual school and provides details of the innovative educational work undertaken by our educational team. Each of our schools has an individual school website that is designed to inform prospective parents about that school's curriculum, facilities, admissions process and why parents should choose the school for their children.

Search Engine Optimization / Search Engine Marketing / Web Advertising

We have tailored each school's website to maximize effectiveness and ease of use. Our ongoing search engine optimization and search engine marketing techniques generate a substantial number of visits to our website. We also identify and advertise on popular websites used by our target families.

Parent Referrals

Parent referrals are important for generating enquiries. We believe that prospective parents seek out parents of current and former students for their opinions on our schools, helping to convert enquiries to visits and applications. We encourage the parents of current and former students to speak positively about our schools and achieve this by providing high quality education, communicating with and involving parents in our schools and seeking to place each of our schools at the center of its community.

In our most recent parental surveys, 92% of our parents said that they would be happy to recommend our school.

Relocation Agents

Relocation agents who settle expatriate families are an important source of enquiries. We develop close relationships with these relocation agents through a variety of initiatives, such as hosting school visits, providing quality information on our schools and producing user-friendly materials they can share with their clients.

In addition, we invite relocation agents to participate in the community events that the schools run. These events are a useful networking opportunity for relocation agents and also provide us with an excellent opportunity to showcase our schools.

Employers

In each of our markets, we have established relationships with major employers, such as multinational corporations and embassies. From our research, we know that parents consult their employers for school recommendations and information. In addition, we ensure these key personnel participate in the community events the school runs, providing us with an excellent opportunity to showcase our schools.

Converting Enquiries

Parents will typically draw up a shortlist of schools for their child and then physically visit these school campuses. Parents generally visit two or three different schools and usually undertake these visits with an open mind as to which school they will eventually select. Management of the school visit is therefore important and we have designed our systems carefully to help maximize the conversion ratio between visit and application.

A parent's perception of a school's academic quality is frequently a key factor in school selection. Based on research conducted by an independent education consultancy, we found that the main criteria parents use to assess academic quality are teacher quality and students' work observed during a visit. We therefore manage the visit to provide adequate time for parents to interact with the actual teachers who will educate their child and also ensure we showcase the excellent work produced by current pupils.

Each of our schools has a dedicated admissions and marketing team who work closely with our principals during the student recruitment process in order to maximize the conversion of enquiries and visits to enrollments. Our marketing and admissions teams typically have prior education industry experience and are chosen through a highly selective hiring process. In order to ensure that we achieve high conversion rates, we use a highly personalized approach to engaging prospective parents that is designed to respond to their child's particular needs and interests.

Retention

We are focused on retaining our students. Once a student has enrolled at one of our schools, the school's teaching staff and principal are responsible for ensuring that the student receives a premium education and remains enrolled.

To this end, we track the number of students who leave for reasons other than those outside of our control such as graduation or family relocation. Over the last two years we have lost an average of only 2% of our total number of students per year for reasons related to academic quality, student needs or tuition levels, based on parent responses to our exit surveys. We monitor the number of students leaving on a weekly basis and take immediate corrective action on any weaknesses identified for each school.

Visibility

In addition to high levels of visibility in relation to the financial performance for the current fiscal year, we are able to forecast enrollments for the following fiscal year with a certain degree of confidence. Our students stay in our schools for an average of 3.6 years. By analyzing inquiries and visits, we can gauge likely enrollment trends for each school. This visibility is an important tool in our budgetary process, most notably for the recruitment of additional teachers and planning capacity.

Our Teaching, Administrative, Regional and Central Support Staff

As of August 31, 2015, we had 7,131 full-time equivalent employees. Our schools had 6,988 full-time equivalent employees, of whom 4,967 were teaching staff, 1,953 were school administration and management and 68 were regional support. Our learning services business had 49 full-time equivalent employees. In addition, we had 94 Group Central Support staff. The table below shows our full-time equivalent employees by category of activity as of August 31, 2013, 2014 and 2015:

	Full-time equivalent employees		
	2013	2014	2015
Teachers and Teacher Support	2,319	2,752	4,967
School Support	839	944	1,953
Regional Support	31	34	68
Learning Services	304	127	49
Group Central Support (Globally)	55	78	94
Total	**3,548**	**3,935**	**7,131**

The table below shows our full-time equivalent employees by geographic location as of August 31, 2013, 2014 and 2015:

	Full-time equivalent employees		
	2013	2014	2015
China	1,033	1,173	1,258
Europe	1,032	1,094	1,422
ME/SEA	1,026	1,231	2,665
North America	457	437	1,786
Total	**3,548**	**3,935**	**7,131**

Outstanding Teachers for Outstanding Schools and Growing Our Own

In our drive to align our recruitment practices with our desire to be the leading global premium education company, we launched the "Outstanding Teachers for Outstanding Schools" project ("OTOS") across our network in August 2012. The scope of the OTOS project includes: attracting premium candidates, maintaining an outstanding process and administration for recruitment, ensuring selection of quality candidates and enhancing levels of successful recruitment.

In 2014, we launched a "Growing Our Own" project as part of our focus on retaining and developing leaders from within our organization and have developed a Talent Framework to drive best practice in all areas of recruitment, performance management, development and succession planning.

In addition to the above projects, we have also launched an initiative to attract more female leaders to the organization and held our first female leaders in education conference in September 2014: "Your Place at the Table: Growing Female Leaders in Global Education."

Our OTOS recruitment campaign focuses on an "all-School" recruitment event in London where our 31 schools gathered to attract the very best teaching Talent in the UK. By the end of January 2015, this campaign attracted 9,688 applications for 284 job advertisements for our schools. This type of event, where candidates are booked for specific interviews, not following a recruitment fair philosophy, is the only one of its kind on this scale. Our annual recruitment campaign extends past the recruitment event in January to take into account growth and the need to attract internationally-based teachers.

Staff Development

We are committed to supporting our teachers to be the best that they can be. Through Nord Anglia University, we provide on-going professional development for our principals, senior and middle leaders and classroom teachers, in the form of online, in-school and face-to-face training and support.

This program is vital to ensure that we attract and retain the best possible academic faculty. Nord Anglia University offers the following:

- *Talent Framework* : In January 2014, we agreed an organization-wide Talent Framework, which was rolled out throughout our 2014/15 academic year. This includes a structured process of talent review boards at both a regional and group levels. As part of the Talent Framework, we have developed a set of core leadership capabilities called "The Core 7," against which all employees can compare themselves and identify gaps that can help guide their development. All our existing leadership programs have these leadership capabilities embedded into their learning outcomes from January 2015 and allow us to become even more aligned as a group with the strategy and growth of the organization. The Talent Framework was rolled out in March and April 2015 with the Regional and Group Talent Review Boards taking place during April and May 2015. The results of these review boards provide valuable developmental data that can be fed into our group-wide leadership programs and also provide a robust and layered succession plan to enable us to continue to "Grow Our Own" as we grow as an organization.

- *Executive Leadership Program* : An online and face-to-face comprehensive executive leadership program for all school principals, which develops academic and commercial capabilities. The program includes individual mentoring and is independently accredited by the Windsor Leadership Trust, a leading organization dedicated to providing opportunities for leaders to develop their own leadership wisdom and insight.

- *Senior Leadership Program* : An online and face-to-face experience, including two residential and an in-school action research project, to develop all of our heads of primary and secondary and our vice-principals. This program has specifically been developed to enable career progression and development to more senior posts (for example principal roles or senior roles in larger schools) as well as providing a firm foundation for all of our senior leaders to be successful in their current roles.

- *Middle Leadership Program* : An online and face-to-face program to develop current high-performing middle leaders, such as academic department heads, for future senior leadership posts either in their existing school or in other schools in the group. Like the senior and executive leadership programs, this 6-month experience offers residential, online study, coaching and the opportunity to complete an in-school action based research project.

- *International Staffroom* : A proprietary online portal for the development of all teaching staff. Both external experts and our own staff with relevant expertise are used to enhance high-quality teaching and to share best practice teaching methods throughout the organization.

As professionals, teachers are particularly focused on continuous professional development which we are able to provide through initiatives such as Nord Anglia University. The opportunity to receive ongoing professional development and keep up to date with professional practice is not always available in international schools and is a key differentiator in our ability to attract talent.

Competition

The local market for premium schools in each of the cities where we operate is highly fragmented and competitive. All of our schools face competition from other private premium schools, including schools that use the English National Curriculum and the International Baccalaureate Curriculum and schools that use curricula based on other educational traditions. We also compete with other school operators for acquisition opportunities. There are significant barriers to entry in the premium schools market, which include:

- the lead time required to build brand recognition and reputation, both locally and globally;

- the challenges faced by unproven operators in securing government licenses and regulatory approval in some jurisdictions;

- in many markets, the scarcity of real estate in the most desirable areas to establish a sizeable campus with the comprehensive and high-quality facilities expected of premium schools;

- property developers and landlords facing substantial capital expenditure commitments when building premium school facilities and thus increasingly requiring tenants in good financial standing and with strong track records in operating schools; and

- the tendency of students to stay enrolled in the same school until they graduate, or, in the case of expatriates, until their parents complete their overseas assignments.

Although we benefit from these barriers to entry in the markets in which we operate, some of these barriers may make it difficult for us to enter new markets. In addition, competitors that are able to devote greater resources than we can to overcoming barriers to entry may have an advantage over us.

We believe that premium schools compete based on:

- their reputation and brand recognition;
- the quality of education they provide;
- the curricula they use;
- their ability to recruit and retain students;
- their ability to recruit and retain principals and teaching staff;
- their ability to identify and secure locations;
- the overall quality of the educational experience they provide and their relationships with parents; and
- the strength of their relationships with educational authorities and other key stakeholders, such as real estate developers.

Information Technology Systems and Management

Nord Anglia has invested in a comprehensive and reliable information technology infrastructure that supports the company's data-driven approach to managing our portfolio of schools. This platform enables our executive team, regional managers, school principals and teachers to engage in timely decision-making on key performance indicators. Our information technology platform is both scalable and customizable to support the future growth of our schools.

We are currently deploying a global infrastructure to allow the entire organization to collaborate and share information seamlessly and effectively. This new infrastructure includes a common e-mail platform, instant messaging, conference services as well as an intranet and file storage system using a hybrid model of cloud and in-house services and resources.

Furthermore, the deployment of a new Management Information System (MIS) for all our schools will provide a uniform system across the group for enquiry and admissions tracking, monitoring student academic progress, as well as invoice billing and management. This new MIS solution will feed into a data warehouse for information extraction and reporting to analyze key business metrics and facilitate overall strategic decision-making. The implementation of this system will enhance each individual student's academic progress through tracking performance at a student and subject level. The key benefits of this platform will include the ability to:

- maximize individual student performance;
- implement accountability at a student, teacher, year group, subject and overall school level;
- encourage parental involvement and ownership of students' academic objectives; and
- maintain comprehensive benchmarking within and among schools.

In addition, we have implemented a suite of virtual learning applications based around Moodle 2.6, with Global Campus being a flagship product available to all of our schools.

Our infrastructure is managed and monitored by a team of technology professionals, who are both in-house and outsourced.

Intellectual Property

We have applied for or registered trademarks relating primarily to our logos and names, including "Nord Anglia," "British Schools of America," "British American School" and "Léman" in various jurisdictions. Apart from Singapore and Vietnam, in which we own the trademark "The British International School" and "British Vietnamese International School" (and school logo), respectively, we do not own the rights to the name "The British School," "The British International School" or similar names in any jurisdiction in which we operate a school under these names, and any organization that meets certain accreditation requirements can use these names.

Regulation

Our schools are subject to regulation by national and local authorities under applicable law. Most of our premium schools are subject to regular inspections by national or local education authorities.

China

China regulates the education services industry at central and provincial levels. The highest executive organ of the central government of China is the State Council, and we are regulated by several ministries and agencies under its authority, including the Ministry of Education ("MOE") and the Ministry of Civil Affairs ("MCA"), and their respective local counterparts.

The Education Law

In 1995, the National People's Congress enacted the Education Law, which established the fundamental principles relating to the educational system of China at all levels, from preschool through higher education, a system of nine year compulsory education and a system of education certificates. Under this legislation, the government formulates plans for the development of education and establishes and operates schools and other educational institutions.

Regulation of International Schools in China

International schools in China (like The British International School Shanghai, The British School of Beijing and the British School of Guangzhou) are regulated under the Interim Regulations Concerning the Establishment of Schools for the Children of Expatriates issued by the MOE on April 5, 1995 ("Interim Regulations").

Under the Interim Regulations, the establishment of international schools requires approval from the MOE with prior verification by the MOE's local counterpart at the provincial or municipal level. Our international schools in Beijing, Shanghai, Guangzhou and Chengdu have obtained such approval from the MOE. The approval authority has been delegated to MOE's local counterpart at the provincial level pursuant to the Decision of the State Council on the Sixth Batch of Cancelled and Amended Administrative Examination and Approval Items issued by the State Council of the PRC on September 23, 2012.

From the date of MOE approval, our international schools attained legal person status and could assume civil liabilities. International schools are permitted to admit only the children of parents holding a foreign passport and having a legal residence in China.

The Interim Regulations impose various criteria and restrictions on the establishment and operation of international schools. For example:

- only foreign individuals with legal residence in China or the following entities can apply to establish an international school: foreign institutions registered in China, wholly foreign owned enterprises duly established in China or international organizations' institutions in China; and

- the establishment and operation of an international school is subject to approval by the MOE.

The Tentative Administrative Measures on the Registration of Civil Non-enterprise Entities issued by the State Council on October 25, 1998 require all civil non-enterprise entities to register with the local civil affairs authorities. It is commonly understood that international schools are civil non-enterprise entities as defined under these measures and, under these regulations, our schools in Shanghai, Beijing, Guangzhou and Chengdu could be required to register with the Shanghai Civil Affairs Bureau, the Beijing Civil Affairs Bureau, the Guangzhou Civil Affairs Bureau and the Sichuan Provincial Department of Civil Affairs, respectively. See "Item 3. Key Information —D. Risk Factors—Risks Related to the Jurisdictions in which We Operate—Our schools in Guangzhou, Shanghai and Chengdu have not registered with the local Civil Affairs Bureau, which could subject the schools to enforcement actions resulting in sanctions, including a suspension of our operations."

Regulation of Transfers of Foreign Exchange

The transfer of foreign currency from within China to persons offshore is regulated by the State Administration of Foreign Exchange ("SAFE") under the Regulations on the Administration of Foreign Exchange of the People's Republic of China. Under these regulations, these transfers require the approval of the competent office of SAFE. In the event of a transfer offshore of foreign exchange made in violation of these regulations, the competent office of SAFE may request that such foreign exchange be returned onshore within a time period specified by it and may also impose a fine. If imposed, the fine would be an amount less than 30% of the amount of foreign exchange improperly transferred. If the non-compliance is serious (the rules do not set forth criteria for determining which violations are serious), then a fine of up to 100% of the amount of foreign exchange improperly transferred may be imposed.

In addition, the Administrative Measures on the Settlement, Sale and Payment of Foreign Exchange, which were issued in June 1996, require that revenues of onshore entities received offshore in foreign exchange must be remitted onshore timely. In the event that such foreign exchange revenues are not remitted onshore timely, the competent office of SAFE may request that such foreign exchange revenues be remitted onshore within a time period specified by it and may also impose a fine and/or confiscate illegal gains.

Hong Kong

Under the laws of Hong Kong, every school must be registered or provisionally registered with the Hong Kong Education Bureau. Our school in Hong Kong, Nord Anglia International School, Hong Kong completed its provisional registration with the Hong Kong Education Bureau as a new private school offering primary and secondary education. Nord Anglia International School, Hong Kong commenced its first school year in September 2014 following completion of refurbishment of the school site awarded by the Hong Kong Education Bureau.

Nord Anglia International School, Hong Kong was founded by Nord Anglia School (Hong Kong) Limited as its sponsoring body. The school is managed by Nord Anglia International School, Hong Kong Limited as its management committee. Both entities are recognized charitable institutions in Hong Kong in the legal form of companies limited by guarantee. Any surplus from the operation of Nord Anglia International School, Hong Kong must be applied by the charitable institutions exclusively for the purposes of the school and for the advancement of education and is not available for distribution.

Europe

In contrast to China, regulation of private schools such as ours in countries in which we operate in Europe is quite limited, except as described in the country sections below. There is a relatively simple registration regime for private schools, which is not focused on operations or curriculum, and there are few, if any, restrictions on fees. In addition, all of these countries are part of the European Union, which greatly facilitates the applicable administrative formalities.

Poland

Under Polish law, all private primary schools (“szkoła podstawowa”) and junior high schools (“gimnazjum”), including Grades 1 through 9, must have equal status with Polish public schools. To this end, private primary schools and junior high schools must comply with terms and conditions established by Polish law, unless the Minister of Education gives a special authorization permitting exceptions from such terms and conditions. Private schools are registered by the local authorities. In the case of our primary school, junior high school and high school in Poland, the competent local authority is the President of the capital city of Warsaw. Our primary school, junior high school and high school are duly registered with the registry of non-public schools and institutions maintained by the President of the capital city of Warsaw. The Minister of Education has given our junior high school and high school special authorizations allowing them to employ foreign teachers and teach the English National Curriculum.

We operate our school in Poland as a limited liability company.

The Czech Republic

Our school in Prague, the English International School Prague, operates as a corporation under various licenses, including those covering specialized retail operations and English language teaching. All licenses are in full force and effect and are issued for an indefinite period.

The English International School Prague operates as a foreign school established by a foreign legal entity and is not registered in the Czech registry of schools. This precludes the school from obtaining government subsidies. In 2000, the Czech Ministry of Education ruled that Czech students at the school may fulfill their mandatory school attendance requirements at the English International School Prague. In order for the Czech authorities to recognize the educational qualifications earned by students at the school, the students need to arrange with a Czech school to take Czech examinations for certain subjects. Studying at the English International School Prague is recognized by the Czech Ministry of Education as being equivalent to studying at a Czech secondary school for the purpose of the Czech pension insurance and state social security systems relating to compulsory education, so long as the grade levels overlap with Czech secondary school levels.

The English International School Prague has the appropriate licenses to conduct its activities as well as a general uncertified license that covers the provision of various services, including extracurricular education and training, courses, seminars and lectures. These licenses are sufficient to operate an educational institution which is not a Czech school.

We operate our school in the Czech Republic as a company and extract profits accordingly.

Hungary

Under Hungarian law, a nondomestic educational entity may operate in Hungary if it is validly accredited under the law of its home country. Our school in Budapest, the British International School Budapest is accredited with Edexcel International and the Examinations Board. In addition, British International School Budapest is registered with the Hungarian Minister of National Resources and has a valid license to carry on educational activities in Hungary.

British International School Budapest is a separate legal entity established under Hungarian Act No. LXXIX of 1993 on Public Education, and was founded and is operated by the British International School Foundation. The British International School Budapest holds an operating permit granted by the Ministry of Education (now Ministry of National Resources). The British International School Foundation operates in the legal form of a foundation registered in Hungary. The activities of the British International School Foundation are not profit-oriented, but it may pursue business activity secondarily, solely in the interest of and without jeopardizing its objectives and to provide the necessary funds in compliance with the applicable legal provisions. The British International School Foundation may not distribute profits acquired through its business activities but shall use such profits exclusively for purposes of its main education objectives and activities.

Slovakia

Under the laws of Slovakia, a private school can be established only if it forms part of a school system and the Ministry of Education has determined that it has been integrated into that school system. These requirements have been met by our school in Bratislava. British International School Bratislava operates as a legal entity on a not for profit basis and the founder has no right to dividends or similar distributions from the school. Under Slovak law, any use of profits from school fees is limited to operational expenses, financing of salaries, including insurance payments for mandatory public health insurance, social insurance, contributions for pension savings, modernization of educational facilities, the development of the school, solving of emergency situations and the improvement of the quality of the services provided by it.

The British International School Bratislava has received approval by the Ministry of Education for the integration into the network of schools and educational facilities in Slovakia Republic for the private primary school, nursery and private high school. The British International School Bratislava is duly registered with the statistical office.

Spain

Education is acknowledged to be a fundamental right in the 1978 Spanish Constitution (*Constitución Española*), the main terms of which are set forth in two organic laws: (i) Organic Law on the right to education (*Ley Órganica 8/1985, de 3 de julio, reguladora del derecho a la educación*), which develops the basic rights and principles set forth in the Spanish Constitution regarding education, such as the right to receive an education, parents' right to choose their children's educational center, parents' freedom of association, etc.; and (ii) Organic Law on Education (Ley Órganica 2/2006, de 3 de mayo, de Educación), which, on the basis of the principles of offering universal quality education cooperation at all levels and achieving the European Union's goals in the education sector, sets forth the main organization and planning of school-level education, teachers, educational centers, inspection and the allocation of public sector resources.

Spanish privately-owned foreign schools, as is International College Spain, S.A.U., are regulated under the Royal Decree 806/1993 (*Real Decreto 806/1993, de 28 de mayo, por el que se regula el régimen de los centros docentes extranjeros en España* , hereinafter, the "Royal Decree").

In order to carry out their business in Spain, the aforementioned schools must obtain an opening and functioning authorization from the Spanish education authorities. Once obtained, they must register within the Public Registry of Schools and are subject to inspection by the Spanish education authorities.

In order to obtain the foregoing authorization, foreign privately-owned schools must satisfy, along with certain basic Spanish requirements (such as adequate hygiene and safety conditions at the school premises), the legal requirements set forth by their domestic education authorities in order for the education received to be officially valid in their country, which shall be proved to the Spanish education authorities generally by means of a certificate issued by their relevant domestic authorities or their diplomatic representation in Spain (such as the Embassy or Consulate).

In addition, in order to be able to teach Spanish students, pursuant to the Royal Decree, the teaching of the foreign educational curriculum must be completed with certain Spanish-specific contents.

Switzerland

Under Swiss law, operating and teaching in a private boarding school is subject to authorization in accordance with applicable provisions of both Swiss federal and cantonal law regarding, in particular, the protection of minors and private education. Our schools in the canton of Vaud operate under the supervision of the cantonal authority, the Department of Education and Youth. The authorization for the director to operate a private boarding school and the authorizations for the teachers to teach in the school are individual. The direction of the private school must confirm to the competent authority that all teachers meet the requirements. The Vaud Department of Education and Youth can verify, if necessary by examinations, that the education provided in a private school is at least equivalent to the education received in public schools.

We operate our schools in Switzerland as a company and extract profits accordingly.

ME/SEA

Abu Dhabi, United Arab Emirates

The Abu Dhabi Education Council ("ADEC") regulates education institutions based in the Emirate of Abu Dhabi and has developed minimum standards for non-government schools.

A proprietor intending to establish a new non-government school in Abu Dhabi must make an application to ADEC, in order to obtain a provisional license. Under the laws of the Emirate of Abu Dhabi, all private schools are required to register with the ADEC and to allow inspections of their sites. BISAD registered accordingly and obtained such a license, allowing the school to open on September 6, 2009.

BISAD must continue to demonstrate on-going compliance with ADEC's By-Laws for Non-Government Schools in order to qualify for annual license renewal. In order to assess whether a school meets the criteria, a team from ADEC inspects the school approximately every two years and compiles a report based on the school's performance against nine inspection standards. ADEC also requires each licensed, non-government school to prepare an annual report to publicly disclose the school's educational, financial performance and other policies of the school, as identified by the Director-General of ADEC.

The ability for BISAD to increase tuition fees is restricted by law. The Ministerial Resolution No. (4592) of 2001 on the Executive Regulation of the Federal Law (28) of 1999, Concerning Special & Further Education as amended by Ministerial Resolution No. 203/1 of 2008 on the Controls of Private School Fees Increase (the "Resolution") governs the ability of private schools to increase their tuition fees. Broadly, the Resolution limits the rate of increase to: (i) between 5% and 10% in the event that one year has lapsed since the last approved increase; (ii) between 10% and 20% in the event that two years have lapsed since the last approved increase; and (iii) between 20% and 30% in the event that three years have lapsed since the last approved increase. Authority to approve increases within these limits has been delegated from the Ministry of Education to ADEC. Any proposed increase must be justified on grounds such as the improvement of student services, development of school buildings or the incorporation of new technology into teaching methods.

We entered into a definitive agreement to acquire the 49% equity interest in BISAD owned by our parent in September 2012 and completed the acquisition in February 2014. In accordance with the provisions of the UAE Federal Commercial Companies Law No. 8 of 1984 (the "Law"), the shares of a UAE partner in a limited liability company ("LLC") should not be less than 51% at all times. Although the Law provides that the capital of an LLC should be divided into equal shares and further confirms that the profits and losses shall be equally divided amongst the shares, it qualifies this general provision by stating "unless otherwise stipulated in the memorandum of association." It has been a widely accepted practice to provide in the memorandum of the LLC that the profits and losses of an LLC will be shared in a ratio different to that of the shareholder's stake.

Cambodia

Under the laws of Cambodia, the national educational system is divided into three classes: primary (grade 1 to grade 6), secondary (including lower secondary from grade 7 to grade 9 and upper secondary from grade 10 to grade 12) and higher education (university and institute). Schools may be either public or private school, and may offer either general education or technical and vocational education. Cambodia does not have special laws governing the operations of international schools.

Regulations governing the classification and management of schools and the frameworks, guidelines and mechanisms for monitoring education including control and evaluation systems, fall within the responsibility of the Ministry of Education, Youth and Sport ("MoEYS").

Establishment and operating a school in Cambodia requires a specific, per-category, school license, which a natural person or public or private legal entity may apply for at the MoEYS. School licenses are valid for 5 years and are thereafter renewable. Licenses are granted according to the level of education that a school provides. In order to obtain a school license, the school has to enter into a contract with the MoEYS under which the school, among other things, is obligated to periodically and regularly submit reports on the administrative and technical affairs of the school to the relevant authorities of the MoEYS. Failing to do so may cause the MoEYS to revoke the school license.

According to the Education Law, adopted in 2007, the basic curriculum for general education determined by the MoEYS is compulsory at all schools in Cambodia. A school may, however, implement a specific curriculum, which is different from the MoEYS's adopted curriculum or in a foreign language, with the prior approval of the MoEYS. The MoEYS's review and approval of a curriculum generally is made simultaneously with the grant of a school license during the application process.

At all times, a school has to keep the MoEYS and its relevant authorities informed of any changes made to the operation of the school.

Our school in Cambodia, through the Prakas No. 1506 on "Establishment of Private General Education School 'Northbridge International School (Cambodia) Limited'," issued on July 1, 2014 by the MoEYS, has met the foregoing requirements and has been granted a school license to operate a private school offering primary to secondary general education under its international curriculum.

The Law on Foreign Exchange Control permits purchases and sales of currency on foreign exchange markets, money transfers, all kinds of international settlements, and capital flows in foreign or domestic currency, between Cambodia and other countries or between residents and nonresidents. However, the above-mentioned transactions may be carried out only through authorized intermediaries, meaning all licensed financial institutions in Cambodia. Any person who violates this obligation shall be liable for a fine of 50% of the amount involved.

In case of a foreign exchange crisis, the National Bank of Cambodia ("NBC") may impose temporary restrictions on foreign exchange operations of the authorized intermediaries for a maximum period of 3 months. In case the crisis still persists, the NBC and the Ministry of Economy and Finance must seek the approval from the Prime Minister to extend the restrictions.

Investments made abroad by a resident for an amount equaling or exceeding USD 10,000 are subject to prior declaration to the NBC. Any person who violates this obligation shall be liable for a fine of 20% of the amount involved. Loans and other borrowings, including trade credits, may be freely contracted between residents and nonresidents, provided that disbursements and repayments are made through authorized intermediaries.

Dubai, United Arab Emirates

The Knowledge and Human Development Authority in Dubai ("KHDA") is tasked with planning, providing for and developing the requirements for knowledge and human development, including the licensing and regulation of educational institutions in Dubai. The Dubai Schools Inspection Bureau ("DSIB") is responsible for the monitoring of educational institutions in Dubai and the School Agency at the KHDA ("School Agency") is responsible for the development of the school sector specifically. The relationship between KHDA and each of the DSIB and the School Agency, broadly and as it pertains the regulation of schools like Nord Anglia International School Dubai, is governed by working agreements that align the strategic objectives of the KHDA with each entity, create a framework for cooperation and outline the powers and duties of each party.

As a school licensed by the KHDA, Nord Anglia International School Dubai is required to comply with the KHDA issued order No. (1) of 2007 Concerning the Special Conditions for licensing Schools, Free Zone Schools and Foreign Community Educational Institutions in the Emirate of Dubai (the "Order"), such compliance being imposed, monitored and assessed on an ongoing basis by the KHDA, the DSIB and the School Agency.

The Order requires Nord Anglia International School Dubai to provide all necessary information regarding its students and faculty, as requested by the KHDA from time to time, as well as providing all of the school's financial information annually to the KHDA, with the KHDA reserving its right to audit the financial records of the school with prior notice, as required. Furthermore, for the purpose of public awareness and transparency, the KHDA has the right to share the school's information (excluding financial details) on the KHDA's internet portal.

As a school that follows an international curriculum, Nord Anglia International School Dubai is required by the Order to commit to seeking membership of internationally recognized accreditation agencies approved by the KHDA. This requirement must be completed during the third year of operation and the school is working with KHDA to agree an accrediting agency.

The ability for Nord Anglia International School Dubai to increase tuition fees is restricted, as the KHDA reserves the right to disallow any educational or non-educational fee increase pursuant to the Order. Any increase of fees by the school shall be subject to the submission of a formal application by the school and the approval of such application by the KHDA.

Nord Anglia International School Dubai is required to allocate a minimum percentage of its revenue as determined by the KHDA toward staff training, such obligation being incorporated into the school's financial plan each year. It is also required to confirm with the KHDA the maximum number of students permitted to be attending the school.

Qatar

The regulation and supervision of schools in Qatar is the ultimate responsibility of the Ministry of Education and the Supreme Education Council (the "SECQ"). The legal and regulatory regime distinguishes between two classes of schools—namely government schools which are directly controlled and supervised by the SECQ and which offer free-of-charge schooling to all children in Qatar who hold Qatari nationality and are governed by the Independent Schools Law, Qatari Law No. 11 of 2006, and the private sector, which includes our operations in Qatar. Private schools in Qatar are governed by Qatari Law No. 7 of 1980, as well as regulations issued by the SECQ. These regulations govern matters such as licensing and inspection. The ability of our schools in Qatar to increase tuition fees is subject to the approval of the SECQ. Each of our schools is required to submit to the SECQ a schedule containing all fees it wishes to charge students enrolling at the schools, and such fees schedule must be approved by the SECQ prior to being adopted by the schools. Any changes to the fees schedule must be approved by the SECQ.

Singapore

Private education institutions in Singapore are regulated by the Private Education Act (Chapter 247A of Singapore), which sets out the mandatory registration requirements and legislation obligations for these institutions. The Act is administered by the Council for Private Education, a statutory board sanctioned with the legislative power to regulate the private education sector in Singapore.

The Act requires a private education institution to be registered with the Council for Private Education before it is allowed to commence operations. A private education institution is managed by managers, who have statutory duties and responsibilities (including keeping proper records and furnishing information requested by the Council for Private Education). In the case of a private education institution which is a company, the managers are the directors or members of its board or committee of management which is responsible for the management of the affairs of the company.

A private education institution must ensure that its teachers have the relevant qualifications and experience that meet the requirements stipulated by the Act. A private education institution also has to seek and receive permission from the Council for Private Education before it offers any course, unless exempted. A private education institution is required to set up an academic board and an examinations board with at least three members each; these boards are required to set up proper academic and examination processes and frameworks respectively.

Dover Court International School (Pte.) Ltd. is a private limited company incorporated in Singapore, and it is registered as a private education institution with the Council for Private Education.

Vietnam

Regulations on foreign-invested schools

Foreign investment in education services in Vietnam is governed mainly by the Law on Education 2005 (as amended in 2009 and 2014) and its implementing regulations (in particular Decree No. 73/2012/ND-CP of Vietnam's Government dated 26 September 2012 ("Decree 73") and Circular 34/2014/TT-BGDDT of Vietnam's Ministry of Eduation and Training dated 15 October 2014.

A foreign-invested educational institution may invest in most forms of education under the laws of Vietnam, including kindergartens for foreign children using foreign curricula and general education institutions (i.e., primary schools, secondary schools, high schools and mixed general education institutions) for foreign students and Vietnamese students using foreign curricula. Our schools in Vietnam are kindergartens and general educational institutions that satisfy these standards.

Under Decree 73, a foreign-invested educational institution must obtain (i) an investment certificate from a People's Committee at provincial level, (ii) a decision approving the establishment of the institution issued by a People's Committee at the provincial or district level depending on the level of the educational institution and (iii) a license to conduct educational activities issued by a department/division of education and training at the provincial or district level where applicable. Our schools in Vietnam have satisfied these conditions.

A foreign-invested education entity in Vietnam is generally required to satisfy various operational conditions, including with respect to: (i) nationality of children/students to be enrolled by the shool, (ii) investment capital, (iii) facilities, equipment and infrastructure, (iv) teaching staff and student quota per class and (v) education program, qualifications and certificates. In particular, foreign-invested educational institutions must register their diplomas with Vietnam's Ministry of Education and Training. Our schools in Vietnam have satisfied these conditions.

Foreign exchange control and remittance of profits abroad

The transfer of funds from Vietnam overseas is subject to the regulations under Vietnam's Ordinance on Foreign Exchange Control and guidelines of the State Bank of Vietnam.

Profits generating from our schools in Vietnam may only be remitted overseas on an annual basis, provided that:

- all tax obligations in Vietnam have been fulfilled; and
- the audited financial statements and the relevant annual finalization corporate income tax return have been submitted to the tax authorities.

Furthermore, remittance is not permitted in case of accumulated losses (of previous years) which have not been fully off-set.

Remittance of profit generated from direct investments may be conducted freely without any further approval from the State Bank of Vietnam provided that the remitting entity submits the required supporting documents justifying the underlying transaction such as a certified copy of the investment registration certificate of the company, internal corporate resolutions of the company on the distribution of dividends and remittance of profits and notification to the tax authorities of the dividends distributed and to be remitted.

Thailand

Regulation of Private Schools in Thailand

A private school business must be conducted in accordance with the rules and procedures specified in the Private Schools Act B.E. 2550 (2007) (subsequently amended by the Private Schools Act (No.2) B.E. 2554 (2011) (the "Private Schools Act"), which has replaced the Private Schools Act B.E. 2525 (1982). The Private Schools Act reforms the previous supervisory system to promote self-management. The Office of the Private Education Promotion Board, under the supervision of the Office of the Permanent Secretary for Education, is responsible for the supervision of our school in Thailand. The monitoring, evaluation and standards that a private school is expected to comply with in Thailand are the same as those for Thai public schools.

The Private Schools Act requires that a private school must hold a school permit in order to operate. One of the main conditions for obtaining a permit to operate a school through a private limited company under the Private Schools Act is that not less than half of the total number of shares and shareholders must be Thai persons.

Under the Private Schools Act, there are two separate entities which comprise the school: (i) the school entity and (ii) the permit holder (our Thai school company) that owns the school entity. As the school entity is a separate entity from the permit holder, it is managed by the school board under the school charter (which sets out the basis on which the school should be operated). Our Thai school company, as permit holder, is each school entity's authorized representative and a member of the school board.

Currently, each of our schools in Thailand holds a school permit under the Private Schools Act, a school board has been appointed and a school charter is in place.

Regulation of Transfers of Foreign Exchange

Thai foreign exchange controls are administered by the Bank of Thailand on behalf of the Ministry of Finance, pursuant to the Exchange Control Act B.E. 2485 (1942). The Bank of Thailand has granted commercial banks and certain other entities the authority to conduct foreign exchange transactions as authorized agents of the Bank of Thailand. The Bank of Thailand instituted measures in 1998 to restrict certain foreign exchange related transactions by domestic financial institutions with non-residents of Thailand and to safeguard against instability and speculation in the domestic currency market.

The outward remittance from Thailand of dividends after payment of the applicable Thai taxes, if any, may be made without the requirement to file a specified form to the relevant authorized agent if the amount is less than $50,000 (or the equivalent amount in the relevant currency) per remittance. If the amount is $50,000 or above (or its equivalent in the relevant currency), a specified form must be submitted to the authorized commercial bank together with documents or evidence as to the particular transaction. Dividends paid to a non-resident must be converted into foreign currency prior to the outward remittance from Thailand.

North America

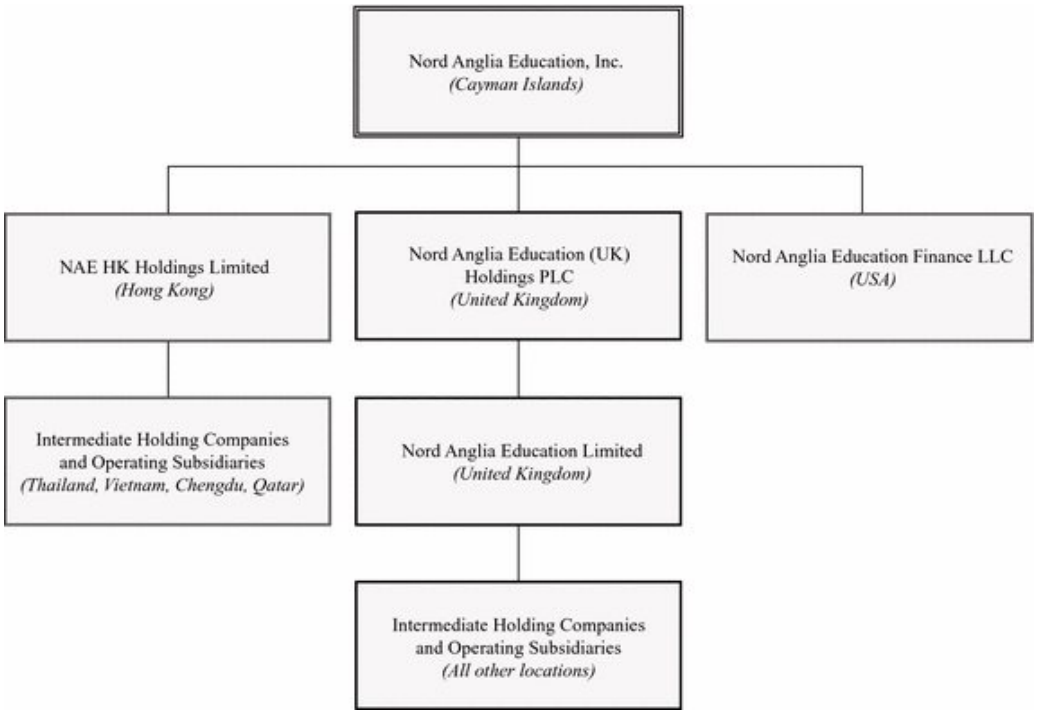
United States

Schools in the United States are subject to national, state and local regulations and licensing requirements. We have policies and procedures in place to assist in complying with such regulations and requirements. These regulations and the administrative bodies in charge of these regulations vary from jurisdiction to jurisdiction and may apply differently within the same jurisdiction to elementary, middle school and high schools. In most jurisdictions, these agencies conduct scheduled and unscheduled inspections of the schools and licenses must be renewed periodically.

Most jurisdictions establish requirements for background checks or other clearance procedures for new employees of schools. Repeated failures of a school to comply with applicable regulations can subject the school to sanctions, which might include probation or, in more serious cases, suspension or revocation of the school's license to operate and could also lead to investigations of our other schools located in the same jurisdiction. In addition, this type of action could lead to negative publicity extending beyond that jurisdiction and potentially affecting our other locations. We believe that our operations are in substantial compliance with all material regulations applicable to our business. However, there is no assurance that a licensing authority will not determine a particular school to be in violation of applicable regulations and take action against that school and possibly other schools in the same jurisdiction. In addition, there may be unforeseen changes in regulations and licensing requirements, such as changes in the required ratio of child center staff personnel to enrolled children that could have a material adverse effect on our operations. States in which we operate routinely review the adequacy of regulatory and licensing requirements and implement changes, which may significantly increase our costs to operate in those states.

C. Organizational Structure

The following diagram illustrates our corporate structure as of the date of this annual report.



The following table sets forth information about our significant subsidiaries as of the date of this annual report.

Name of Company	Equity Interest	Place of Incorporation
B I S Ltd.	100%	British Virgin Islands
British American School of Charlotte, L.L.C.	100%	Delaware, USA
British International School Bratislava s.r.o.	100%	Slovakia
British International School Foundation	100%	Hungary
British International School LLC [1]	49%	Abu Dhabi, UAE
British School of Beijing	100%	China
British School of Boston, L.L.C.	100%	Delaware, USA
British School of Chicago, L.L.C.	100%	Delaware, USA
British School of Guangzhou	100%	China
British School of Houston, L.P.	100%	Texas, USA
British School of Washington, L.L.C.	100%	Delaware, USA
British Schools of America, LLC	100%	Delaware, USA
British Schools of Texas, L.L.C.	100%	Delaware, USA
Collège Alpin Beau-Soleil SA	100%	Switzerland
Collège Champittet SA	100%	Switzerland
Collège du Léman Sàrl	100%	Switzerland
Dover Court International School (Pte.) Ltd.	100%	Singapore
Education Overseas Qatar L.L.C. [1]	49%	Qatar
English International School Prague, s.r.o.	100%	Czech Republic
Instituto de Desarrollo Educacion y Aprendizaje, S.C.	100%	Mexico
International College Spain, S.A.U.	100%	Spain
La Côte International School SA	100%	Switzerland
NA Schools Limited	100%	UK
NAE HK Holdings Limited	100%	Hong Kong
NAE Hong Kong Limited	100%	Hong Kong
Nord Anglia Education (UK) Holdings plc	100%	UK
Nord Anglia Education Finance LLC	100%	Delaware, USA

Name of Company	Equity Interest	Place of Incorporation
Nord Anglia Education Limited	100%	UK
Nord Anglia International School L.L.C [1]	49%	Dubai, UAE
Nord Anglia International School, Hong Kong Limited	100%	Hong Kong
Nord Anglia School (Hong Kong) Limited	100%	Hong Kong
Nord International Schools Limited	100%	UK
North Broward Preparatory Schools, LLC	100%	Florida, USA
Northbridge International School (Cambodia) Limited	100%	Cambodia
Regent Pattaya Campus Management Co., Ltd. [2]	49%	Thailand
Saint Andrews International School Sukhumvit Campus Co., Ltd. [2]	49%	Thailand
The British International School Company Limited	90%	Vietnam
The British International School, Shanghai	100%	China
The British School Sp. z o.o.	100%	Poland
The Léman International School — Chengdu	100%	China
Thien Huong Education Joint Stock Company	81%	Vietnam
Thien Huong Investment Company Limited	90%	Vietnam
Viking Holdco, Inc.	100%	Delaware, USA
Viking Holding Company, LLC	100%	Delaware, USA
Village Real Estate LLC	100%	Texas, USA
WCL Academy of New York LLC	100%	Delaware, USA
WCL Holdco Limited	100%	UK

(1) We exercise control of this company pursuant to its constitutional documents.

(2) We are entitled to approximately 91% of the voting power pursuant to the company's constitutional documents.

D. Property, Plant and Equipment

Properties

Our headquarters are located at Level 12, St. George's Building, 2 Ice House Street, Central in Hong Kong, where we lease 6,695 net square feet. We continue to operate in two locations in the United Kingdom, one of which is for our learning services business. We lease most of our current school facilities under long-term leases. The table below summarizes the main operating leases for each of our schools:

School	Termination Date*	Area +
China		
The British School of Beijing, Sanlitun (Sanlitun, Beijing, China)	2017 /2023	8,032.37 m^2
The British School of Beijing, Shunyi (Shunyi, Beijing, China)	2029	21,439.26 m^2 [1]
Nord Anglia International School Shanghai, Pudong (Pudong, Shanghai, China)	2022	25,413.13 m^2 [2]
The British International School Shanghai, Puxi (Puxi, Shanghai, China)	2025/2036	24,668.11 m^2 [3]
The British School of Guangzhou (Guangzhou, China)	2017 / or upon 2 years notice by landlord	5,229 m^2 / 29,187 m^2 / 7,349 m^2 / 7,538 m^2
Léman International School (Chengdu, China)	2030	25,000 m^2 [4]
Nord Anglia International School Hong Kong (Hong Kong, China)	2023	4,555 m^2 [5]
Europe		
Collège Beau-Soleil (Villars-sur-Ollon, Switzerland)	2035/2027	1,900 m^2 [6] / 1,473.35 m^2 [7]
Collège Champittet, Pully (Pully, Switzerland)	2026	48,971 m^2
Collège Champittet, Nyon (Nyon, Switzerland)	2017	3,375.6 m^2
La Côte International School (Aubonne, Switzerland)	2039	9,350 m^2 [8]
Collège du Léman (Geneva, Switzerland)	2090/2090	6,675 m^2 [9] / 65,503 m^2 [9]
The English International School Prague (Prague, Czech Republic)	2032	27,328 m^2
The British School Warsaw (Warsaw, Poland)	2035/auto-renew	7,900 m^2 [10] / 1,048 m^2 [11]

School	Termination Date*	Area +
The British International School Bratislava (Bratislava, Slovakia)	2016 / 2039	729 m ^{2} / 20,124 m ^{2}
The British International Budapest (Budapest, Hungary)	2039/2039	12,280 m ^{2} / 4,664 m ^{2}
International College Spain (Madrid, Spain)	2026	34,654 m ^{2}
ME/SEA		
The British International School (Abu Dhabi, UAE)	2025	19,440 m ^{2}
Compass International School Doha, Gharaffa (Gharaffa, Doha, Qatar)	2020	9,427 m ^{2}
Compass International School Doha, Madinat Khalifa (Madinat Khalifa, Doha, Qatar)	2022	9,550 m ^{2}
Compass International School Doha, Rayyan (Al Rayyan, Doha, Qatar)	2024	5,650 m ^{2}
Nord Anglia International School, Al Khor (Al Khor, Doha, Qatar)	N/A	18,617 m ^{2}
Nord Anglia International School (Dubai, UAE)	2017	32,516.05 m ^{2} (5)
Regents International School Pattaya (Pattaya, Thailand)	2037	81,560 m ^{2}
St Andrews International School Bangkok (Bangkok, Thailand)	2038	18,640 m ^{2}
Dover Court International School (Singapore)	2020/2017	16,369 m ^{2} (5) / 27,136.70 m ^{2} (12)
Northbridge International School Cambodia (Phnom Penh, Cambodia)	2039	69,491 m ^{2} (13)
The British International School of Ho Chi Minh City (HCMC, Vietnam)	2039	18,721 m ^{2} (9)
The British Vietnamese International School Ho Chi Minh City (HCMC, Vietnam)	2040	14,568 m ^{2} (9)
The British International School Hanoi (Hanoi, Vietnam)	2042	40,876 m ^{2} (9)
The British Vietnamese International School Hanoi (Hanoi, Vietnam)	2043	19,147 m ^{2} (9)
North America		
The British School of Washington (Washington, D.C., U.S.A)	2019	10,379 m ^{2}
The British International School of Boston. (Boston, Massachusetts, U.S.A)	2020/2020	4,323 m ^{2} (14) /613 m ^{2}
The British International School of Houston (Houston, Texas, U.S.A)	N/A	59,422 m ^{2}
The British International School of Chicago, Lincoln Park (Chicago, Illinois, U.S.A)	2015/2017/2016/ 2040	176 m ^{2} (4) / 354 m ^{2} (4) / 218 m ^{2} (4) / 7,702 m ^{2} (4)
The British International School of Chicago, Southloop (Chicago, Illinois, U.S.A)	2035	9,476 m ^{2} (4)
The British International School of Charlotte (Charlotte, North Carolina, U.S.A)	2021	5,041 m ^{2} (15)
Nord Anglia International School New York (New York, New York, U.S.A)	2025	5,047 m ^{2} (4)
The Village School (Houston, Texas, U.S.A)	N/A (16)	20,866 m ^{2} (4)
North Broward Preparatory School (Coconut Creek, Florida, U.S.A)	N/A (16) / N/A (16)	16,520 m ^{2} (4) / 3,847 m ^{2} (4)
Windermere Preparatory School (Windermere, Florida, U.S.A)	2046	14,580 m ^{2} (4)
Instituto San Roberto (Monterrey, Mexico)	2046 (17)	52,065 m ^{2} (18)

* More than one date indicates the termination date of multiple leases.

\+ Unless otherwise indicated, the total area includes the area of the school building(s) and the size/area of the plot of land/grounds/playground/parking and etc. outside of the school building(s).

(1) Area of the building(s) only; the area of land is 33,300 m ^{2}.
(2) Area of the building(s) only; the area of land is 72,517 m ^{2}.
(3) Area of the building(s) only; the area of land is 50,728 m ^{2}.
(4) Area of the building(s) only.
(5) Area of land with school building(s).
(6) Area of the building(s) only; the area of land is 7,999 m ^{2}.
(7) Area of the building(s) only; this is a shared building and we do not have our own land.
(8) Area of the building(s) only; the area of land is 8,060 m ^{2}.
(9) Area of the land plot only.
(10) Area of the building(s) only; the area of land is 16,938 m ^{2}.
(11) Area of the building(s) only; the area of land is 5,557 m ^{2}.
(12) Area of land for playfield only.
(13) Area includes two plots of land and existing and future buildings and structures thereon, including works under construction and future improvements.
(14) Area of the building(s) only; the area of land is 153,362 m ^{2}; the land is shared with the landlord.
(15) Area of the building(s) only; the area of land is 10.8 acres.
(16) The schools own the principal real estate on which their campuses are located.
(17) One of the campuses has a soccer field lease that expires in 2047.
(18) Area of the building(s) only; the area of the land is 110,302 m ^{2}.

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and the related notes included elsewhere in this annual report on Form 20-F. This discussion and analysis may contain forward-looking statements based upon current expectations that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Item 3. Key Information—D. Risk Factors" or in other parts of this annual report on Form 20-F.

A. Operating Results

Overview

We believe we are the world's leading global operator of premium international schools. We have over 34,300 full time equivalent students ("FTEs"), from kindergarten through the end of secondary school ("K-12"), at our 42 premium schools in China, Europe, ME/SEA and North America. As of November 15, 2015, we had 34,314 FTEs and capacity of 48,998 seats, representing a utilization rate of 75%.

Recent Developments

On August 31, 2015, we opened the British International School of Chicago's new 1,100 seat campus in the South Loop of Chicago. Located on South Wells Street, the South Loop campus serves students from preschool through high school, complementing the British International School of Chicago's existing Lincoln Park campus, which has recently been refurbished for students from preschool through Grade 5.

Factors Affecting Our Results of Operations

Key Performance Indicators

We use the following key operating metrics to manage our schools: FTEs, capacity, utilization and revenue per FTE. We monitor FTEs on a weekly basis and the other operating metrics on a monthly, quarterly and annual basis, as we believe that they are the most reliable metrics for measuring the profitability of our schools.

	Year Ended August 31,		
	2013	**2014**	**2015**
Full-time equivalent students (average for the period) [1]			
China	4,075	4,827	5,228
Europe	3,838	4,514	4,624
ME/SEA	2,112	5,230	9,618
North America	254	2,742	2,816
Total	**10,279**	**17,313**	**22,286**
Capacity (average for the period) [2]			
China	5,375	6,964	7,756
Europe	4,496	5,322	6,084
ME/SEA	2,909	5,961	13,758
North America	366	3,760	3,760
Total	**13,146**	**22,007**	**31,358**
Utilization (average for the period) [3]			
China	76%	69%	67%
Europe	85%	85%	76%
ME/SEA	73%	88%	70%
North America	69%	73%	75%
Total	**78%**	**79%**	**71%**
Revenue per FTE (in $ thousands) [4]			
China	33.8	34.3	35.0
Europe	30.2	30.1	28.8
ME/SEA	16.1	16.4	17.1
North America	31.1	25.1	29.3
Total	**28.7**	**26.4**	**25.3**

(1) We calculate average FTEs for a period by dividing the sum of the number of FTEs at each calendar month end in the period by the number of calendar months in the period.

(2) We calculate average capacity for a period by dividing the total number of FTEs that can be accommodated based on existing classrooms at each academic calendar month divided by the number of months in such period.

(3) We calculate utilization for a period as a percentage equal to the average FTEs for the period divided by average capacity for the period.

(4) We calculate revenue per FTE for a period by dividing revenue from our schools for the period by the average FTEs for the period.

Full-Time Equivalent Students . Because our schools derive substantially all of their revenue from tuition fees, the number of FTEs enrolled in our schools is critical to our operating performance and growth. As a result, we monitor the number of FTEs to measure the performance of our schools. We also monitor FTEs on a school-by-school basis to help plan capacity expansion and track local market trends.

We define a FTE as a student who is enrolled to attend school for the full school day, five days a week. For example, a student who enrolls for three full days a week equals 0.6 FTEs and a student who enrolls for five mornings a week equals 0.5 FTEs. We calculate average FTEs for a period by dividing the total number of FTEs at each calendar month-end in the period by the number of calendar months in the period.

The number of same-school FTEs fluctuates throughout the academic year, as new students enroll or as current students depart. Our average FTEs have grown from 8,180 in fiscal 2012 to 22,286 in fiscal 2015. The increase resulted from growing enrollments at our schools and acquisitions of new schools.

In addition to monitoring our FTEs, we also focus on the number of inquiries, visits and applications by prospective students at each of our schools and the number of applications that result in enrollments. In our experience, the ratios of inquiries to visits and of visits to enrollments are leading indicators of student enrollments. Thus, in our marketing and recruitment activities we seek to maximize the generation of inquiries, the conversion of inquiries into visits, of visits into applications and of applications into enrollments.

Capacity . We calculate average capacity for a period by dividing the total number of FTEs that we can accommodate at each calendar month-end in the period by the number of calendar months in the period.

We increased our average capacity from 13,146 places in fiscal 2013 to 31,358 places in fiscal 2015. The increase resulted primarily from the acquisition of new premium schools in China, Switzerland, Spain, Thailand, the United States, Qatar, Singapore, Cambodia, Vietnam and Mexico and capacity expansion at our schools in all our regions.

Utilization . We calculate utilization for a period as a percentage equal to the ratio of average FTEs for the period divided by average capacity for the period.

In fiscal 2013, 2014 and 2015 we had average utilization of 7 8%, 79% and 71%, respectively. The reduction in utilization was primarily due to the schools we acquired in Vietnam with 44% utilization on acquisition and the opening of our new schools in Dubai and Aubonne.

Revenue per Full-Time Equivalent Student . We calculate revenue per FTE for a period by dividing the revenue from our schools for the period by the average FTEs for the period. Revenue per FTE is impacted primarily by the tuition fees we charge at each of our premium schools and the revenue per FTE of new schools that we acquire relative to our other premium schools within those regions.

Revenue per FTE, and therefore our revenue, is directly impacted by our ability to increase tuition fees year on year at each of our premium schools. A majority of our tuition fees are paid by expatriate employers, who we believe accept price increases because education allowances typically represent only a small percentage of an expatriate's total compensation package. We believe self-funding expatriates and affluent local families accept our price increases because of the importance they place on a quality education for their children. As a result, we have been able to increase tuition fees at our premium schools at an average of approximately 4-5% per year over the last five years, which we believe to be in excess of the median rate of inflation in the markets where these schools are located.

Almost all of our tuition fees are charged in the local currencies of the countries where the schools are located. Therefore, our revenue per FTE is subject to fluctuations in foreign exchange rates between these local currencies and our reported currency, the US dollar. See "—Currency Translation."

Acquisitions

In the three years ended August 31, 2015, we acquired 25 schools in Switzerland, China, Thailand, Singapore, Cambodia, the United States, Qatar, Spain, Vietnam and Mexico; we continue to assess a pipeline of acquisition opportunities and look for new acquisition opportunities.

The following table shows our acquisitions during the three fiscal years ended August 31, 2015:

Fiscal 2013		
International College Spain	Spain	May 2013
Compass International School Doha, Gharaffa	Qatar	May 2013
Compass International School Doha, Madinat Khalifa	Qatar	May 2013
Compass International School Doha, Rayyan	Qatar	May 2013
Compass International School, Al Khor	Qatar	May 2013
The British School of Washington	United States	May 2013
The British International School of Boston	United States	May 2013
The British International School of Houston	United States	May 2013
The British International School of Chicago, Lincoln Park	United States	May 2013
The British International School of Charlotte	United States	May 2013
Nord Anglia International School New York	United States	May 2013
The British School of Guangzhou	China	July 2013 (1)
St. Andrews International School Bangkok	Thailand	August 2013 (1)
Fiscal 2014		
Dover Court International School	Singapore	April 2014
Northbridge International School Cambodia	Cambodia	July 2014 (1)
Fiscal 2015		
The British International School, Ho Chi Minh City	Vietnam	January 2015
The British Vietnamese International School, Ho Chi Minh City	Vietnam	January 2015
The British International School, Hanoi	Vietnam	January 2015
The British Vietnamese International School Hanoi	Vietnam	January 2015
The Village School	United States	June 2015
North Broward Preparatory School	United States	June 2015
Windermere Preparatory School	United States	June 2015
Instituto San Roberto	Mexico	June 2015
Collège du Léman	Switzerland	June 2015
Léman International School	China	June 2015

(1) Premium schools acquired during the summer months of July and August do not have a significant impact on the current fiscal year results as most school years commence on September 1, which is the first day of the following fiscal year, and revenue and direct teaching costs are not recognized during July and August in line with our accounting policies.

Increased Focus on Premium Schools

In fiscal 2012, we made a strategic decision to no longer bid on new learning services contracts and gradually phased out some of our existing contracts. As a result, our premium schools revenue, as a percentage of our total revenue, has grown significantly. In fiscal 2013, 2014 and 2015, revenue from our premium schools represented 84.7%, 91.2%, 96.2% and 97.6%, respectively, of our total revenue. In fiscal 2015, other revenue, which is predominantly revenue from learning services, accounted for 2.4% of our revenue and contributed 1.0% of our Adjusted EBITDA (before the allocation of central and regional costs). In the three years ended August 31, 2015, we acquired 25 schools in Switzerland, China, Thailand, the United States, Qatar, Spain, Singapore, Cambodia, Mexico and Vietnam and have expanded capacity at our schools in North America, China, ME/SEA and Europe. In September 2014 we opened new schools in Hong Kong and Dubai and in September 2015, we opened a new school in Chicago. We expect to further expand our network of premium schools and increase capacity at existing schools.

Macroeconomic Conditions

The results of our operations are indirectly affected by general economic conditions in each of the countries in which we operate, which may influence the demand for premium schools education and the tuition fees we are able to charge at our schools. As a result of the importance parents place on education in the markets in which we operate and the relative resilience shown by expatriate flows during difficult economic conditions, we believe our revenue and profitability are resilient to fluctuations as a result of macro-economic conditions. We have grown our business significantly since 2008 despite a challenging global economic climate. Total enrollment in our schools has grown at a CAGR of 29% from the end of fiscal 2008 to the end of fiscal 2015, and we have raised our tuition fees by an average of approximately 4-5% per year over the last five years.

Currency Translation

We conduct our business in several major currencies, most notably the Chinese renminbi, Swiss franc, Polish zloty, pound sterling, U.A.E. dirham, Qatari riyal, euro, Thai baht, Hong Kong dollar, Singapore dollar, Cambodian riel and U.S. dollar, while our reporting currency is the U.S. dollar. Prior to our acquisition of WCL Group in May 2013, almost all of our revenue was recorded in currencies other than the U.S. dollar. Fluctuations in exchange rates between the U.S. dollar and our other operating currencies affect the translation of our results and the net assets or liabilities of our overseas entities into U.S. dollars.

In fiscal 2013, the Chinese renminbi, the Polish zloty and Thai baht all strengthened against the US dollar while the British pound and the Swiss franc weakened against the dollar. Overall, the impact of these movements positively influenced our results in that period.

In fiscal 2014, the Chinese renminbi, the Polish zloty, British pound, euro and Swiss franc all strengthened against the US dollar while the Thai baht weakened against the dollar. Overall, the impact of these movements positively influenced our results in that period.

In fiscal 2015, the U.S. dollar strengthened against all our major trading currencies. Overall, the impact of these movements negatively influenced our results in that period.

Substantially all of our revenues and costs are denominated in the local currencies. We recognize translational gains and losses primarily upon the conversion of our foreign currency denominated earnings into U.S. dollars through other comprehensive income.

Supplementary Financial Data

The following table sets forth certain supplementary financial data for the periods indicated.

	Year Ended August 31,		
	2013	2014	2015
	(in millions of dollars)		
Revenue (segment)			
Premium Schools			
China	137.7	165.6	183.2
Europe	115.8	136.0	133.3
ME/SEA	33.9	86.0	164.1
North America	7.9	68.8	82.6
Total Premium Schools	**295.3**	**456.4**	**563.2**
Other	28.4	18.2	13.8
Total Revenue	**323.7**	**474.6**	**577.0**
Adjusted EBITDA (segment)			
Premium Schools			
China	66.8	78.4	84.9
Europe	22.7	26.0	17.1
ME/SEA	5.9	22.2	39.6
North America	0.3	23.2	22.6
Total Premium Schools	**95.7**	**149.8**	**164.2**
Other	6.6	4.0	1.5
Central and regional expenses	(22.8)	(26.4)	(32.0)
Adjusted EBITDA	**79.5**	**127.4**	**133.7**
Adjusted Net Income	**(1.3)**	**22.8**	**43.5**

We use EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted Earnings per Ordinary Share, Adjusted Cost of Sales and Adjusted Gross Profit as supplemental financial measures of our operating performance. We define EBITDA as (loss)/profit for the period plus income tax expense, net financing (expense)/income, exceptional items, impairment of goodwill, amortization and depreciation, and we define Adjusted EBITDA as EBITDA adjusted for the items set forth in the table below. We define Adjusted Net Income as Adjusted EBITDA adjusted for the items in the table below. We define Adjusted Earnings per Ordinary share as Adjusted Net Income divided by the weighted average ordinary shares outstanding for the period. We define Adjusted Cost of Sales as cost of sales excluding Premium School land and building operating lease costs and depreciation charges arising from tangible assets owned by Premium Schools, and we define Adjusted Gross Profit as revenue less Adjusted Cost of Sales. EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted Earnings per Ordinary Share, Adjusted Cost of Sales and Adjusted Gross Profit are not standard measures under IFRS. These measures should not be considered in isolation or construed as alternatives to cash flows, net income, earnings per ordinary share or any other measure of financial performance or as indicators of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities. We may incur expenses similar to the adjustments in this presentation in the future and certain of these items could be recurring. EBITDA, Adjusted EBITDA, Adjusted Net Income, Adjusted Earnings per Ordinary Share, Adjusted Cost of Sales and Adjusted Gross Profit presented herein may not be comparable to similarly titled measures presented by other companies.

Reconciliation of Adjusted Cost of Sales, Adjusted Gross Profit, EBITDA, Adjusted EBITDA and Adjusted Net Income

Set forth below is a reconciliation of Adjusted Cost of Sales, Adjusted Gross Profit, EBITDA, Adjusted EBITDA and Adjusted Net Income to the most directly comparable IFRS measure for the periods indicated:

	Year Ended August 31,		
	2013	2014	2015
	(in millions of dollars, except per share data)		
Revenue	323.7	474.6	577.0
Cost of Sales	(190.4)	(280.3)	(355.9)
Rent Premium Schools	31.5	44.4	56.3
Depreciation Premium Schools	11.3	21.4	33.9
Adjusted Cost of Sales	(147.6)	(214.5)	(265.7)
Adjusted Gross Profit	**176.1**	**260.1**	**311.3**
(Loss)/profit for the period	(23.3)	(90.4)	8.6
Income tax (credit)/expense	19.3	25.7	12.2
Net financing expense [1]	49.0	53.5	36.9
Exceptional items [2]	17.7	100.2	18.8
Other losses [3]	—	—	3.0
Amortization	5.7	10.4	13.9
Depreciation	0.4	2.0	0.7
Depreciation in Cost of Sales	11.3	21.4	33.9
EBITDA	**80.1**	**122.8**	**128.0**
(Gain)/loss on disposal of property, plant and equipment [4]	0.1	0.1	0.3
FX (gain)/loss [5]	(4.0)	(4.0)	(3.9)
Share based payments [6]	0.1	3.1	2.8
Management fees — sponsor [7]	3.3	1.2	—
Greenfield pre-opening costs [8]	—	4.1	4.0
Rollout of Juilliard program [9]	—	—	0.7
China expat taxes [10]	—	—	1.1
Other	(0.1)	0.1	0.7
Adjusted EBITDA	**79.5**	**127.4**	**133.7**
Depreciation	(11.7)	(23.4)	(34.6)
Net Financing Expense [1]	(49.0)	(53.5)	(36.9)
Income Tax (Credit)/Expense	(19.3)	(25.7)	(12.2)
Tax Adjustments [11]	(0.8)	(2.0)	(5.3)
Non-controlling Interest	—	—	(1.2)
Adjusted Net (Loss)/Income	**(1.3)**	**22.8**	**43.5**
Adjusted (Loss)/Earnings per Ordinary Share (in dollars) [12]			
Basic	(0.02)	0.27	0.44
Diluted	(0.02)	0.27	0.44

(1) In March 2014 we drew down in full on a new $515.0 million term loan facility and using proceeds from the loan and our initial public offering, we discharged our obligations under the indentures governing our $490.0 million 10.25% senior secured notes and $150.0 million 8.50%/9.50% PIK toggle notes, both of which were fully redeemed as of April 14, 2014. In March 2015, we incurred $150 million of incremental loans under the facility to finance our acquisition of three schools in Vietnam and for general corporate purposes. In June 2015, we incurred an additional $240 million of incremental loans under the facility and issued CHF 200 million in aggregate principal amount of 5.75% senior secured notes due 2022 to partially finance our acquisition of the Meritas Schools.

(2) In fiscal 2013, exceptional expenses primarily related to the acquisition of schools, including associated transaction and integration costs and transaction management fees paid to Baring Private Equity Asia or its affiliates associated with our notes issuances. In fiscal 2014, exceptional expenses primarily related to the costs associated with our initial public offering and refinancing and expenses related to the acquisitions of schools, including associated transaction and integration costs. In fiscal 2014, we incurred exceptional charges of $89.9 million related to the redemption of our outstanding notes, including the release of $12.9 million of prepaid costs. In fiscal 2015, exceptional expenses primarily related to the acquisition of schools, including associated transaction and integration costs and debt issuance costs in connection with the acquisitions that were not capitalized on the balance sheet.

(3) Relates to the put/call option for the remaining 10% interest in The British International Schools Group (BIS Vietnam) we acquired on March 2, 2015.

(4) In fiscal 2013, 2014 and 2015, includes loss on disposal of property, plant and equipment associated with the termination of learning services contracts and the closure of associated offices in the UK.

(5) Represents foreign currency translational losses/(gains) primarily associated with our inter-company balances and in fiscal 2015 includes a foreign currency translational gain associated with the translation of our CHF200 million 5.75% Senior Secured Notes due 2022.

(6) Represents non-cash charges associated with equity investments in our company by members of management.

(7) Represents management fees paid to Premier Education Holdings Ltd.

(8) In fiscal 2014, includes the pre-opening costs associated with the opening of our schools in Hong Kong and Dubai in September 2014. In fiscal 2015, includes the pre-opening costs associated with the opening of our second school in Chicago in September 2015.

(9) Represents the costs associated with the initial roll-out of The Juilliard-Nord Anglia Performing Arts Program which commenced in ten schools in September 2015.

(10) Represents costs associated with expatriate taxes levied on teacher salaries relating to the period prior to the year-ended August 31, 2014.

(11) Represents the tax impact associated with the exclusion of certain costs including exceptional items and amortization in calculating Adjusted Net Income based on the fiscal 2016 forecast tax rate of 28.5%.

(12) Calculated by dividing Adjusted Net Income for the period by the weighted average ordinary shares outstanding for the period. For the year ended August 31, 2013, the basic and diluted weighted average ordinary shares outstanding were 74.0 million. For the year ended August 31, 2014, the basic and diluted weighted average ordinary shares outstanding were 85.1 million. For the year ended August 31, 2015, the basic and diluted weighted average ordinary shares outstanding were 99.4 million and 99.5 million, respectively.

Principal Components of Our Results of Operations

Revenue

Revenue is recognized net of indirect taxes, returns, rebates and discounts. Sales of services which have been invoiced but not yet recognized as revenue are included on the balance sheet as deferred income.

School fee income

School fee income comprises tuition fees and income from ancillary sources, including registration fees, examinations, school trips, bus transportation and lunch fees. School fee income is generally payable in advance, on or before the first day of each term. We generally recognize school fee income over the ten months of the school term from September to June. Where we receive fees in advance of more than one term, the income is recognized over the months in the terms for which payment has been made. At a majority of our schools, our terms and conditions require a full term's notice of withdrawal for a refund of prepaid tuition. The final academic term at most of our schools starts in April of each year and historically we have had few requests for refunds.

Cost of Sales

Cost of sales primarily represents direct educational expenses and consultancy expenses. Direct educational expenses primarily consist of salary and benefits for school principals, teaching staff and lecturers employed in our schools and the cost of teaching materials, school lunches, bus services and certain after school activities.

Consultancy expenses include the cost of independent consultants we use in the delivery of our learning services contracts.

Cost of sales also include expenses in respect of our premium schools' land and building operating leases and depreciation charges arising from tangible assets owned by premium schools.

Selling, General and Administrative Expenses

Our selling, general and administrative expenses consist primarily of compensation and associated expenses for our management, finance, human resources, marketing, education policy and administrative personnel at our corporate headquarters as well as regional teams in China, Europe, ME/SEA and North America. Selling, general and administrative expenses also include compensation and associated costs for our admissions and marketing personnel and other support staff in our schools and outside professional fees, legal fees, audit fees and fees for tax advisory, and other corporate expenses. Unrealized foreign exchange gains and losses due primarily to retranslation of currencies on our inter-company balances are also included in our selling, general and administrative expenses but are added back or deducted when calculating our Adjusted EBITDA, as are any gains or losses on the disposal of property, plant and equipment.

Other Operating Expenses

Other operating expenses consist primarily of amortization and impairment charges on intangible assets, depreciation expenses and other non-operating expenses.

Finance Income

Finance income primarily consists of interest on bank deposits.

Finance Expenses

Finance expenses represent interest on borrowings and financial leases, shareholder loan notes and certain other miscellaneous interest costs.

Income Tax Expense

Income tax expense consists of corporate income tax in the jurisdictions in which we operate as well as withholding taxes on dividends. Income tax expense also includes a charge or credit for deferred tax. Fluctuations in our effective tax rate are primarily attributed to changes in the operating results of our subsidiaries, which are subject to various tax rates and tax concessions in their respective jurisdictions.

Critical Accounting Policies

The preparation of our financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Critical estimates and assumptions that are applied in the preparation of the consolidated financial statements include:

Goodwill allocation and impairment testing

Goodwill arising on consolidation represents the excess of the cost of acquisitions over our interest in the fair value of the identifiable assets and liabilities at the date of acquisition. Fair values are attributed to the identifiable assets, liabilities and contingent liabilities that existed at the date of acquisition, reflecting their condition at that date.

Goodwill acquired in a business combination is allocated, at the date of acquisition, to the cash-generating unit ("CGU") that benefitted from that business combination. We consider that a CGU is generally an individual school or contract. For the purposes of testing for impairment to goodwill annually, each CGU is tested individually. For the purpose of disclosure, CGUs are aggregated together to groupings with similar risk characteristics.

Goodwill is recognized as an asset. It is not subject to annual amortization, but is assessed for impairment at least annually or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the goodwill are calculated on a discounted cash flow basis by applying appropriate long-term growth rates and discount rates, based on historic trends adjusted for management's estimates of future prospects, to the CGUs on an individual basis. Both the calculated recoverable value of goodwill and any impairment adjustment could vary significantly if different long-term growth rates and FTE numbers were applied.

Intangible assets

Intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill if those assets are identifiable and their fair value can be measured reliably.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level and are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

The initial identification of intangible assets requires considerable judgment in respect of the classification of the assets and in the assessment of their life. In addition, when assessing the values of the intangible assets, management is required to exercise judgment in determining the future profitability and cash flows of those assets, royalty rates, life of customer base and the appropriate weighted average cost of capital. The subsequent impairment reviews equally require continuing assessment of the above factors as well as continuous assessment of the assets' lives. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

Fair value measurement

We measure financial instruments, such as derivatives, at fair values at each balance sheet date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where the fair values are disclosed are summarized in the following notes to our audited financial statements included elsewhere in this annual report:

• Disclosures for valuation methods, significant estimates and assumptions	Note 1, 2, 23
• Quantitative disclosures of fair value measurement hierarchy	Note 23
• Financial instruments (including those carried at amortized cost)	Note 23

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by us.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

We use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, we determine whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, we have determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Pension obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the expected long-term rate of return on the relevant plan assets and the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The expected return on plan assets assumption is determined on a uniform basis, taking into consideration long-term historical returns, asset allocation and future estimates of long-term investment returns.

We determine the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, we consider the interest rates of Exchange Fund Notes that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions.

Share based payments

We operate an equity settled share based compensation plan.

The fair value of the employee services received under share based payment plans is recognized as an expense in the income statement. Fair value is calculated by using the Black Scholes Option Pricing Model for share option schemes and the Binomial method for long term incentive plans. The amount charged over the vesting period is determined by reference to the fair value of share incentives excluding the impact of any non-market vesting conditions. Non-market vesting conditions are considered within the assumptions to estimate the number of share incentives that are expected to vest. The impact of the revision of original estimates, if any, is recognized in the income statement over the remaining vesting period with corresponding adjustments made to equity. The cash payment is accounted for as a reduction to shareholders' equity, except when the cash settlement exceeds the fair value of the equity instruments that would have been issued, for which such amount is recorded to expense.

The application of both the Black Scholes Option Pricing Model and the Binomial method require the application of a number of judgments including, the following; volatility, risk free interest rate, expected life to exercise. Accordingly the recognition of the fair value expense of the employee services received under share based payment plans could vary if significantly different assumptions were applied to the valuation models.

Control and consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to us. On 2 March 2015, we acquired a 90% interest in The British International Schools Group (Vietnam). In accordance with IFRS 10 — Consolidated Financial Statements, we gained control of BIS Vietnam from 1 January 2015 and incorporated the results from the same date. Financial and operating control was deemed to be gained from 1 January 2015, because we obtained power over the relevant activities of Vietnam (including the right to appoint key staff and set fees) and the rights to the risks and rewards of Vietnam. After certain administrative matters were concluded (which could have been waived by us), the acquisition was completed. The impact of early consolidation increased revenue by $10.7 million and EBITDA by $3.1 million.

Taxation

There are undistributed earnings of $48.5 million (2014 - $38.6 million, 2013 - $26.3 million) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognized as the parent entity is able to control the timing of the distributions from the subsidiaries and it is not expected to distribute these profits in the foreseeable future.

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. We have $58.0 million of tax losses carried forward, and other timing differences of $7.7 million. These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in our group of companies. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, we have determined that it cannot recognize deferred tax assets on the tax losses carried forward & on the other timing differences. If we were able to recognize all unrecognized deferred tax assets, profit and equity would have increased by $65.7 million.

We are subject to income taxes in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. We recognize liabilities for potential tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Our Results of Operations

The following table sets forth income statement data as a percentage of revenue indicated.

	Year Ended August 31,					
	2013		2014		2015	
	$ millions	% Revenue	$ millions	% Revenue	$ millions	% Revenue
Revenue	323.7	*100.0%*	474.6	*100.0%*	577.0	*100.0%*
Cost of sales	(190.4)	*(58.8)%*	(280.3)	*(59.1)%*	(355.9)	*(61.7)%*
Gross profit	**133.3**	***41.2%***	**194.3**	***40.9%***	**221.1**	***38.3%***
Selling, general and administrative expenses	(64.5)	*(19.9)%*	(92.9)	*(19.6)%*	(127.0)	*(22.0)%*
Depreciation	(0.4)	*(0.1)%*	(2.0)	*(0.4)%*	(0.7)	*(0.1)%*
Amortization	(5.7)	*(1.8)%*	(10.4)	*(2.2)%*	(13.9)	*(2.4)%*
Other losses	—	—	—	—	(3.0)	*(0.5)%*
Exceptional expenses	(17.7)	*(5.5)%*	(100.2)	*(21.1)%*	(18.8)	*(3.3)%*
Total expenses	**(88.3)**	***(27.3)%***	**(205.5)**	***(43.3)%***	(163.4)	*(28.3) %*
Operating profit/(loss)	**45.0**	***13.9%***	**(11.2)**	***(2.4)%***	**57.7**	***10.0%***
Finance income	2.3	*0.7%*	2.0	*0.4%*	2.8	*0.5%*
Finance expense	(51.3)	*(15.8)%*	(55.5)	*(11.7)%*	(39.7)	*(6.9)%*
Net finance expense	**(49.0)**	***(15.1)%***	**(53.5)**	***(11.3)%***	**(36.9)**	***(6.4)%***
(Loss)/profit before income tax	(4.0)	*(1.2)%*	(64.7)	*(13.6)%*	20.8	*3.6%*
Income tax expense	(19.3)	*(6.0)%*	(25.7)	*(5.4)%*	(12.2)	*(2.1)%*
(Loss)/profit for the year	**(23.3)**	***(7.2)%***	**(90.4)**	***(19.0)%***	**8.6**	***1.5%***
Adjusted EBITDA	**79.5**	***24.6%***	**127.4**	***26.8%***	**133.7**	***23.2%***
Adjusted Net Income	**(1.3)**	***(0.4)%***	**22.8**	***4.8%***	**43.5**	***7.5%***

Year ended August 31, 2015 compared to year ended August 31, 2014

Revenue

Revenue increased $102.4 million, or 21.6% (25.2% on a constant currency basis), from $474.6 million in fiscal 2014 to $577.0 million in fiscal 2015. This increase was due to increases in FTEs and tuition fees at our existing schools and the impact of the schools we acquired in Singapore and Cambodia in fiscal 2014 and in Vietnam, China, Mexico, Switzerland and the United States in fiscal 2015.

Revenue from our premium schools increased $106.8 million, or 23.4% (27.6% on a constant currency basis), from $456.4 million in fiscal 2014 to $563.2 million in fiscal 2015. This increase was primarily due to increases in FTEs and tuition fees and the impact of the schools we acquired in Singapore and Cambodia in fiscal 2014 and Vietnam, China, Mexico, United States and Switzerland in fiscal 2015. $71.9 million of our premium schools revenue in fiscal 2015 was attributable to the schools we acquired in Singapore, Cambodia, Vietnam, China, Mexico, United States and Switzerland.

Other revenue decreased $4.4 million, or 24.0%, from $18.2 million in fiscal 2014 to $13.8 million in fiscal 2015. This decrease was primarily due to the end of a learning services contract in the UK.

Cost of Sales

Cost of sales increased by $75.6 million, or 27.0% (31.6% on a constant currency basis), from $280.3 million in fiscal 2014 to $355.9 million in fiscal 2015. The increase was primarily due to increased direct costs associated with the number of teachers added as a result of the schools we opened in Dubai and Hong Kong at the beginning of fiscal 2015 and the schools we acquired in Singapore, Cambodia, Vietnam, China, Mexico, United States and Switzerland. This cost of sales increase was partly offset by the lower cost of sales associated with the reduced learning services contracts, which resulted in a reduction in the number of consultants we employed.

Adjusted cost of sales increased $51.2 million, or 23.9%, from $214.5 million for fiscal 2014 to $265.7 million for fiscal 2015.

Gross Profit

Gross profit increased $26.8 million, or 13.8%, from $194.3 million for the fiscal 2014 to $221.1 million in fiscal 2015, resulting in a gross profit margin of 38.3% for fiscal 2015 compared to 40.9% for fiscal 2014. The reduction in margin was largely due to the adverse impact of the loss-making schools opened in Dubai and Aubonne, strong growth in the lower margin ME/SEA region and the acquisition of schools in Vietnam and from Meritas with a lower gross margin than our existing schools, partially offset by tuition fee increases in excess of cost inflation and increased FTEs within our schools.

Adjusted gross profit increased $51.2 million, or 19.9%, from $260.1 million for fiscal 2014 to $311.3 million for fiscal 2015, resulting in an adjusted gross profit margin of 54.0% for the fiscal 2015 compared to 54.8% for fiscal 2014.

Selling, General and Administrative Expenses

Selling, general and administrative ("SGA") expenses increased $34.1 million, or 36.7% (43.9% on a constant currency basis), from $92.9 million for fiscal 2014 to $127.0 million for fiscal 2015. SGA expenses for both periods include charges for largely unrealized foreign exchange gains/losses, share-based payments and management fees. Adjusting for these items (see itemized adjustments in the Reconciliation of Adjusted Cost of Sales, Adjusted Gross Profit, EBITDA, Adjusted EBITDA and Adjusted Net Income table for relevant amounts), SGA expenses would have been $88.3 million for fiscal 2014 compared to $121.9 million in fiscal 2015, an increase of 38.0%. This was higher than the revenue increase due to the timing of the acquisition of six schools from Meritas which completed on June 25, 2015. The results for fiscal year 2015 therefore includes two full months of SGA and very little revenue or gross margin contribution.

Depreciation & Amortization Expenses

Depreciation expense decreased $1.3 million, or 66.0%, from $2.0 million in fiscal 2014 to $0.7 million in fiscal 2015. Total depreciation, including depreciation charged to Cost of Sales increased by $11.2 million from $23.4 million in fiscal 2014 to $34.6 million in fiscal 2015, largely reflecting the impact of the new greenfield schools opened in September 2014 and the impact of the acquisitions completed in fiscal 2014 and fiscal 2015.

Amortization expense on intangible assets increased $3.5 million, or 33.7%, from $10.4 million in fiscal 2014 to $13.9 million in fiscal 2015 due to the impact of the acquisitions mentioned above.

Other losses

In fiscal 2015, we incurred $3.0 million other losses relating to the put/call option for the remaining 10% interest in The British International Schools Group (BIS Vietnam) we acquired on March 2, 2015.

Exceptional Expenses

Exceptional expenses decreased $81.4 million from $100.2 million in fiscal 2014 to $18.8 million in fiscal 2015. The charge of $100.2 million in fiscal 2014 reflects the impact of our IPO and refinancing completed in the third quarter, including charges of $89.9 million related to the redemption of our outstanding notes (including the release of $12.9 million of prepaid costs). We also incurred an exceptional charge of $2.5 million in connection with the transfer of our transactional banking and revolving credit facility from Barclays Bank PLC to the Hong Kong and Shanghai Bank in January 2014. The charge of $18.8 million in fiscal 2015 includes $17.7 million relating to the acquisition and integration related costs of the acquisitions completed during fiscal 2015.

Net Financing Expense

Net financing expense decreased by $16.6 million, or 31.0%, from $53.5 million for fiscal 2014 to $36.9 million for fiscal 2015, due to the reduced interest expense on the $515.0 million term loan facility following the completion of our IPO partially offset by the increased interest expense from the additional $150 million term loans incurred in connection with the Vietnam acquisition on March 3, 2015, and the additional $240 million term loans and CHF 200 million 5.75% senior notes incurred on June 25, 2015 in connection with the Meritas acquisition. The $515.0 million term loan and proceeds from our initial public offering were used to redeem the $490.0 million 10.25% senior secured notes and $150.0 million 8.50%/9.50% PIK toggle notes, both of which were fully redeemed as of April 14, 2014.

Income Tax Expense

Income tax expense decreased by $13.5 million, or 52.7%, from $25.7 million in fiscal 2014 to $12.2 million in fiscal 2015. The decrease was primarily due to an increase in current tax expense of $0.4 million offset by a $13.9 million reduction in deferred tax expense from a charge of $3.7 million in fiscal 2014 compared to a credit of $10.2 million in fiscal 2015.

Profit for the Year

As a result of the foregoing, we made a profit in fiscal 2015 of $8.6 million compared to a loss of $90.4 million in fiscal 2014.

Adjusted EBITDA

Adjusted EBITDA increased by $6.3 million, or 5.0% (6.5% on a constant currency basis), from $127.4 million for fiscal 2014 to $133.7 million for fiscal 2015. Adjusted EBITDA in fiscal 2015 was negatively impacted from the timing of the acquisition of the six schools from Meritas and the inclusion of losses from our start-up schools in Aubonne and Dubai. Excluding our loss making start-up schools which contributed revenue of $17.9 million, our Adjusted EBITDA in fiscal 2015 would have been $6.4 million higher at $140.1 million and our Adjusted EBITDA margin would have been 1.9% better at 25.1%.

Adjusted Net Income

Adjusted net income increased by $20.7 million, or 91.1%, from $22.8 million in fiscal 2014 to $43.5 million in fiscal 2015. This improvement was primarily due to the increase in Adjusted EBITDA and a $16.6 million reduction in our net interest charge, partially offset by the timing of the Meritas acquisition which had a negative impact on operating profit.

Year ended August 31, 2014 compared to year ended August 31, 2013

Revenue

Revenue increased $150.9 million, or 46.6% (44.7% on a constant currency basis), from $323.7 million in fiscal 2013 to $474.6 million in fiscal 2014. The rise was due to increased revenue from our premium schools, partly offset by a decrease in other revenue.

Revenue from our premium schools increased $161.1 million, or 54.5% (51.9% on a constant currency basis), from $295.3 million in fiscal 2013 to $456.4 million in fiscal 2014. This increase was primarily due to increases in FTEs and tuition fees and the impact of the schools we acquired in Bangkok, Guangzhou, North America, Qatar and Spain in fiscal 2013 and Singapore and Cambodia in fiscal 2014. $39.1 million of our premium schools revenue in fiscal 2014 was attributable to the schools we acquired at the end of fiscal 2013 in Bangkok and Guangzhou and the schools we acquired during fiscal 2014 in Singapore and Cambodia.

Other revenue decreased $10.2 million, or 36.0%, from $28.4 million in fiscal 2013 to $18.2 million in fiscal 2014. This decrease was due to the completion of learning services contracts in Abu Dhabi, Saudi Arabia and Malaysia and reduced revenues from our remaining UK contracts.

Cost of Sales

Cost of sales increased $89.9 million, or 47.2% (45.1% on a constant currency basis), from $190.4 million in fiscal 2013 to $280.3 million in fiscal 2014. The increase was primarily due to increased direct costs associated with the number of teachers added as a result of the schools we acquired in Bangkok, Guangzhou, North America, Qatar, Spain, Singapore and Cambodia and the additional rent and depreciation with respect to those schools. This cost of sales increase was partly offset by the lower cost of sales associated with the reduced learning services contracts, which resulted in a reduction in the number of consultants we employed.

Adjusted cost of sales increased $66.8 million, or 45.3%, from $147.6 million in fiscal 2013 to $214.4 million in fiscal 2014.

Gross Profit

Gross profit increased $61.0 million, or 45.8%, from $133.3 million for the fiscal 2013 to $194.3 million in fiscal 2014, resulting in a gross profit margin of 41.2% for fiscal 2013 compared to 40.9% for fiscal 2014. The improvement in margin was largely due to the impact of tuition fee increases in excess of our cost inflation and increased enrollment within our existing schools.

Adjusted gross profit increased $84.1 million, or 47.7%, from $176.1 million in fiscal 2013 to $260.2 million in fiscal 2014, resulting in an adjusted gross profit margin of 54.4% in fiscal 2013 compared to 54.8% in fiscal 2014.

Selling, General and Administrative Expenses

SGA expenses increased $28.4 million, or 44.0%, from $64.5 million for fiscal 2013 to $92.9 million for fiscal 2014. SGA expenses for both periods include charges for largely unrealized foreign exchange gains/losses, share-based payments and management fees. Adjusting for these items (see itemized adjustments in the Reconciliation of Adjusted Cost of Sales, Adjusted Gross Profit, EBITDA, Adjusted EBITDA and Adjusted Net Income table for relevant amounts), SGA expenses would have been $65.1 million for fiscal 2013 compared to $92.5 million in fiscal 2014, an increase of 42.1% and in line with the revenue increase of 46.6%.

Depreciation & Amortization Expenses

Depreciation expense increased $1.6 million, from $0.4 million in fiscal 2013 to $2.0 million in fiscal 2014 due to the impact of the acquisitions mentioned above.

Amortization expense on intangible assets increased $4.7 million, or 82.5%, from $5.7 million in fiscal 2013 compared to $10.4 million in fiscal 2014 due to the impact of the acquisitions mentioned above.

Exceptional Expenses

Exceptional expenses increased $82.5 million, or 466.1%, from $17.7 million in fiscal 2013 to $100.2 million in fiscal 2014. The charge of $100.2 million in fiscal 2014 reflects the impact of our IPO and refinancing completed in the third quarter, including charges of $89.9 million related to the redemption of our outstanding notes (including the release of $12.9 million of prepaid costs). We also incurred an exceptional charge of $2.5 million in connection with the transfer of our transactional banking and revolving credit facility from Barclays Bank PLC to The Hong Kong and Shanghai Bank in January 2014.

Net Financing Expense

Net financing expense increased $4.5 million, or 9.2%, from $49.0 million for fiscal 2013 to $53.5 million for fiscal 2014, due to the additional interest expense from the $165.0 million 10.25% senior secured notes issued on July 3, 2013 to refinance the WCL Group acquisition plus the full period impact of the issuance of our $150.0 million 8.50%/9.50% PIK toggle notes on February 8, 2013, partially offset by the reduced interest expense on the $515.0 million term loan facility following the completion of our IPO. The $515.0 million term loan and proceeds from our initial public offering were used to redeem the $490.0 million 10.25% senior secured notes and $150.0 million 8.50%/9.50% PIK toggle notes, both of which were fully redeemed as of April 14, 2014.

Income Tax Expense

Income tax expense increased $6.4 million, or 33.1%, from $19.3 million in fiscal 2013 compared to $25.7 million in fiscal 2014, the increase primarily being due to the impact of higher profits in China.

Loss for the Year

As a result of the foregoing, our loss for the year increased from $23.3 million in fiscal 2013 to $90.4 million in fiscal 2014.

Adjusted EBITDA

Adjusted EBITDA increased by $47.9 million, or 60.3% (59.0% on a constant currency basis), from $79.5 million for fiscal 2013 to $127.4 million for fiscal 2014.

Adjusted Net Income

Adjusted net income increased $24.1 million from a loss of $1.3 million in fiscal 2013 to a profit of $22.8 million in fiscal 2014.

B. Liquidity and Capital Resources

The following table sets forth certain information relating to our cash flows for fiscal 2013, 2014 and 2015:

	Year Ended August 31,		
$ millions	**2013**	**2014**	**2015**
Net cash generated from/(used in) operating activities	12.3	(42.7)	86.6
Net cash used in investing activities	(262.4)	(87.3)	(709.0)
Net cash generated from financing activities	307.9	125.1	699.9
Cash and cash equivalents (end of period) (including overdrafts)	171.1	166.2	226.3
Cash and cash equivalents (end of period) (excluding overdrafts)	222.9	256.4	317.0

Our on-going operations require the availability of cash to service debt, fund working capital needs, fund maintenance and capacity-expansion capital expenditure and expenses associated with the acquisition of schools

We believe that our operating cash flows and available amounts under our senior secured revolving credit facility will be sufficient to fund our working capital requirements, anticipated capital expenditures and debt service requirements for the next twelve months.

Net Cash generated from/(used in) Operating Activities

Net cash generated from operating activities was $86.6 million, in fiscal 2015, compared to net cash used in operating activities of $42.7 million in fiscal 2014. The increase was due to a cash inflow from changes in working capital of $35.1 million compared to $23.3 million in fiscal 2014, decreased interest paid of $31.2 million in fiscal 2015 compared to $73.4 million in fiscal 2014, lower tax paid of $19.9 million in fiscal 2015 compared to $25.2 million in fiscal 2014 and the payment of financing related costs and commitment fees of $29.3 million in fiscal 2015 compared to bond redemption expenses paid of $77.0 million in fiscal 2014.

Net cash used in operating activities was $42.7 million in fiscal 2014, primarily due to an operating profit before tax and non-cash expenses of $109.6 million and a cash inflow from working capital changes of $23.3 million, offset by tax paid of $25.2 million, interest paid of $73.4 million and the payment of $77.0 million in make-whole premium on redemption of our notes. This represents a decrease of $63.6 million from the $12.3 million net cash generated from operating activities in fiscal 2013. The main reasons for the decrease was an increase in interest paid of $27.6 million and the payment of $77.0 million in make-whole premium on redemption of our notes.

Net cash generated from operating activities was $12.3 million in fiscal 2013, primarily due to an operating profit before tax and non-cash expenses of $65.4 million and a cash inflow from working capital changes of $18.2 million, offset by tax paid of $25.5 million and interest paid of $45.8 million. This represents a decrease of $39.4 million from the $51.7 million generated in fiscal 2012. The main reason for the deterioration in net cash generated from operations was an increase in interest paid of $39.0 million and an increase in tax paid of $9.6 million, partly offset by an increase in working capital inflows in fiscal 2013.

Net Cash used in Investing Activities

Net cash used in investing activities was $709.0 million in fiscal 2015, an increase of $621.7 million from $87.3 million in fiscal 2014. This was primarily due to the net cash used in the acquisition of four schools from BIS Vietnam ($105.6 million) and six schools from Meritas ($541.5 million) and capital expenditure of $62.3 million. Capital expenditure included the impact of the significant increase in the number of schools following our acquisitions in China, United States, Mexico, Switzerland, Vietnam and Cambodia as well as our new school in Chicago which opened in September 2015.

Net cash used in investing activities was $87.3 million in fiscal 2014. This was primarily due to the net cash used in the acquisition of our schools in Singapore ($15.5 million) and Cambodia ($14.9 million) and capital expenditure of $53.6 million. Capital expenditure included the impact of the significant increase in the number of schools following our acquisitions in Thailand, China, North America, Qatar, Spain, Singapore and Cambodia as well as the refurbishment expenditure on our school in Hong Kong and the costs of our new schools in Aubonne and Dubai, which opened in September 2014.

Net cash used in investing activities was $262.4 million in fiscal 2013. This was primarily due to the net cash used in the acquisition of the WCL Group ($107.0 million) and the schools in Guangzhou ($20.6 million) and Bangkok ($11.2 million). Additionally, as part of our acquisition of WCL Group, we repaid $98.2 million of WCL Group's third-party bank debt and shareholder loan notes. Capital expenditure in the year was $23.9 million, an increase of $12.6 million over fiscal 2012. This increase reflects expansion projects in our China, Central European and Houston premium schools as well as the significant increase in the size of the premium schools estate.

Net Cash generated from Financing Activities

Net cash from financing activities was $699.9 million in fiscal 2015. The inflow was primarily from the proceeds of the issuance of share capital ($126.2 million), the issuance of our 5.75% senior secured notes ($217.7 million) and the increase in our term loan facilities during fiscal 2015 ($390.0 million) offset by repayment of our revolving credit facility ($20.0 million) and repayments on our term loan facilities ($6.5 million).

Net cash from financing activities was $125.1 million in fiscal 2014. The inflow was primarily due to the IPO proceeds net of fees and expenses of $320.0 million and the draw-down of our new $515.0 million senior secured term loan in March 2014 offset by repayment of the notes of $640.0 million and the payment of $63.5 million to redeem preference shares and deferred shares on completion of the IPO.

Net cash from financing activities was $307.9 million in fiscal 2013. This was primarily due to proceeds of $140.0 million from the issue of share capital to fund the acquisition of WCL Group and the issuance of our $150.0 million of 8.50%/9.50% PIK Toggle Notes due 2018. In addition, Nord Anglia Education (UK) Holdings plc issued a further $165.0 million of 10.25% senior secured notes due 2017 to partially finance the acquisition of WCL Group and our premium schools in Bangkok and Guangzhou.

Borrowings

The following table sets forth the carrying value of our outstanding long-term debt as of August 31, 2015.

	August 31, 2015 (in millions of dollars)
Bank overdraft	90.7
Term Loan	872.8
Revolving Credit Facility	0.2
5.75% Senior Secured Notes	200.9
Total debt	**1,164.6**
Less current maturities	98.3
Long-term debt	**1,066.3**

On March 2, 2015, we incurred an incremental $150.0 million principal amount of term loan pursuant to an amendment of our senior secured credit facilities. $112.2 million of the amount borrowed was used to partially fund our acquisition of BIS Vietnam.

On June 25, 2015, we incurred incremental term loans of $240 million pursuant to an amendment and restatement of our senior secured credit facilities. Term loans under our amended and restated senior secured credit facilities bear interest based on LIBOR (subject to a 1.00% interest rate floor) plus a margin percentage of 4.00% per annum, with a step down to 3.75% per annum if total net leverage ratio is less than or equal to 4.5x. Revolving loans bear interest at LIBOR plus a margin ranging from 2.75% to 3.75% (currently 3.75%) depending on our total net leverage ratio as set forth below:

Total Net Leverage Ratio	Applicable Margin
> 4.50:1.00	3.75%
≤ 4.50:1.00 > 3.50:1.00	3.50%
≤ 3.50:1.00 > 3.00:1.00	3.25%
≤ 3.00:1.00 > 2.50:1.00	3.00%
≤ 2.50:1.00	2.75%

On June 25, 2015, we issued CHF200 million in aggregate principal amount of 5.750% senior secured notes due 2022. The issuer of the notes and the borrower under the senior secured credit facilities is a U.S. domestic limited liability company wholly owned by us. The notes and the borrowings under our senior secured credit facilities are guaranteed by us and certain of our subsidiaries and are secured by collateral primarily consisting of share pledges and security interests in assets of certain subsidiaries. The collateral is shared between holders of the notes and lenders under our senior secured credit facilities on an equal and ratable basis.

At any time prior to July 15, 2018, we may, subject to certain exceptions, on any one or more occasions, redeem up to 35% of the aggregate principal amount of the notes at a redemption price of 105.750 % of their principal amount, plus accrued and unpaid interest to the redemption date, with the net proceeds of certain equity offerings.

At any time prior to July 15, 2018, we may, on any one or more occasions, at our option redeem all or part of the notes, at a redemption price equal to 100% of the principal amount of the notes, plus an applicable redemption premium and accrued and unpaid interest to the redemption date.

At any time on or after July 15, 2018 and prior to maturity, we may on any one or more occasions at our option redeem all or part of the notes, subject to certain conditions, at the redemption prices set forth below, plus accrued and unpaid interest to the redemption date.

Year	Redemption Price
2018	102.875%
2019	101.438%
2020 and thereafter	100.000%

We may redeem all, but not less than all, of the notes at a redemption price equal to 100% of the principal amount of the notes outstanding plus accrued and unpaid interest upon the occurrence of certain changes in applicable tax law.

For purposes of the indenture governing the notes, the below sets forth the calculations of our "Consolidated EBITDA" and "Consolidated Interest Expense" (each as defined in the indenture) for the four quarters ended August 31, 2015, after giving effect on a pro forma basis to acquisitions and related financings that occurred since May 1, 2014:

$ millions	Twelve Months Ended August 31, 2015
Adjusted EBITDA	**133.7**
Interest Income	2.8
Consolidated EBITDA	**136.5**
Full year impact of acquisitions and synergies [(1)]	75.1
Consolidated EBITDA (adjusted for the full year impact of acquisitions)	**211.6**
Consolidated Interest Expense (on a pro forma basis) [(2)]	67.4

(1) Incorporates the full twelve-month period historical financial results of our schools in Vietnam and the Meritas Schools and estimated cost synergies in connection with the Meritas Schools acquisition.

(2) Gives effect to incremental loans of $390 million under our senior secured credit facilities and our CHF200 million senior secured notes, which financed our acquisition of BIS Vietnam and the Meritas schools, as if they were incurred on September 1, 2014.

Our senior secured credit facilities and the indenture governing the notes contain a number of covenants that, among other things and subject to certain exceptions, may restrict our ability to:

- incur additional debt;
- pay dividends or make other distributions or repurchase or redeem our shares;
- make investments; sell assets, including capital stock of subsidiaries;
- enter into agreements restricting our subsidiaries' ability to pay dividends;
- consolidate, merge, sell or otherwise dispose of all or substantially all of our assets;
- enter into sale and leaseback transactions;
- enter into transactions with our affiliates; and
- incur liens.

In addition, the credit agreement requires us to maintain a pro forma net leverage ratio of not greater than 5.25:1.00 if the sum of our (i) revolving loans and (ii) letter of credit/bank guarantee usage in excess of $20.0 million exceeds 30% of our aggregate revolving commitments.

The credit agreement and indenture also contain customary events of default and the credit agreement contains customary affirmative covenants.

Capital Expenditures

Our capital expenditures were $23.9 million, $53.6 million and $62.3 million in fiscal 2013, 2014 and 2015 respectively. Our capital expenditures were primarily related to capacity expansion and maintenance. Our maintenance capital expenditures were $10.8 million, $14.0 million and $18.7 million in fiscal 2013, 2014 and 2015, respectively. We fund our capital expenditures primarily by cash generated from our operations, sale of shares, borrowings from commercial banks and the issuance of debt securities. We expect to fund future capital expenditures primarily by cash generated from operating and financing activities.

C. Research and Development, Patents and Licenses, Etc.

We do not conduct research and development activities.

D. Trend Information

Other than as disclosed elsewhere in this annual report, we are not aware of any trends, uncertainties, demands, commitments or events since August 31, 2015 that are reasonably likely to have a material adverse effect on our revenues, income, profitability, liquidity or capital resources, or that would cause the disclosed financial information to be not necessarily indicative of future operating results or financial conditions.

E. Off-Balance Sheet Arrangements

We do not have any material off-balance sheet arrangements. We are sometimes required to provide bid or performance bank guarantees on certain of our learning service contracts. These bank guarantees provide legal evidence of our liability to our client or financial institution acting on their behalf, so that if we should default, the third party can require payment directly from the bank and we would be liable for the debt. As of August 31, 2015, we had $10.6 million in such guarantees.

F. Contractual Obligations

The following table sets forth our contractual obligations and commercial commitments as of August 31, 2015:

Contractual Obligations (in millions of dollars)	Total	Less than 1 year	1 — 3 years	3 — 5 years	More than 5 years
Long-Term Debt Obligations	1,066.2	7.3	7.0	5.9	1,046.0
Operating Lease Obligations	1,118.2	68.0	123.4	123.4	803.4
Purchase Obligations [1]	25.4	25.4	—	—	—
Other Long-Term Liabilities [2]	79.1	11.0	20.9	0.7	46.5
Total	**2,288.9**	**111.7**	**151.3**	**130.0**	**1,895.9**

(1) Purchase obligations represent committed purchases for services or goods that have not been received as at August 31, 2015, primarily fixed asset purchases at our schools in Warsaw, Madrid and Geneva.

(2) Primarily relates to deferred consideration for Northbridge International School Cambodia and our four schools in Vietnam and finance leases.

Except as disclosed above and in Note 26 to our audited consolidated financial statements as of and for the year ended August 31, 2015 included elsewhere in this annual report, as of August 31, 2015, we did not have any material contingent liabilities or guarantees.

G. Safe Harbor

See the section entitled “Forward-Looking Statements” at the beginning of this annual report.

Item 6. Directors, Senior Management and Employees

A. Directors and Senior Management

The following table sets forth information regarding our executive officers and directors as of the date of this annual report.

Name	Age	Position/Title
Directors		
Alan Kelsey	66	Chairman
Andrew Fitzmaurice	55	Chief Executive Officer and Director
Graeme Halder	52	Chief Financial Officer and Director
Jack Hennessy	46	Director
Kosmas Kalliarekos	50	Director
Carlos Watson	46	Director
Nicholas Baird	53	Director
Executive Officers		
Philippe Lagger	47	Corporate Development Director
Nicola Duggan Redfern	46	Group Human Resources Director

Alan Kelsey has served as a member of our board of directors since November 2003 and became the chairman in January 2005. Prior to joining us, Mr. Kelsey had more than 30 years' experience in the investment banking industry and commerce. Mr. Kelsey was the group corporate development director at National Express Group PLC, where he served as one of three executive directors between 1996 and 1998. Also, Mr. Kelsey served as the senior independent director at PD Ports PLC (2004 to 2006) and at Stobart Group Ltd. (2011 to 2013). In March 2013 he was appointed Chairman of Explore Learning. Mr. Kelsey has a BA and MA from Oxford University and is a fellow of the Institute of Logistics and Transport. In addition, Mr. Kelsey is a trustee of the Prince's Teaching Institute.

Andrew Fitzmaurice has served as our chief executive officer and as a member of our board since April 2003. From March 2000 until March 2003, Mr. Fitzmaurice served as chief executive officer of easyCar.com, an international online automobile rental company. Prior to his tenure at easyCar.com, Mr. Fitzmaurice spent 13 years at TNT Express UK where he served in a variety of positions, including as division managing director. Mr. Fitzmaurice graduated from the University of Wales Cardiff, Magna Cum Laude, with a degree in economics.

Graeme Halder has served as our chief financial officer since October 2010. Mr. Halder has more than 20 years' experience serving as a director and chief financial officer of both privately held and publicly listed companies with turnover ranging from $75 million to $3 billion in sectors including hospitality and leisure, retail and security services. Prior to joining us, Mr. Halder was the interim chief financial officer of Camco International, an AIM listed company with operations in China, Southeast Asia, Russia, Africa and the United States. For four years, Mr. Halder served as chief financial officer of Command Security Corporation, a NASDAQ quoted company with offices throughout the US. Mr. Halder has been an Associate Chartered Accountant since 1987.

Jack Hennessy has served as a member of our board of directors since August 2008. Since January 2001, Mr. Hennessy has served as a managing director of Baring Private Equity Asia Pte. Ltd. and also serves as a member of the investment committee and portfolio management committee of Baring Private Equity Asia Group Limited. Mr. Hennessy serves on the board of directors of various companies, including Courts Asia Limited and Hexaware Technologies Limited. Mr. Hennessy graduated from Monash University in Australia with degrees in engineering and science and received an M.B.A. from INSEAD.

Kosmas Kalliarekos has served as a member of our board of directors since August 2008. Since 2008, Mr. Kalliarekos has served as a managing director of Baring Private Equity Asia Limited and also serves as a member of the portfolio management committee of Baring Private Equity Asia Group Limited. Prior to joining Baring Private Equity Asia Limited, Mr. Kalliarekos was a founding member, senior partner and member of the executive committee of The Parthenon Group LLC, a global consulting firm, where he founded and headed the Global Education Industry Center of Excellence. Mr. Kalliarekos serves on the board of directors of various companies, including Hexaware Technologies Limited. Mr. Kalliarekos graduated from The Wharton School of Business at the University of Pennsylvania and received an M.B.A. with high distinction from Harvard Business School.

Carlos Watson has served as a member of our board of directors since March 2014. Mr. Watson is the founder and CEO of Ozymandias ("Ozy"), a digital news and culture magazine launched in September 2013. From 2010 to 2012, Mr. Watson served as Managing Director in the investment banking division of The Goldman Sachs Group, Inc., where he focused on media and for-profit education companies. Prior to joining Goldman Sachs, from 1995 to 1997, Mr. Watson worked as a consultant at McKinsey & Company, where he advised a wide range of Fortune 500 companies. In 1997, Mr. Watson founded a successful venture-backed education company, Achieva College Prep Services, which he sold to The Washington Post Co.'s Kaplan education division in 2002. Mr. Watson has also had a distinguished media career, serving as an anchor and analyst for CNN and MSNBC. Mr. Watson won an Emmy Award in 2007 for his television interview specials. Mr. Watson graduated cum laude from Harvard University with an A.B. in government and cum laude from Stanford Law School with a Juris Doctor degree.

Nicholas Baird has served as a member of our board of directors since April 2015. Mr. Baird has been Group Corporate Affairs Director of Centrica plc since March 2014. Before this, he had a long and varied career in Government. He was CEO of UK Trade and Investment, the UK government department that supports British exporters and foreign companies looking to invest in the UK, from June 2011 to December 2013. Previously, Mr. Baird was the Director General in the Foreign and Commonwealth Office leading its work on Europe, the Global Economy and Consular issues (2009-11) and the British Ambassador to Turkey (2006-2009). Mr. Baird speaks Arabic, French, German and Turkish.

Philippe Lagger has served as our Corporate Development Director since January 2010. Mr. Lagger joined Nord Anglia Education in September 2009 as Managing Director for Collège Champittet. Prior to that, from January 2006 to June 2009 he was Investment Director with the private equity firm Lydian Capital, where he generated and led initiatives in the education, food and leisure sectors. Mr. Lagger started his career in Ciba Specialty Chemicals in Switzerland and India and then became a member of the Tetra Laval Group's M&A team from February 2000 to December 2005. Mr. Lagger earned an MSc from the Swiss Federal Institute of Technology and an MBA from the International Institute for Management Development in Lausanne, Switzerland.

Nicola Duggan Redfern has served Nord Anglia Education since January 30, 2012. In her role as Group Human Resources Director, based in Hong Kong, Ms. Duggan Redfern is responsible for leading the development, implementation of our human resources strategies across the group. Prior to joining us, Ms. Duggan Redfern worked for HSBC as the Regional Finance Head of Organization Development, working with a community of 2,500 across 22 countries in the Asia Pacific region, as well as the global lead on a number of "people change" projects for the group. Prior to that Ms. Duggan Redfern was the Human Resources Director of a creative arts tertiary institute in Singapore, the ASEAN recruitment lead for IBM, Singapore, and held numerous HR-related roles with Flight Centre in their head office in Brisbane, Australia. Ms. Duggan Redfern graduated with a BSc (Hons) degree in Psychology from the University of Stirling, Scotland.

The business address for each of our executive officers and directors is Level 12, St. George's Building, 2 Ice House Street, Central, Hong Kong.

Employment Agreements

We have entered into employment agreements with our senior executive officers. Under these employment agreements, each of our executive officers is employed until either we terminate, on three to 12 months' notice, or the executive officer terminates, on either three or six months' notice, such employment. We may terminate the employment for cause, at any time, without notice or remuneration, for certain acts of the executive officer, including but not limited to gross misconduct, gross incompetence or willful neglect in the discharge of the executive officer's duties, a conviction for certain crimes or certain acts of dishonesty or fraud. These agreements do not provide for any special termination benefits, nor do we have other arrangements with these executive officers for special termination benefits.

Each executive officer has agreed to hold, both during and after the employment agreement is earlier terminated, in strict confidence and not to use, except as required in the performance of his duties in connection with the employment, any confidential information, trade secrets, technical data and know-how of our company or the confidential information of any third party, received by us. In addition, each executive officer has agreed to be bound by non-competition restrictions set forth in his or her employment agreement. Specifically, each executive officer has agreed not to, for a period of either three or six months following the termination of the employment agreement, (i) carry on or be employed, engaged, concerned or interested in any business in direct competition with our business and with which the executive officer was involved in the course of employment with us during the 12 months preceding termination; (ii) negotiate with, solicit business from or endeavor to entice away from us, any person or entity who to the executive officer's knowledge has been our customer, client, agent or supplier or in the habit of dealing with us within 12 months prior to such executive officer's termination of employment; (iii) undertake to provide in competition with us services similar to those with which the executive officer was concerned during the 12 months prior to termination to any of our customers, clients, agents or suppliers during the 12 months prior to termination with whom the executive officer had dealings; (iv) solicit, interfere with, tender for or endeavor to entice away from us any contract, project or business in which the executive officer had dealings during the 12 months prior to termination; or (v) interfere with, solicit or endeavor to entice away from us, any senior management within 12 months prior to termination of employment with whom the executive officer had dealings during the 12 months prior to termination.

B. Compensation

For the fiscal year ended August 31, 2015, we paid an aggregate of approximately $6.7 million in cash to our directors and executive officers. Total compensation for our directors and executive officers was $8.2 million. The total amount set aside or accrued by us to provide pension, retirement or similar benefits to our directors and our executive management employees with respect to the year ended August 31, 2015 was $0.0 million.

We have established a discretionary bonus plan which enables the compensation committee to grant cash bonus payments to employees and executive officers based on the attainment of financial or operational objectives as well as individual performance and development objectives. Directors, other than Mr. Andrew Fitzmaurice, who participates in his capacity as Chief Executive Officer, and Mr. Graeme Halder, who participates in his capacity as Chief Financial Officer, are excluded from this plan. The discretionary bonus plan is administered by, and any bonus payments are made at the sole discretion of, the compensation committee.

Our directors and shareholders have authorized our 2014 Equity Incentive Award Plan, which provides for the issuance of up to 9,800,000 of our ordinary shares, of which 6,967,194 shares remain available for issuance as of December 24, 2015. The following table summarizes the awards that we granted to our directors and executive officers during the fiscal year ended August 31, 2015:

	Number of Shares Covered by Award	Aggregate Purchase Price	Exercise Price	Expiration Date
Directors and Executive Officers				
Restricted share units	9,856	N/A	N/A	N/A
Options	224,100	N/A	$ 19.57	January 8, 2025

The following table summarizes the outstanding awards as of December 24, 2015 that we granted to our directors and executive officers and other individuals as a group:

	Number of Shares Covered by Award	Aggregate Purchase Price	Exercise Price	Expiration Date
Directors and Executive Officers				
Restricted share units	8,162	N/A	N/A	N/A
Restricted shares	9,234	$ 5,000	N/A	N/A
	9,291	$ 92.91	N/A	N/A
Options	197,800	N/A	$ 18.00	May 30, 2024
	224,100	N/A	$ 19.57	January 8, 2025
	349,300	N/A	$ 20.87	September 23, 2025
	50,300	N/A	$ 19.60	October 29, 2025
Performance Share Units	715,405	N/A	N/A	N/A
All other Plan Participants as a Group				
Options	169,100	N/A	$ 18.00	May 30, 2024
	23,100	N/A	$ 19.58	July 14, 2024
	247,100	N/A	$ 19.57	January 8, 2025
	361,200	N/A	$ 20.87	September 23, 2015
	12,600	N/A	$ 19.60	October 29, 2025
Performance Share Units	424,695	N/A	N/A	N/A

2014 Equity Incentive Award Plan

We have adopted the Nord Anglia Education, Inc. 2014 Equity Incentive Award Plan (the "2014 Incentive Plan"). The purpose of the 2014 Incentive Plan is to promote our success and enhance our value by linking the individual interests of our non-employee directors, employees and consultants to those of our shareholders by providing such individuals with an incentive for outstanding performance to generate superior returns to our shareholders. The 2014 Incentive Plan is also intended to provide us flexibility in our ability to motivate, attract, and retain the services of non-employee directors, employees and consultants upon whose judgment, interest and special effort we are largely dependent. The principal features of the 2014 Incentive Plan are summarized below.

Share Reserve and Award Limits

Under the 2014 Incentive Plan, 9,800,000 of our ordinary shares have been reserved for issuance pursuant to a variety of share-based compensation awards that may be awarded under the 2014 Incentive Plan. The maximum number of our ordinary shares that may be subject to one or more awards granted to any person pursuant to the 2014 Incentive Plan during any calendar year will be 1,200,000 and the maximum amount that may be paid in cash to any one person during any calendar year with respect to one or more awards payable in cash shall be $10.0 million. Such maximums will not, however, apply to the extent that the deduction limitation set forth in Section 162(m) of the Internal Revenue Code of 1986 does not apply to us (because we are a foreign private issuer, are exempt under Section 162(m) transition rules or otherwise). In addition to the foregoing limits, no non-employee director will be granted awards pursuant to the 2014 Incentive Plan with an aggregate value (determined as of the date of grant under applicable accounting standards) in excess of $5.0 million during any fiscal year.

Types of Awards

The types of awards we may grant under the 2014 Incentive Plan include the options to purchase our ordinary shares at a specified price and in a specified period determined by our compensation committee. Under the 2014 Incentive Plan, we may also grant awards of our (1) restricted shares, (2) restricted share units, (3) performance awards, (4) dividend equivalents, (5) share payments, (6) deferred shares, (7) deferred share units and (8) share appreciation rights, under the terms and conditions determined by our compensation committee.

- *Share Options* will provide for the right to purchase our ordinary shares at a specified price which, except as otherwise determined by the administrator, shall not be less than fair market value on the date of grant, and usually will become exercisable (at the discretion of the administrator) in one or more installments after the grant date, subject to the participant's continued employment or service with us and/or subject to the satisfaction of corporate performance targets and individual performance targets established by the administrator. The 2014 Incentive Plan provides that share options may be granted for any term specified by the administrator that does not exceed ten (10) years. To the extent the share options are governed by US tax laws, the share options may be either "non-qualified share options" or "incentive share options." Incentive share options ("ISOs") will be designed in a manner intended to comply with the provisions of Section 422 of the Internal Revenue Code of 1986 and will be subject to specified restrictions contained in the Internal Revenue Code of 1986. Among such restrictions, ISOs will have an exercise price of not less than the fair market value of an ordinary share on the date of grant, will only be granted to employees, and will not be exercisable after a period of ten (10) years measured from the date of grant. In the case of an ISO granted to an individual who owns (or is deemed to own) at least 10% of the total combined voting power of all classes of our capital stock, the 2014 Incentive Plan provides that the exercise price must be at least 110% of the fair market value of an ordinary share on the date of grant and that the ISO must not be exercisable after a period of five (5) years measured from the date of grant.

- *Restricted Shares* may be granted to any eligible individual selected by the administrator and will be made subject to such restrictions as may be determined by the administrator. Restricted shares, typically, will be forfeited for no consideration or repurchased by us at the original purchase price if the conditions or restrictions on vesting are not met. The 2014 Incentive Plan provides that restricted shares generally may not be sold or otherwise transferred until restrictions are removed or expire. Recipients of restricted shares, unlike recipients of share options, will have voting rights and will generally have the right to receive dividends, if any, prior to the time when the restrictions lapse; however, in the sole discretion of the administrator, any extraordinary dividends will not be released until restrictions are removed or expire.

- *Restricted Share Units* may be awarded to any eligible individual selected by the administrator, typically without payment of consideration, but subject to vesting conditions based on continued employment or service or on performance criteria established by the administrator. The 2014 Incentive Plan provides that, like restricted shares, restricted share units may not be sold, or otherwise transferred or hypothecated, until vesting conditions are removed or expire. Unlike restricted shares, ordinary shares underlying restricted share units will not be issued until the restricted share units have vested, and recipients of restricted share units generally will have no voting or dividend rights prior to the time when vesting conditions are satisfied and the ordinary shares are released.

- *Performance Awards* (including performance share units and performance cash bonuses) may be granted by the administrator in its discretion to any eligible individual, and may include, without limitation, restricted shares the restrictions with respect to which lapse upon the attainment of specified performance goals, restricted share units that vest and become payable upon the attainment of specified performance goals, share bonus awards that become payable upon the attainment of specified performance goals and other performance awards that vest or become exercisable or payable upon the attainment of one or more specified performance goals. The value of performance awards, including performance share units, may be linked to any one or more specified performance criteria or other specific criteria determined by the administrator, in each case on a specified date or dates or over any period or periods and in such amounts as may be determined by the administrator. Performance awards, including performance share unit awards, may be paid in cash or in ordinary shares or in a combination of cash and ordinary shares.

- *Dividend Equivalents* will represent the value of the dividends, if any, per ordinary share paid by us, calculated with reference to the number of ordinary shares covered by the award. The 2014 Incentive Plan provides that dividend equivalents may be settled in cash or ordinary shares and at such times as determined by the administrator.

- *Share Payments* will be payments made to eligible individuals as authorized by the administrator in its discretion in the form of ordinary shares or an option or other right to purchase ordinary shares, and may be made as part of a deferred compensation or other arrangement in lieu of all or any part of compensation, including bonuses, that would otherwise be payable in cash to such eligible individual, and may be subject to a vesting schedule, including vesting upon the attainment of performance criteria, in which case the share payment will not be made until the vesting criteria have been satisfied.

- *Deferred Share Awards* will represent the right to receive ordinary shares on a future date. The 2014 Incentive Plan provides that deferred shares may not be sold or otherwise hypothecated or transferred until issued. Deferred shares will not be issued until the deferred share award has vested, and recipients of deferred shares generally will have no voting or dividend rights prior to the time when the vesting conditions are satisfied and the ordinary shares are issued. Deferred share awards generally will be forfeited, and the underlying ordinary shares will not be issued, if the applicable vesting conditions and other restrictions are not met.

- *Deferred Share Unit Awards* will be awarded to any eligible individual selected by the administrator, typically without payment of consideration, but may be subject to vesting conditions based on continued employment or service or on performance criteria established by the administrator. Each deferred share unit shall entitle the holder thereof to receive one ordinary share on the date the deferred share unit becomes vested or upon a specified settlement date thereafter. The 2014 Incentive Plan provides that, like deferred shares, deferred share units may not be sold, or otherwise transferred or hypothecated, until vesting conditions are removed or expire. Unlike deferred shares, deferred share units may provide that ordinary shares underlying the deferred share units will not be issued until a specified date or event following the vesting date. Recipients of deferred share units generally will have no voting or dividend rights prior to the time when vesting conditions are satisfied and the ordinary shares underlying the award have been issued to the holder.

- *Share Appreciation Rights* (“SARs”) may be granted in the administrator’s discretion in connection with share options or other awards, or separately. SARs granted in connection with share options or other awards typically will provide for payments to the holder based upon increases in the price of our ordinary shares over a set exercise price. The exercise price of any SAR granted under the 2014 Incentive Plan generally will be at least 100% of the fair market value of a share of our common stock on the date of grant. There are no restrictions specified in the 2014 Incentive Plan on the exercise of SARs or the amount of gain realizable therefrom, although the 2014 Incentive Plan provides that restrictions may be imposed by the administrator in the SAR agreements. SARs granted under the 2014 Incentive Plan will be settled in cash or ordinary shares, or in a combination of both, at the election of the administrator.

Eligibility

The 2014 Incentive Plan provides that awards may be granted to individuals who will then be our non-employee directors, employees or consultants or the non-employee directors, employees or consultants of certain of our subsidiaries; provided, however, that in the United Kingdom awards may be granted only to employees of our company or subsidiaries.

Plan Administration

The compensation committee of our board of directors (or other committee as our board of directors may appoint) administers the 2014 Incentive Plan unless our board of directors assumes authority for administration. Notwithstanding the foregoing, our full board of directors acting by a majority of its members in office conducts the general administration of the 2014 Incentive Plan with respect to awards granted to non-employee directors. The committee (or board of directors with respect to awards granted to non-employee directors) determines the terms and conditions of each grant, including but not limited to, the exercise, grant or purchase prices, any performance criteria, any reload provision, any restrictions or limitations on the awards, vesting schedules, lapse of forfeiture restrictions or restrictions on the exercisability of the awards, any acceleration or waivers thereof, and any provision related to non-competition and recapture of gain on the awards.

Award Agreements

Awards granted under the 2014 Incentive Plan are evidenced by award agreements that set forth the terms, conditions and limitations for each award. Share awards may be evidenced by way of an issuance of certificates or book entries with appropriate legends. The certificates and book entry procedures may be subject to counsel's advice, stop-transfer orders or other conditions or restrictions where the plan administrator deems necessary to comply with the required laws and regulations.

Transfer Restrictions

The 2014 Incentive Plan generally provides that awards granted under the 2014 Incentive Plan may not be sold, pledged, assigned or transferred in any manner other than by will or the laws of descent and distribution or, subject to the consent of the administrator, pursuant to a domestic relations order as defined by the Internal Revenue Code of 1986 or Title I of the Employee Retirement Income Security Act of 1974 or similar non-US law, unless and until such award has been exercised, or the shares underlying such award have been issued, and all restrictions applicable to such shares have lapsed.

Forfeiture and Claw-Back Provisions

The 2014 Incentive Plan provides that the administrator has the right to provide, in an award agreement or otherwise, or to require a holder to agree by separate written or electronic instrument, that: (1) (a) any proceeds, gains or other economic benefit actually or constructively received by the holder upon any receipt or exercise of the award, or upon the receipt or resale of any shares underlying the award, must be paid to the company, and (b) the award will terminate and any unexercised portion of the award (whether or not vested) will be forfeited, if (i) a termination of service occurs prior to a specified date, or within a specified time period following receipt or exercise of the award, or (ii) the holder at any time, or during a specified time period, engages in any activity in competition with us, or which is inimical, contrary or harmful to our interests, as further defined by the administrator or (iii) the holder incurs a termination of service for "cause" (as such term is defined in the sole discretion of the administrator, or as set forth in a written agreement relating to such award between us and the holder); and (2) all awards (including any proceeds, gains or other economic benefit actually or constructively received by the holder upon any receipt or exercise of any award or upon the receipt or resale of any shares underlying the award) will be subject to the provisions of any claw-back policy implemented by us, including, without limitation, any claw-back policy adopted to comply with the requirements of any applicable law, including without limitation the Dodd-Frank Wall Street Reform and Consumer Protection Act and any rules or regulations promulgated thereunder, to the extent set forth in such claw-back policy and/or in the applicable award agreement.

Amendments or Termination

The 2014 Incentive Plan provides that our board of directors or the compensation committee, as applicable, may terminate, amend or modify the 2014 Incentive Plan at any time and from time to time. However, the 2014 Incentive Plan generally requires us to obtain shareholder approval to the extent required by applicable law, rule or regulation (including any applicable stock exchange requirement), including in connection with any amendments to increase the number of shares available under the 2014 Incentive Plan (other than in connection with certain corporate events, as described below).

The 2014 Incentive Plan provides that in the event of any changes affecting our ordinary shares or the price of our ordinary shares, the plan administrator may make proportionate and equitable adjustments to reflect such changes. Upon or in anticipation of a corporate transaction, including acquisition, disposal of substantially all or all assets, reverse takeover or dissolution or any other unusual or nonrecurring transaction or event, the plan administrator may, in its discretion, provide for the termination, replacement or assumption of awards granted under the 2014 Incentive Plan, make adjustments in the aggregate number and type of shares subject to the 2014 Incentive Plan or to the terms and conditions, including grant or exercise price or performance criteria applicable to awards outstanding on the date of such change to prevent dilution or enlargement of potential benefits intended to be available thereunder, or provide that the awards become exercisable, payable or fully vested. The 2014 Incentive Plan will expire and no further awards may be granted after the tenth anniversary of the date that the 2014 Incentive Plan was adopted.

Securities Laws

The 2014 Incentive Plan is designed to comply with all applicable provisions of the Securities Act and the Exchange Act and, to the extent applicable, any and all regulations and rules promulgated by the SEC thereunder. The 2014 Incentive Plan is administered, and share options will be granted and may be exercised, only in such a manner as to conform to such laws, rules and regulations. We have filed with the SEC a registration statement on Form S-8 covering the ordinary shares issuable under the 2014 Incentive Plan.

Non-US Participants

Certain employees, non-employee directors and consultants who provide services to us outside of the U.S. may receive awards under the 2014 Incentive Plan. In order to comply with the laws in countries other than the United States in which we (either directly or through subsidiaries) operate or have employees, non-employee directors or consultants, or in order to comply with the requirements of any foreign securities exchange, the administrator has the power and authority to: (a) determine which of our subsidiaries will be covered by the 2014 Incentive Plan; (b) determine which employees, non-employee directors or consultants outside the United States will be eligible to participate in the 2014 Incentive Plan; (c) modify the terms and conditions of any award granted to employees, non-employee directors or consultants outside the United States to comply with applicable foreign laws or listing requirements of any such foreign securities exchange; (d) establish subplans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable; and (e) take any action, before or after an award is made, that it deems advisable to obtain approval or comply with any necessary local governmental regulatory exemptions or approvals or listing requirements of any such foreign securities exchange. However, notwithstanding the foregoing, the 2014 Incentive Plan provides that the plan administrator may not take any such action with respect to non-US participants if it would violate any applicable law.

C. Board Practices

Board of Directors

Our board of directors consists of seven directors. A director is not required to hold any shares in the company by way of qualification. A director may vote with respect to any contract or transaction in which he or she is materially interested provided the nature of the interest is disclosed prior to its consideration and any vote on such contract or transaction. The directors may exercise all the powers of the company to borrow money, mortgage its undertaking, property and uncalled capital, and issue debentures or other securities whenever outright or as security for any debt, liability or obligation of the company or of any third party. No director is entitled to any severance benefits upon termination of his or her employment with our company.

Cayman Islands law does not require our directors to be independent. We comply with the New York Stock Exchange requirement that our board comprises a majority of independent directors.

Our independent directors hold executive sessions, during which only the independent directors are present, at least once a year. Depending on the nature of the discussion at an executive session, any one of our independent directors may preside over the session.

Committees of the Board of Directors

We have established three committees under the board of directors: the audit committee, the compensation committee and the nominating and corporate governance committee. We have adopted a charter for each of the three committees which can be found on the investor relations section of our website. Each committee's members and functions are described below.

Audit Committee . Our audit committee consists of Carlos Watson, Alan Kelsey and Nicholas Baird, all of whom satisfy the "independence" requirements of Section 303A of the Corporate Governance Rules of the New York Stock Exchange and the independence requirements of Rule 10A-3 under the Exchange Act. Mr. Watson is the chair of our audit committee and qualifies as an "audit committee financial expert" as defined in Item 16A of Form 20-F. The purpose of the audit committee is to assist our board of directors with its oversight responsibilities regarding: (1) the integrity of our financial statements, (2) our compliance with legal and regulatory requirements, (3) the independent auditor's qualifications and independence, and (4) the performance of our internal audit function and independent auditor. The audit committee is responsible for, among other things:

- selecting our independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by our independent auditors;
- reviewing with our independent auditors any audit problems or difficulties and management's response;
- reviewing and approving all proposed related-party transactions;
- discussing the annual audited financial statements with management and our independent auditors;
- reviewing major issues as to the adequacy of our internal controls and any special audit steps adopted in light of material control deficiencies;
- annually reviewing and reassessing the adequacy of our audit committee charter;
- such other matters that are specifically delegated to our audit committee by our board of directors from time to time;
- meeting separately and periodically with management and our internal and independent auditors; and
- reporting regularly to the full board of directors.

Compensation Committee . Our compensation committee consists of Alan Kelsey, Jack Hennessy and Kosmas Kalliarekos, all of whom satisfy the "independence" requirements of Section 303A of the Corporate Governance Rules of the New York Stock Exchange. Mr. Kelsey is the chair of our compensation committee. The compensation committee is responsible for, among other things:

- approving and overseeing the compensation package for our executive officers;
- reviewing and making recommendations to the board with respect to the compensation of our directors;
- reviewing and approving corporate goals and objectives relevant to the compensation of our chief executive officer, evaluating the performance of our chief executive officer in light of those goals and objectives, and setting the compensation level of our chief executive officer based on this evaluation; and
- reviewing periodically and making recommendations to the board regarding any long-term incentive compensation or equity plans, programs or similar arrangements, annual bonuses, employee pension and welfare benefit plans.

Nominating and Corporate Governance Committee . Our nominating and corporate governance committee consists of Alan Kelsey, Jack Hennessy, Carlos Watson and Kosmas Kalliarekos, all of whom satisfy the "independence" requirements of Section 303A of the Corporate Governance Rules of the New York Stock Exchange. Mr. Hennessy is the chair of our nominating and corporate governance committee. The nominating and corporate governance committee is responsible for, among other things:

- identifying and recommending to the board nominees for election or re-election to the board, or for appointment to fill any vacancy;
- reviewing annually with the board the current composition of the board in light of the characteristics of independence, skills, experience and availability of service to us;
- identifying and recommending to the board the names of directors to serve as members of the audit committee and the compensation committee, as well as the nominating and corporate governance committee itself;
- advising the board periodically with respect to significant developments in the law and practice of corporate governance as well as our compliance with applicable laws and regulations, and making recommendations to the board on all matters of corporate governance and on any corrective action to be taken; and
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Duties of Directors

In summary, directors and officers owe the following fiduciary duties under Cayman Islands law:

- duty to act in good faith in what the directors believe to be in the best interests of the company as a whole;
- duty to exercise powers for the purposes for which those powers were conferred and not for a collateral purpose;
- duty not to improperly fetter the exercise of future discretion;
- duty to exercise powers fairly as between different sections of shareholders;
- duty not to put themselves in a position in which there is a conflict between their duty to the company and their personal interests; and
- duty to exercise independent judgment.

In addition to the above, directors also owe a duty of care which is not fiduciary in nature. This duty has been defined as a requirement to act as "a reasonably diligent person" having both:

- the general knowledge, skill and experience that may reasonably be expected of a person carrying out the same functions as are carried out by that director in relation to the company; and
- the general knowledge, skill and experience which that director has.

As set out above, directors have a duty not to put themselves in a position of conflict and this includes a duty not to engage in self-dealing, or to otherwise benefit as a result of their position. However, in some instances what would otherwise be a breach of this duty can be forgiven and/or authorized in advance by the shareholders provided that there is full disclosure by the directors. This can be done by way of permission granted in the memorandum and articles of association or alternatively by shareholder approval at general meetings.

Terms of Directors and Officers

Shareholders permitted to exercise more than 50% of the voting power capable of being exercised at any general meeting are entitled, by notice in writing to the company from time to time, to appoint any natural person or corporation to be a director and to remove and/or replace any director. Unless re-appointed or removed from office pursuant to the preceding sentence, each director is appointed for a term expiring at our next-following annual general meeting. The directors may appoint any person to be a director, either to fill a vacancy or as an additional director provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with our articles of association as the maximum number of directors. The office of a director shall be vacated if: (a) the director gives notice in writing to the company that he resigns the office of director, (b) the director absents himself (without being represented by proxy or an alternate director appointed by him) from three consecutive meetings of the board of directors without special leave of absence from the directors, and the directors pass a resolution that he has by reason of such absence vacated office, (c) the director dies, becomes bankrupt or makes any arrangement or composition with his creditors generally, (d) the director is found to be or becomes of unsound mind, or (e) all of the other directors (being not less than two in number) determine that he should be removed as a director, either by a resolution passed by all of the other directors at a meeting of the directors duly convened and held in accordance with our articles of association or by a resolution in writing signed by all of the other directors.

D. Employees

See "Item 4. Information on the Company—B. Business Overview—Our Teaching, Administrative, Regional and Central Support Staff."

E. Share Ownership

The following table sets forth information with respect to the beneficial ownership of our ordinary shares as of December 24, 2015, by:

- each of our directors and executive officers; and
- each person known to us to own beneficially more than 5% of our ordinary shares.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days of December 24, 2015 including through the exercise of any option, warrant or other right or the conversion of any other security. These shares, however, are not included in the computation of the percentage ownership of any other person.

	Shares Beneficially Owned	
	Number	%
Directors and Executive Officers:		
Andrew Fitzmaurice	2,009,755	1.9
Graeme Halder	*	*
Alan Kelsey	*	*
Jack Hennessy	—	—
Kosmas Kalliarekos	—	—
Carlos Watson	*	*
Nicholas Baird	—	—
Philippe Lagger	*	*
Nicola Duggan Redfern	*	*
All directors and executive officers as a group	2,764,010	2.7
Principal Shareholders:		
Premier Education Holdings Ltd [(1)]	67,900,810	65.2
Baron Capital Group, Inc. [(2)]	5,619,459	5.4

* Less than 1% of our total outstanding ordinary shares

(1) The Baring Asia Private Equity Fund III ("Fund III") and The Baring Asia Private Equity Fund IV ("Fund IV") and certain affiliates hold approximately 96% of the shares in Premier Education Holdings. The general partner of Fund III is Baring Private Equity Asia GP III, L.P. ("Fund III GP"). The general partner of Fund III GP is Baring Private Equity Asia GP III Limited ("Fund III Limited"). The general partner of Fund IV and such affiliates is Baring Private Equity Asia GP IV, L.P. ("Fund IV GP"). The general partner of Fund IV GP is Baring Private Equity Asia GP IV Limited ("Fund IV Limited"). As the sole shareholder of Fund III Limited and Fund IV Limited, Jean Eric Salata may be deemed to have voting and dispositive power with respect to our shares beneficially owned by Fund IV and its affiliates, but disclaims beneficial ownership of such shares. The address of Fund III GP, Fund IV GP, Fund III Limited, Fund IV Limited and Jean Eric Salata is c/o Maples Corporate Services Limited, 390 GT Ugland House, South Church Street, Georgetown, Grand Cayman, Cayman Islands.

(2) Held as to 5,546,119 shares by BAMCO INC. and 73,340 shares by Baron Capital Management, Inc., both of which are subsidiaries of Baron Capital Group, Inc. Ronald Baron owns a controlling interest in Baron Capital Group, Inc. The business address of each of the foregoing is 767 Fifth Avenue, 49th Floor, New York, New York 10153. We have furnished the information about the beneficial ownership of these persons based on their joint Schedule 13-G filed with the SEC on February 17, 2015.

As a number of our shares are held in book-entry form, we are not aware of the identity of all our shareholders. As of December 24, 2015, we had 31,839,051 ordinary shares held by two U.S. resident shareholders of record, representing approximately 30.6% of total voting power.

None of our existing shareholders have different voting rights from other shareholders. We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

Please refer to "Item 6. Directors, Senior Management and Employees—E. Share Ownership."

B. Related Party Transactions

None.

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

See "Item 18. Financial Statements."

Legal Proceedings

From time to time, we are parties to litigations in various jurisdictions in which we operate. Currently we are not engaged in nor are we aware of any threatened litigation which can have a material adverse impact on us.

Dividend Policy

We do not plan to pay any cash dividends on our ordinary shares in the foreseeable future. We intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business.

Our board of directors has complete discretion whether to pay dividends, subject to the approval of our shareholders. If our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant. Cash dividends on our ordinary shares, if any, will be paid in U.S. dollars.

B. Significant Changes

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

Item 9. The Offer and Listing

A. Offer and Listing Details

The following table provides the high and low trading prices for our ordinary shares on The New York Stock Exchange for the periods indicated since our initial public offering.

	Sales Price	
	High	Low
Yearly High and Low		
Fiscal year ended August 31, 2015	26.83	14.55
Fiscal year ended August 31, 2014	20.87	17.44
Quarterly High and Low		
Fiscal quarter ended November 30, 2015	21.83	18.67
Fiscal quarter ended August 31, 2015	26.29	20.54
Fiscal quarter ended May 31, 2015	26.83	21.01
Fiscal quarter ended February 28, 2015	21.41	16.35
Fiscal quarter ended November 30, 2014	19.12	14.55
Fiscal quarter ended August 31, 2014	20.87	17.52
Fiscal quarter ended May 31, 2014	19.65	17.44
Monthly High and Low		
November 2015	21.23	18.67
October 2015	20.96	19.39
September 2015	21.83	19.49
August 2015	25.60	20.54
July 2015	25.34	24.02
June 2015	26.29	23.89

B. Plan of Distribution

Not applicable.

C. Markets

Our ordinary shares, are listed on The New York Stock Exchange.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

We are a Cayman Islands exempted company and our affairs are governed by our memorandum and articles of association and the Cayman Islands Companies Law, which we refer to as the Companies Law below.

As of the date of this annual report, our authorized share capital consists of $20,000,000 divided into 2,000,000,000 shares of par value $0.01 each. The following is a summary of the material provisions of our currently effective memorandum and articles of association and the Companies Law as they relate to the material terms of our ordinary shares.

Ordinary Shares

General

All of our outstanding ordinary shares are fully paid and non-assessable. Certificates representing the ordinary shares are generally not issued and legal title to our ordinary shares is recorded in registered form in the register of members. Shareholders who are non-residents of the Cayman Islands may freely hold and vote their shares.

Dividends

The holders of our ordinary shares are entitled to such dividends as may be declared by our board of directors subject to the Companies Law and our articles of association.

Voting Rights

Each ordinary share is entitled to one vote on all matters upon which the ordinary shares are entitled to vote. Voting at any shareholders' meeting is by show of hands unless a poll is demanded. A poll may be demanded by our chairman or any shareholder.

A quorum required for a meeting of shareholders consists of shareholders who hold at least one-third of the issued voting share capital at the meeting present in person or by proxy or, if a corporation or other non-natural person, by its duly authorized representative. Although not required by the Companies Law, we expect to hold annual shareholders' meetings as required by NYSE and such meetings may be convened by our board of directors on its own initiative or upon a request to the directors by shareholders holding in aggregate at least one-third of our voting share capital. Advance notice of at least 21 clear days is required for the convening of our annual general meeting and other shareholders' meetings.

An ordinary resolution to be passed by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast in a general meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes cast attaching to the ordinary shares. A special resolution is required for certain important matters specified in the Companies Law and our articles of association, including reducing the amount of our share capital, amending the memorandum or articles of association, and changing the corporate name. Holders of the ordinary shares may effect certain changes by ordinary resolution, including increasing the amount of our authorized share capital, consolidating and dividing all or any of our share capital into shares of larger amount than our existing share capital, and canceling any unissued shares.

Transfer of Shares

Subject to the restrictions of our memorandum and articles of association, as applicable, a shareholder may transfer all or any of his or her ordinary shares by an instrument of transfer in writing and in the usual or common form or any other form approved by our board.

If our directors refuse to register a transfer they must, within two months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal. The registration of transfers may, on 14 calendar days' notice being given by advertisement in such one or more newspapers or by electronic means, be suspended and our register of members closed at such times and for such periods as our board of directors may from time to time determine. However, the registration of transfers may not be suspended, and the register may not be closed, for more than 40 calendar days in any year.

Liquidation

On a return of capital on winding up or otherwise (other than on conversion, redemption or purchase of shares), assets available for distribution among the holders of ordinary shares must be distributed among the holders of the ordinary shares on a pro rata basis. If our assets available for distribution are insufficient to repay all of the paid-up capital, the assets will be distributed so that the losses are borne by our shareholders proportionately.

Calls on Shares and Forfeiture of Shares

Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their shares in a notice served to such shareholders at least 14 days prior to the specified time and place of payment. The shares that have been called upon and remain unpaid on the specified time are subject to forfeiture.

Redemption of Shares

Subject to the provisions of the Companies Law, we may issue shares on terms that are subject to redemption, at our option or at the option of the holders, on such terms and in such manner as may be determined by our board, before the issue of such shares.

Variation of Rights of Shares

All or any of the special rights attached to any class of shares may, subject to the provisions of the Companies Law, be varied either with the consent in writing of the holders of not less than two-thirds of the issued shares of the relevant class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of such class by a majority of two-thirds of the votes cast at such a meeting.

Inspection of Books and Records

Holders of our ordinary shares have no general right under Cayman Islands law to inspect or obtain copies of our register of members or our corporate records. However, we will provide our shareholders with annual audited financial statements.

Exempted Company

We are an exempted company with limited liability under the Companies Law of the Cayman Islands. The Companies Law distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except for the exemptions and privileges listed below:

- annual reporting requirements are minimal and consist mainly of a statement that the company has conducted its operations mainly outside of the Cayman Islands and has complied with the provisions of the Companies Law;
- an exempted company's register of members is not open to inspection;
- an exempted company does not have to hold an annual general meeting;
- an exempted company may issue negotiable or bearer shares or shares with no par value;
- an exempted company may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- an exempted company may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- an exempted company may register as a limited duration company; and
- an exempted company may register as a segregated portfolio company.

Differences in Corporate Law

The Companies Law is modeled after that of England and Wales but does not follow recent statutory enactments in England. In addition, the Companies Law differs from laws applicable to Delaware corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Law applicable to us and the laws applicable to Delaware corporations and their shareholders.

Mergers and Similar Arrangements

The Companies Law permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes:

- a "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company; and
- a "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company.

In order to effect a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by:

- a special resolution of the shareholders of each constituent company; and
- such other authorization, if any, as may be specified in such constituent company's articles of association.

The plan of merger or consolidation must be filed with the Registrar of Companies together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger and consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares if they follow the required procedures, subject to certain exceptions. The fair value of the shares will be determined by the Cayman Islands court if it cannot be agreed among the parties. Court approval is not required for a merger or consolidation effected in compliance with these statutory procedures.

In addition, there are statutory provisions that facilitate the reconstruction and amalgamation of companies, provided that the arrangement is approved by a majority in number of each class of shareholders and creditors with whom the arrangement is to be made, and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands.

While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question;
- the arrangement is such that a businessman would reasonably approve; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Law.

When a take-over offer is made and accepted by holders of not less than 90% of the shares within four months, the offerer may, within a two-month period conversing on the expiration of such four months period, require the holders of the remaining shares to transfer such shares on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed unless there is evidence of fraud, bad faith or collusion.

If the arrangement and reconstruction is thus approved, the dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of United States corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholder Suits

We are not aware of any reported class action having been brought in a Cayman Islands court. Derivative actions have been brought in the Cayman Islands courts, and the Cayman Islands courts have confirmed the availability for such actions. In most cases, the company will be the proper plaintiff in any claim based on a breach of duty owed to it, and a claim against (for example) the company's officers or directors usually may not be brought by a shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority and be applied by a court in the Cayman Islands, exceptions to the foregoing principle apply in circumstances in which:

- a company is acting, or proposing to act, illegally or beyond the scope of its authority;
- the act complained of, although not beyond the scope of the authority, could be effected if duly authorized by more than the number of votes which have actually been obtained; or
- those who control the company are perpetrating a "fraud on the minority."

A shareholder may have a direct right of action against the company where the individual rights of that shareholder have been infringed or are about to be infringed.

Directors' Fiduciary Duties

Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components, the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director must act in a manner he or she reasonably believes to be in the best interests of the corporation. A director must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interests of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company, and therefore it is considered that he or she owes the following duties to the company—a duty to act bona fide in the best interests of the company, a duty not to make a profit out of his or her position as director (unless the company permits him or her to do so) and a duty not to put himself or herself in a position where the interests of the company conflict with his or her personal interests or his or her duty to a third party. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, there are indications that the courts are moving towards an objective standard with regard to the required skill and care.

Under our memorandum and articles of association, directors who are in any way, whether directly or indirectly, interested in a contract or proposed contract with our company must declare the nature of their interest at a meeting of the board of directors. Following such declaration, a director may vote in respect of any contract or proposed contract notwithstanding his interest.

Shareholder Action by Written Resolution

Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation. Under Cayman Islands law, a company may eliminate the ability of shareholders to approve corporate matters by way of written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matters at a general meeting without a meeting being held by amending the articles of association. Our memorandum and articles of association allow shareholders to act by written resolutions.

Cumulative Voting

Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled for a single director, which increases the shareholder's voting power with respect to electing such director.

As permitted under Cayman Islands law, our memorandum and articles of association do not provide for cumulative voting.

Removal of Directors

Under the Delaware General Corporation Law, a director of a corporation may be removed with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

Under our memorandum and articles of association, directors can be removed by shareholders permitted to exercise more than 50% of the voting power capable of being exercised at any general meeting.

Transactions with Interested Shareholders

The Delaware General Corporation Law contains a business combination statute applicable to Delaware public corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date on which such person becomes an interested shareholder. An interested shareholder generally is one which owns or owned 15% or more of the target's outstanding voting shares within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction that resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware public corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions entered into must be bona fide in the best interests of the company and not with the effect of perpetrating a fraud on the minority shareholders.

Dissolution and Winding Up

Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. The Delaware General Corporation Law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board of directors.

Under our memorandum and articles of association, if our company is wound up, the liquidator of our company may distribute the assets with the sanction of an ordinary resolution of the shareholders.

Variation of Rights of Shares

Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise.

Under Cayman Islands law and our memorandum and articles of association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class with the consent in writing of the holders of not less than two-thirds of the issued shares of the relevant class or with the sanction of a resolution passed at a separate meeting of the holders of the shares of such class by a majority of two-thirds of the votes cast at such a meeting.

Amendment of Governing Documents

Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise.

Our memorandum and articles of association may be amended by a special resolution of shareholders.

Inspection of Books and Records

Under the Delaware General Corporation Law, any shareholder of a corporation may for any proper purpose inspect or make copies of the corporation's stock ledger, list of shareholders and other books and records.

Holders of our shares have no general right under Cayman Islands law to inspect or obtain copies of our register of members or our corporate records. However, we intend to provide our shareholders with annual reports containing audited financial statements.

Anti-takeover Provisions in our Memorandum and Articles of Association

Some provisions of our memorandum and articles of association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including a provision that authorizes our board of directors to issue preference shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares without any further vote or action by our shareholders.

Such shares could be issued quickly with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue these preference shares, the price of our ordinary shares may fall and the voting and other rights of the holders of our ordinary shares may be materially adversely affected.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Rights of Non-resident or Foreign Shareholders

There are no limitations imposed by foreign law or by our memorandum and articles of association on the rights of non-resident or foreign shareholders to hold or exercise voting rights on our shares. In addition, there are no provisions in our memorandum and articles of association governing the ownership threshold above which shareholder ownership must be disclosed.

C. Material Contracts

Below is a description of material contracts we entered into in the two years preceding the date of this annual report other than contracts entered into in the ordinary course of business and other than contracts described in "Item 4. Information on the Company" or elsewhere in this annual report on Form 20-F.

On April 24, 2015, we entered into a definitive agreement to acquire six schools from Meritas, LLC, an operator of international schools based in Chicago, and certain affiliates (the "Meritas Schools") for $575 million in cash, subject to certain adjustments. In connection with the acquisition of the Meritas Schools, we also agreed to acquire from Meritas, LLC and certain affiliates, for an additional $7.5 million, a convertible subordinated promissory note that is convertible into a 10% equity interest in Léman Manhattan Preparatory School (founded in 2005) in New York City upon the occurrence of certain events. Under the terms of this investment, we may acquire 100% of the school in the future subject to certain conditions being met. The transactions closed on June 25, 2015.

D. Exchange Controls

There are no Cayman Islands exchange control regulations that would affect the import or export of capital or the remittance of dividends, interest or other payments to non-resident holders of our shares.

E. Taxation

The following summary of the material Cayman Islands and United States federal income tax consequences of an investment in our ordinary shares is based upon laws and relevant interpretations thereof in effect as of the date of this annual report, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in our ordinary shares, such as the tax consequences under state, local and other tax laws.

Cayman Islands Taxation Considerations

Prospective investors should consult their professional advisers on the possible tax consequences of buying, holding or selling any ordinary shares under the laws of their country of citizenship, residence or domicile.

The following is a discussion of certain Cayman Islands income tax consequences of an investment in the ordinary shares. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands laws, payments of dividends and capital in respect of the ordinary shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of dividend or capital to any holder of the ordinary shares nor will gains derived from the disposal of the ordinary shares be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

Material United States Federal Income Tax Considerations

The following discussion describes the material U.S. federal income tax consequences to U.S. Holders (defined below) under present law of an investment in our ordinary shares. This summary applies only to U.S. Holders that hold our ordinary shares as capital assets and that have the U.S. dollar as their functional currency. This discussion is based on the tax laws of the United States as in effect on the date of this annual report and on U.S. Treasury regulations in effect or, in some cases, proposed, as of the date of this annual report, as well as judicial and administrative interpretations thereof available on or before such date. All of the foregoing authorities are subject to change, which change could apply retroactively and could affect the tax consequences described below. This summary does not address any estate or gift tax consequences or any state, local, or non-U.S. tax consequences, nor does it address the Medicare contribution tax on net investment income.

The following discussion does not deal with the tax consequences to any particular investor and does not describe all of the tax consequences to persons in special tax situations such as:

- banks;
- certain financial institutions;
- regulated investment companies;
- insurance companies;
- broker dealers;
- traders that elect to mark to market;
- tax-exempt entities;
- persons liable for alternative minimum tax;
- certain U.S. expatriates;
- persons holding our ordinary shares as part of a straddle, hedging, constructive sale, conversion or integrated transaction;
- persons that actually or constructively own 10% or more of the company's voting stock;
- persons that are resident or ordinarily resident in or have a permanent establishment in a jurisdiction outside the United States;
- persons who acquired our ordinary shares pursuant to the exercise of any employee share option or otherwise as compensation; or
- persons holding our ordinary shares through partnerships or other pass-through entities.

PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR TAX ADVISORS ABOUT THE APPLICATION OF THE U.S. FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR ORDINARY SHARES.

The discussion below of the U.S. federal income tax consequences to "U.S. Holders" applies to a holder that is a beneficial owner of our ordinary shares and is, for U.S. federal income tax purposes,

- an individual who is a citizen or resident of the United States;
- a corporation (or other entity taxable as a corporation) organized under the laws of the United States, any State or the District of Columbia;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- a trust that (1) is subject to the supervision of a court within the United States and the control of one or more U.S. persons or (2) has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person.

The tax treatment of an entity taxable as a partnership for U.S. federal income tax purposes that holds our ordinary shares generally will depend on such partner's status and the activities of the partnership.

Dividends

Subject to the passive foreign investment company rules discussed below, the gross amount of distributions made by the company with respect to our ordinary shares (including the amount of any non-U.S. taxes withheld therefrom, if any) generally will be includable in a U.S. Holder's gross income in the year received as dividend income, but only to the extent that such distributions are paid out of the company's current or accumulated earnings and profits as determined under U.S. federal income tax principles. The company does not maintain calculations of its earnings and profits under U.S. federal income tax principles, and, accordingly, a U.S. Holder should therefore expect to treat all cash distributions as dividends for such purposes. The dividends will generally be foreign source and non-U.S. taxes withheld therefrom, if any, may be creditable against the U.S. Holder's U.S. federal income tax liability subject to applicable limitations. The dividends will not be eligible for the dividends-received deduction allowed to corporations in respect of dividends received from other U.S. corporations. With respect to certain non-corporate U.S. Holders (including individuals), dividends will be taxed at the lower capital gains rate applicable to "qualified dividend income," provided that (1) our ordinary shares are readily tradable on an established securities market in the United States, (2) the company is neither a PFIC (as defined below) nor treated as such with respect to the U.S. Holder for the taxable year in which the dividend is paid and the preceding taxable year, and (3) certain holding period requirements are met. Under U.S. Internal Revenue Service authority, common or ordinary shares generally are considered for purposes of clause (1) above to be readily tradable on an established securities market in the United States if they are listed on the New York Stock Exchange, as our ordinary shares are. A U.S. Holder should consult its tax advisor regarding the availability of the lower tax rate applicable to qualified dividend income for any dividends we pay with respect to our ordinary shares, as well as the effect of any change in applicable law after the date of this annual report.

Sale or Other Disposition of Ordinary Shares

Subject to the passive foreign investment company rules discussed below, upon a sale or other disposition of our ordinary shares, a U.S. Holder will recognize a capital gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount realized and the U.S. Holder's tax basis in such ordinary shares. Any such gain or loss generally will be U.S. source gain or loss and will be treated as long-term capital gain or loss if the U.S. Holder's holding period in our ordinary shares exceeds one year. Non-corporate U.S. Holders (including individuals) generally will be subject to U.S. federal income tax on long-term capital gain at preferential rates. The deductibility of capital losses is subject to significant limitations. Gain, if any, realized by a U.S. Holder on the sale or other disposition of our ordinary shares generally will be treated as U.S. source income for U.S. foreign tax credit purposes.

Passive Foreign Investment Company

We would be classified as a passive foreign investment company (a "PFIC"), for any taxable year if either: (a) at least 75% of its gross income is "passive income" for purposes of the PFIC rules, or (b) at least 50% of the value of its assets (determined on the basis of a quarterly average) produce or are held for the production of passive income. For this purpose, we will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25% or more (by value) of the stock.

Under the PFIC rules, if we were considered a PFIC at any time that a U.S. Holder holds our ordinary shares, we would continue to be treated as a PFIC with respect to such holder's investment unless (i) we cease to be a PFIC and (ii) the U.S. Holder has made a "deemed sale" election under the PFIC rules.

Based on the current market price of our ordinary shares and the composition of our income, assets and operations, we do not expect to be treated as a PFIC for U.S. federal income tax purposes for the current taxable year or in the foreseeable future. This is a factual determination, however, that must be made annually after the close of each taxable year. Therefore there can be no assurance that we will not be classified as a PFIC for the current taxable year or for any future taxable year.

If we are considered a PFIC at any time that a U.S. Holder holds our ordinary shares, any gain recognized by the U.S. Holder on a sale or other disposition of our ordinary shares, as well as the amount of any "excess distribution" (defined below) received by the U.S. Holder, would be allocated ratably over the U.S. Holder's holding period for our ordinary shares. The amounts allocated to the taxable year of the sale or other disposition (or the taxable year of receipt, in the case of an excess distribution) and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed. For the purposes of these rules, an excess distribution is the amount by which any distribution received by a U.S. Holder on its ordinary shares exceeds 125% of the average of the annual distributions on our ordinary shares received during the preceding three years or the U.S. Holder's holding period, whichever is shorter. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of our ordinary shares.

If we are treated as a PFIC with respect to a U.S. Holder for any taxable year, the U.S. Holder will be deemed to own shares in any of our subsidiaries that are also PFICs. However, an election for mark-to-market treatment would likely not be available with respect to any such subsidiaries. If we are considered a PFIC, a U.S. Holder will also be subject to information reporting requirements, possibly on an annual basis. U.S. Holders should consult their own tax advisors about the potential application of the PFIC rules to an investment in our ordinary shares.

U.S. Information Reporting and Backup Withholding

Dividend payments with respect to our ordinary shares and proceeds from the sale, exchange or redemption of our ordinary shares may be subject to information reporting to the U.S. Internal Revenue Service and possible U.S. backup withholding. Backup withholding will not apply, however, to a U.S. Holder who furnishes a correct taxpayer identification number and makes any other required certification or who is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status may be required to provide such certification on U.S. Internal Revenue Service Form W-9. U.S. Holders should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder's U.S. federal income tax liability, and such holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the U.S. Internal Revenue Service and furnishing any required information.

Information With Respect to Foreign Financial Assets

Certain U.S. Holders who are individuals and certain entities may be required to report information relating to our ordinary shares, subject to certain exceptions (including an exception for ordinary shares held in accounts maintained by certain U.S. financial institutions). U.S. Holders should consult their tax advisors regarding their reporting obligations with respect to their ownership and disposition of our ordinary shares.

Certain United Kingdom Tax Considerations

Although we are incorporated in the Cayman Islands, we are resident for tax purposes in the United Kingdom. The following discussion of certain United Kingdom tax consequences of an investment in our ordinary shares is based upon current UK tax law and published HMRC practice as of the date of this prospectus supplement, all of which are subject to change. The following discussion does not deal with all possible United Kingdom tax consequences relating to an investment in our ordinary shares and investors should take their own professional advice in respect thereof.

The United Kingdom does not impose an obligation on a paying entity to withhold or deduct an amount for or on account of United Kingdom tax on a payment of a dividend.

Individuals and companies who are not resident for tax purposes in the United Kingdom and do not carry on a trade, profession or vocation in the United Kingdom, and who hold our ordinary shares as an investment and not for trading purposes will not generally be subject to United Kingdom capital gains tax or United Kingdom corporation tax in respect of chargeable gains on a disposal of their ordinary shares.

No United Kingdom stamp duty or stamp duty reserve tax should be payable in connection with a transfer of or an agreement to transfer our ordinary shares, provided that our ordinary shares are not and do not become paired with shares issued by a body corporate incorporated in the United Kingdom, no register for our ordinary shares is kept in the United Kingdom, and no instrument of transfer relating to our ordinary shares is executed within or brought into the United Kingdom.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

You may read and copy any reports or other information that we file at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. In addition, the SEC maintains an Internet website that contains reports, proxy statements and other information about issuers, like us, that file electronically with the SEC. The address of that site is www.sec.gov.

We also make available on our website, free of charge, our annual reports on Form 20-F and the text of our reports on Form 6-K, including any amendments to these reports, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Our website address is www.nordangliaeducation.com. The information contained on our website is not incorporated by reference in this document.

I. Subsidiary Information

For a listing of our subsidiaries, see Exhibit 8.1.

Item 11. Quantitative and Qualitative Disclosures About Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rates and foreign exchange rates, of financial instruments. We are exposed to various types of market risk, including changes in interest rates and foreign exchange rates, in the ordinary course of business. We face foreign exchange risk to the extent that our business's revenue, costs, assets and liabilities are denominated in currencies other than the U.S. dollar. Our interest rate risk arises from changes in interest rates which may affect the cost of our financings. We do not hold or issue derivative or other financial instruments for trading purposes.

Foreign Currency Risk

We have significant and expanding international operations trading in non-U.S. dollar currencies. Movements in global exchange rates can cause currency exposures to our consolidated U.S. dollar financial results. Where stable currencies exist, trade is conducted in local currencies and where appropriate, borrowings are matched in that currency to mitigate the risk of exposure to our assets and liabilities from exchange rate movements. In countries of operation where currency trading zones are considered to be weaker, some transactions are conducted in U.S. dollars and euros to try to minimize exchange rate fluctuation risks.

In consideration of benefits against cost, we do not hedge our translation exposure, but will consider managing transactional exposures by using forward cover instruments where significant transactions are involved.

We hold significant non-U.S. dollar cash balances in overseas operations which arise from fee income and which represent a combination of working capital and trading profits. These balances are held in operations which include countries where exchange control restrictions may prevent full repatriation of funds to the UK parent undertakings. We utilize these funds through a combination of reinvestment in the expansion or improvement of existing overseas operations or by repatriation to the UK through management contracts, royalty agreements, management charges and dividends.

Through these means we believe that satisfactory distribution of these funds can be achieved. For further information relating to our foreign currency risk exposure please see note 23 of our audited consolidated financial statements for fiscal 2015.

Interest Rate Risk

Our interest rate risk arises from our existing long-term borrowings. Borrowings issued at variable rates expose us to cash flow interest rate risk. Borrowings issued at fixed rates expose us to fair value interest rate risk. During fiscal 2015, fiscal 2014 and fiscal 2013, our borrowings at variable rates were denominated in U.S. dollars. For further information relating to our interest rate risk exposure please see note 23 of our audited consolidated financial statements for fiscal 2015.

Item 12. Description of Securities Other than Equity Securities

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Not applicable.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

None.

Item 15. Controls and Procedures

Disclosure Controls and Procedures

We have carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) under the supervision and the participation of the executive board of management, which is responsible for the management of the internal controls, and which includes the principal executive officer and the principal financial officer. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon our evaluation as of August 31, 2015, the principal executive officer and principal financial officer have concluded that the disclosure controls and procedures were not effective as of August 31, 2015 because of the material weaknesses described below under "Management's Annual Report on Internal Control over Financial Reporting."

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process designed, under the supervision of the principal executive officer and the principal financial officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with generally accepted accounting principles.

Our internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly, reflect transactions and dispositions of assets, provide reasonable assurance that transactions are recorded in the manner necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are only carried out in accordance with the authorization of our executive board of management and directors, and provide reasonable assurance regarding the prevention or timely detection of any unauthorized acquisition, use or disposition of our assets and that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Moreover, projections of any evaluation of the effectiveness of internal control to future periods are subject to a risk that controls may become inadequate because of changes in conditions and that the degree of compliance with the policies or procedures may deteriorate. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement to our annual or interim financial statements will not be prevented or detected on a timely basis.

Our management has assessed the effectiveness of internal control over financial reporting based on the Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) 2013. Based on this assessment, our management has identified the two material weaknesses described below:

- Limited experience of financial reporting and accounting personnel with appropriate knowledge of IFRS and SEC reporting requirements at the head office level to properly address complex IFRS accounting issues and to prepare and review consolidated financial statements and related disclosure to fulfill SEC financial reporting requirements.

- We do not have in place a formally designed and/or documented framework for our internal control over financial reporting. At the head office level, in conjunction with the lack of financially experienced staff, this impacts the head office's ability to identify and mitigate the risk of material misstatements relating to new transactions, complex accounting issues and consolidation. This includes entity level controls and the following components:

    - Control environment: lacks formalization and effective governance processes, including supervision and review over the preparation and reporting of financial statements.

    - Risk assessment: there are no process or formal enterprise risk management procedures and, coupled with the lack of an understanding of risks relevant to the financial reporting process, limits our ability to assess and manage risk and to identify processes and controls to mitigate those risks.

    - Control activities and their monitoring: lack formalized design and evidence of implementation of controls such as a formalized accounting manual and reviews. The head office operates an informal non-evidenced internal control over financial reporting framework.

    - Information and communication: The head office does not have appropriate segregation of duties and compensating controls to address

related risks and lacks controls to identify or prevent human error and management override of controls.

Based on this assessment, our management has concluded that, as of August 31, 2015, we did not maintain an effective internal control over financial reporting.

We believe the material weaknesses are primarily due to our increased need for a formally designed and documented framework articulating our internal control over financial reporting and for greater technical accounting expertise as a result of our growth and significant acquisitions during fiscal 2015. We intend to address the material weaknesses through the following measures:

- Recruiting additional senior financial accounting personnel with appropriate knowledge of IFRS and SEC reporting requirements. This will help further strengthen and develop our plans to address our deficiencies.
- Appointing external advisors to assist with improving our internal control over financial reporting.
- Based on the two points described above, we will take the following list of actions, which is not exhaustive as we anticipate more actions will be identified:

    - Developing and implementing a formalized accounting manual.
    - Establishing formalized enterprise risk management procedures.
    - Improving our IT systems to include the development and implementation of robust, standardized accounting systems and procedures at both school and group levels. The IT systems will address the need to create a more formal environment with the appropriate segregation of duties and controls to prevent human error.

This Annual Report does not include an attestation report of the Company's independent registered public accounting firm because we qualify as an emerging growth company and, as such, are exempt from such attestation.

Changes in Internal Control over Financial Reporting

Other than the remediation measures taken in response to the material weaknesses described above, there were no changes in our internal control over financial reporting during the year ended August 31, 2015 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 16A. Audit Committee Financial Expert

Our board of directors has determined that Carlos Watson, an independent director (under the standards set forth in Section 303A of the Corporate Governance Rules of the New York Stock Exchange and Rule 10A-3 under the Exchange Act) and a member of our audit committee, is an audit committee financial expert.

Item 16B. Code of Ethics

We have adopted a Code of Business Conduct and Ethics that applies to all our employees, officers and directors, including our principal executive, principal financial and principal accounting officers. Our code of Business Conduct and Ethics addresses, among other things, competition and fair dealing, conflicts of interest, financial matters and external reporting, company funds and assets, confidentiality and corporate opportunity requirements and the process for reporting violations of the Code of Business Conduct and Ethics, employee misconduct, conflicts of interest or other violations. Our Code of Business Conduct and Ethics is intended to meet the definition of "code of ethics" under Item 16B of form 20-F under the Exchange Act.

Our Code of Business Conduct and Ethics is available on our website at www.nordangliaeducation.com.

Item 16C. Principal Accountant Fees and Services

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by PricewaterhouseCoopers, our independent registered public accounting firm, for the periods indicated.

	Year Ended August 31,	
	2014	2015
	($ in millions)	
Audit fees [1]	0.4	0.6
Audit-related fees [2]	0.5	1.4
Tax fees [3]	—	0.3
All other fees [4]	4.2	1.6

(1) "Audit fees" means the aggregate fees billed in each of the fiscal years listed for professional services rendered by our independent registered public accounting firm for the audit of our annual financial statements that are normally provided in connection with statutory and regulatory filings or engagements for those fiscal years.

(2) "Audit-related fees" means the aggregate fees billed in each of the fiscal years listed for assurance and related services by our independent registered public accounting firm that are reasonably related to the performance of the audit or review of our financial statements and are not reported under "Audit fees."

(3) "Tax fees" means the aggregate fees billed in each of the fiscal years listed for professional services rendered by our independent registered public accounting firm for tax compliance, tax advice, and tax planning.

(4) "All other fees" means the aggregate fees billed in each of the fiscal years listed for products and services provided by our independent registered public accounting firm, other than the services reported in the other categories.

The policy of our audit committee is to pre-approve all audit and non-audit services provided by our independent registered public accounting firm, including audit services, audit-related services, tax services and other services as described above, other than those for *de minimis* services which are approved by the Audit Committee prior to the completion of the audit.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Not applicable.

Item 16F. Change in Registrant's Certifying Accountant

Not applicable.

Item 16G. Corporate Governance

We believe that there are no significant differences between our corporate governance practices and those of U.S. domestic companies under the listing standards of the New York Stock Exchange.

Item 16H. Mine Safety Disclosure

Not applicable.

PART III

Item 17. Financial Statements

Not applicable.

Item 18. Financial Statements

The audited consolidated financial statements as required under Item 18 are attached hereto starting on page F-1 of this annual report.

Item 19. Exhibits

Exhibit Number	Description of Document
1.1	Seventh Amended and Restated Memorandum and Articles of Association of Nord Anglia Education, Inc. dated as of March 10, 2014 (incorporated by reference to Exhibit 3.2 of our Registration Statement on Form F-1 (file No. 333-193989), as amended, filed with the Securities and Exchange Commission on March 11, 2014)
2.1	Indenture dated June 25, 2015 relating to the Registrant's CHF200,000,000 5.750% Senior Secured Notes Due 2022
4.1	2014 Equity Incentive Award Plan (incorporated by reference to Exhibit 4.1 of our Registration Statement on Form S-8 (file No. 333-195020) filed with the Securities and Exchange Commission on April 3, 2014)
4.2	Amendment and Restatement Agreement dated January 13, 2014 related to an up to $40,000,000 Senior Revolving Facility Agreement dated March 21, 2012 (as amended on October 24, 2012) of Nord Anglia Education (UK) Holdings plc (incorporated by reference to Exhibit 10.8 of our Registration Statement on Form F-1 (file No. 333-193989), as amended, initially filed with the Securities and Exchange Commission on February 18, 2014)
4.3	Revolving Facility Agreement dated January 13, 2014 made between, among others, Nord Anglia Education (UK) Holdings plc, The Hongkong and Shanghai Banking Corporation Limited as mandated lead arranger and bookrunner, The Hongkong and Shanghai Banking Corporation Limited as agent and Citicorp International Limited as security agent (incorporated by reference to Exhibit 10.9 of our Registration Statement on Form F-1 (file No. 333-193989), as amended, initially filed with the Securities and Exchange Commission on February 18, 2014)
4.4	Credit and Guaranty Agreement dated as of March 31, 2014 of Nord Anglia Education Finance LLC (incorporated by reference to Exhibit 4.18 of our Annual Report on Form 20-F (file No. 001-36356) filed with the Securities and Exchange Commission on November 19, 2014)
4.5	Amended and Restated Credit and Guaranty Agreement dated as of June 25, 2015 of Nord Anglia Education Finance LLC
4.6	Intercreditor Agreement dated as of June 25, 2015 made between, among others, Nord Anglia Education, Inc., Nord Anglia Education Finance LLC and HSBC Bank USA, N.A., HSBC Bank PLC and Citicorp International Limited
4.7	Share Purchase Agreement, dated October 14, 2014, in relation to acquisition of 100% share capital of BIS Ltd. between Stellar View Limited as the Seller, the Seller Guarantors named therein, Nord Anglia Education Limited as the Purchaser Guarantor and NAE Hong Kong Limited as the Purchaser (incorporated by reference to Exhibit 2.1 of our Registration Statement on Form F-3 (file No. 333-204586), as amended, filed with the Securities and Exchange Commission on May 29, 2015)
4.8	Deed of Novation and Amendment, dated February 11, 2015, relating to Share Purchase Agreement dated October 14, 2014, between Stellar View Limited as the Seller, the Seller Guarantors named therein, Nord Anglia Education Limited as the Purchaser Guarantor, NAE Hong Kong Limited as the Transferor and NAE HK Holdings Limited as the Transferee (incorporated by reference to Exhibit 2.2 of our Registration Statement on Form F-3 (file No. 333-204586), as amended, filed with the Securities and Exchange Commission on May 29, 2015)
4.9	Transaction Agreement, dated as of April 24, 2015, by and among Nord Anglia Education, Inc., Viking Holdco, Inc., Viking Merger Subsidiary, LLC, NAE HK Holdings Limited, Meritas, LLC, Viking Holding Company, LLC, Sterling International Schools, Sterling International Schools C Corporation and the sellers listed on the schedule thereto (incorporated by reference to Exhibit 2.3 of our Registration Statement on Form F-3 (file No. 333-204586), as amended, filed with the Securities and Exchange Commission on May 29, 2015)
4.10	Letter Agreement, dated as of May 26, 2015, by and among Meritas, LLC, Viking Holding Company, LLC, Sterling International Schools C Corporation, Sterling International Schools, Meritas, LLC, as Sellers' Representative, Nord Anglia Education, Inc., Viking Holdco, Inc., Viking Merger Subsidiary, LLC and NAE HK Holdings Limited (incorporated by reference to Exhibit 2.4 of our Registration Statement on Form F-3 (file No. 333-204586), as amended, filed with the Securities and Exchange Commission on May 29, 2015)
8.1	Subsidiaries of the Registrant
12.1	CEO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2	CFO Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1	CEO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
13.2	CFO Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1	Consent of PricewaterhouseCoopers, Hong Kong
15.2	Consent of PricewaterhouseCoopers LLP, UK

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

Nord Anglia Education, Inc.

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer

Date: December 31, 2015

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Nord Anglia Education, Inc.

In our opinion, the accompanying consolidated balance sheets at 31 August, 2015 and 31 August, 2014 and the related consolidated statements of income, comprehensive loss, changes in equity and cash flow for each of the two years in the period ended 31 August 2015 present fairly, in all material respects, the financial position of Nord Anglia Education, Inc. at 31 August, 2015 and 31 August, 2014, and the results of their operations and their cash flows for each of the two years in the period ended 31 August, 2015 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

We have also audited the adjustments to the 2013 financial statements to retrospectively reflect the final adjustments to the provisional allocation of the purchase price for the WCL Group Limited described in Note 2 and the adjustments to earnings per share to retroactively reflect as outstanding in all periods the shares held by Premier Education Holdings Limited, the parent, immediately prior to the initial public offering described in Note 28. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to the 2013 financial statements of the Company other than with respect to the adjustments and, accordingly, we do not express an opinion or any other form of assurance on the 2013 consolidated financial statements taken as a whole.

As discussed in Note 1 to the consolidated financial statements, the Company has changed the manner in which it accounts for rent and depreciation expenses for premium schools, and the manner in which it presents bank overdrafts in 2015.

/s/ PricewaterhouseCoopers
Hong Kong, 31 December 2015

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Nord Anglia Education, Inc.

In our opinion, the accompanying consolidated balance sheet as of September 1, 2013 and the related consolidated income statement, consolidated statement of comprehensive loss, of changes in equity and consolidated cash flow statement for the year ended August 31, 2013, before the effects of the adjustments to retrospectively reflect the final adjustments to the provisional allocation of the purchase price for the WCL Group Limited described in Note 2 and adjustments to earnings per share to retroactively reflect as outstanding in all periods the shares held by Premier Education Holdings Limited, the parent, immediately prior to the initial public offering described in Note 28, present fairly, in all material respects, the financial position of Nord Anglia Education, Inc. and its subsidiaries at September 1, 2013, and the results of its operations and cash flows for the year ended August 31, 2013, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board (the 2013 financial statements before the effects of the adjustments discussed in Note 2 and Note 28 are not presented herein). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit, before the effects of the adjustments described above, of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We were not engaged to audit, review, or apply any procedures to the adjustments to retrospectively reflect the final adjustments to the provisional allocation of the purchase price for the WCL Group Limited described in Note 2 and adjustments to earnings per share to retroactively reflect as outstanding in all periods the shares held by Premier Education Holdings Limited, the parent, immediately prior to the initial public offering described in Note 28, and accordingly, we do not express an opinion or any other form of assurance about whether such adjustments are appropriate and have properly applied. Those adjustments were audited by other auditors.

As discussed in Note 1 to the consolidated financial statements, the Company has changed the manner in which it accounts for rent and depreciation expenses for premium schools and the manner in which it presents bank overdrafts in 2015.

/s/PricewaterhouseCoopers LLP
East Midlands
United Kingdom
4 December 2013, except for the effects of the change in the manner in which the Company accounts for rent and depreciation expenses for premium schools as described in Note 1, as to which the date is 29 May 2015 and the manner in which it presents bank overdrafts, as described in Note 1, as to which the date is 31 December 2015.

Consolidated Income Statement
for the three years ended 31 August 2015

	Note	2013 $m	2014 $m	2015 $m
Revenue	*3*	323.7	474.6	**577.0**
Cost of sales		(190.4)	(280.3)	**(355.9)**
Gross profit		133.3	194.3	**221.1**
Selling, general and administrative expenses		(64.5)	(92.9)	**(127.0)**
Depreciation		(0.4)	(2.0)	**(0.7)**
Amortization	*12*	(5.7)	(10.4)	**(13.9)**
Other losses	*5*	—	—	**(3.0)**
Exceptional expenses	*4*	(17.7)	(100.2)	**(18.8)**
Total expenses	*6*	(88.3)	(205.5)	**(163.4)**
Operating profit/(loss)		45.0	(11.2)	**57.7**
Finance income	*9*	2.3	2.0	**2.8**
Finance expense	*9*	(51.3)	(55.5)	**(39.7)**
Net financing expense		(49.0)	(53.5)	**(36.9)**
(Loss)/profit before tax		(4.0)	(64.7)	**20.8**
Income tax expense	*10*	(19.3)	(25.7)	**(12.2)**
(Loss)/profit for the year		(23.3)	(90.4)	**8.6**
Attributable to:				
Owners of the parent		(23.3)	(90.4)	**7.4**
Non-controlling interest		—	—	**1.2**
(Loss)/earnings per share from continuing operations attributable to the owners of the parent during the year (expressed in $ per share):				
Basic (loss)/earnings per share	*28*	(0.34)	(1.07)	**0.07**
Diluted (loss)/earnings per share	*28*	(0.34)	(1.07)	**0.07**

The notes on pages F-10 to F-98 form an integral part of these financial statements.

Consolidated Statement of Comprehensive Loss
for the three years ended 31 August 2015

	Note	2013 $m	2014 $m	2015 $m
(Loss)/profit for the year		(23.3)	(90.4)	**8.6**
Other comprehensive income/(loss)				
Items that will not be reclassified to profit or loss:				
Actuarial gains/(losses) on defined benefit pension plans	*20*	7.7	(5.1)	**(10.4)**
Items that may be subsequently reclassified to profit or loss				
Foreign exchange translation gains/(losses)		9.9	(10.9)	**(52.6)**
Other comprehensive income/(loss) for the year, net of income tax		17.6	(16.0)	**(63.0)**
Total comprehensive loss for the year		(5.7)	(106.4)	**(54.4)**
Attributable to:				
Owners of the parent		(5.7)	(106.4)	**(55.6)**
Non-controlling interest		—	—	**1.2**
Total comprehensive loss for the year		(5.7)	(106.4)	**(54.4)**

The notes on pages F-10 to F-98 form an integral part of these financial statements.

Consolidated Balance Sheet
as at 1 September 2013, 31 August 2014 and 2015

	Note	1 September 2013 $m	2014 $m	2015 $m
Non-current assets				
Property, plant and equipment	*11*	98.2	140.1	**449.7**
Intangible assets	*12*	763.4	801.5	**1,415.5**
Investments in joint ventures and associates	*13*	0.5	0.5	**0.5**
Trade and other receivables	*15*	12.4	9.2	**37.9**
Deferred tax assets	*14*	21.2	20.9	**70.4**
		895.7	972.2	**1,974.0**
Current assets				
Current tax assets		1.0	1.6	**1.2**
Trade and other receivables	*15*	83.2	94.8	**131.1**
Cash and cash equivalents (excluding bank overdrafts)	*16*	222.9	256.4	**317.0**
		307.1	352.8	**449.3**
Total assets		1,202.8	1,325.0	**2,423.3**
Current liabilities				
Trade and other payables	*19*	(96.8)	(63.7)	**(170.9)**
Interest-bearing loans and borrowings	*17*	(82.4)	(113.4)	**(98.3)**
Finance lease liabilities	*18*	(0.0)	(0.0)	**(3.7)**
Deferred revenue		(267.2)	(324.0)	**(518.8)**
Provisions for other liabilities and charges	*21*	(3.6)	(0.5)	**(0.0)**
Current tax liabilities		(4.2)	(1.7)	**(2.9)**
		(454.2)	(503.3)	**(794.6)**
Non-current liabilities				
Interest-bearing loans and borrowings	*17*	(630.4)	(499.2)	**(1,066.3)**
Derivative financial instruments		—	—	**(3.0)**
Finance lease liabilities	*18*	—	—	**(44.6)**
Other payables	*19*	(38.5)	(50.7)	**(45.7)**
Deferred revenue		—	(8.6)	**(27.4)**
Retirement benefit obligations	*20*	(22.2)	(25.8)	**(46.6)**
Provisions for other liabilities and charges	*21*	(2.2)	(1.2)	**(1.7)**
Deferred tax liabilities	*14*	(35.3)	(45.5)	**(114.1)**
		(728.6)	(631.0)	**(1,349.4)**
Total liabilities		(1,182.8)	(1,134.3)	**(2,144.0)**
Net assets		20.0	190.7	**279.3**
Equity attributable to equity holders of the parent				
Share capital	*22*	67.5	1.0	**1.0**
Share premium	*22*	256.5	597.1	**735.2**
Other reserves		6.9	6.9	**6.9**
Currency translation reserve		9.8	(1.1)	**(53.7)**
Shareholder deficit		(320.7)	(413.2)	**(414.0)**
Shareholders' funds		20.0	190.7	**275.4**
Non-controlling interest		—	—	**3.9**
		20.0	190.7	**279.3**

The notes on pages F-10 to F-98 form an integral part of these financial statements.

These financial statements set out on pages F-4 to F-98 were approved by the board of directors on 31 December 2015 and were signed on its behalf by:

A Fitzmaurice
Director
31 December 2015

G Halder
Director
31 December 2015

Consolidated Statement of Changes in Equity
for the three years ended 31 August 2015

	Share capital $m	Share premium $m	Other reserves $m	Currency translation reserves $m	Shareholders' deficit $m	Total parent equity $m	Non-controlling interest $m	Total equity $m
Balance at 1 September 2012	67.5	255.2	6.9	(0.1)	(285.7)	43.8	—	43.8
Total comprehensive loss for the year								
Loss for the year	—	—	—	—	(23.3)	(23.3)	—	(23.3)
Other comprehensive income for the year								
Currency translation differences	—	—	—	9.9	—	9.9	—	9.9
Actuarial gains on defined benefit pension schemes	—	—	—	—	7.7	7.7	—	7.7
Total comprehensive loss for the year	—	—	—	9.9	(15.6)	(5.7)	—	(5.7)
Transactions with owners, recorded directly in equity								
Issuance of preference shares	—	140.0	—	—	—	140.0	—	140.0
Preference shares repurchase	—	(138.7)	—	—	—	(138.7)	—	(138.7)
Equity-settled share based payment transactions	—	—	—	—	0.1	0.1	—	0.1
Payment to ultimate parent for common control business transfer	—	—	—	—	(19.5)	(19.5)	—	(19.5)
Equity dividends paid	—	—	—	—	0.0	0.0	—	0.0
Total contributions by and distributions to owners	—	1.3	—	—	(19.4)	(18.1)	—	(18.1)
Balance at 31 August 2013 and 1 September 2013	67.5	256.5	6.9	9.8	(320.7)	20.0	—	20.0
Total comprehensive loss for the year								
Loss for the year	—	—	—	—	(90.4)	(90.4)	—	(90.4)
Other comprehensive income for the year								
Currency translation differences	—	—	—	(10.9)	—	(10.9)	—	(10.9)
Actuarial losses on defined benefit pension schemes	—	—	—	—	(5.1)	(5.1)	—	(5.1)
Total comprehensive loss for the year	—	—	—	(10.9)	(95.5)	(106.4)	—	(106.4)
Transactions with owners, recorded directly in equity								
Proceeds from ordinary shares issued	1.0	348.6	—	—	—	349.6	—	349.6
Issue of preference shares	0.0	3.8	—	—	—	3.8	—	3.8
Contribution from parent	—	14.5	—	—	—	14.5	—	14.5
Transaction cost recognized directly in equity	—	(29.6)	—	—	—	(29.6)	—	(29.6)
Return of capital to pre IPO shareholders	(67.5)	4.0	—	—	—	(63.5)	—	(63.5)
Forgiveness of the loan	—	14.3	—	—	—	14.3	—	14.3
Distribution to parent	—	(15.0)	—	—	—	(15.0)	—	(15.0)
Equity-settled share based payment transactions	—	—	—	—	3.0	3.0	—	3.0
Equity dividends paid	—	—	—	—	0.0	0.0	—	0.0
Total contributions by and distributions to owners	(66.5)	340.6	—	—	3.0	277.1	—	277.1
Balance at 31 August 2014	1.0	597.1	6.9	(1.1)	(413.2)	190.7	—	190.7

The notes on pages F-10 to F-98 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity *(continued)*
for the three years ended 31 August 2015

	Share capital $m	Share premium $m	Other reserves $m	Currency translation reserves $m	Shareholders' deficit $m	Total parent equity $m	Non-controlling interest $m	Total equity $m
Balance at 1 September 2014	1.0	597.1	6.9	(1.1)	(413.2)	190.7	—	190.7
Total comprehensive profit for the year								
Profit for the year	—	—	—	—	7.4	7.4	1.2	8.6
Other comprehensive income for the year								
Currency translation differences	—	—	—	(52.6)	—	(52.6)	0.0	(52.6)
Actuarial losses on defined benefit pension schemes	—	—	—	—	(10.4)	(10.4)	—	(10.4)
Total comprehensive profit for the year	—	—	—	(52.6)	(3.0)	(55.6)	1.2	(54.4)
Transactions with owners, recorded directly in equity								
Proceeds from ordinary shares issued	0.0	148.6	—	—	—	148.6	—	148.6
Transaction cost recognized directly in equity	—	(10.8)	—	—	—	(10.8)	—	(10.8)
Equity-settled share based payment transactions	—	—	—	—	2.3	2.3	—	2.3
Exercise of share options	—	0.3	—	—	—	0.3	—	0.3
Dividend Paid	—	—	—	—	(0.1)	(0.1)	—	(0.1)
Acquisition of Non-controlling interest	—	—	—	—	—	—	2.7	2.7
Total contributions by and distributions to owners	0.0	138.1	—	—	2.2	140.3	2.7	143.0
Balance at 31 August 2015	**1.0**	**735.2**	**6.9**	**(53.7)**	**(414.0)**	**275.4**	**3.9**	**279.3**

The notes on pages F-10 to F-98 form an integral part of these financial statements.

Consolidated Cash Flow Statement
for the three years ended 31 August 2015

	Note	2013 $m	2014 $m	2015 $m
Cash flows from operating activities				
(Loss)/profit for the year before taxation		(4.0)	(64.7)	**20.8**
Adjustments for:				
Depreciation and amortization		17.4	33.8	**48.5**
Other losses		—	—	**3.0**
Refinancing fees		—	10.0	—
Payment of bond redemption expense and commitment fees		—	77.0	**29.3**
Bond issuance expense		3.4	—	—
Other non-cash item		—	(3.2)	**(6.8)**
Difference between pension contribution paid and amounts recognized in the Consolidated Income Statement		(0.6)	—	**(2.9)**
Loss on sale of property, plant and equipment and intangible assets		0.1	0.1	**0.3**
Net financial expense	*9*	49.0	53.5	**36.9**
Equity settled share-based payment expenses		0.1	3.1	**2.8**
		65.4	109.6	**131.9**
Increase in trade and other receivables		(2.4)	(8.4)	**(27.1)**
Increase in trade and other payables and deferred revenue		20.6	31.7	**62.2**
Cash generated from operations		83.6	132.9	**167.0**
Payment of bond redemption expense and commitment fees		—	(77.0)	**(29.3)**
Interest paid		(45.8)	(73.4)	**(31.2)**
Tax paid		(25.5)	(25.2)	**(19.9)**
Net cash generated from/(used in) operating activities		12.3	(42.7)	**86.6**
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment		0.2	0.1	**0.5**
Purchase of intangible assets		(0.3)	(0.7)	**(1.7)**
Acquisition of subsidiary, net of cash acquired	*2*	(240.5)	(35.1)	**(647.1)**
Acquisition of property, plant and equipment		(23.9)	(53.6)	**(62.3)**
Interest received		2.1	2.0	**1.6**
Net cash used in investing activities		(262.4)	(87.3)	**(709.0)**
Cash flows from financing activities				
Proceeds from the issue of share capital	*22*	140.0	323.8	**126.2**
Transaction cost on issue of shares		—	—	**(7.3)**
Proceeds from new loan		178.5	577.0	**471.1**
Proceeds from bond		—	—	**217.7**
Proceeds from issue of 10.25% Senior secured notes		180.0	—	—
Proceeds from issue of 8.50% Senior PIK toggle notes		150.0	—	—
Repayment of borrowings		(180.1)	(697.2)	**(107.7)**
Payment of borrowing expenses		(16.8)	—	—
Distribution to parent		(5.0)	(15.0)	—
Share capital redemption	*22*	(138.7)	(63.5)	—
Dividend paid		(0.0)	(0.0)	**(0.1)**
Net cash generated from financing activities		307.9	125.1	**699.9**
Net increase/(decrease) in cash and cash equivalents		57.8	(4.9)	**77.5**
Cash and cash equivalents at 1 September		108.5	171.1	**166.2**
Effect of exchange rate fluctuations on cash held		4.8	(0.0)	**(17.4)**
Cash and cash equivalents at 31 August (including overdrafts)		171.1	166.2	**226.3**
Bank overdrafts		51.8	90.2	**90.7**
Cash and cash equivalents at 31 August (excluding overdrafts)	*16*	222.9	256.4	**317.0**

The notes on pages F-10 to F-98 form an integral part of these financial statements

Notes to the financial statements for the year ended 31 August 2015

1 Accounting policies

General information

Nord Anglia Education, Inc. ("the Company") was incorporated in the Cayman Islands on 14 December 2011 as an exempt company with limited liability under Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Offices of Maples Corporate Services, Ugland House, PO Box 309, Grand Cayman, KY1-1104, Cayman Islands.

The main activities of the Company is an investment holding and its subsidiaries (together "the Group") are operating Premium Schools worldwide.

Basis of preparation

The consolidated Group financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"). The Company has elected to prepare its parent Company financial statements in accordance with IFRS (see note 30). The consolidated Group financial statements and Company financial statements are presented in US Dollars, generally rounded to the nearest million. They are prepared on the historical cost basis, except for certain financial instruments and pension assets that have been measured at fair value.

The consolidated Group financial statements for the three years ended 31 August 2015 represent the consolidated financial statements of the Group.

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in US dollars which is the Company's functional and presentation currency.

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements.

Change in accounting policy

In preparing the financial statements for the current period, Nord Anglia Education changed its accounting policy for expenses in respect of Premium School land and building operating leases and depreciation charges arising from tangible assets owned by Premium Schools. These expenses are now treated as a direct cost and are included in cost of sales. Previously, such expenses were recognized as part of selling and administrative expenses and depreciation. The Directors consider this new policy to be more in line with market practice and will apply this policy to retrospective comparative periods. This change does not affect revenue, operating profit, profit for the period or earnings per share and does not affect the financial covenants under the Company's senior secured term loan facility.

The reconciliation table for the changes in the classification of depreciation and amortization is as follows:

	Year ended 31 August 2013		Year ended 31 August 2014	
	As previously reported $m	As revised $m	As previously reported $m	As revised $m
Cost of sales	(147.6)	(190.4)	(214.4)	(280.3)
Gross profit	176.1	133.3	260.2	194.3
Selling, general and administrative expenses	(96.0)	(64.5)	(137.4)	(92.9)
Depreciation	(11.7)	(0.4)	(23.4)	(2.0)
Operating (loss)/profit	45.0	45.0	(11.2)	(11.2)

The Cost of sales in the current year Consolidated Income Statement includes a charge of $33.9 million relating to depreciation on owned assets in Premium Schools and a charge of $55.0 million associated with rental charges on Premium Schools. These charges were previously recorded as part of Selling, general and administrative expenses and depreciation expenses.

Notes to the financial statements for the year ended 31 August 2015

1 Accounting policies *(continued)*

Prior year correction

Certain of the Group's premium schools issue debentures to individuals and corporations. The primary benefit conferred by a debenture is that it provides the holder a priority in the allocation of school places.

The Directors reassessed the way they account for these school debentures. The school debentures reflect revenue received in advance that is to be amortised over the contractual period. These are now treated as deferred income (current and non-current). Previously, the school debentures were split and recognized as part of other reserves within Shareholders' funds and other payables. The Directors consider this correction to be appropriate under IFRS and has applied this policy to retrospective comparative periods. This change does not affect revenue, operating profit, profit for the period, earnings per share and does not affect the financial covenants under the Company's senior secured term loan facility. There were no debentures issued in 2013.

The reconciliation table for the changes in the classification to correct an error is as follows:

(i) Consolidated Balance Sheet

	As at 31 August 2014		
	As previously reported $m	As corrected for error $m	As revised for IAS 32 amendment $m
Cash and cash equivalents	166.2	166.2	256.4
Total assets	**1,234.8**	**1,234.8**	**1,325.0**
Interest-bearing loans and borrowings - current	(23.2)	(23.2)	(113.4)
Other payables — non current	(55.9)	(50.7)	(50.7)
Deferred revenue — non current	—	(8.6)	(8.6)
Total non-current liabilities	(627.6)	(631.0)	(631.0)
Total liabilities	**(1,040.7)**	**(1,044.1)**	**(1,134.3)**
Net assets	**194.1**	**190.7**	**190.7**
Other reserves	10.3	6.9	6.9
Equity attributable to equity holders of the parent	194.1	190.7	190.7
Total equity	**194.1**	**190.7**	**190.7**

(ii) Consolidated Statement of Changes in Equity

	Year ended 31 August 2014					
	As corrected for error Other reserves $m	As revised Other reserves $m	As corrected for error Total parent equity $m	As revised Total parent equity $m	As corrected for error Total equity $m	As revised Total equity $m
Total contributions by and distributions to owners	3.4	—	280.5	277.1	280.5	277.1
Balance at 31 August 2014	10.3	6.9	194.1	190.7	194.1	190.7

(iii) Consolidated Cash Flow Statement

	As at 31 August 2014	
	As previously reported $m	As corrected for error $m
Cash generated from operations	124.3	132.9
Net cash generated from operating activities	(51.3)	(42.7)
Net cash generated from financing activities	133.7	125.1

The deferred income in the current year Consolidated balance sheet includes $3.4 million relating to the school debentures. These were previously recorded as part of other reserves within Shareholders' funds.

Adoption of new and amended International Financial Reporting Standards

Amendment to IAS 32 Financial Instruments: Presentation, on offsetting financial assets and financial liabilities

This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment changed the way the Group presented its notional cash pooling arrangements. These were previously offset against cash and cash equivalents and are now grossed up and shown separately in borrowings. This change was applied retrospectively and further illustrated below as at 31 August 2014 and 1 September 2013. The notional cash pooling amount in the current year was $90.7 million.

Notes to the financial statements for the year ended 31 August 2015

1 Accounting policies *(continued)*

Adoption of new and amended International Financial Reporting Standards ***(continued)***

	As at 1 September 2013		As at 31 August 2014		
	As previously reported $m	As revised $m	As previously reported $m	As corrected for error $m	As revised for IAS 32 amendment $m
Cash and cash equivalents	171.1	222.9	166.2	166.2	256.4
Total assets	**1,151.0**	**1,202.8**	**1,234.8**	**1,234.8**	**1,325.0**
Interest-bearing loans and borrowings - current	(30.6)	(82.4)	(23.2)	(23.2)	(113.4)
Total Liabilities	**(1,131.0)**	**(1,182.8)**	**(1,040.7)**	**(1,044.1)**	**(1,134.3)**
Net asset	**20.0**	**20.0**	**194.1**	**190.7**	**190.7**

Amendment to IAS 36 Impairment of Assets, on the recoverable amount disclosures for non-financial assets

This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13.

Amendments to IAS 19 Defined Benefit Plans: Employee Contributions

The amendments clarify the accounting for defined benefit plans that require employees or third parties to contribute towards the cost of the benefits. Under the previous version of IAS 19, most entities deducted the contributions from the cost of the benefits earned in the year the contributions were paid. However, the treatment under the 2011 revised standard was not so clear. It could be quite complex to apply, as it requires an estimation of the future contributions receivable and an allocation over future service periods.

To provide relief, changes were made to IAS 19. These allow contributions that are linked to service, but that do not vary with the length of employee service (e.g. a fixed percentage of salary), to be deducted from the cost of benefits earned in the period that the service is provided. Therefore many entities will be able to (but not be required) continue accounting for employee contributions using their existing accounting policy.

Annual Improvements 2010-2012 and 2011-2013 Cycles

Annual Improvements 2010-2012 and Annual Improvements 2011-2013 are effective from periods commencing on or after 1 July 2014. The Annual Improvements process covers minor amendments to IFRS that the IASB consider non-urgent but necessary.

Basis of consolidation

The consolidated Group financial statements consist of the financial statements of the Group and the Group's share of its interests in joint ventures and associates. The consolidated financial statements include the results and operations of certain subsidiaries where the Group has less than 1.50% interest in the share capital (see note 13). In situations where the Group has a less than 100% interest, the Group considers further factors such as voting rights and exposure to variable returns and the linkage between power and returns in order to determine whether or not it controls the subsidiary. Details of the Group's assessment with regard to new schools acquired in the year are disclosed in note 2.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit or Loss, Consolidated Statement of Comprehensive Income, Consolidated Statement of Changes in Equity and Consolidated Balance Sheet respectively.

- ***Subsidiaries***

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Basis of consolidation *(continued)*

- ***Subsidiaries*** *(continued)*

Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

- ***Joint arrangements***

Under IFRS 11 *Joint Arrangements,* investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has a joint venturewhich is accounted for using the equity method after initially being recognized at cost in the Consolidated Balance Sheet.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealized gains on transactions between the Group and its joint venture are eliminated to the extent of the Group's interest in the entity.

Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying value and recognizes the amount adjacent to share of profit/(loss) of joint venture in the income statement.

- ***Associates***

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit or loss and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognized in the income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

Notes to the financial statements for the year ended 31 August 2015 (continued)

1 Accounting policies *(continued)*

Basis of consolidation *(continued)*

- ***Associates*** *(continued)*

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount adjacent to share of profit/(loss) of associates in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognized in the income statement.

Revenue recognition

Revenue comprises the fair value of consideration received or receivable in the ordinary course of the Group's activities.

Sales of services which have been invoiced but not yet recognized as revenue are included on the Consolidated Balance Sheet as deferred income.

- ***School fee income***

School fee income comprises tuition fees and income from ancillary sources including examinations, school trips, bus transportation and lunch fees.

School fee income is recognized over the school terms, Term one being late August / early September to December, Term two January to March and Term three April to June. School fees are payable in advance on or before the first day of each term and are recognized across the months of each term. Where fees are received in advance for more than one term, the income is recognized over the months in the terms for which payment has been made.

At a majority of the Group's schools, our terms and conditions require a full term's notice of withdrawal for a refund of prepaid tuition.

Expenses

- ***Cost of sales***

Cost of sales consist principally of salary and benefits for school principals and teaching staff and lecturers employed in our Premium Schools and Learning Services businesses, plus the costs of teaching materials as well as expenses for the provision of school lunches, bus services and athletics programmes. Premium School land and building operating leases and depreciation charges arising from tangible assets owned by Premium Schools is also included in the cost of sales. For the Learning Services businesses the costs are recognized as incurred. For the Premium Schools business salary and benefits for school principals and teaching staff are recognized as incurred, being the 10 months over which teaching services are provided and as such they follow the same recognition period as the relevant fee income. This cost also includes the cost of independent consultants used in the delivery of Learning Service contracts, which can be a material cost under some of these contracts.

- ***Selling, general and administrative expenses***

Selling, general and administrative expenses consist of several cost categories including salary and benefits for senior management team and other personnel engaged in finance, human resources, education policy and quality, legal compliance, information systems and infrastructure and other functions at our corporate headquarters. In addition, this category of expense encompasses salary and benefits for regional personnel supporting our operations in China, Europe, Middle East/South East Asia, North America and Others. Finally, this category also includes business travel costs, advertising and promotion expenses, conference costs, general liability insurance premiums, communication costs, bad debt expense, training costs and others.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Foreign exchange

Transactions in foreign currencies are translated at the exchange rate on the date of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. All differences are taken to the Consolidated Income Statement. The assets and liabilities of overseas subsidiaries denominated in foreign currencies are translated into US Dollars at exchange rates prevailing at the date of the Consolidated Balance Sheet; profits and losses are translated at average exchange rates for the relevant accounting periods. Exchange differences arising are recognized in the Group Statement of Comprehensive Income and are included in the Group's currency translation reserve. Such translation differences are recognized as income or expenses in the period in which the operation is disposed of.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

Post-employment and similar obligations

The Group operates various post-employment schemes, including both defined benefit and defined contribution pension plans and post-employment medical plans.

Pension obligations

The liability or asset recognized in the Consolidated Balance Sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms approximating to the terms of the related obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit or loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Consolidated Statement of Changes in Equity and Consolidated Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service costs.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in the future payments is available.

Other post-employment obligations

Some Group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

Share based payments

The Group operates a share based compensation plan under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the employee services received in exchange for the grant of the options is recognized as an expense over the vesting period. The total amount to be expensed is determined by reference to the fair value of the options granted and estimation of the number of options that expect to vest.

Fair value is calculated using the Black Scholes Option Pricing Model, the details of which are disclosed in Note 20.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Exceptional items

Exceptional items are those significant items which are separately disclosed by virtue of their size or incidence to enable a full understanding of the Group's financial performance. Transactions which may give rise to exceptional items are principally early termination of debt instruments, restructurings, costs related to the acquisition of subsidiaries and other significant transactions not expected to occur as part of normal operating activities.

Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognized in profit or loss as finance costs.

The fair value of the liability portion of a convertible bond is determined using a market interest rate for an equivalent non-convertible bond. This amount is recorded as a liability on an amortized cost basis until extinguished on conversion or maturity of the bonds. The remainder of the proceeds is allocated to the conversion option. This is recognized and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the Consolidated Balance Sheet when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Taxation

The tax expense included in the Group Income Statement consists of current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted by the reporting date. Tax expense is recognized in the Consolidated Income Statement except to the extent that it relates to items recognized in the Consolidated Statement of Comprehensive Income or directly in the Consolidated Statement of Changes in Equity, in which case it is recognized in the Consolidated Statement of Comprehensive Income or directly in the Consolidated Statement of Changes in Equity, respectively.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Provisions are made for deferred tax that would arise on remittance of the retained earnings of overseas subsidiaries when it is expected that this will be repatriated to the shareholder. Provisions are not made for wholly-owned subsidiaries when the intention is to retain retained earnings in the underlying entity for future investment.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the Consolidated Income Statement, except when it relates to items charged or credited directly to equity or other comprehensive income, in which case the deferred tax is also recognized in equity, or other comprehensive income, respectively.

Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax assets and liabilities are offset against each other when there is a legally enforceable right to set-off current taxation assets against current taxation liabilities and it is the intention to settle these on a net basis.

Dividends

Dividends are recorded in the financial statements in the period in which they are approved by the Group’s shareholders.

Business combinations and g oodwill

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the Group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis. Non-controlling interests in the acquired entity that are present ownership interests and entitle their holders to a proportionate share of the entity’s net assets in the event of liquidation are measured either at fair value or the present ownership interests’ proportionate share in the recognised amounts of the acquired entity’s net identifiable assets. All other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by IFRS.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired, the difference is recognized directly in profit or loss as a bargain purchase.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Business combinations and g oodwill *(continued)*

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of acquisition. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognized in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognized in profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair values of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in profit or loss.

At the acquisition date of a subsidiary, goodwill acquired is recognized as an asset and is allocated to each of the cash-generating units ("CGUs") expected to benefit from the business combination's synergies. Goodwill by CGU is allocated into the premium school level and is monitored and tested for impairment at this level by management. Goodwill arising on the acquisition of joint ventures and associates is included within the carrying value of the investment.

On disposal of a subsidiary, joint venture or associate, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Common control transactions

For the initial acquisition of a business from an entity under common control, the Group's policy is to account for the business combination using IFRS 3 fair value accounting and to account for the acquired business from the date of acquisition. For businesses that are reacquired by the Group from an entity under common control (previously acquired, sold to an entity under common control and then reacquired), the Group's policy is to retrospectively restate results using the Predecessor method of accounting, (i.e., the cost basis of the Baring Private Equity Asia Group) and removing the effect of the prior acquisition and previous disposal. Where the Group disposes of a business to an entity under common control and the Group loses control **,** the Group's policy is to apply IFRS 5 and IFRS 10 to recognize that disposal and the resulting gain or loss **.**

On 1 April 2013, the Group completed the transfer of British International School LLC from Premier Education Limited for $19.5 million. As this transaction involved the reacquisition of the company from a control party, the predecessor method of accounting has been applied in the presentation of the consolidated financial statements for the years ended 31 August 2014 and 31 August 2013. These statements present the results of the Group as if the British International School LLC had always been part of the Group. Accordingly, the assets and liabilities transferred to the Company have been recognized at the historical cost to the Baring Private Equity Asia Group. We have not disclosed further details of the impact of retrospectively restating the results using the predecessor method of accounting as the British International School LLC has not had a significant impact on operations in the periods presented.

Acquired i ntangible assets

Separately acquired intangible assets such as brands/trademarks, customer relationships, contracts and software are measured initially at cost. Intangible assets acquired in a business combination are recognized at fair value at the acquisition date. Intangibles with finite useful lives are carried at cost and are amortized on a straight line basis over their estimated useful lives as follows:

Customer relationships	6 to 15 years straight line
Brands	50 years or indefinite life
Contracts	Length of contract on a straight line basis
Curriculum products & Intellectual property	3 years straight line
Computer software	3 years straight line

Notes to the financial statements for the year ended 31 August 2015 (continued)

1 Accounting policies *(continued)*

Brand name

Legally protected or otherwise separable brand names acquired as part of a business combination are capitalized at fair value on acquisition. Management's expectation is to retain brand names within the business for an in definite life due to the nature and premium associated with the brand names that the Group has acquired and as such they are not amortized and are therefore subject to an annual impairment review. Brand names with finite useful lives are carried at cost and are amortized on a straight-line basis over their estimated useful livesof 50 years.

Assets held for sale

Non-current assets and associated liabilities are classified as held for sale when their carrying amount will be recovered principally through a sale transaction rather than continuing use and a sale is highly probably. Assets designated as held for sale are held at the lower of carrying amount at designation and fair value less costs to sell.

Depreciation is not charged against property, plant and equipment classified as held for sale.

Property, plant and equipment

Property, plant and equipment are stated at historic cost less accumulated depreciation and any provision for impairment in value. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write-off the cost, less the estimated residual value, of property, plant and equipment over their estimated useful lives. Estimated useful lives and depreciation rates are as follows:

Freehold and long leasehold buildings	25 to 50 years straight line
Short leasehold land and buildings	The unexpired term of the lease on a straight line basis
Computer equipment	3 to 6 years straight line
Motor vehicles	4 to 5 years straight line
Fixtures and fittings	3 to 7 years straight line

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, when shorter, over the term of the relevant lease.

Impairment of non-financial assets

Goodwill is initially allocated to a CGU and tested for impairment at this level. Goodwill is reviewed for impairment at least annually by assessing the recoverable amount of each CGU to which the goodwill relates. The recoverable amount is the higher of fair value less costs to sell and value in use. When the recoverable amount is less than the carrying amount, an impairment loss is recognized. Any impairment is recognized immediately in the Consolidated Income Statement and is not subsequently reversed.

For all other non-financial assets (including intangible assets and property, plant and equipment) the Group performs impairment testing where there are indicators of impairment. If such an indicator exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Consolidated Income Statement.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of the recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (or CGU) in prior years. A reversal of an impairment loss is recognized immediately as a credit to the Consolidated Income Statement.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Leases

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received form the lessor) are charged to the Income Statement on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lease's commencement at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in Finance lease liabilities (current and non-current). The interest element of the finance cost is charged to the Income Statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease term.

Sale and leaseback transactions

When a sale and leaseback results in a finance lease, any gain on the sale is deferred and recognized as income over the lease term. Any loss on the sale is immediately recognized as an impairment loss when the sale occurs.

If the leaseback is classified as an operating lease, then any gain is recognized immediately if the sale and leaseback terms are demonstrably at fair value. Otherwise, the sale and leaseback are accounted for as follows:

- If the sale price is below fair value then the gain or loss is recognized immediately other than to the extent that a loss is compensated for by future rentals at a below-market price, then the loss is deferred and amortized over the period that the asset is expected to be used.
- If the sale price is above fair value, then any gain is deferred and amortized over the useful life of the asset.
- If the fair value of the asset is less than the carrying amount of the asset at the date of the transaction, then that difference is recognized immediately as a loss on the sale.

Trade r eceivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivable. Significant financial difficulties of the entity that owes the receivable, probability that the entity that owes the receivable will enter bankruptcy or financial reorganization and default or delinquency in payments (which is 60-75 days overdue depending on the nature of the invoice) are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. When a receivable is uncollectible, it is written-off against the allowance account for receivables.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, term and call deposits held with banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are classified as current liabilities.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Derivative financial instruments

Derivative financial instruments are recognized at fair value, generally being the cost at the date a contract is entered into and are subsequently re-measured at their fair value. Depending on the type of derivative financial instrument, fair value calculation techniques include, but are not limited to, quoted market value and present value of estimated future cash flows (of which the valuation of interest rate instruments is an example).

Derivative assets and liabilities are classified as non-current unless they mature within one year from the reporting date.

The Company has a US dollar functional currency and the Group adopts a US dollar presentational currency. The Group has significant and expanding international operations trading in non-US dollar currencies. Movements in global exchange rates can cause currency exposures to the Group's consolidated US dollar financial results. Trade is conducted in local currencies and, where appropriate, borrowings are matched in that currency to mitigate the risk of exposure of the Group's assets and liabilities to exchange rate movements.

The Group's Premium Schools hold significant non-US dollar cash balances in overseas operations which arise from fee income and represent a combination of working capital and trading profits. These monies are held in operations in countries which include those where exchange control restrictions may prevent full repatriation of funds to the UK parent undertaking. The Group utilizes these funds through a combination of reinvestment in the expansion or improvement of overseas operations, or by repatriation to the UK through management contracts, including royalty agreements, management charges and dividends. Through these means the directors believe that satisfactory distribution of these funds can be achieved.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

Provisions

Provisions are recognized when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is more likely than not that an outflow of resources will be required to settle the obligation; and
- the amount can be reliably estimated.

Provisions for onerous leases are recognized when the Group believes that the unavoidable costs of meeting the lease obligations exceed the economic benefits expected to be received under the lease. Provisions for dilapidation costs are recognized on a lease by lease basis.

Provisions are not recognized for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as an interest expense.

Where the Group expects amounts to be received in relation to a provision, the reimbursement is recognized as a separate asset when its receipt is considered virtually certain.

Loss contingencies

The Group is subject to various claims and contingencies which are in the scope of ordinary and routine litigation incidental to the business, including those related to regulation, litigation, business transactions and employee-related matters and taxes. When a claim or potential claim is identified, the likelihood of any loss or exposure is assessed. If it is probable that a loss will result and the amount of the loss can be reasonably estimated, a liability for the loss is recorded in the income statement. The liability recorded includes probable and estimable legal costs incurred to date and future legal costs. If the loss is not probable or the amount of the loss cannot be reasonably estimated, the claim is disclosed if the likelihood of a potential loss is reasonably possible and the amount of the potential loss could be material. For matters where no loss contingency is recorded, legal fees are expensed as incurred.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Share capital

Share capital issued by the Group is recorded at the proceeds received, net of direct issue costs.

Ordinary shares are classified as equity.

Equity instruments

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

- they include no contractual obligations upon the Company (or Group as the case may be) to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company (or Group); and
- where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Financial instruments

(i) Classification

The Group classifies its financial assets in the following categories:

Financial assets at fair value through profit or loss, and loans and receivables. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at the end of each reporting period.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are also categorised as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if expected to be settled within 12 months, otherwise they are classified as non-current.

(b) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the end of the reporting period. These are classified as non-current assets. The group's loans and receivables comprise 'trade and other receivables' and 'cash and cash equivalents' in the balance sheet.

(ii) Reclassification

The Group may choose to reclassify a non-derivative trading financial asset out of the held for trading category if the financial asset is no longer held for the purpose of selling it in the near term. Financial assets other than loans and receivables are permitted to be reclassified out of the held for trading category only in rare circumstances arising from a single event that is unusual and highly unlikely to recur in the near term. In addition, the Group may choose to reclassify financial assets that would meet the definition of loans and receivables out of the held for trading or available-for-sale categories if the Group has the intention and ability to hold these financial assets for the foreseeable future or until maturity at the date of reclassification Reclassifications are made at fair value as of the reclassification date. Fair value becomes the new cost or amortized cost as applicable, and no reversals of fair value gains or losses recorded before reclassification date are subsequently made. Effective interest rates for financial assets reclassified to loans and receivables and held-to-maturity categories are determined at the reclassification date. Further increases in estimates of cash flows adjust effective interest rates prospectively.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Financial instruments *(continued)*

(iii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognized in other comprehensive income are reclassified to profit or loss as gains and losses from investment securities

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Going concern

The Group balance sheet as at 31 August 2015 shows that assets exceed liabilities by $279.3 million (2014 - $190.7 million).

The directors have reviewed the latest guidance relating to going concern and, having made all relevant enquiries, have formed a judgement at the date of the approval of the financial statements that the Group has adequate resources at its disposal to continue its operations for the foreseeable future. This judgement is based on a review undertaken of the current business forecast to 31 August 201 6 and the projected cash requirements over that period to assess the likelihood of the Group being able to continue as a going concern. Suitable sensitivities were run for the periods up to 31 August 2016 to assess the headroom available.

At 31 August 2015 the Group had available but undrawn borrowing facilities of $ 114.4 million and based on the projected operating cash flows the Directors' do not believe that there will be a requirement to increase this facility in the foreseeable future. The Group continues to generate strong operating cash flows and benefits from favourable working capital movements through the receipt of tuition fees in advance of the school year. Although the current liabilities exceed current assets by $345.3 million (2014 - $150.5 million), the main reason for this is the receipt of tuition fees in advance of the school year generating deferred income of $501.8 million which is not considered to be a cash cost in the coming year due to the low historical redemption rates by students. In addition, the acquisitions of subsidiaries are timed such as to optimise the cash impact by taking into account the working capital cycle of the acquiree.

This review concluded that there were no material uncertainties that potentially could give rise to a significant doubt about the business continuing as a going concern.

Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Critical accounting estimates and judgements

The preparation of the consolidated Group financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis.

Critical estimates and assumptions that are applied in the preparation of the consolidated financial statements include:

i. Goodwill allocation and impairment testing

Goodwill arising on consolidation represents the excess of the cost of acquisitions over the Group's interest in the fair value of the identifiable assets and liabilities at the date of acquisition. Fair values are attributed to the identifiable assets, liabilities and contingent liabilities that existed at the date of acquisition, reflecting their condition at that date.

Goodwill acquired in a business combination was allocated, at the date of acquisition, to the CGU that benefitted from that business combination. The directors consider that a CGU is generally an individual school or contract. For the purposes of testing for impairment to goodwill annually, each CGU is tested individually. For the purpose of disclosure, CGUs are aggregated together to groupings with similar risk characteristics.

Goodwill is recognized as an asset. It is not subject to annual amortization, but is assessed for impairment at least annually or more frequently if there are indications that goodwill might be impaired. The recoverable amounts of the goodwill are calculated on a discounted cash flow basis by applying appropriate long-term growth rates and discount rates, based on historic trends adjusted for management's estimates of future prospects, to the CGUs on an individual basis. Both the calculated recoverable value of goodwill and any impairment adjustment could vary significantly if different long-term growth rates and FTE numbers were applied.

Additional information is disclosed in note 12.

ii. Intangible assets

Intangible assets acquired as part of an acquisition of a business are capitalized separately from goodwill if those assets are identifiable and their fair value can be measured reliably.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level and are not amortized. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

The initial identification of intangible assets requires considerable judgment in respect of the classification of the assets and in the assessment of their life. In addition, when assessing the values of the intangible assets, management is required to exercise judgment in determining the future profitability and cash flows of those assets, royalty rates, life of customer base and the appropriate weighted average cost of capital. The subsequent impairment reviews equally require continuing assessment of the above factors as well as continuous assessment of the assets' lives. Gains and losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the income statement when the asset is derecognized.

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

1 Accounting policies *(continued)*

Critical accounting estimates and judgements *(continued)*

iii. Fair value measurement

The Group measures financial instruments such as derivatives, at fair values at each balance sheet date. Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where the fair values are disclosed, are summarized in the following notes:

• Disclosures for valuation methods, significant estimates and assumptions	Note 1, 2, 23
• Quantitative disclosures of fair value measurement hierarchy	Note 23
• Financial instruments (including those carried at amortized cost)	Note 23

Fair value is 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

iv. Pension obligations

The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost/(income) for pensions include the expected long-term rate of return on the relevant plan assets and the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

The expected return on plan assets assumption is determined on a uniform basis, taking into consideration long-term historical returns, asset allocation and future estimates of long-term investment returns.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of Exchange Fund Notes that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Critical accounting estimates and judgements *(continued)*

iv. Pension obligations *(continued)*

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in note 20.

v. Share based payments

The Group operates an equity settled share based compensation plan.

The fair value of the employee services received under share based payment plans is recognized as an expense in the income statement. Fair value is calculated by using the Black Scholes Option Pricing Model for share option schemes. The amount charged over the vesting period is determined by reference to the fair value of share incentives excluding the impact of any non-market vesting conditions. Non-market vesting conditions are considered within the assumptions to estimate the number of share incentives that are expected to vest. The impact of the revision of original estimates, if any, is recognized in the income statement over the remaining vesting period with corresponding adjustments made to equity . The cash payment is accounted for as a reduction to shareholders' equity, except when the cash settlement exceeds the fair value of the equity instruments that would have been issued, for which such amount is recorded to expense.

The application of both the Black-Scholes Option Pricing Model and the Binomial method require the application of a number of judgments including, the following; volatility, risk free interest rate, expected life to exercise. Accordingly the recognition of the fair value expense of the employee services received under share based payment plans could vary if significantly different assumptions were applied to the valuation models.

vi. Control and consolidation

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. On 2 March 2015, the Group completed an acquisition of 90% interest in The British International Schools Group (Vietnam). In accordance with IFRS 10 — Consolidated Financial Statements, the Group gained control of BIS Vietnam from 1 January 2015 and incorporated the results from the same date. Financial and operating control was deemed to be gained from 1 January 2015, because the Group obtained power over the relevant activities of Vietnam (including the right to appoint key staff and set fees) and the risks and rewards of Vietnam. After certain administrative matters were concluded, the acquisition was completed on 2 March 2015. The impact of consolidation from 1 January 2015 increased Revenue by $10.7 million and EBITDA by $3.1 million.

vii. Taxation

There are undistributed earnings of $48.5 million (2014 - $38.6 million, 2013 - $26.3 million) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognized as the parent entity is able to control the timing of the distributions from the subsidiaries and it is not expected to distribute these profits in the foreseeable future. The undistributed earnings will be permanently reinvested. The tax impact if such earnings were distributed would be $2.5 million (2014 2.0 million, 2013 1.3 million).

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. The Group has $69.3 million of recognized deferred tax assets, including $47.8 million of tax losses carried forward and other recognized timing differences of $21.5 million. The deferred tax asset on recognized tax losses relate mainly to the US, amounting to $43.6 million where expiration is 20 years and Switzerland of $3.2 million where expiration is 6 years, and others where there is no time expiration. It also has $58.0 million of unrecognized tax losses carried forward, and other unrecognized timing differences of $7.7 million. These losses relate to subsidiaries that have a history of losses, do not expire, and may not be used to offset taxable income elsewhere in the Group. The subsidiaries neither have any taxable temporary difference nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets. On this basis, the Group has determined that it cannot recognize deferred tax assets on the tax losses carried forward and on the other timing differences. If the Group was able to recognize all unrecognized deferred tax assets, profit and equity would have increased by $65.7 million net base on the statutory tax rate of each respective country and company where the Directors do not recognize a deferred tax asset. This would lead to a total deferred tax asset of $135.0 million. Further details on taxes are disclosed in Note 14. The Group believes that it has provided for all probably and estimable tax liabilities and thus therefore does not expect any liability arising from these audits to have a material impact on the Group's results of operations, liquidity, capital resources or financial position.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

vii. Taxation (continued)

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognizes liabilities for potential tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Recent accounting pronouncements

The Group considers that there are no relevant standards or relevant interpretations mandatory for the current accounting period that have not been applied.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments that replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 is effective for annual periods beginning on or after 1 January 2018. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory.

The Group plans to adopt the new standard on the required effective date. During 2015, the Group has performed a high-level impact assessment of all three aspects of IFRS 9. This preliminary assessment is based on currently available information and may be subject to changes arising from further detailed analyses or additional reasonable and supportable information being made available to the Group in the future. Overall, the Group expects no significant impact on its balance sheet.

The Group does not expect a significant impact on its balance sheet or equity on applying the classification and measurement requirements of IFRS 9. It expects to continue measuring at fair value all financial assets currently held at fair value. The equity shares in non-listed companies are intended to be held for the foreseeable future.

IFRS 9 requires the Group to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses on all trade receivables and does not expect a significant impact.

IFRS 15 Revenue from Contracts with Customers

The IASB has issued a new standard for the recognition of revenue. This will replace IAS 18 which covers contracts for goods and services and IAS 11 which covers construction contracts.

The new standard is based on the principle that revenue is recognized when control of a good or service transfers to a customer- so the notion of control replaces the existing notion of risks and rewards.

The standard permits a modified retrospective approach for the adoption. Under this approach entities will recognize transitional adjustments in retained earnings on the date of initial application, i.e. without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

1 Accounting policies *(continued)*

Annual Improvements 2012-2014 Cycle

These improvements are effective for annual periods beginning on or after 1 January 2016.

The latest annual improvements clarify:

- IFRS 5 — when an asset (or disposal group) is reclassified from 'held for sale' to 'held for distribution' or vice versa, this does not constitute a change to a plan of sale or distribution and does not have to be accounted for as such
- IFRS 7 — specific guidance for transferred financial assets to help management determine whether the terms of a servicing arrangement constitute 'continuing involvement' and, therefore, whether the asset qualifies for derecognition
- IFRS 7 — that the additional disclosures relating to the offsetting of financial assets and financial liabilities only need to be included in interim reports if required by IAS 34
- IAS 19 — that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise
- IAS 34 — what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report' and adds a requirement to cross-reference from the interim financial statements to the location of that information.

2 Business combinations

Subsidiaries acquired in 2013

	Principal activity	Date of acquisition	Proportion of voting equity interests acquired (%)	Consideration transferred $m
WCL Group Limited	Holding company	22/05/13	100%	134.6
BSG Limited	Holding company	25/07/13	100%	26.8
Uma Education Holdings Limited **	Holding company	02/08/13	90.6%	12.8

WCL Group Limited ("WCL"), BSG Limited ("BSG") and Uma Education Holdings Limited ("UMA") were acquired so as to continue the expansion of the Group's activities in Premium Schools internationally.

** Uma Education Holdings Limited is a non-trading holding company with a 49% ownership of Saint Andrews International School, a Premium School located in Bangkok, Thailand. 51% of the share capital is comprised of ordinary shares owned by two Thai shareholders. The ordinary shares are entitled to 1 vote per share and the preference shares are entitled to 10 votes per share, thus giving the Group effective control of the business. The Group has rights to 100% of the economic interest in the company, whether in the form of dividends or on liquidation.

Consideration transferred

	WCL Group Limited $m	BSG Limited $m	Uma Education Holdings Limited $m
Cash	134.6	26.8	12.8
Total consideration transferred	**134.6**	**26.8**	**12.8**

Acquisition-related costs have been recognised as an expense within the 'exceptional expenses' line item in the consolidated income statement.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 Business combinations ***(continued)***

Subsidiaries acquired in 2013 *(continued)*

Fair value of assets acquired and liabilities recognised at the date of acquisition

	WCL Group Limited $m	BSG Limited $m	Uma Education Holdings Limited $m	Total $m
Non-current assets				
Brand (see note 12)	25.2	4.1	2.2	31.5
Customer relationships (see note 12)	28.7	4.1	4.1	36.9
Curriculum products & Intellectual property (see note 12)	2.6	—	—	2.6
Computer software (see note 12)	0.5	—	—	0.5
Property, plant and equipment (see note 11)	44.6	2.4	0.6	47.6
Other receivables	0.1	0.4	—	0.5
Deferred tax assets (see note 14)	7.6	—	—	7.6
Current assets				
Trade and other receivables	22.8	0.2	3.0	26.0
Cash and cash equivalents	27.6	6.2	1.6	35.4
Current liabilities				
Trade and other payables	(85.3)	(8.3)	(4.6)	(98.2)
Loans and borrowings	(98.2)	—	—	(98.2)
Current tax liabilities	(3.0)	—	—	(3.0)
Non-current liabilities				
Other payables	(26.5)	—	0.0	(26.5)
Retirement benefit obligations	—	—	(0.1)	(0.1)
Deferred tax liabilities (see note 14)	(17.0)	(2.0)	—	(19.0)
	(70.3)	**7.1**	**6.8**	**(56.4)**

The fair value of trade and other receivables is $26.0 million and includes trade receivables with a fair value of $21.7 million. The gross contractual amount for trade receivables due is $22.1 million, of which $0.4 million is expected to be uncollectible.

The net assets recognised in the 31 August 2013 financial statements were based on a provisional assessment of their fair value while the Group sought an independent valuation for the assets acquired from WCL Group Limited. The valuation had not been completed by the date the 2013 financial statements were approved for issue by management.

Adjustments to the 2013 financial statements to retrospectively reflect the final adjustments to the provisional allocation of the purchase price for the WCL Group Limited

In May 2014, the valuation was completed and the acquisition date fair value of property, plant and equipment was $44.6 million, an increase of $7.7 million over the provisional value. Furthermore, the acquisition date fair value of trade and other payables and non-current other payables were $85.3 million and $26.5 million respectively, an increase of $3.7 million and $18.9 million over the provisional amounts. As a result, there was a net decrease in the deferred tax liabilities of $5.2 million. There was also a corresponding increase in goodwill of $9.7 million, resulting in $204.9 million of total goodwill arising on the acquisition. The increased depreciation charge on the property, plant and equipment from the acquisition date to 31 August 2013 was not considered to be material to the Group.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 Business combinations *(continued)*

Subsidiaries acquired in 2013 *(continued)*

Goodwill arising on acquisition

	WCL Group Limited $m	BSG Limited $m	Uma Education Holdings Limited $m	Total $m
Consideration transferred	134.6	26.8	12.8	174.2
Less: fair value of identifiable net assets acquired	70.3	(7.1)	(6.8)	56.4
Goodwill arising on acquisition (see note 12)	**204.9**	**19.7**	**6.0**	**230.6**

Goodwill arose from three acquisitions. The consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and assembled workforce of the acquired businesses. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of subsidiaries

	Total $m
Consideration paid in cash	174.2
Consideration paid in cash in respect of prior year acquisition *	3.5
Debt settlement **	98.2
Less: cash and cash equivalents acquired	(35.4)
	240.5

* Consideration paid in cash in respect of prior year acquisition relates to the 1 st tranche of the deferred consideration for EEE Limited.

** The consideration transferred in respect of the WCL acquisition excludes an amount of $98.2 million for settlement of third party bank debt and shareholder loan notes which were triggered by a change of control clause upon the business combination. This amount has not been recognised as the consideration transferred from an IFRS3 perspective.

Impact of acquisitions on the results of the Group for 2013

Included in the loss for the year was a $3.4 million loss attributable to WCL, $0.4 million profit attributable to BSG and $nil attributable to UMA. Revenue for the year was $15.2 million attributable to WCL, $0.7 million attributable to BSG and $nil attributable to UMA.

Had these business combinations been effected at 1 September 2012, the revenue of the Group from continuing operations would have been $442.9 million and the loss for the year from continuing operations would have been $23.3 million. The Directors consider these unaudited ‘pro-forma’ numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods.

In determining the unaudited ‘pro-forma’ amounts of the Group had these acquisitions been effected at the beginning of the current year, the Directors have assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 September 2012.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 Business combinations *(continued)*

Subsidiaries acquired in 2014

	Principal activity	Date of acquisition	Proportion of voting equity interests acquired (%)	Consideration transferred $m
Dover Court International School (Pte.) Limited	Premium School	22/04/14	100%	25.2
Neptune Education Holdings Limited	Holding company	10/07/14	100%	20.0

Dover Court Preparatory School and Neptune Education Holdings Limited (Northbridge International School Cambodia) were acquired as part of the continued expansion of the Group's activities in Premium Schools internationally.

Consideration transferred

	Dover Court Preparatory School $m	Neptune Education Holdings Limited $m
Cash	25.2	15.0
Deferred consideration	—	5.0
Total consideration transferred	**25.2**	**20.0**

Acquisition-related costs have been recognized as an expense within the 'exceptional expenses' line item in the consolidated income statement.

Fair value of assets acquired and liabilities recognized at the date of acquisition

	Dover Court International School (Pte.) Limited $m	Neptune Education Holdings Limited $m	Total $m
Non-current assets			
Brand (see note 12)	7.2	7.7	14.9
Customer relationships (see note 12)	11.2	8.8	20.0
Property, plant and equipment (see note 11)	3.0	0.7	3.7
Current assets			
Trade and other receivables	1.5	0.1	1.6
Cash and cash equivalents	9.7	0.1	9.8
Current liabilities			
Trade and other payables	(10.3)	(0.1)	(10.4)
Current tax liabilities	(0.3)	(0.2)	(0.5)
Non-current liabilities			
Deferred tax liabilities (see note 14)	(3.1)	(3.3)	(6.4)
	18.9	**13.8**	**32.7**

The fair value of trade and other receivables is $1.6 million and the gross contractual amount for trade receivables due is $1.6 million, of which $nil is expected to be uncollectible.

The initial accounting for the acquisitions of Dover Court International School (Pte.) Limited ("Dover Court") and Neptune Education Holdings Limited ("Northbridge") has been finalized at the end of the reporting period.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 Business combinations *(continued)*

Subsidiaries acquired in 2014 *(continued)*

Goodwill arising on acquisition

	Dover Court Preparatory School $m	Neptune Education Holdings Limited $m	Total $m
Consideration transferred	25.2	20.0	45.2
Less: fair value of identifiable net assets acquired	(18.9)	(13.8)	(32.7)
Goodwill arising on acquisition (see note 12)	**6.3**	**6.2**	**12.5**

Goodwill arose from two acquisitions. The consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and assembled workforce of the acquired businesses. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable assets. None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

Net cash outflow on acquisition of subsidiaries

	Total $m
Consideration paid in cash	40.2
Consideration paid in cash in respect of prior year acquisition *	4.7
Less: cash and cash equivalents acquired	(9.8)
	35.1

* Consideration paid in cash in respect of prior year acquisition relates to the final tranche of the deferred consideration for EEE Limited.

Impact of acquisitions on the 2014 results of the Group

Included in the loss for the prior year is $1.1 million and $0.7 million profit attributable to Dover Court and Northbridge respectively. Revenue for the prior year is $3.9 million attributable to Dover Court and $1.7 million attributable to Northbridge. The full year impact of the Dover Court and Northbridge acquisitions would have been $11.9 million and $7.6 million on revenue and $3.3 million and $1.3 million on profit respectively.

Had these business combinations been effected at 1 September 2013, the revenue of the Group from continuing operations would have been $488.5 million, and the loss for the prior year from continuing operations would have been $87.6 million. The Directors consider these unaudited ‘pro-forma’ numbers to represent an approximate measure of the performance of the combined Group on an annualized basis and to provide a reference point for comparison in future periods.

In determining the unaudited ‘pro-forma’ amounts of the Group had these acquisitions been effected at the beginning of the current year, the Directors have assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 September 2013.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 Business combinations *(continued)*

Subsidiaries acquired in the current period

	Principal activity	Date of acquisition	Proportion of voting equity interests acquired (%)	Consideration transferred $m
British International Schools Group, Vietnam	Premium Schools	01/01/2015	90%	161.9
Sterling International Schools C Corporation	Holding Company	25/06/2015	100%	604.5

British International Schools Group, Vietnam and Sterling International Schools C Corporation were acquired so as to continue the expansion of the Group's activities in Premium Schools internationally.

Consideration transferred

	Sterling International Schools C Corporation $m	British International Schools Group $m
Cash	577.2	112.5
Deferred consideration	2.3	27.0
Contingent consideration	25.0	
Equity	—	22.4
Total consideration transferred	**604.5**	**161.9**

The contingent consideration arrangement requires the Group to pay, in cash, to the former owners of Sterling International Schools C Corporation, $25.0 million when the number of enrolments of Sterling International Schools C Corporation, in the aggregate, as of 30 September 2015 exceeds the enrolments as of 31 May 2015. This amount ($25.0 million) has been subsequently settled on 6 November 2015, therefore the carrying value is equal to the fair value.

Acquisition-related costs have been recognized as an expense within the 'exceptional expenses' line item in the consolidated income statement.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 Business combinations *(continued)*

Subsidiaries acquired in the current period *(continued)*

Fair value of assets acquired and liabilities recognized at the date of acquisition

	Sterling International Schools C Corporation $m	British International Schools Group $m	Total $m
Non-current assets			
Brand (see note 12)	152.7	—	152.7
Customer relationships (see note 12)	34.6	34.3	68.9
IT Software (see note 12)	0.3	0.2	0.5
Property, plant and equipment (see note 11)	284.8	9.4	294.2
Other non-current assets	0.7	20.4	21.1
Current assets			
Trade and other receivables	9.9	3.3	13.2
Cash and cash equivalents	35.7	6.9	42.6
Current liabilities			
Trade and other payables	(124.4)	(40.4)	(164.8)
Finance lease liabilities	(0.1)	—	(0.1)
Current tax liabilities	(0.8)	(0.3)	(1.1)
Short-term debt and loans	(0.7)	—	(0.7)
Non-current liabilities			
Deferred tax liabilities (see note 14)	(26.5)	(3.4)	(29.9)
Other payables	(2.3)	(1.7)	(4.0)
Finance lease liabilities	(62.1)	—	(62.1)
Retirement benefit obligation	(13.8)	—	(13.8)
	288.0	28.7	316.7

The fair value of trade and other receivables is $13.2 million and includes trade receivables with a fair value of $7.1 million. The gross contractual amount for trade receivables due is $11.5 million, of which $4.4 million is expected to be uncollectible.

The fair value of the acquired identifiable intangible assets of Sterling International Schools C Corporation and British International Schools Group, Vietnam (including Brand and Customer relationships, $288.0 million and $28.7 million respectively) is provisional, pending the final valuations for these assets.

British International Schools Group, Vietnam and Sterling International Schools C Corporation have only been provisionally determined at the end of the reporting period.

Goodwill arising on acquisition

	Sterling International Schools C Corporation $m	British International Schools Group $m	Total $m
Consideration transferred	604.5	161.9	766.4
Non-controlling interest	0.3	2.9	3.2
Less: fair value of identifiable net assets acquired	(288.0)	(28.7)	(316.7)
Goodwill arising on acquisition (see note 12)	**316.8**	**136.1**	**452.9**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 Business combinations *(continued)*

Subsidiaries acquired in the current period *(continued)*

Fair value of assets acquired and liabilities recognized at the date of acquisition *(continued)*

Goodwill arose from the two acquisitions. The consideration paid for the combination effectively included amounts in relation to the benefit of expected synergies, revenue growth, future market development and assembled workforce of the acquired businesses. These benefits are not recognized separately from goodwill because they do not meet the recognition criteria for identifiable assets.

None of the goodwill arising on these acquisitions is expected to be deductible for tax purposes.

The non-controlling interest relates to Camplife Limited, a subsidiary, where the Group has acquired a 50.5% interest.

Net cash outflow on acquisition of subsidiaries

	Total $m
Consideration paid in cash	689.7
Less: cash and cash equivalents acquired	(42.6)
	647.1

Impact of acquisitions on the results of the Group

Included in the profit for the year is a $1.8 million profit and a loss of $12.0 million attributable to the British International Schools Group, Vietnam and Sterling International Schools C Corporation respectively. Revenue for the year is $35.2 million attributable to the British International Schools Group, Vietnam and $12.7 million attributable to Sterling International Schools C Corporation. The full year impact of the British International Schools Group, Vietnam and Sterling International Schools C Corporation acquisitions would have been $53.1 million and $219.6 million on revenue and $3.2 million and $4.4 million on profit respectively.

Had these business combinations been effected at 1 September 2014, the revenue of the Group from continuing operations would have been $801.8 million, and the profit for the year from continuing operations would have been $26.5 million. The Directors consider these unaudited ‘pro-forma’ numbers to represent an approximate measure of the performance of the combined Group on an annualized basis and to provide a reference point for comparison in future periods.

In determining the unaudited ‘pro-forma’ amounts of the Group had these acquisitions been effected at the beginning of the current year, the Directors have assumed that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on 1 September 2014.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

3 S egmental reporting

The Group's reporting segments are determined based on the Group's internal reporting to the Chief Operating Decision Maker ("CODM"). The CODM has been determined to be the Executive Committee ("EXCO") as it is primarily responsible for the allocation of resources to segments and the assessment of performance of the segments.

The CODM considers the principal activities of the Group to be:

- Premium Schools and associated activities in:
  China — People's Republic of China and Hong Kong SAR;
  Europe — Switzerland, Slovakia, Hungary, Czech Republic, Spain, Poland;
  Middle East / South East Asia ("ME/SEA") — United Arab Emirates, Qatar, Thailand, Singapore, Cambodia, Vietnam; and
  North America — United States of America, Mexico

- Other — being the learning services division and Central & Regional head office costs.

The CODM uses revenue and Adjusted EBITDA before exceptional items ("Adjusted EBITDA"), as reviewed at monthly EXCO meetings, as the key measure of the segments' results as it reflects the segments' underlying trading performance for the financial year under evaluation. Revenue and Adjusted EBITDA before exceptional items is a consistent measure within the Group.

Segment Adjusted EBITDA is an adjusted measure of operating profit and measures the performance of each segment before the impact of interest, tax, depreciation, amortization, impairment, exceptional items & other management exceptional items, exchange gain/(loss) and loss on disposal of property, plant and equipment.

The segment results, the reconciliation of the segment measures to the respective statutory items included in the Consolidated income statement, the segment assets and other segment information are as follows:

Year ended 31 August 2013	China $m	Europe $m	ME / SEA $m	North America $m	Other $m	Total $m
Revenue	137.7	115.8	33.9	7.9	28.4	323.7
Adjusted EBITDA	66.8	22.7	5.9	0.3	(16.2)	79.5
Adjusted EBITDA margin	48.5%	19.6%	17.4%	3.8%	(57.0)%	24.6%

Year ended 31 August 2014	China $m	Europe $m	ME / SEA $m	North America $m	Other $m	Total $m
Revenue	165.6	136.0	86.0	68.8	18.2	474.6
Adjusted EBITDA	78.4	26.0	22.2	23.2	(22.4)	127.4
Adjusted EBITDA margin	47.3%	19.1%	25.8%	33.7%	(123.1)%	26.8%

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

3 S egmental reporting *(continued)*

Year ended 31 August 2015	China $m	Europe $m	ME / SEA $m	North America $m	Other $m	Total $m
Revenue	**183.2**	**133.3**	**164.1**	**82.6**	**13.8**	**577.0**
Adjusted EBITDA	**84.9**	**17.1**	**39.6**	**22.6**	**(30.5)**	**133.7**
Adjusted EBITDA margin	**46.3%**	**12.8%**	**24.1%**	**27.4%**	**(221.0)%**	**23.2%**

The parent entity is domiciled in the Cayman Islands and did not generate external revenue during the years presented.

Reconciliation of Adjusted EBITDA to profit after tax

2013	China $m	Europe $m	ME /SEA $m	North America $m	Others $m	Total $m
Adjusted EBITDA	66.8	22.7	5.9	0.3	(16.2)	79.5
Adjustments:						
Exceptional items (see note 4)	0.0	(2.1)	(2.1)	(0.9)	(12.6)	(17.7)
Other management exceptional items *	—	—	—	—	(3.3)	(3.3)
Exchange (loss)/gain	(0.2)	(0.1)	0.3	0.8	3.2	4.0
Loss on disposal of property, plant and equipment	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)
Depreciation	(4.5)	(3.8)	(2.2)	(0.7)	(0.5)	(11.7)
Amortization	—	(0.0)	(0.0)	(0.0)	(5.7)	(5.7)
Operating profit/(loss)	62.1	16.7	1.9	(0.5)	(35.2)	45.0
Finance income	1.9	0.3	0.0	0.0	0.1	2.3
Finance expense	(1.0)	(0.0)	—	—	(50.3)	(51.3)
Profit/(loss) before tax	63.0	17.0	1.9	(0.5)	(85.4)	(4.0)
Tax	(13.5)	(7.5)	(0.1)	2.2	(0.4)	(19.3)
Profit/(loss) for the year attributable to equity holders of the Parent	49.5	9.5	1.8	1.7	(85.8)	(23.3)

* This amount includes a management fees of $3.3 million payable. These costs fall outside the definition of exceptional costs for statutory purposes but it is the view of the directors that these costs should be highlighted in order that the underlying profit of the Group can be fully evaluated.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

3 S egmental reporting *(continued)*

Reconciliation of Adjusted EBITDA to profit after tax *(continued)*

2014	China $m	Europe $m	ME /SEA $m	North America $m	Others $m	Total $m
Adjusted EBITDA	78.4	26.0	22.2	23.2	(22.4)	127.4
Adjustments:						
Exceptional items (see note 4)	(0.1)	(1.2)	13.3	(0.3)	(111.9)	(100.2)
Other management exceptional items *	(1.7)	—	(2.7)	—	(4.1)	(8.5)
Exchange (loss)/gain	(0.0)	(0.1)	(0.4)	(0.0)	4.5	4.0
Loss on disposal of property, plant and equipment	(0.1)	(0.0)	(0.0)	—	—	(0.1)
Depreciation	(8.6)	(4.9)	(4.9)	(3.7)	(1.3)	(23.4)
Amortization	(0.0)	(0.1)	(0.0)	(0.1)	(10.2)	(10.4)
Operating profit/(loss)	67.9	19.7	27.5	19.1	(145.4)	(11.2)
Finance income	1.7	0.2	0.1	0.0	0.0	2.0
Finance expense	(0.4)	(0.3)	(0.0)	(0.0)	(54.8)	(55.5)
Profit/(loss) before tax	69.2	19.6	27.6	19.1	(200.2)	(64.7)
Tax	(15.2)	(4.8)	(1.6)	(2.0)	(2.1)	(25.7)
Profit/(loss) for the year attributable to equity holders of the Parent	54.0	14.8	26.0	17.1	(202.3)	(90.4)

* This amount includes a share based payment charges of $3.1 million, school pre-opening costs of $4.1 million and management fees of $1.2 million payable. These costs fall outside the definition of exceptional costs for statutory purposes but it is the view of the directors that these costs should be highlighted in order that the underlying profit of the Group can be fully evaluated.

2015	China $m	Europe $m	ME /SEA $m	North America $m	Others $m	Total $m
Adjusted EBITDA	**84.9**	**17.1**	**39.6**	**22.6**	**(30.5)**	**133.7**
Adjustments:						
Exceptional items (see note 4)	**(0.0)**	**(0.7)**	**(0.1)**	**(0.4)**	**(17.6)**	**(18.8)**
Other management exceptional items *	**(1.4)**	**(1.7)**	**(0.3)**	**(3.7)**	**(2.2)**	**(9.3)**
Financial liabilities at fair value through profit and loss	**—**	**—**	**—**	**—**	**(3.0)**	**(3.0)**
Exchange gain/(loss)	**0.2**	**1.2**	**(0.1)**	**0.0**	**2.6**	**3.9**
(Loss)/profit on disposal of property, plant and equipment	**(0.1)**	**0.1**	**(0.0)**	**(0.0)**	**(0.3)**	**(0.3)**
Depreciation	**(11.7)**	**(6.9)**	**(9.6)**	**(5.9)**	**(0.5)**	**(34.6)**
Amortization	**(0.6)**	**(3.0)**	**(6.2)**	**(3.0)**	**(1.1)**	**(13.9)**
Operating profit/(loss)	**71.3**	**6.1**	**23.3**	**9.6**	**(52.6)**	**57.7**
Finance income	**1.1**	**0.1**	**0.6**	**0.1**	**0.9**	**2.8**
Finance expense	**(0.0)**	**(0.8)**	**(0.1)**	**(0.0)**	**(38.8)**	**(39.7)**
Profit/(loss) before tax	**72.4**	**5.4**	**23.8**	**9.7**	**(90.5)**	**20.8**
Tax	**(12.4)**	**(8.0)**	**(2.0)**	**8.8**	**1.4**	**(12.2)**
Profit/(loss) for the year attributable to equity holders of the parent	**60.0**	**(2.6)**	**21.8**	**18.5**	**(89.1)**	**8.6**

* This amount includes share based payment charges of $2.8 million, school pre-opening costs of $4.0 million, roll out of The Julliard-Nord Anglia Performing Arts Program $0.7 million and costs associated with expatriate taxes levied on teacher salaries of $1.1 million. These costs fall outside the definition of exceptional costs for statutory purposes but it is the view of the directors that these costs should be highlighted in order that the underlying profit of the Group can be fully evaluated.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

3 Segmental reporting *(continued)*

Segment assets

At 31 August 2013	China $m	Europe $m	ME / SEA $m	North America $m	Total $m
Total segment non-current assets	326.1	230.4	101.8	237.4	895.7

At 31 August 2014	China $m	Europe $m	ME / SEA $m	North America $m	Total $m
Total segment non-current assets	343.3	235.4	157.3	236.2	972.2

At 31 August 2015	China $m	Europe $m	ME / SEA $m	North America $m	Total $m
Total segment non-current assets	**427.1**	**544.9**	**341.2**	**660.8**	**1,974.0**

The parent entity is domiciled in the Cayman Islands and did not have any non-current assets during the years presented.

Other segment information

Year ended 31 August 2013	China $m	Europe $m	ME / SEA $m	North America $m	Other $m	Total $m
Capital expenditure (including acquisitions through business combinations):						
Property, plant and equipment	14.7	16.5	12.0	29.2	1.1	73.5
Goodwill and other intangible assets	27.9	12.3	56.8	195.9	9.5	302.4
Depreciation of tangible assets	(4.5)	(3.8)	(2.2)	(0.7)	(0.5)	(11.7)
Amortization of intangible assets	—	(0.0)	(0.0)	(0.0)	(5.7)	(5.7)
Exceptional items (see note 4)	0.0	(2.1)	(2.1)	(0.9)	(12.6)	(17.7)

Year ended 31 August 2014	China $m	Europe $m	ME / SEA $m	North America $m	Other $m	Total $m
Capital expenditure (including acquisitions through business combinations):						
Property, plant and equipment	31.3	11.5	16.1	6.0	0.6	65.5
Goodwill and other intangible assets	0.0	0.3	47.6	0.0	0.2	48.1
Depreciation of tangible assets	(8.6)	(4.9)	(4.9)	(3.7)	(1.3)	(23.4)
Amortization of intangible assets	(0.0)	(0.1)	(0.0)	(0.1)	(10.2)	(10.4)
Exceptional items (see note 4)	(0.1)	(1.2)	13.3	(0.3)	(111.9)	(100.2)

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

3 S egmental reporting *(continued)*

Other segment information *(continued)*

Year ended 31 August 2015	China $m	Europe $m	ME / SEA $m	North America $m	Other $m	Total $m
Capital expenditure (including acquisitions through business combinations):						
Property, plant and equipment	**22.0**	**81.5**	**22.2**	**227.5**	**1.3**	**354.5**
Goodwill and other intangible assets	**76.4**	**231.3**	**171.2**	**197.0**	**1.1**	**677.0**
Depreciation of tangible assets	**(11.7)**	**(6.9)**	**(9.6)**	**(5.9)**	**(0.5)**	**(34.6)**
Amortization of intangible assets	**(0.6)**	**(3.0)**	**(6.2)**	**(3.0)**	**(1.1)**	**(13.9)**
Exceptional items (see note 4)	**(0.0)**	**(0.7)**	**(0.1)**	**(0.4)**	**(17.6)**	**(18.8)**

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

4 Exceptional expenses

	2013 $m	2014 $m	2015 $m
Exceptional administrative expenses			
a Corporate restructure	(2.7)	(3.2)	**(0.1)**
b Payments to key management	(1.1)	—	—
c Bond issuance, redemption expense and commitment fees, net	(0.8)	(89.9)	**(10.0)**
d Acquisition and integration related costs	(13.1)	(5.5)	**(7.7)**
e Others, net	—	(1.6)	**(1.0)**
	(17.7)	(100.2)	**(18.8)**

a Corporate restructure in the current and prior year is in relation to integration costs incurred by subsidiaries post acquisition as well as closure of the Learning Services business in the Middle East and in the UK at contract completion. Included within the prior year balance is $2.5 million of costs relating to the transfer of the Group revolving credit facilities from Barclays Bank plc to The HongKong and Shanghai Banking Corporation Limited ("HSBC").

Costs in 2013 relate to redundancy, staff replacements for subsidiary integration as well as legal fees and office closures.

b The $1.1 million cost incurred during 2013 was a tax indemnification due to the vendor of Collège Champittet on condition of meeting certain revenue criteria post acquisition. As this criteria was met outside the measurement period, it has been appropriately recognized through the profit and loss. This will be settled by equal instalments over five years with the first due in August 2015.

None of the costs relating to this transaction are considered to be tax deductible. Full details of this arrangement are documented in note 27, Related party transactions.

c In 2015, the $10.0 million charge for commitment fees relates to a loan commitment fee which was not capitalized as it related to excess short-term liquidity retained as part of the Group's liquidity management. This facility has matured during the year and is no longer available to the Group.

In 2014, the major elements of the $89.9 million exceptional expense in the prior year were the $77.0 million bond redemption cost arising upon the early redemption of our $490.0 million 10.25% senior secured notes due 2017 and our $150.0 million 8.50% / 9.50% senior PIK toggle notes due 2018, which were all fully redeemed as of 14 April 2014. The remaining $12.9 million was the release of capitalized costs in connection with these notes.

A $0.8 million exceptional expense in 2013 was recognized in relation to a bond issuance.

d During the year, the Group acquired two new subsidiaries (Sterling International Schools C Corporation operating in three continents and British International Schools Group, Vietnam) to complement its existing portfolio of Premium Schools, as detailed in note 2, Business Combinations. The $7.7 million relates to legal fees and fees payable to advisors in relation to various aspects of the acquisitions.

Acquisition related costs in 2014 were due to the business combinations of Dover Court International School (Pte.) Limited, Singapore and Neptune Education Holdings Limited (Northbridge International School Cambodia), including legal fees and fees payable to advisors in relation to various aspects of the acquisitions, as well as final costs incurred on the acquisitions made in 2013.

Acquisition related costs in 2013 were due to the business combinations of WCL Group of companies, United Kingdom and operating in three continents; The British School of Guangzhou, China and Saint Andrews International School, Bangkok, Thailand, including legal fees and fees payable to advisors in relation to various aspects of the acquisitions, as well as final costs incurred on the acquisitions made in 2011 and 2012.Additionally, the charge includes legal fees and fees payable to advisors associated with the common control transaction of British International School LLC, United Arab Emirates.

e The 2015 charge of $1.0 million relates to initial public offering expenses ($0.2 million), pre-opening costs for 3 new schools in North America, Middle East and South East Asia regions ($0.5 million) and IT resourcing and travelling costs pertaining to the MIS Project ($0.3 million).

The 2014 charge of $1.6 million relates to pre-opening costs of our Tanzania camp, pre-opening costs on the new schools in Hong Kong and Dubai ($0.7 million) and the part release our overseas employees provision ($0.4 million).

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

5 Other Losses

	2013 $m	2014 $m	2015 $m
Financial assets at fair value through profit or loss:			
- Fair value losses	—	—	**3.0**

6 Expenses and auditors' remuneration

Included in the profit/(loss) are the following:

	2013 $m	2014 $m	2015 $m
Staff costs (see note 7)	138.4	227.7	**283.0**
Foreign exchange gain	(4.0)	(4.0)	**(3.9)**
Loss on disposal of property, plant and equipment and intangible assets	0.1	0.1	**0.3**
Operating lease rentals:			
Land and buildings	31.9	42.2	**57.4**
Other	0.9	0.5	**0.7**
Depreciation in cost of sales	11.3	21.4	**33.9**
Depreciation	0.4	2.0	**0.7**
Amortization of intangible assets	5.7	10.4	**13.9**

Auditors' remuneration:

	2013 $m	2014 $m	2015 $m
Fees payable to Company's auditor for the audit of parent Company and consolidated financial statements	0.4	0.4	**0.6**
Disclosure below based on fees payable in respect of services to the company and its subsidiaries			
Fees payable to Group's auditors and their subsidiaries in respect of:			
The auditing of accounts of any subsidiary of the company	0.2	0.5	**1.4**
Tax advisory services	—	0.0	**0.3**
All other services	0.6	4.2	**1.6**

7 Staff numbers and costs

The monthly average number of persons employed by the Group (including directors) during the year, analysed by category, was as follows:

	Number of employees		
	2013	2014	2015
Administration and management	778	1,173	**2,165**
Teaching	1,738	2,616	**4,161**
Advisors and guidance officers	68	39	**65**
	2,584	3,828	**6,391**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

7 Staff numbers and costs *(continued)*

The aggregate employee benefit expense of these persons was as follows:

	2013 $m	2014 $m	2015 $m
Wages and salaries	124.7	206.3	**256.5**
Share based payments (see note 20)	0.1	3.0	**2.8**
Social security costs	11.0	15.4	**19.3**
Contributions to defined contribution plans (see note 20)	1.0	1.2	**2.1**
Expenses related to defined benefit plans (see note 20)	1.6	1.8	**2.3**
	138.4	227.7	**283.0**

8 Key management personnel

	2013 $m	2014 $m	2015 $m
Fee, salaries and other short term employment benefits	6.3	6.7	**7.9**
Other benefits	0.3	0.2	**0.3**
	6.6	6.9	**8.2**

The key management personnel are the directors and senior managers who received emoluments, as noted above.

Other short term employment benefits relate to medical insurance premiums and rental benefit paid.

Other benefits relate to contributions to defined contribution schemes.

	2013	2014	2015
Number of key management personnel accruing benefits under:			
- Defined benefit schemes	1	1	—

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

9 Finance income and expense

Recognized in profit or loss

	2013 $m	2014 $m	2015 $m
Bank interest	2.3	2.0	**2.8**
Total finance income	2.3	2.0	**2.8**

	2013 $m	2014 $m	2015 $m
Net loss on financial instruments designated as fair value through profit or loss:			
Derivative financial instruments	0.0	—	—
Total interest expense on financial liabilities measured at amortized cost:			
Term loan due 2021	—	10.9	**31.7**
5.75% Senior secured notes due 2021	—	—	**2.3**
10.25% Senior secured notes due 2017	37.9	32.2	—
8.50% Senior PIK toggle notes due 2018	8.5	8.3	—
Bank loans and overdrafts	4.5	3.2	**2.1**
Interest on defined benefit pension plan obligation (see note 20)	0.4	0.9	**0.8**
Discount unwind on deferred consideration	—	—	**2.3**
Finance lease liabilities	—	—	**0.5**
Total finance expense	51.3	55.5	**39.7**
Net finance expense	49.0	53.5	**36.9**

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

10 Income tax expense

Recognized in the consolidated income statement

	2013 $m	2014 $m	2015 $m
Current tax expense			
Overseas current tax charge	20.8	21.3	**20.4**
Adjustment for prior years overseas tax charge	0.2	0.7	**2.0**
Current tax expense	21.0	22.0	**22.4**
Deferred tax expense			
Origination and reversal of temporary differences	(1.5)	—	**(10.0)**
Adjustment in respect of prior years	(0.2)	3.7	**(0.2)**
Deferred tax expense	(1.7)	3.7	**(10.2)**
Total tax expense	19.3	25.7	**12.2**

Reconciliation of effective tax rate

The tax assessed for the period differs from the standard rate of Corporation tax in China of 25.00% (2014 & 2013: 25.00%) per the explanation below:

	2013 $m	2014 $m	2015 $m
(Loss)/profit before tax	(4.0)	(64.7)	**20.8**
Tax using a tax rate of 25.00% (2014 - 25.00%)	(1.0)	(16.2)	**5.2**
Effect of tax rates in foreign jurisdictions	3.2	12.3	**1.8**
Non-deductible expenses/(non-assessable income)	5.5	9.4	**(6.9)**
Withholding tax paid or payable on overseas dividends and other income for which no relief is available	5.8	6.0	**1.0**
Timing difference for which no deferred tax was recognized	0.6	—	**—**
Losses for which no deferred tax asset was recognized	5.2	9.8	**9.9**
Utilization of losses brought forward not recognized	—	—	**(0.4)**
Prior year adjustment	—	4.4	**1.6**
Total tax expense	19.3	25.7	**12.2**
Tax charged to other comprehensive income*	(0.2)	(0.2)	**(0.9)**

* Included within Actuarial losses on defined benefit pension schemes

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

10 Income tax expense *(continued)*

The adjustment in respect of prior year primarily relates to changes in the tax deductibility of certain expenses following a review with a local tax authority.

We have used the statutory tax rate for China, being 25.0% rather than that for Cayman Islands, being 0.0% or that for the United Kingdom, being 20.58%, as we believe this provides a more meaningful comparison, and the majority of the Group's taxable profits are earned in China, and the majority of the Group's taxes are paid in China.

Deferred tax assets are recognized for tax losses carried forward to the extent that the realization of the related tax benefit through future taxable profits is probable. The Group did not recognize deferred tax assets of $ 65.7 million (2014 - $69.9 million; 2013 - $35.2 million). This includes an un-provided deferred tax asset of $48.3 million (2014 - $60.8 million; 2013 - $28.3 million) which relates to UK losses which have no expiry date for which relief is not anticipated to be available in the foreseeable future. It also includes an un-provided deferred tax asset of $7.7 million (2014 - $4.1 million; 2013 - $3.2 million) in relation to the deficit in the UK pension scheme and an un-provided deferred tax asset of $9.7 million (2014 - $4.9 million; 2013 - $3.7 million) which relates to losses in overseas entities.

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognizes liabilities for potential tax audit issues based on estimates of whether additional taxes will be due.

There are undistributed earnings of US $48.5 million (2014 - $38.6 million; 2013 - $26.3 million) which, if paid out as dividends, would be subject to tax in the hands of the recipient. An assessable temporary difference exists, but no deferred tax liability has been recognized as the parent entity is able to control the timing of the distributions from the subsidiaries and it is not expected to distribute these profits in the foreseeable future.

On 28 May 2015, it was noted that from this date management and control of the company began to be exercised from the UK. As such the Company became UK tax resident and chargeable to UK corporation tax from this date onwards.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

11 Property, plant and equipment

	Land and buildings $m	Fixtures and fittings $m	Computer equipment $m	Motor vehicles $m	Assets under construction $m	Total $m
Cost						
Balance at 1 September 2012	35.5	11.9	7.5	1.3	—	56.2
Acquisitions through business combinations	31.5	4.5	2.7	0.0	8.9	47.6
Additions	11.4	6.0	5.2	0.2	3.1	25.9
Disposals	(0.4)	0.0	(0.3)	(0.2)	—	(0.9)
Transfers	4.4	0.0	0.0	—	(4.4)	0.0
Effect of movements in foreign exchange	1.3	0.3	0.3	0.0	0.0	1.9
Balance at 31 August 2013	83.7	22.7	15.4	1.3	7.6	130.7
Balance at 1 September 2013	83.7	22.7	15.4	1.3	7.6	130.7
Acquisitions through business combinations	2.9	0.7	0.1	0.0	—	3.7
Additions	12.5	11.3	9.2	0.8	28.0	61.8
Disposals	(1.3)	(0.9)	(2.0)	(0.0)	—	(4.2)
Transfers	9.5	—	—	—	(9.5)	—
Effect of movements in foreign exchange	(0.5)	(0.4)	—	0.0	(0.0)	(0.9)
Balance at 31 August 2014	106.8	33.4	22.7	2.1	26.1	191.1
Balance at 1 September 2014	106.8	33.4	22.7	2.1	26.1	191.1
Acquisitions through business combinations	246.7	12.8	6.4	1.9	26.4	294.2
Additions	14.6	15.8	11.2	1.4	16.7	59.7
Disposals	(0.9)	(0.4)	(2.2)	(0.6)	(0.0)	(4.1)
Transfers	23.1	(0.3)	1.0	0.1	(23.9)	—
Effect of movements in foreign exchange	(7.3)	(2.4)	(1.7)	(0.3)	(0.7)	(12.4)
Balance at 31 August 2015	383.0	58.9	37.4	4.6	44.6	528.5
Accumulated depreciation and impairment						
Balance at 1 September 2012	11.4	4.8	3.3	0.6	—	20.1
Depreciation charge for the year	4.8	3.4	3.3	0.2	—	11.7
Disposals	(0.1)	(0.2)	(0.2)	(0.1)	—	(0.6)
Transfers	—	0.0	0.0	—	—	0.0
Effect of movements in foreign exchange	0.7	0.4	0.2	0.0	—	1.3
Balance at 31 August 2013	16.8	8.4	6.6	0.7	—	32.5
Balance at 1 September 2013	16.8	8.4	6.6	0.7	—	32.5
Depreciation charge for the year	11.7	5.8	5.6	0.3	—	23.4
Disposals	(1.2)	(0.9)	(2.0)	0.0	—	(4.1)
Transfers	0.0	—	—	0.0	—	0.0
Effect of movements in foreign exchange	(0.4)	(0.3)	(0.1)	0.0	—	(0.8)
Balance at 31 August 2014	26.9	13.0	10.1	1.0	—	51.0

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

11 Property, plant and equipment *(continued)*

	Land and buildings $m	Fixtures and fittings $m	Computer equipment $m	Motor vehicles $m	Assets under construction $m	Total $m
Accumulated depreciation and impairment						
Balance at 1 September 2014	26.9	13.0	10.1	1.0	—	51.0
Depreciation charge for the year	16.5	9.4	7.9	0.8	—	34.6
Disposals	(0.8)	(0.3)	(1.7)	(0.5)	—	(3.3)
Transfers	—	—	—	—	—	—
Effect of movements in foreign exchange	(2.2)	(0.3)	(0.9)	(0.1)	—	(3.5)
Balance at 31 August 2015	40.4	21.8	15.4	1.2	—	78.8
Net book value						
At 31 August 2013	66.9	14.3	8.8	0.6	7.6	98.2
At 31 August 2014	79.9	20.4	12.6	1.1	26.1	140.1
At 31 August 2015	**342.6**	**37.1**	**22.0**	**3.4**	**44.6**	**449.7**

Land and buildings and motor vehicles includes the following amounts where the Group is a lessee under a finance lease:

	2014	2015	2014	2015
	Land and buildings		Motor vehicles	
	$m	$m	$m	$m
Cost-capitalized finance lease	—	47.2	—	1.1
Accumulated depreciation	—	(0.4)	—	(0.1)
At 31 August	**—**	**46.8**	**—**	**1.0**

The Group leases buildings under non-cancellable finance lease agreements. The lease terms are between 4 and 90 years, and ownership of the assets lies within the Group.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

12 Intangible assets

	Goodwill $m	Brand name $m	Customer relations $m	Contracts $m	Website & Intellectual property $m	Computer software $m	Total $m
Cost							
Balance at 1 September 2012	446.2	24.5	34.8	0.7	—	1.4	507.6
Acquisitions through business combinations	230.6	31.5	36.9	—	2.6	0.5	302.1
Additions	—	—	—	—	—	0.3	0.3
Effect of movements in foreign exchange	10.4	0.4	0.2	(0.1)	0.0	(0.2)	10.7
Balance at 31 August 2013	687.2	56.4	71.9	0.6	2.6	2.0	820.7
Balance at 1 September 2013	687.2	56.4	71.9	0.6	2.6	2.0	820.7
Acquisitions through business combinations	12.5	14.9	20.0	—	—	—	47.4
Additions	—	—	—	—	0.4	0.3	0.7
Disposal	—	—	—	—	—	(0.2)	(0.2)
Effect of movements in foreign exchange	1.9	0.5	0.6	—	0.0	—	3.0
Balance at 31 August 2014	701.6	71.8	92.5	0.6	3.0	2.1	871.6
Balance at 1 September 2014	701.6	71.8	92.5	0.6	3.0	2.1	871.6
Acquisitions through business combinations	452.9	152.7	68.9	—	—	0.5	675.0
Additions	—	—	—	—	0.3	1.7	2.0
Disposal	—	—	—	—	—	(1.0)	(1.0)
Effect of movements in foreign exchange	(40.6)	(5.6)	(6.5)	—	(0.2)	(0.0)	(52.9)
Balance at 31 August 2015	1,113.9	218.9	154.9	0.6	3.1	3.3	1,494.7
Accumulated amortization and impairment							
Balance at 1 September 2012	47.6	—	4.3	0.4	—	0.2	52.5
Amortisation for the year	—	0.3	4.4	0.1	0.2	0.7	5.7
Disposals	—	—	—	—	—	0.0	0.0
Effect of movements in foreign exchange	(0.9)	—	(0.0)	(0.0)	0.0	(0.0)	(0.9)
Balance at 31 August 2013	46.7	0.3	8.7	0.5	0.2	0.9	57.3
Balance at 1 September 2013	46.7	0.3	8.7	0.5	0.2	0.9	57.3
Amortization for the year	—	0.8	7.9	0.1	1.0	0.6	10.4
Disposals	—	—	—	—	—	(0.2)	(0.2)
Effect of movements in foreign exchange	2.6	—	0.0	—	—	—	2.6
Balance at 31 August 2014	49.3	1.1	16.6	0.6	1.2	1.3	70.1

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

12 Intangible assets *(continued)*

	Goodwill $m	Brand name $m	Customer relations $m	Contracts $m	Website & Intellectual property $m	Computer software $m	Total $m
Accumulated amortization and impairment							
Balance at 1 September 2014	49.3	1.1	16.6	0.6	1.2	1.3	70.1
Amortization for the year	—	1.3	11.0	—	0.9	0.7	13.9
Disposals	—	—		—	—	(1.0)	(1.0)
Effect of movements in foreign exchange	(2.9)	(0.1)	(0.7)	—	(0.1)	0.0	(3.8)
Balance at 31 August 2015	46.4	2.3	26.9	0.6	2.0	1.0	79.2
Net book value							
At 31 August 2013	640.5	56.1	63.2	0.1	2.4	1.1	763.4
At 31 August 2014	652.3	70.7	75.9	0.0	1.8	0.8	801.5
At 31 August 2015	**1,067.5**	**216.6**	**128.0**	**0.0**	**1.1**	**2.3**	**1,415.5**

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a five-year period discounted using pre-tax discount rates. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. The growth rate does not exceed the long-term average growth rate for the education industry in which the CGU operates.

The key assumptions used for value-in-use calculations in 2013 were as follows:

	Carrying Value of Goodwill $m	Discount Rate	Long-Term Growth Rate (Average)	Pupil Growth (Over 5 Years)	Utilization (Average)
China	280.3	13.4%	2.0%	19.5%	75.8%
Western Europe	91.5	13.4%	1.5%	11.3%	87.3%
Eastern Europe	51.2	13.4%	1.5%	11.3%	85.3%
Qatar	31.9	13.4%	2.0%	26.8%	66.7%
Thailand	20.3	13.4%	2.0%	26.8%	80.4%
North America	158.9	13.4%	1.5%	29.4%	68.1%
Learning Services	6.4	13.4%	n/a	—	n/a
	640.5				

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

12 Intangible assets *(continued)*

The key assumptions used for value-in-use calculations in 2014 were as follows:

	Carrying Value of Goodwill $m	Discount Rate	Long-Term Growth Rate (Average)	Pupil Growth (Over 5 Years)	Utilization (Average)
China	278.9	16.2% - 18.1%	2.0%	11.2%	69.3%
Western Europe	91.5	10.4% - 13.5%	1.5%	19.0%	84.7%
Eastern Europe	51.2	11.6% - 12.8%	1.5%	19.0%	84.9%
Qatar	32.1	14.0%	2.0%	28.3%	90.0%
Thailand	20.5	15.2%	2.0%	28.3%	90.8%
Other — Southeast Asia	12.4	14.9% - 19.5%	2.0%	28.3%	72.2%
North America	158.9	13.7% - 15.5%	1.5%	63.8%	72.9%
Learning Services	6.8	13.1%	—	n/a	n/a
	652.3				

The key assumptions used for value-in-use calculations in 2015 are as follows:

	Carrying Value of Goodwill $m	Discount Rate	Long-Term Growth Rate (Average)	Pupil Growth (Over 5 Years)	Utilization (Average)
China	330.8	16.2% - 18.1%	2.3%	40.7%	67.4%
Western Europe	234.9	10.4% - 13.5%	1.5%	24.4%	65.8%
Eastern Europe	43.9	11.6% - 12.8%	1.5%	13.7%	86.3%
Qatar	32.4	14.0%	2.0%	0.0%	102.8%
Thailand	18.2	15.2%	2.0%	13.9%	67.7%
Vietnam	130.1	22.4% - 23.3%	4.0%	50.6%	44.2%
Other — Southeast Asia	11.6	14.9% - 19.5%	2.0%	32.1%	66.8%
North America	259.3	13.7% - 15.5%	2.2%	30.8%	74.9%
Learning Services	6.3	13.1%	1.0%	n/a	n/a
	1,067.5				

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

12 Intangible assets *(continued)*

In the year ended 31 August 2015, the results of the Premium School's business benefited from solid growth in student numbers both at the start of the first term as well as during the 2014/15 academic year. In addition, the acquisition and successful integration of the ten schools from the acquisition of the British International Schools Group, Vietnam and Sterling International Schools C Corporation further diversifies the Group.

Upon management's annual impairment review on goodwill and indefinite life intangible assets, a school in Western Europe has displayed potential indicators of impairment. A sensitivity analysis has been performed on the value-in-use calculation. The calculation is most sensitive to the following assumptions:

- Full Time Equivalent students ("FTEs")
- Adjusted EBITDA margins
- Discount rates
- Market share assumptions
- Growth rate estimates

FTEs — FTEs are based on budgeted numbers and extrapolated based on expected future growth and historical performance. We define a FTE as a student who is enrolled to attend school for the full school day, five days a week. For example, a student who enrols for three days a week equals 0.6 FTEs and a student who enrols for five mornings a week equals 0.5 FTEs.

Adjusted EBITDA margins — Adjusted EBITDA margins are based on average values achieved in similar schools in the region.

Discount rates — Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its CGUs and is derived from its weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. As a result of the acquisitions, the initial public offering and further diversification of the geographical location of CGUs management have reassessed the underlying inputs to the calculation of the discount rates to be applied to the individual CGUs. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service which has changed year on year. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

The 2014 discount rates have been revised to correct an error. When applying the updated discount rates in the 2014 value-in-use calculation, there remains sufficient headroom as compared to carrying value.

Market share assumptions — When using industry data for growth rates (as noted below), these assumptions are important because management assesses how the unit's position, relative to its competitors, might change over the forecast period. Management expects the Group's share of the international schools market to be stable over the forecast period.

Growth rate estimates — Rates are based on industry research.

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

12 Intangible assets *(continued)*

Specific assumptions used

The following assumptions were used in the value-in-use calculation for the school in Western Europe:

Assumptions			Impact on headroom if assumptions worsened by 0.1% $m
FTEs		17.0%	(0.1)
Discount rates		10.6%	(0.4)
Growth rate estimates		1.50%	(0.3)
Goodwill at risk	$	29.7 million	
Headroom	$	7.4 million	

Sensitivity to the changes in assumptions

The implications of the key assumptions for the recoverable amount are discussed below:

- FTEs — management has considered the possibility of lower than forecast increases of FTEs. This may occur if our recruitment efforts fail to increase enrolment or replace departing students. Additionally, if we fail to maintain our quality of education, parents may choose not to re-enrol their children in our schools. A reduction of FTEs by 7.4% every year would result in impairment.

- Discount rates — The discount rate calculation is based on the specific circumstances of the CGUs and is derived from its WACC (as described above) of the individual CGU. 10.6% represents the discount rate of the Western Europe school at risk, this rate is at the low end of the WACC range within Western Europe due to the CGU and country specific debt and equity characteristics. A rise in the pre-tax discount rate to 12.5% would result in impairment.

- Growth rate assumptions — The effect of new entrants is not expected to have an adverse impact on the forecasts due to the long established history and brand of the school. A reduction by 2.5% in the long term growth rates would result in impairment.

- Market share during the forecast period — Although management expects the Group’s market share to be stable over the forecast period, a decline in market share could lead to impairment. This is modelled through the decrease in FTEs and growth rate above.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

12 Intangible assets *(continued)*

Individual intangible assets other than goodwill that are considered to be material to the Group are as follows :

	Operating Segment	Brand Names 2014 $m	Brand Names 2015 $m
British School of Guangzhou	China	4.0	**3.8**
Léman International School — Chengdu	China	—	**11.5**
Collège Beau-Soleil*	Western Europe	13.3	**12.7**
Collège Champittet*	Western Europe	6.3	**5.9**
International College Spain	Western Europe	3.3	**2.8**
Collège du Léman*	Western Europe	—	**60.2**
Compass International School Doha	Qatar	3.9	**3.9**
The Regent's International School	Thailand	5.0	**4.4**
Dover Court Preparatory School	Other — Southeast Asia	7.2	**6.3**
Northbridge International School	Other — Southeast Asia	7.7	**7.5**
British International School of Boston	North America	3.4	**3.4**
British School of Chicago	North America	5.0	**4.9**
British International School of Houston	North America	4.6	**4.5**
British School of Washington	North America	3.4	**3.4**
San Roberto International School	North America	—	**5.1**
The Village School	North America	—	**25.8**
North Broward Preparatory School	North America	—	**29.7**
Windermere Preparatory School	North America	—	**17.6**
Other		3.6	**3.2**
		70.7	**216.6**

* Indefinite useful life intangible assets

The recoverable amount of individual intangible assets with indefinite useful lives, being brands associated with specific schools, is determined based on value-in-use calculations. These calculations use revenue projections based on financial projections approved by management and adjusted for royalty savings and trademark maintenance expenses covering a five-year period discounted using pre-tax discount rates. Revenues beyond the five-year period are extrapolated using estimated growth rates. The growth rate does not exceed the long-term average growth rate for the education industry in which the CGU operates.

The key assumptions used for value-in-use calculations for Brand Names:

	Carrying Value of Brand Names $m	Discount Rate	Long-Term Growth Rate	Revenue Growth Rates (Over 5 Years)
2014				
Western Europe	19.6	10.4% - 11.0%	1.5%	18.0% - 36.0%
2015				
Western Europe	78.8	10.6% - 11.0%	1.3% - 1.5%	13.7% - 36.4%

The 2014 discount rates have been revised to correct an error. When applying the updated discount rates in the 2014 value-in-use calculation, there remains sufficient headroom as compared to carrying value.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

12 Intangible assets *(continued)*

Sensitivity to the changes in assumptions

The implications of the key assumptions for the recoverable amount are discussed below:

- FTEs — management has considered the possibility of lower than forecast increases of FTEs. This may occur if our recruitment efforts fail to increase enrolment or replace departing students. Additionally, if we fail to maintain our quality of education, parents may choose not to re-enrol their children in our schools. A reduction of FTEs by 6.8% every year would result in impairment.

- Discount rates — The discount rate calculation is based on the specific circumstances of the CGUs and is derived from its WACC (as described above) of the individual CGU. 10.6% represents the discount rate of the Western Europe school at risk, this rate is at the low end of the WACC range within Western Europe due to the CGU and country specific debt and equity characteristics. A rise in the pre-tax discount rate to 12.3% would result in impairment.

- Growth rate assumptions — The effect of new entrants is not expected to have an adverse impact on the forecasts due to the long established history and brand of the school. A reduction to (0.8%) in the long term growth rates would result in impairment.

- Market share during the forecast period — Although management expects the Group's market share to be stable over the forecast period, a decline in market share could lead to impairment. This is modelled through the decrease in FTEs and growth rate above.

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

13 Subsidiaries

As at 31 August 2015, the Group had the following interests in subsidiaries:

	Country of Incorporation	Class of shares held	Ownership 2014	Ownership 2015
Holding companies				
Nord Anglia Education Finance LLC [+dS]	USA	n/a	100%	**100%**
Nord Anglia Education (UK) Holdings PLC [+dSG]	UK	Ordinary Deferred	100%	**100%**
Nord Anglia Education Limited* [dSG]	UK	Ordinary	100%	**100%**
NAE Hong Kong Limited* [dSG]	Hong Kong	Ordinary	100%	**100%**
Nord Anglia Education Development Services Limited* [dSG]	UK	Ordinary	100%	**100%**
Nord Anglia Middle East Holding S.P.C*	Bahrain	n/a	100%	**100%**
Nord International Schools Limited* [dSG]	UK	Ordinary	100%	**100%**
EEE Enterprise Limited* [dSG]	BVI	Ordinary	100%	**100%**
Rice Education Hong Kong Limited* [dSG]	Hong Kong	Ordinary	100%	**100%**
Regent Pattaya Campus Management Co., Ltd. [SH]	Thailand	Ordinary	49%	**49%**
Saint Andrews International School Sukhumvit Campus Co., Ltd. [SH]	Thailand	Preference	49%	**49%**
NA Educational Services Limited* [dSG]	UK	Ordinary	100%	**100%**
NA Schools Limited* [dSG]	UK	Ordinary	100%	**100%**
WCL HoldCo Limited* [dSG]	UK	Ordinary	100%	**100%**
WCL Group Limited* [dSG]	UK	Ordinary	100%	**100%**
WCL Intermediate Holdings Limited* [dSG]	UK	Ordinary	100%	**100%**
WCL Services Limited* [dSG]	UK	Ordinary	100%	**100%**
WCL School Management Services Limited* [dSG]	UK	Ordinary	100%	**100%**
British Schools of America, LLC* [SG]	USA	n/a	100%	**100%**
BST Holding, L.L.C.* [SG]	USA	n/a	100%	**100%**
British Schools of Texas, L.L.C.* [SG]	USA	n/a	100%	**100%**
WCL Intermediate Holdings Spain, S.L.U.* [SG]	Spain	n/a	100%	**100%**
International College 2, S.L.U. * [SG]	Spain	n/a	100%	**100%**
British International School Foundation* [dG]	Hungary	n/a	100%	**100%**
British International School Bratislava, s.r.o. [^ S]	Slovakia	n/a	100%	**100%**
BSG Limited* [dSG]	Hong Kong	Ordinary	100%	**100%**
Guangzhou Yingkai Investment & Consulting Co., Ltd.*	China	n/a	100%	**100%**
Uma Education Holdings Limited* [dGS]	BVI	Ordinary	100%	**100%**
Uma Education Hong Kong Limited* [dGS]	Hong Kong	Ordinary	100%	**100%**
WCL EBT Limited *	UK	Ordinary	100%	**100%**
Nord Anglia (Beijing) Consulting Limited *	China	n/a	100%	**100%**
KG Investments Limited ^	Jersey	n/a	100%	**100%**
KG (Beijing) Investment Consultant Co., Ltd. *	China	n/a	100%	**100%**
Neptune Education Holdings Limited *	Hong Kong	Ordinary	100%	**100%**
Nord Anglia School (Hong Kong) Limited *	Hong Kong	n/a	100%	**100%**
诺地安格(上海)商务信息咨询有限公司 *	China	n/a	100%	**100%**
BIS Ltd* [SG]	BVI	Ordinary	n/a	**100%**
Oasis Development Management Limited [SG]	BVI	Ordinary	n/a	**96.2%**
The British International School Company Limited	Vietnam	n/a	n/a	**90%**
Thien Huong Investment Company Limited	Vietnam	Investment	n/a	**90%**
Thien Huong Education Joint Stock Company	Vietnam	Charter	n/a	**81%**
NAE HK Holdings Limited [+SG]	Hong Kong	Ordinary	n/a	**100%**
Viking Holdco, Inc.* [dSG]	USA	n/a	n/a	**100%**
Viking Holding Company, LLC [^ dSG]	USA	n/a	n/a	**100%**
Sterling International Schools C Corporation* [dSG]	USA	n/a	n/a	**100%**

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

13 Subsidiaries

Meritas MX, LLC* *dSG*	USA	n/a	n/a	**100%**
Meritas MX II, LLC*	USA	n/a	n/a	**100%**
Meritas Luxembourg Holdings SARL* *SG*	Luxembourg	Ordinary	n/a	**100%**
Meritas (Gibraltar) Holdings Limited* *SG*	Gibraltar	Ordinary	n/a	**100%**
Meritas CH Sarl* *dSG*	Swizterland	Ordinary	n/a	**100%**
Meritas Malta Holdings Limited ^ *SG*	Malta	Ordinary	n/a	**100%**
Meritas Mexico, S. de R.L. de C.V ^ *SG*	Mexico	n/a	n/a	**100%**
Sterling International Schools* *SG*	Cayman Islands	Ordinary	n/a	**100%**
Sterling Asian Schools Holdings Limited* *SG*	Hong Kong	Ordinary	n/a	**100%**
Chengdu Sterling Educational Consulting Ltd.*	China	n/a	n/a	**100%**
Premium Schools				
English International School Prague, s.r.o. ^ *S*	Czech Republic	n/a	100%	**100%**
British International School Kindergarten, Primary and Secondary School *	Hungary	n/a	100%	**100%**
The British School Sp. Z o.o.* *dSG*	Poland	n/a	100%	**100%**
The British International School, Shanghai*	China	n/a	100%	**100%**
British School of Beijing*	China	n/a	100%	**100%**
Collège Champittet SA* *dSG*	Switzerland	n/a	100%	**100%**
Collège Alpin Beau-Soleil SA* *dSG*	Switzerland	n/a	100%	**100%**
La Côte International School SA* *dSG*	Switzerland	n/a	100%	**100%**
The Regent's School H	Thailand	n/a	49%	**49%**
British School of Washington, L.L.C.* *SG*	USA	n/a	100%	**100%**
British School of Boston, L.L.C.* *SG*	USA	n/a	100%	**100%**
British International School	Vietnam	n/a	n/a	**90%**
British Vietnamese International School Royal	Vietnam	n/a	n/a	**90%**
British International School — Hanoi	Vietnam	n/a	n/a	**90%**
The British Vietnamese International School (Kindergarten), The British Vietnamese International School (Primary), The British Vietnamese International School (Secondary and High School)	Vietnam	n/a	n/a	**81%**
Collegiate Prep Realty, LLC* *dSG*	USA	n/a	n/a	**100%**
Village Real Estate, LLC* *dSG*	USA	n/a	n/a	**100%**
North Broward Preparatory Schools, LLC* *dSG*	USA	n/a	n/a	**100%**
College du Léman, SARL* *dSG*	Switzerland	Ordinary	n/a	**100%**
Instituto de Desarrollo Educacion y Aprendizaje, S.C. ^	Mexico	n/a	n/a	**100%**
The Léman Internationa— School - Chengdu*	China	n/a	n/a	**100%**
Camplife, Ltd.	USA	n/a	n/a	**50.5%**
British School of Chicago, L.L.C.* *SG*	USA	n/a	100%	**100%**
British School of Houston, L.P.^ *SG*	USA	n/a	100%	**100%**
International College Spain, S.A.U.* *SG*	Spain	n/a	100%	**100%**
Education Overseas Qatar LLC *GH*	Qatar	n/a	49%	**49%**
Sukromna spojena skola British International School Bratislava*	Slovakia	n/a	100%	**100%**
Northbridge International School (Cambodia) Limited*	Cambodia	n/a	n/a	**100%**
British American School of Charlotte, L.L.C.* *GS*	USA	n/a	100%	**100%**
WCL Academy of New York LLC* *GS*	USA	n/a	100%	**100%**
St. Andrews International School Bangkok (Sukhumvit) *H*	Thailand	n/a	49%	**49%**
British School of Guangzhou*	China	n/a	100%	**100%**
Dover Court International School (Pte.) Ltd.* *dSG*	Singapore	Ordinary	n/a	**100%**
Nord Anglia International School, Hong Kong Limited *	Hong Kong	n/a	100%	**100%**
British International School LLC *HG*	Abu Dhabi	n/a	n/a	**49%**
Nord Anglia International School L.L.C *HG*	Dubai	n/a	n/a	**49%**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

13 Subsidiaries (*continued)*

Learning Services				
Nord Anglia Vocational Education and Training Services Ltd* [dSG]	UK	Ordinary	100%	**100%**
Brighton Education Learning Services Sdn. Bhd.*	Malaysia	n/a	100%	**100%**
Nord Anglia Education Sdn. Bhd.*	Malaysia	n/a	100%	**100%**
BSA Resource Solutions, LLC [SG]	USA	n/a	50%	**50%**
Fieldwork Education Limited* [dSG]	UK	Ordinary	100%	**100%**
WCL School Management Services (India) Limited*	UK	Ordinary	100%	**100%**
Overseas Schools SA *	Belgium	n/a	100%	**100%**
Nord Anglia Educational Consultancies Saudi Arabia Limited ^	Sandi Arabia	n/a	100%	**100%**

Investments in joint ventures and associates

The amounts recognized in the Consolidated Balance Sheet are as follows:

	2013 $m	2014 $m	2015 $m
Associates	—	—	**—**
Joint ventures	0.5	0.5	**0.5**
Total	0.5	0.5	**0.5**

Set out below are the joint ventures and associates of the Group as at 31 August 2015.

Name of entity	Place of business	Associate / Joint Venture?	% of ownership interest	Measurement method
Léman Manhattan Preparatory School LLC	United States	Associate	10%	Equity
EduAction (Waltham Forest) Limited	UK	Joint Venture	50%	Equity

The associates and joint venture had no other contingent liabilities or capital commitments as at 31 August 2015, 2014 and 2013. Léman Manhattan Preparatory School LLC requires the parent's consent to distribute its profits, as the associate is in a loss making position the parent does not foresee such distributions at reporting date. EduAction (Waltham Forest) Limited cannot distributed its profits without the consent from the two venture partners.

In the opinion of the directors, the above joint venture and associates are not material to the Group and as such no summarized financial information for Léman Manhattan Preparatory School LLC and EduAction (Waltham Forest) Limited is disclosed.

The total non-controlling interest for the year is $3.9 million, the Directors have assessed that the non-controlling interest of British International School, Vietnam; British Vietnamese International School Royal, Vietnam; British International School — Hanoi; The British Vietnamese International School (Kindergarten), The British Vietnamese International School (Primary), The British Vietnamese International School (Secondary and High School), Camplife Limited is immaterial to the Group's financial position and financial performance for separate disclosure of the underlying business financial performance, financial position and cash flow in accordance with IFRS 12.

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* Investment held indirectly by 100% owned subsidiary of the Group.

^ Investments held 100% within the Group by more than one subsidiary of the Group

+ The Companies denoted are direct subsidiaries of the Group

[d] Material assets of subsidiary form part of security arrangement for borrowings (see note 17)

[S] Share capital of subsidiary is pledged as security for borrowings (see note 17)

[G] Subsidiary is a guarantor under the security arrangement for borrowings (see note 17)

[H] The Group holds interests of less than 50% of certain companies. Where indicated, these companies are consolidated by the Group due to the majority of the economic interests in these companies in the form of both the right to receive dividends and the right to full distribution on liquidation and majority of voting rights.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

14 Deferred tax assets and liabilities

Recognized deferred tax assets and liabilities

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	2013 $m	2014 $m	2015 $m
Deferred tax assets:			
- Deferred tax assets to be recovered after more than 12 months	19.4	17.5	**65.0**
- Deferred tax asset to be recovered within 12 months	1.8	3.4	**5.4**
	21.2	20.9	**70.4**

	2013 $m	2014 $m	2015 $m
Deferred tax liabilities:			
- Deferred tax liability to be recovered after more than 12 months	(33.9)	(42.9)	**(105.8)**
- Deferred tax liability to be recovered within 12 months	(1.4)	(2.6)	**(8.3)**
	(35.3)	(45.5)	**(114.1)**
Deferred tax liabilities (net)	(14.1)	(24.6)	**(43.7)**

Deferred tax assets and liabilities are attributable to the following:

	Assets			Liabilities		
	2013 $m	2014 $m	2015 $m	2013 $m	2014 $m	2015 $m
Property, plant and equipment	0.4	0.3	**0.2**	(6.6)	(6.6)	**(16.9)**
Intangible assets	—	—	**—**	(25.6)	(33.3)	**(88.0)**
Employee benefits	1.4	1.6	**5.7**	—	—	**—**
Tax value of loss carry-forwards	5.2	5.6	**47.8**	—	—	**—**
Provisions and accruals	14.2	13.4	**16.7**	(0.4)	(4.2)	**(7.9)**
Goodwill	—	—	**—**	(1.0)	(1.4)	**(1.3)**
Other	—	—	**—**	(1.7)	—	**—**
Tax assets / (liabilities)	21.2	20.9	**70.4**	(35.3)	(45.5)	**(114.1)**
Net tax liabilities	—	—	**—**	(14.1)	(24.6)	**(43.7)**

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

14 Deferred tax assets and liabilities

Movement in deferred tax

	1 September 2012 $m	Recognised in income statement $m	Recognised in comprehensive income $m	Foreign exchange movements $m	Acquired in business combination $m	31 August 2013 $m
Property, plant and equipment	(0.4)	(3.5)	—	—	(2.3)	(6.2)
Intangible assets	(9.2)	0.6	—	(0.1)	(16.9)	(25.6)
Employee benefits	1.2	—	0.2	—	—	1.4
Tax value of loss carry-forwards	1.0	4.0	—	(0.1)	0.3	5.2
Provisions and accruals	3.6	2.7	—	—	7.5	13.8
Goodwill	(0.6)	(0.4)	—	—	—	(1.0)
Other	—	(1.7)	—	—	—	(1.7)
	(4.4)	1.7	0.2	(0.2)	(11.4)	(14.1)

	1 September 2013 $m	Recognized in income statement $m	Recognized in comprehensive income $m	Foreign exchange movements $m	Acquired in business combination $m	31 August 2014 $m
Property, plant and equipment	(6.2)	—	—	(0.1)	—	(6.3)
Intangible assets	(25.6)	(1.2)	—	(0.1)	(6.4)	(33.3)
Employee benefits	1.4	0.1	0.2	(0.1)	—	1.6
Tax value of loss carry-forwards	5.2	0.4	—	—	—	5.6
Provisions and accruals	13.8	(4.5)	—	(0.1)	—	9.2
Goodwill	(1.0)	(0.3)	—	(0.1)	—	(1.4)
Other	(1.7)	1.8	—	(0.1)	—	—
	(14.1)	(3.7)	0.2	(0.6)	(6.4)	(24.6)

	1 September 2014 $m	Recognized in income statement $m	Recognized in comprehensive income $m	Foreign exchange movements $m	Acquired in business combination $m	31 August 2015 $m
Property, plant and equipment	(6.3)	2.5	—	(0.3)	(12.6)	**(16.7)**
Intangible assets	(33.3)	3.8	—	1.7	(60.2)	**(88.0)**
Employee benefits	1.6	0.4	0.9	(1.0)	3.8	**5.7**
Tax value of loss carry-forwards	5.6	5.9	—	—	36.3	**47.8**
Provisions and accruals	9.2	(2.4)	—	(0.8)	2.8	**8.8**
Goodwill	(1.4)	—	—	0.1	—	**(1.3)**
	(24.6)	10.2	0.9	(0.3)	(29.9)	**(43.7)**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

15 Trade and other receivables

	2013 $m	2014 $m	2015 $m
Current			
Trade receivables	50.8	74.3	**99.1**
Less: Provision for impairment of trade receivables (See note 23)	(1.1)	(4.7)	**(6.8)**
Net trade receivables (See note 23b)	49.7	69.6	**92.3**
Prepayments	16.9	15.6	**29.8**
Accrued income	0.2	3.8	**0.2**
Other receivables	16.4	5.8	**8.8**
	83.2	94.8	**131.1**
Non-current			
Other receivables	12.4	9.2	**37.9**

In 2015, 2014 and 2013, non-current receivables mainly relate to rental deposits on a Premium School site which is not recoverable for at least 12 months from this date. Additionally, in 2013 the balance also included cash deposits that cannot be drawn until at least 12 months after the balance sheet date.

16 Cash and cash equivalents

	1 September 2013 $m	31 August 2014 $m	31 August 2015 $m
Cash and cash equivalents (excluding bank overdraft)	222.9	256.4	**317.0**

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

17 Interest-bearing loans and borrowings

This note provides information about the contractual terms of the Group and Company's interest-bearing loans and borrowings, which are measured at amortized cost. For more information about the Group's exposure to interest rate and foreign currency risk, see note 23, Financial instruments.

	1 September 2013 $m	31 August 2014 $m	31 August 2015 $m
Current liabilities			
Bank overdraft	51.8	90.2	**90.7**
5.75% senior secured notes	—	—	**1.1**
Current portion of secured bank loans	8.7	20.0	**0.2**
Current portion of term loan due 2021	—	3.2	**6.3**
Current portion of 10.25% Senior secured notes due 2017	20.8	—	—
Current portion of 8.5% Senior PIK toggle notes due 2018	1.1	—	—
	82.4	113.4	**98.3**
Non-current liabilities			
Secured bank loans	5.3	—	—
10.25% Senior secured notes due 2017	484.6	—	—
8.50% Senior PIK toggle notes due 2018	140.5	—	—
5.75% senior secured notes	—	—	**199.8**
Term loan due 2021	—	499.2	**866.5**
	630.4	499.2	**1,066.3**

All borrowings are secured by fixed and floating charges over all the current and future assets of certain Group entities. The Group subsidiaries which are party to this arrangement are detailed in note 13, Subsidiaries, along with details of certain Group entities whose share capital has also been pledged as part of the security arrangement, including the assignment of certain insurances.

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity	Face value 2013 $m	Carrying amount 2013 $m	Face value 2014 $m	Carrying amount 2014 $m	Face value 2015 $m	Carrying amount 2015 $m
Bank overdraft	US $			51.8	51.8	90.2	90.2	**90.7**	**90.7**
Working capital facility	RMB	6.6%	2014	13.9	13.9	—	—	—	—
10.25% Senior secured notes	US $	10.25%	2017	490.0	505.4	—	—	—	—
8.50% Senior PIK notes	US $	8.50%	2018	150.0	141.6	—	—	—	—
Business loan	CHF	3.61%	2014	0.1	0.1	—	—	—	—
5.75% senior secured notes	CHF	5.75%	2022	—	—	—	—	**208.1**	**200.9**
Term loan *	US $	4.5%-5.0%	2021	—	—	513.7	502.4	**897.2**	**872.8**
Revolving credit facility #	US $	4.75%	2021	—	—	20.0	20.0	—	**0.2**
				705.8	712.8	623.9	612.6	**1,196.0**	**1,164.6**

The term loan is a floating rate loan. Changes in interest rates have minimal impact on fair value since loans reprice to the market frequently and on that basis, fair value is assumed to equal carrying value.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

17 Interest-bearing loans and borrowings *(continued)*

The 5.75% senior secured notes are a fixed rate Swiss bond and the fair value is derived from quoted prices (unadjusted) in active markets for these financial liabilities.

All interest is settled by cash payments on the required date .

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* The term loan facility bears interest based on applicable margin percentages of 3.0% per annum for base rate loans and 4.0% per annum for LIBOR rate loans, provided that the base rate for base rate loans may not be lower than 2.00% and LIBOR may not be lower than 1.00%.

Revolving credit facility under the credit agreement will bear interest based on a margin ranging from 2.75% to 3.25% depending on our net-leverage ratio, plus the applicable LIBOR rate.

On 31 March 2014, the Group entered into a new credit agreement for a $515.0 million term loan facility and a $75.0 million revolving credit facility. The borrower under the credit agreement is a newly formed 100% wholly owned U.S. domestic limited liability company. On the same date, we drew down the term loan facility in full and using proceeds from the loan and our initial public offering, we discharged our obligations under the indentures governing the $490.0 million 10.25% senior secured notes and $150.0 million 8.50%/9.50% PIK toggle notes, both of which were fully redeemed as of 14 April 2014.

On 31 March 2014, the Group also repaid and terminated our previous super senior revolving facility using proceeds from the initial public offering. (see note 4c)

On 2 March 2015, the Group drew down an additional $150.0 million on the term loan facility.

On 25 June 2015, the Group further drew down on additional $240.0 million on the term loan facility and issued CHF 200 million 5.75% senior secured notes.

On 27 August 2015, the Group also repaid the outstanding amount owing for the Revolving Credit Facility using the proceeds from the term loan facility extension and 5.75% senior secured notes proceeds.

Maturity of the Group's borrowings are as follows:

	2013 $m	2014 $m	2015 $m
Less than one year	82.4	113.4	**98.3**
Between one and five years	630.4	13.4	**859.8**
More than five years	—	485.8	**206.5**
	712.8	612.6	**1,164.6**

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

18 Finance lease liabilities

Lease liabilities are effectively secured as the rights to the leased asset revert to the lessor in the event of default.

	2013 $m	2014 $m	2015 $m
Gross finance lease liabilities — minimum lease payments:			
No later than 1 year	(0.0)	(0.0)	**3.7**
Later than 1 year and no later than 5 years	—	—	**11.9**
Later than 5 years	—	—	**194.2**
	(0.0)	(0.0)	**209.8**
Future finance charges on finance lease liabilities	(0.0)	(0.0)	**(161.5)**
Present value of finance lease liabilities	(0.0)	(0.0)	**48.3**
The present value of finance lease liabilities is as follows:			
No later than 1 year	(0.0)	(0.0)	**0.3**
Later than 1 year and no later than 5 years	—	—	**1.0**
Later than 5 years	—	—	**47.0**
	(0.0)	(0.0)	**48.3**

The difference between the minimum lease payments and the present value of the finance lease liabilities are due to the long duration of the lease (75 years remaining).

19 Trade and other payables

	2013 $m	2014 $m	2015 $m
Current			
Trade payables due to third parties	12.3	12.4	**31.3**
Other taxes and social security	1.6	3.1	**3.1**
Amounts owed to parent undertaking	23.1	—	**—**
Amounts owed to related parties	1.5	0.2	**0.2**
Other payables	37.6	21.3	**51.0**
Contingent consideration (see note 2)	—	—	**25.0**
Deferred consideration	—	2.0	**21.1**
Accrued expenses	20.7	24.7	**39.2**
	96.8	63.7	**170.9**
Non-current			
Other payables	38.5	47.7	**30.5**
Deferred consideration	—	3.0	**15.2**
	38.5	50.7	**45.7**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

20 Employee benefits

Pension plans

The Group operates a variety of post-employment benefit arrangements, covering both funded defined contribution and funded and unfunded defined benefit schemes. The most significant of these are the funded defined benefit pension schemes for the Group's employees in the UK and Switzerland.

Defined contribution plans

The Group operates a number of defined contribution pension plans. The total expense relating to these plans in the current year was $2.1 million (2014 - $1.2 million; 2013 - $1.0 million), recognized in the Consolidated income statement.

Defined benefit plans

United Kingdom

The Group operates three defined benefit pension schemes in the UK. In each case the assets of the scheme are held as a segregated fund and administered by Trustees.

A defined benefit scheme was established for Lifetime Careers employees (employed by a Group subsidiary) - ("Lifetime"). Contributions are determined by independent professionally qualified actuaries on the basis of triennial valuations. JLT Benefit Solutions Limited, an independent actuary, carried out the latest triennial actuarial assessment of the scheme as at 31 August 2011, using the projected unit method.

Both the Nord Anglia Joint Pension Scheme ("Joint") and The Wyburn School Limited Pension and Life Assurance Scheme (1985) ("Wyburn") are closed schemes and are valued under the projected unit method. The most recent formal actuarial valuation for both of the schemes were performed at 1 September 2013 using the aggregate method which assess the adequacy of the fund to meet the minimum funding requirement and calculates contributions on the level of pensionable payroll to provide the retirement benefits for the members.

Actuarial valuation reports have been requested by the Group for both the Nord Anglia Joint Pension Scheme and The Wyburn School Limited Pension and Life Assurance Scheme (1985). Given the underlying size of these schemes (1% of the consolidated pension assets and liabilities); any movement as a result of changes reported in the actuarial valuation would not be regarded as significant.

Closure of schemes

At 31 August 2011, all three schemes closed to future accruals and active members became deferred pension members. Whilst the Group will continue to make future employer contributions to the schemes, member contributions will no longer be made.

Other

The most significant other schemes are the funded defined benefit schemes which operate in Switzerland. An independent actuary, using the projected unit method, carried out the latest actuarial assessment of the Swiss schemes as at 31 August 2015. In addition to this, there is one arising from College Du Léman SARL due to the acquisition. Another defined benefit scheme is operated in Thailand.

The valuations used for IAS 19R have been based on the most recent actuarial valuations and updated to take account of the requirements of IAS 19R in order to assess the liabilities of the scheme as at 31 August 2015. The details of the IAS 19R valuations are set out in the following tables:

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

20 Employee benefits *(continued)*

Pension plans *(continued)*

Principal assumptions

The major assumptions, on a weighted average basis, used by the actuaries were as follows:

	UK			Switzerland		
	2013 %	2014 %	2015 %	2013 %	2014 %	2015 %
Discount rate	4.90	4.20	**3.90**	2.20	1.80	**0.83**
Price inflation	3.65	3.40	**3.50**	1.50	1.50	**0.78**
Rate of increase in salaries	n/a	n/a	**n/a**	1.00	1.00	**1.30**
Rate of increase in pension payments	3.65	3.40	**3.50**	1.50	n/a	**0.00**
Expected return on plan assets	5.54	n/a	**n/a**	2.50	n/a	**n/a**

Mortality assumptions

The assumptions relating to longevity underlying the UK and Swiss pension liabilities at the reporting date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The following table illustrates the expectation of life of an average member retiring at age 65 at the reporting date.

		UK			Switzerland		
		2013 Years	2014 years	2015 years	2013 years	2014 years	2015 years
Retiring at reporting date at age 65:	Male	22.1	22.2	**23.0**	21.1	21.3	**21.5**
	Female	24.4	22.4	**24.9**	23.6	23.8	**24.0**
Retiring 20 years after the end of the reporting period:	Male	23.4	23.5	**24.3**	23.1	23.1	**23.2**
	Female	25.9	26.0	**26.4**	25.5	25.6	**25.7**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

		UK		Switzerland	
		Increase in assumption by 0.25%	Decrease in assumption by 0.25%	Increase in assumption by 0.25%	Decrease in assumption by 0.25%
Discount rate	Change in obligation	Decrease by 5.8%	Increase by 5.8%	Decrease by 3.7%	Increase by 4.0%
Inflation		Increase by 5.8%	Decrease by 5.8%	Increase by 0.8%	Decrease by 0.8%
		Increase by 1 year in assumption	Decrease by 1 year in assumption	Increase by 1 year in assumption	Decrease by 1 year in assumption
Life expectancy	Change in obligation	Increase by 2.9%	Decrease by 2.9%	Increase by 1.9%	Decrease by 1.9%

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

20 Employee benefits *(continued)*

Rates of return on scheme assets

The fair value of the assets in the defined benefit pension schemes are as follows:

	UK			Switzerland		
	2013 $m	**2014 $m**	**2015 $m**	**2013 $m**	**2014 $m**	**2015 $m**
Equities	22.8	28.0	**15.4**	—	—	—
Diversified Growth Assets	9.6	11.3	**11.1**	—	—	—
Corporate bonds	1.2	1.3	**9.5**	—	—	—
Cash	0.8	2.2	**4.2**	—	—	—
With profit funds	0.8	0.8	**2.4**	—	—	—
Insurance assets	—	—	**0.4**	21.1	22.8	**69.6**
	35.2	43.6	**43.0**	21.1	22.8	**69.6**
Actual return on plan assets	4.8	4.3	**1.6**	0.0	0.9	**0.4**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

20 Employee benefits *(continued)*

Movement in pension deficit during the financial year

Changes in the fair value of defined benefit pension assets are as follows:

	UK			Switzerland		
	2013 $m	2014 $m	2015 $m	2013 $m	2014 $m	2015 $m
Opening fair value of the defined benefit pension assets	31.4	35.2	**43.6**	19.2	21.1	**22.8**
Business combination (see note 2)	—	—	**—**	—	—	**49.5**
Interest income	1.7	1.9	**1.7**	0.5	0.5	**0.5**
Return on plan assets greater than discount rate	3.2	2.4	**(0.0)**	(0.5)	0.4	**(0.9)**
Contributions by employer	0.7	3.1	**3.1**	1.4	1.5	**2.3**
Contributions by members	—	—	**—**	1.3	1.2	**1.8**
Benefits paid	(0.9)	(1.6)	**(2.2)**	(1.2)	(2.4)	**(4.0)**
Foreign currency translation	(0.9)	2.6	**(3.2)**	0.4	0.5	**(2.4)**
Closing fair value of defined benefit pension assets	35.2	43.6	**43.0**	21.1	22.8	**69.6**

Changes in the fair value of defined benefit pension obligation are as follows:

	UK			Switzerland		
	2013 $m	2014 $m	2015 $m	2013 $m	2014 $m	2015 $m
Opening defined benefit pension obligation	(56.8)	(51.1)	**(62.2)**	(24.2)	(27.4)	**(29.9)**
Business combination (see note 2)	—	—	**—**	—	—	**(63.3)**
Current service cost	—	—	**—**	(1.6)	(1.9)	**(2.9)**
Past Service Cost	—	—	**—**	—	0.1	**0.6**
Interest cost	(2.1)	(2.6)	**(2.3)**	(0.5)	(0.7)	**(0.6)**
Actuarial losses	5.5	(6.4)	**(7.1)**	(0.5)	(1.5)	**(3.3)**
Contributions by members	—	—	**—**	(1.3)	(1.2)	**(1.8)**
Benefits paid	0.9	1.6	**2.2**	1.2	2.4	**4.0**
Foreign currency translation	1.4	(3.7)	**4.6**	(0.5)	0.3	**2.9**
Closing defined benefit pension obligation	(51.1)	(62.2)	**(64.8)**	(27.4)	(29.9)	**(94.3)**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

20 Employee benefits *(continued)*

Movement in pension deficit during the financial year (continued)

The amounts that have been charged to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income for the three years ended 31 August 2015 are set out below:

	UK			Switzerland		
$m	**2013**	**2014**	**2015**	**2013**	**2014**	**2015**
Analysis of the amount charged to operating profit:						
Current service cost	—	—	**—**	(1.6)	(1.9)	**(2.9)**
Past service cost	n/a	n/a	**n/a**	—	0.1	**0.6**
Analysis of the amount credited/(charged) to finance income/(cost):						
Interest on defined benefit pension assets	1.7	1.9	**1.7**	0.5	0.5	**0.5**
Interest on defined benefit pension obligation	(2.1)	(2.6)	**(2.3)**	(0.5)	(0.7)	**(0.6)**
Net pension finance expense	(0.4)	(0.7)	**(0.6)**	0.0	(0.2)	**(0.1)**
Total charged to the Consolidated Income Statement	(0.4)	(0.7)	**(0.6)**	(1.6)	(2.0)	**(2.4)**
Analysis of the amount recognized in the Consolidated Statement of Comprehensive Income:						
Remeasurement gains/(losses):						
- Actuarial changes arising from changes in demographic assumptions	—	—	**(0.9)**	—	—	**—**
- Actuarial changes arising from changes in financial assumptions	4.8	(6.4)	**(5.5)**	0.3	(1.2)	**(2.7)**
- Experience adjustments	3.9	—	**(0.7)**	0.7	(0.3)	**(0.6)**
	8.7	(6.4)	**(7.1)**	(1.0)	(1.5)	**(3.3)**
Return on plan asset excl. interest income	—	2.4	**(0.0)**	—	0.4	**(0.9)**
Total gains/(losses) recognized in the Consolidated Statement of Comprehensive Income	8.7	(4.0)	**(7.1)**	(1.0)	(1.1)	**(4.2)**

The cumulative losses recognized through the Consolidated Statement of Comprehensive Income since the date of transition to IFRS (1 September 2009) are UK: $14.0 million (2014 - $6.9 million; 2013 - $2.9 million); and since the date of acquisition - Switzerland: $7.2 million (2014 - $3.0 million; 2013 - $1.9 million).

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

20 Employee benefits *(continued)*

Summary of movements in the deficit during the financial year

	UK			Switzerland		
	2013 $m	2014 $m	2015 $m	2013 $m	2014 $m	2015 $m
Deficit in schemes at the beginning of the year	(25.4)	(15.9)	**(18.6)**	(5.0)	(6.3)	**(7.1)**
Business combination	—	—	**—**	—	—	**(13.8)**
Current service cost	—	—	**—**	(1.6)	(1.9)	**(2.9)**
Past service cost	—	—	**—**	—	0.1	**0.6**
Net pension finance expense	(0.4)	(0.7)	**(0.6)**	0.0	(0.2)	**(0.1)**
Return on plan asset, excluding amount included in interest expense	—	2.4	**(0.0)**	—	0.4	**(0.9)**
Contributions by employer	0.7	3.1	**3.1**	1.4	1.5	**2.3**
Foreign currency translation	0.5	(1.1)	**1.4**	(0.1)	0.8	**0.5**
Actuarial losses	8.7	(6.4)	**(7.1)**	(1.0)	(1.5)	**(3.3)**
Deficit in schemes at the end of the year net of deferred tax	(15.9)	(18.6)	**(21.8)**	(6.3)	(7.1)	**(24.7)**

History of movements

The historical movement in defined benefit pension schemes' assets and liabilities are as follows:

	2011 $m	2012 $m	2013 $m	2014 $m	2015 $m
Closing fair value of defined benefit pension assets	50.3	50.6	56.3	66.4	**112.6**
Present value of liabilities	(64.9)	(81.0)	(78.5)	(92.2)	**(159.1)**
Pension deficit	(14.6)	(30.4)	(22.2)	(25.8)	**(46.5)**

Deficit in the Thailand pension scheme amounted to $0.1 million (2014 - $0.1 million).

Expected contributions

A funding plan in respect of the Lifetime scheme has been agreed with the trustees for the period from September 2013 to 2020. An amount of $3.5 million was paid in September 2015 (September 2014 - $2.9 million, September 2013 - $2.7 million).

The Group expects to make normal cash contributions of approximately $7.9 million (2014 - $4.7 million, 2013 - $4.2 million) to defined benefit schemes in the financial year ending 31 August 2016.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

20 Employee benefits *(continued)*

Share-based payments

2014 Equity Incentive Award Plan

Share options are granted to directors and selected employees. The exercise price of the granted options is equal to the market price of the shares on the date of the grant. Options are conditional on the employee remaining in employment during the vesting period. The 1 st allocation of options were exercisable in January 2015 and options thereafter are exercisable on the anniversary of the grant.

Under the 2014 Equity Incentive Award Plan ("2014 Incentive Plan"), 9,800,000 of our ordinary shares have been reserved for issuance pursuant to a variety of share-based compensation awards that may be awarded under the 2014 Incentive Plan. The maximum number of our ordinary shares that may be subject to one or more awards granted to any person pursuant to the 2014 Incentive Plan during any calendar year will be 1,200,000 and the maximum amount that may be paid in cash to any one person during any calendar year with respect to one or more awards payable in cash shall be $10.0 million. However, no non-employee director will be granted awards pursuant to the 2014 Incentive Plan with an aggregate value in excess of $5.0 million during any fiscal year.

None of the awards vested in the period.

A fair value for the shares issued was calculated using the Black-Scholes Option Pricing Model incorporating the following assumption s; the terms and conditions of the grants are as follows:

	Issued 2014	Issued 2015
Exercise price	$ 18.00	$ 19.57
Equity price	$ 18.00	$ 19.57
Volatility	33.63%	35.50%
Dividend yield	0%	0%
Risk free interest rate	1.79%	1.41%
Expected life to exercise	6.25 years	6.25 years
Number of shares awarded	451,100	519,400

The fair value of each share was calculated as 2015 - $7.28 (2014 - $6.55).

Set out in the table below summarizes the options granted under the plan:

	2014		2015	
	Average exercise price per share option $	Share options (thousands)	Average exercise price per share option $	Share options (thousands)
At 1 September	—	—	18.09	448.7
Granted	18.09	448.7	19.57	519.4
Forfeited	—	—	18.50	41.5
Exercised *	—	—	18.00	8.2
Expired	—	—	—	—
At 31 August	18.09	448.7	18.90	918.4
Vested and exercisable at 31 August	—	—	18.09	97.4

* The weighted average share price at the date of exercise of options exercised during the year ended 31 August 2015 was $21.20 (2014 — not applicable).

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

20 Employee benefits *(continued)*

Share-based payments *(continued)*

No options expired during the period covered by the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price ($)	Share options 2014 (thousands)	Share options 2015 (thousands)
30 May 2014	30 May 2024	18.00	425.6	389.2
14 July 2014	30 May 2024	19.58	23.1	23.1
9 January 2015	8 January 2025	19.57	—	506.1
			448.7	918.4
Weighted average remaining contractual life of options outstanding at end of period			9.8 years	9.1 years

Lapsed scheme

Prior to IPO in 2014, a share based payment scheme existed that provided management with the option to acquire class B — E shares, if certain vesting conditions were satisfied.

In March 2014 all vesting conditions on awards were fully satisfied and exercised as B — E shares by the holder. All classes of B- E shares were converted into ordinary shares on March 31, 2014 (see note 22).

Following the conversion, the scheme was extinguished with all charges fully recognized in the profit and loss prior to the conversion and extinguishment. No further options will be granted under this scheme and has been replaced by the 2014 Equity Incentive Award Plan.

A fair value for the shares issued was calculated using the Black-Scholes Option Pricing Model incorporating the following assumption s; the terms and conditions of the grants are as follows:

	Shares issued 2013	Shares issued 2012	Shares issued 2011	Shares issued 2010
Exercise price	$ 0.016281	$ 0.016281	$ 0.016281	$ 0.01551
Equity price (fair value)	$ 1.37	$ 1.37	$ 0.1791	$ 0.1160
Volatility	100%	100%	100%	100%
Dividend yield	0%	0%	0%	0%
Risk free interest rate	6%	6%	5%	5%
Expected life to exercise	3 years	3 years	1.5 years	2.5 years
Number of shares exercised	51,599	222,800	360,145	1,059,414

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

21 Provisions for other liabilities and charges

	Property $m	Legal $m	Other $m	Total $m
Balance at 1 September 2012	0.9	—	4.5	5.4
Provisions made during the year	—	0.7	3.1	3.8
Provisions used during the year	(0.7)	—	(2.2)	(2.9)
Provisions reversed during year	(0.2)	—	(0.3)	(0.5)
Foreign exchange	—	—	0.0	0.0
Balance as at 31 August 2013	—	0.7	5.1	5.8
Balance at 1 September 2013	—	0.7	5.1	5.8
Provisions made during the year	—	—	0.1	0.1
Provisions used during the year	—	(0.4)	(3.8)	(4.2)
Provisions reversed during year	—	—	—	—
Foreign exchange	—	—	0.0	0.0
Balance as at 31 August 2014	—	0.3	1.4	1.7
Balance at 1 September 2014	—	0.3	1.4	1.7
Provisions made during the year	—	0.8	0.0	0.8
Provisions reversed during the year	—	(0.3)	(0.5)	(0.8)
Balance at 31 August 2015	**—**	**0.8**	**0.9**	**1.7**
Current	—	—	—	—
Non-current	—	0.8	0.9	1.7
	—	**0.8**	**0.9**	**1.7**

Legal provisions relate to school acquisition cost with the integration of newly acquired subsidiaries and is unlikely to be utilized within one year. Other provisions relate to costs associated with overseas employees. The overseas employee provision is likely to be utilized over several years, although the timing of utilization is uncertain.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

22 Capital and reserves

Group and Company

Share capital

Authorized	No.	31 August 2013 $m	No.	31 August 2014 $m	No.	31 August 2015 $m
Ordinary shares of $0.01 each	—	—	2,000,000,000	20.0	**2,000,000,000**	**20.0**
Ordinary shares 'A' of $0.016281 each	300,000,000	4.8	—	—	—	—
Ordinary shares 'B' of $0.016281 each	841,623	0.0	—	—	—	—
Ordinary shares 'C' of $0.016281 each	210,406	0.0	—	—	—	—
Ordinary shares 'D' of $0.016281 each	273,527	0.0	—	—	—	—
Ordinary shares 'E' of $0.016281 each	3,000,000	0.1	—	—	—	—
Ordinary shares 'F' of $0.016281 each	801,653	0.0	—	—	—	—
Ordinary shares 'G' of £0.01 each	100,000,000	1.6	—	—	—	—
Deferred shares of $0.016281 each	200,000,000	3.3	—	—	—	—
Dollar deferred shares of $0.01 each	6,500,000,000	65.0	—	—	—	—
Redeemable Preference shares of $1.00 each	65,246,057	65.2	—	—	—	—
Redeemable New preference shares of $0.01 each	4,475,805	0.1	—	—	—	—
	7,174,849,071	140.1	2,000,000,000	20.0	**2,000,000,000**	**20.0**

Notes to the financial statements for the year ended 31 August 2015 (*continued)*

22 Capital and reserves *(continued)*

Allotted, called up and fully paid	No.	31 August 2013	No.	31 August 2014 $m	No.	31 August 2015 $m
Ordinary shares of $0.01 each	—	—	97,747,778	1.0	**104,091,367**	**1.0**
Ordinary shares 'A' of $0.016281 each	137,045,844	2.2	—	—	—	—
Ordinary shares 'B' of $0.016281 each	841,623	0.0	—	—	—	—
Ordinary shares 'C' of $0.016281 each	210,406	0.0	—	—	—	—
Ordinary shares 'D' of $0.016281 each	136,763	0.0	—	—	—	—
Ordinary shares 'E' of $0.016281 each	2,212,188	0.1	—	—	—	—
Ordinary shares 'F' of $0.016281 each	801,653	0.0	—	—	—	—
Deferred shares of $0.016281 each	100	0.0	—	—	—	—
Dollar deferred shares of $0.01 each	—	0.0	—	—	—	—
Redeemable Preference shares of $1.00 each	65,246,057	65.2	—	—	—	—
Redeemable New preference shares of $0.01 each	2,113,052	0.0	—	—	—	—
	208,607,686	67.5	97,747,778	1.0	**104,091,367**	**1.0**

* Redeemable preference shares (RPS) were classified as equity as t he terms of the RPS were that the redemption rights were at the full discretion of the issuer.

- Only the issuer had the option to redeem the shares at a future date, i.e. the holder could not call the shares.
- The RPS had the same rights as the ordinary shares with respect to dividends and there was not mandatory right for the holder to receive dividends. Payment of dividends was at the discretion of the issuer.

As such it was determined that the RPS had equity features and there was an unconditional right to defer payment and this was treated as equity in accordance with IAS 32.

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

22 Capital and reserves *(continued)*

	Ordinary shares $m	Redeemable preference shares $m	Share premium $m
At 1 September 2013	2.3	65.2	256.5
Issued during the year	1.0	0.0	366.9
Transaction cost recognised directly in equity	—	—	(29.6)
Return of capital to pre IPO shareholders	—	—	4.0
Forgiveness of the loan	—	—	14.3
Distribution to parent	—	—	(15.0)
Share redemption	(2.3)	(65.2)	—
At 31 August 2014	1.0	—	597.1
Issued during the year	0.0	—	148.6
Transaction cost recognized directly in equity	—	—	(10.8)
Exercise share options	—	—	0.3
At 31 August 2015	**1.0**	**—**	**735.2**

	2013 $m	2014 $m	2015 $m
Shares classed as liabilities	—	—	—
Shares classified in shareholders' funds	67.5	1.0	1.0
Shares classified in shareholders' funds	67.5	1.0	**1.0**

The holders of Ordinary shares are entitled to receive notice of, attend, speak and vote at any general meeting of the Company. The Ordinary shares are entitled to receive dividends.

On 6 December 2013, the Company issued 1 preference share with an aggregate nominal par value of $1 with a share premium of $3.8 million per share was issued with Premier Education Holdings Limited (immediate parent company) for financing purposes.

On 17 February 2014, 1 preference share with an aggregate nominal value of $1 was issued at par with a share premium of $14.5 million per share. The share was issued to Premier Education Holdings Limited in respect of the outstanding consideration due on the transfer of British International School Abu Dhabi LLC to the Group.

On 31 March 2014, the Company completed its initial public offering and issued 21,850,000 ordinary shares at $16.00 per share, raising gross proceed of $349.6 million. This included shares issued pursuant to the exercise of the underwriters' overallotment option, raising net proceeds of $320.0 million, net of offering costs. On the same day the existing 208,607,689 ordinary and preference shares were redeemed and replaced with 75,897,778 ordinary shares of the Company.

On 2 March 2015, 1,050,000 ordinary shares at $21.32 per share were issued as part of the purchase consideration for the acquisition of the British International Schools Group, Vietnam (see note 2).

On 25 June 2015, the Company to part fund the acquisition of the Sterling International Schools C Corporation issued 5,260,000 ordinary shares at $24.00 per share, raising gross proceeds of $126.2 million to part fund the acquisition of the six Meritas schools.

Currency translation reserve

The currency translation reserve comprises all foreign exchange differences arising since 1 September 2009, the transition date to IFRSs, from the translation of the financial statements of foreign operations.

Other reserves

Other reserves relate to the capital contributions reserve created upon the settlement of loan notes issued to the parent company and senior management.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

23 Financial instruments

2 3 (a) Fair values of financial instruments

Trade and other receivables

The fair value of trade and other receivables, is estimated as the present value of future cash flows, discounted at the effective rate of interest at the reporting date if the effect is material.

Trade and other payables

The fair value of trade and other payables is estimated as the present value of future cash flows, discounted at the effective rate of interest at the reporting date if the effect is material.

Cash and cash equivalents

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the effective rate of interest at the reporting date.

Interest-bearing borrowings

Fair value is calculated based on the present value of future principal and interest cash flows, discounted at the effective rate of interest at the reporting date. For finance leases the market rate of interest is determined by reference to similar lease agreements.

Derivative financial instruments

The fair value of call option is determined through the use of valuation techniques which maximize observable market data as the instruments are not traded in an active market.

Fair values

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

	Carrying amount 2013 $m	Fair value 2013 $m	Carrying amount 2014 $m	Fair value 2014 $m	Carrying amount 2015 $m	Fair value 2015 $m
Derivate financial assets						
Financial asset classified at fair value through profit or loss	—	—	—	—	—	—
Loans and receivables						
Cash and cash equivalents (see note 16)	222.9	222.9	256.4	256.4	**317.0**	**317.0**
Other loans and receivables	75.1	75.1	81.5	81.5	**117.0**	**117.0**
Total financial assets	298.0	298.0	337.9	337.9	**434.0**	**434.0**
Derivative financial liabilities						
Financial liabilities classified at fair value through profit or loss	—	—	—	—	**(3.0)**	**(3.0)**
Financial liabilities measured at amortized cost						
Other interest-bearing loans and borrowings (see note 17)	(712.8)	(765.2)	(612.6)	(612.6)	**(1,164.6)**	**(1,176.1)**
Trade and other payables	(111.8)	(111.8)	(111.2)	(111.2)	**(197.3)**	**(197.3)**
Finance lease liabilities	—	—	—	—	**(48.3)**	**(48.3)**
Total financial liabilities	(824.6)	(877.0)	(723.8)	(723.8)	**(1,413.2)**	**(1,424.7)**
Net financial instruments	(526.6)	(579.0)	(385.9)	(385.9)	**(979.2)**	**(990.7)**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 3 Financial instruments *(continued)*

23 (a) Fair values of financial instruments *(continued)*

Fair value hierarchy

The table below analyses financial instruments measured at fair value, into a fair value hierarchy based on the valuation technique used to determine fair value.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2013	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Cash and cash equivalents	222.9	—	—	222.9
Other loans and receivables	—	75.1	—	75.1
Trade and other payables	—	(111.8)	—	(111.8)
Finance lease liabilities	—	(0.0)	—	(0.0)
Other interest-bearing loans	—	(765.2)	—	(765.2)
Financial liabilities designated at fair value through profit and loss	—	—	—	—
Derivative financial assets	—	—	—	—
Derivative financial liabilities	—	—	—	—
	222.9	(801.9)	—	(579.0)

2014	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Cash and cash equivalents	256.4	—	—	256.4
Other loans and receivables	—	81.5	—	81.5
Trade and other payables	—	(111.2)	—	(111.2)
Finance lease liabilities	—	(0.0)	—	(0.0)
Other interest-bearing loans	—	(612.6)	—	(612.6)
Financial liabilities designated at fair value through profit and loss	—	—	—	—
Derivative financial assets	—	—	—	—
Derivative financial liabilities	—	—	—	—
	256.4	(642.3)	—	(385.9)

2015	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Cash and cash equivalents	317.0	—	—	317.0
Other loans and receivables	—	117.0	—	117.0
Trade and other payables	—	(197.3)	—	(197.3)
Finance lease liabilities	—	(48.3)	—	(48.3)
Other interest-bearing loans	—	(1,176.1)	—	(1,176.1)
Financial liabilities designated at fair value through profit and loss	—	—	—	—
Derivative financial assets	—	—	—	—
Derivative financial liabilities	—	—	3.0	3.0
	317.0	(1,304.7)	3.0	(984.7)

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 3 Financial instruments *(continued)*

23 (a) Fair values of financial instruments *(continued)*

Transfers between level 2 and 3

There are no transfers between level 2 and 3 in the year.

Description of significant unobservable inputs to valuation

The valuation of the financial derivative liability, a call option to purchase the remaining 10% interest in the British International Schools Group, Vietnam is dependent on the future cash flows of the underlying business as well as the market capitalization of the Company. We adopted the Put-Call Parity to perform the valuation on this call option.

Reconciliation of fair value measurement using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended 31 December 2015:

	Call option $m
As at 1 September 2014	—
Acquisitions	3.0
As at 31 August 2015	3.0

2 3 (b) Credit risk

Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, bank balances. This credit risk is minimized by a policy under which the Group only enters into such contracts with companies, governments, banks and financial institutions with strong credit ratings within limits set for each organization. In respect of derivatives, dealing activity is closely controlled and counterparty positions are monitored regularly. No credit limits were exceeded during the year and the Group does not anticipate that any losses will arise from non-performance by these counterparties.

Exposure to credit risk

The carrying amount of financial assets other than cash and cash equivalents represents the maximum credit exposure. Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The maximum exposure to credit risk at the reporting date was $117.0 million (2014 - $81.5 million, 2013 - $75.1 million) being the total of the carrying amount of financial assets .

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 3 Financial instruments *(continued)*

2 3 (b) Credit risk *(continued)*

Financial assets

The maximum exposure to credit risk for financial assets at the reporting date by currency was:

	2013 $m	2014 $m	2015 $m
Sterling	7.2	4.6	**4.1**
Dollar and Dollar peg currencies	22.9	30.4	**51.4**
Chinese Renminbi	15.0	3.9	**6.3**
European currencies (excluding Sterling)	8.6	11.3	**9.9**
Malaysian Ringgit	4.6	0.8	**0.6**
Swiss Franc	13.7	25.3	**28.3**
Thai Baht	3.1	3.0	**3.7**
Singapore Dollar	—	2.2	**1.5**
Vietnamese Dong	—	—	**10.1**
Mexican Peso	—	—	**1.1**
	75.1	81.5	**117.0**

The maximum exposure to credit risk for financial assets at the reporting date by type of counterparty was:

	2013 $m	2014 $m	2015 $m
School fees	40.1	60.4	**88.5**
Amounts receivable through other contracts	9.6	9.3	**3.8**
Rental deposits	—	3.6	**15.1**
Cash deposit accounts	13.9	—	**—**
Others	11.5	8.2	**9.6**
	75.1	81.5	**117.0**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 3 Financial instruments *(continued)*

2 3 (b) Credit risk *(continued)*

Credit quality of financial assets and impairment losses

The ag eing of trade receivables at the reporting date was:

	2013				2014			
	Not impaired $m	Subject to impairment $m	Provision for impairment $m	Total $m	Not impaired $m	Subject to impairment $m	Provision for impairment $m	Total $m
Not past due	24.7	—	—	24.7	40.8	0.1	(0.1)	40.8
Less than 1 month past due	11.2	—	—	11.2	8.2	—	—	8.2
1 – 3 months past due	11.2	—	—	11.2	20.5	0.3	(0.3)	20.5
More than 3 months past due	—	3.7	(1.1)	2.6	—	4.4	(4.3)	0.1
	47.1	3.7	(1.1)	49.7	69.5	4.8	(4.7)	69.6

	2015			
	Not impaired $m	Subject to impairment $m	Provision for impairment $m	Total $m
Not past due	35.5	0.0	(0.0)	35.5
Less than 1 month past due	22.5	0.1	(0.1)	22.5
1 – 3 months past due	29.3	0.2	(0.2)	29.3
More than 3 months past due	—	11.5	(6.5)	5.0
	87.3	11.8	(6.8)	92.3

The Group defines impaired trade receivables to include those in legal hands or unrecoverable due to financial difficulties. The trade receivables that are past due but not impaired relate to customers for whom there is no history of default.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 3 Financial instruments *(continued)*

2 3 (b) Credit risk *(continued)*

Credit quality of financial assets and impairment losses (continued)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2013 $m	2014 $m	2015 $m
Balance at 1 September	0.9	1.1	**4.7**
Impairment loss recognized	0.9	3.9	**5.6**
Impairment loss reversed	(0.7)	(0.3)	**(2.2)**
Impairment loss written off	—	—	**(1.2)**
Effect of foreign exchange movements	0.0	0.0	**(0.1)**
Balance at 31 August	1.1	4.7	**6.8**

Liquidity risk — Group

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

	2013 Undiscounted contractual cash flows $m	1 year or less $m	1 to <2years $m	2 to <5years $m	5years and over $m	2014 Undiscounted contractual cash flows $m	1 year or less $m	1 to <2years $m	2 to <5years $m	5years and over $m
Bank overdraft	51.8	51.8	—	—	—	90.2	90.2	—	—	—
Borrowings	912.6	71.8	68.5	772.3	—	688.4	48.6	28.7	85.9	525.2
Finance lease liabilities	0.0	0.0	0.0	—	—	0.0	0.0	—	—	—
Trade and other payables	111.8	103.5	7.7	0.6	—	111.2	60.5	7.6	18.4	24.7
Derivatives	—	—	—	—	—	—	—	—	—	—
	1,076.2	227.1	76.2	772.9	—	889.8	199.3	36.3	104.3	549.9

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 3 Financial instruments *(continued)*

2 3 (c) Liquidity risk *(continued)*

Liquidity risk — Group

	2015 Undiscounted contractual cash flows $m	1 year or less $m	1 to <2years $m	2 to <5years $m	5 years and over $m
Bank overdraft	90.7	90.7	—	—	—
Borrowings	1,438.2	69.7	66.0	130.7	1,171.8
Finance lease liabilities	48.3	0.3	0.3	0.7	47.0
Trade and other payables	197.3	167.3	9.6	12.9	7.5
Derivatives	3.0	—	—	3.0	—
	1,777.5	328.0	75.9	147.3	1,226.3

2 3 (d) Market risk

Financial risk management

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments .

Market risk - Foreign currency risk

The Group has significant and expanding international operations trading in non US dollar currencies. Movements in global exchange rates can cause currency exposures to the Group's consolidated US dollar financial results. Where stable currencies exist, trade is conducted in local currencies and where appropriate, borrowings are matched in that currency to mitigate the risk of exposure to the Group's assets and liabilities from exchange rate movements. In countries of operation where currency trading zones are considered to be weaker, some transactions are conducted in US dollars and euros to try to minimize exchange fluctuation risks.

In consideration of benefits against cost, the Group does not hedge its translation exposure, but will consider managing transactional exposures by using forward cover instruments where significant transactions are involved.

Notes to the financial statements for the year ended 31 August 2015 (*continued)*

2 3 Financial instruments *(continued)*

23 *(d) Market risk* *(continued)*

The Group's exposure to foreign currency risk is as follows. This is based on the carrying amount for monetary financial instruments except derivatives when it is based on notional amounts.

31 August 2013	Sterling $m	European currencies $m	US dollar and US dollar peg $m	Singapore Dollar $m	Swiss Franc $m	Total $m
Cash and cash equivalents	0.1	7.6	1.9	—	6.9	16.5
Trade and other payables	(0.1)	—	—	—	—	(0.1)
	—	7.6	1.9	—	6.9	16.4

31 August 2014	Sterling $m	European currencies $m	US dollar and US dollar peg $m	Singapore Dollar $m	Swiss Franc $m	Total $m
Cash and cash equivalents	0.0	0.1	18.4	—	—	18.5
Trade and other payables	(0.1)	—	—	(0.0)	—	(0.1)
	(0.1)	0.1	18.4	(0.0)	—	18.4

31 August 2015	Sterling $m	European currencies $m	US dollar and US dollar peg $m	Singapore Dollar $m	Swiss Franc $m	Total $m
Cash and cash equivalents	**0.0**	**9.4**	**15.3**	**—**	**15.0**	**39.7**
Trade and other payables	**(0.1)**	**(0.1)**	**—**	**(0.0)**	**—**	**(0.2)**
Other interest-bearing loans	**—**	**—**	**—**	**—**	**(200.9)**	**(200.9)**
	(0.1)	**9.3**	**15.3**	**(0.0)**	**(185.9)**	**(161.4)**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

23 Financial instruments *(continued)*

2 3 (d) Market risk *(continued)*

Market risk — Foreign currency risk *(continued)*

Sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit or loss is due to changes in the fair value of monetary assets and liabilities. The impact on the Group's equity is due to the changes in the fair value of non-monetary assets and liabilities. A 4% strengthening (2014 & 2013 - 1% strengthening) of the following currencies against the US dollar at 31 August would have increased/(decreased) equity and profit or loss by the amounts shown below.

	Profit or loss			Equity		
	2013 $m	2014 $m	2015 $m	2013 $m	2014 $m	2015 $m
Sterling	0.3	0.6	**3.8**	0.6	1.2	**15.5**
European currencies (excluding Sterling)	0.1	0.1	**0.3**	0.3	0.3	**5.3**
Chinese Renminbi	0.5	0.4	**1.4**	0.4	0.6	**2.8**
Swiss Franc	0.0	(0.0)	**0.5**	(0.0)	(0.1)	**1.2**
Vietnamese Dong	n/a	n/a	**0.4**	n/a	n/a	**0.4**
Singaporean dollar	n/a	0.0	**0.1**	n/a	0.1	**0.2**
Malaysian Ringgit	0.0	0.0	**0.0**	n/a	0.1	**0.2**
Thai Baht	0.0	0.1	**0.4**	0.0	0.0	**0.1**
Mexican Peso	n/a	n/a	**0.0**	n/a	n/a	**1.7**

Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	2013 $m	2014 $m	2015 $m
Fixed rate instruments			
Financial liabilities	647.0	—	**200.9**
Variable rate instruments			
Financial liabilities	65.8	612.6	**963.7**

The Group does not apply hedge accounting for any of its derivative financial instruments. As such the Group recognizes changes in fair value in respect of any of its derivatives immediately in its income statement.

The Group's interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. The interest rate profile of the Group's debt is predominately variable.

At the 31 August 2015, all of the Groups borrowings were issued at variable and fixed interest rates with the exception of the 5.75% senior secured notes due 2022 which are fixed rate. The impact of a 1% increase in interest rates on the Group's variable interest rate debt not covered by the derivative financial instruments would be to increase the Group's interest charge by approximately $9.6 million (2014: $6.1 million, 2013: $5.3 million).

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

2 3 Financial instruments *(continued)*

23 (e) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may issue new shares or sell fixed assets to reduce debt.

The Group monitors capital on the basis of the debt to equity ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the Consolidated Balance Sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the Consolidated Balance Sheet plus net debt.

On 31 March 2014, the Group entered into a credit agreement for a $515.0 million senior secured term loan facility and a $75.0 million revolving credit facility. The senior secured term loan was subsequently increased by $150.0 million on 2 March 2015 and further increased by $240.0 million on 25 June 2015 and the revolving credit facility increased to $125.0 million. The Group discharged its obligations under the indentures governing the $490.0 million 10.25% senior secured notes and $150.0 million 8.50%/9.50% PIK toggle notes, both of which were fully redeemed as of 14 April 2014. Prior to entry into the senior secured term loan facility in March 2014, the Group monitored the Fixed Charge Cover Ratio ("FCCR" — Consolidated EBITDA divided by Consolidated Interest Expense as defined in the indenture governing the $490m senior secured notes). Post entry into the senior secured term loan facility, the Group monitors the Net Leverage Ratio ("NLR" — Debt less Cash and Cash Equivalents divided by Consolidated EBITDA as defined in the facility agreement. In the credit agreement for the senior secured term loan facility, debt is defined as the greater of the Balance Sheet amount of all the debt or the par value of such debt and Consolidated EBITDA is adjusted for the full year impact of acquisitions and interest receivable). The relevant ratios for the three years ended 31 August 2015 were as follows:

	2013 $m	2014 $m	2015 $m
Total borrowings	712.8	612.6	**1,164.6**
Less cash and cash equivalents	(222.9)	(256.4)	**(317.0)**
Net debt	489.9	356.2	**847.6**
Total equity	20.0	190.7	**279.3**
Total capital	509.9	546.9	**1,126.9**
Net debt to total equity ratio	24.5:1	1.9:1	**3.0:1**
Fixed charge coverage ratio (FCCR)*	2.25	n/a	**n/a**
Net leverage ratio (NLR)**	3.14	2.75	**3.93**

* FCCR monitored from 22 March 2012 to 31 March 2014

** NLR monitored from 31 March 2014. 2013 figures are unaudited

23 (f) Offsetting Financial Assets and Financial Liabilities

There are no offsetting financial assets and financial liabilities during the year.

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

24 Operating leases

Future aggregate minimum lease payments are as follows:

	2013 $m	2014 $m	2015 $m
Land and Buildings			
Less than one year	47.4	53.8	**71.1**
Between one and five years	186.7	204.1	**252.9**
More than five years	351.5	454.4	**972.0**
	585.6	712.3	**1,296.0**
Other			
Less than one year	0.4	0.4	**0.4**
Between one and five years	0.3	0.7	**0.5**
More than five years	—	—	**—**
	0.7	1.1	**0.9**
	586.3	713.4	**1,296.9**

Operating leases are payable at market rates and are not subject to any restrictions other than those that would normally be expected to apply to such agreements. Agreements in respect of properties may be subject to renewal according to the landlord's terms. There are no new terms of renewal applicable to any other operating lease agreements.

25 Commitments

Capital commitments

	2013 $m	2014 $m	2015 $m
Contracted but not provided for	4.3	3.0	**9.3**
Authorized but not contracted or provided for	27.8	28.6	**15.0**
	32.1	31.6	**24.3**

All capital commitments relate to tangible assets.

26 Contingencies

In 2013 to 2015 all borrowings are secured by fixed and floating charges over all the current and future assets of certain Group entities. The Group subsidiaries which are party to this arrangement are detailed in note 13, Subsidiaries, along with details of certain Group entities whose share capital has also been pledged as part of the security arrangement, including the assignment of certain insurances.

The Group has provided the following bank guarantees:

To SCTAI Anglo Iskola KFT for €0.3 m illion (2014 - $0.4 million, 2013 - $0.4 million) in respect of a 30 year lease of school premises in Budapest. The annual payments under this lease are €0.4 million (2014 - $0.6 million, 2013 - $0.6 million) and the guarantee expires on 14 September 2016.

To Abu Dhabi Education Council for AED 1.3 million ($0.4 million, 2014 - $0.4 million, 2013 - $0.3 million) which is open ended.

To Dubai Islamic Bank for AED36.0 million ($9.8 million, 2014 - $9.8 million, 2013 - $9.8 million) in respect of a 13 year lease for school premises in Dubai, the guarantee expires on 15 September 2017.

Notes to the financial statements for the year ended 31 August 2015 *(continued)*

27 Related party transactions

Controlling entities

Premier Education Holdings Limited owns 72.2% of the ordinary shares of Nord Anglia Education, Inc., and Baring Private Equity Asia owns 100% of Premier Education Holdings Limited.

Transactions with related parties

During the year the Group and Company entered into transactions, in the ordinary course of business, with other related parties. Transactions entered into, and trading balances outstanding at 31 August with other related parties are as follows:

	Amounts owed by related parties at 2013 ($m)	Amounts owed to related parties at 2013 ($m)	Amounts owed by related parties at 2014 ($m)	Amounts owed to related parties at 2014 ($m)	Amounts owed by related parties at 2015 ($m)	Amounts owed to related parties at 2015 ($m)
Entities with significant influence over the Group:						
Premier Education Holdings Limited	—	30.6	—	—	—	—
Other related parties	—	2.3	—	0.8	—	**0.8**

Name of Company	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertaking:			
Nord Anglia Education (UK) Holdings PLC	Ordinary	100%	Holding company

Remuneration of senior management is disclosed in note 8 of the consolidated financial statements.

The Group holds a 50% shareholding in EduAction Waltham Forest Limited through its 100% owned subsidiary Nord Anglia Education Limited. At the reporting date the joint venture was owed an amount of $ 1.1 million (2014 — $1.1 million) by the Group which is included within other creditors due less than one year.

During the year ended 31 August 2015, consistent with 31 August 2014 financial statements, the Swiss schools continue to rent premises from companies which are controlled by a key member of management.

	Balance at 31 August 2015 ($m)	Rental charge for the period ($m)	Balance at 31 August 2014 ($m)	Rental charge for the period ($m)	Balance at 31 August 2013 ($m)	Rental charge for the period ($m)
Leosolis SA	nil	3.2	0.2	3.4	nil	3.3
Hunters SA	nil	0.9	nil	1.0	nil	0.9
Toumim SA	nil	0.3	nil	0.5	nil	0.3
Delphim SA	nil	3.2	0.8	3.5	2.3	3.3
Educim SA	nil	3.1	nil	0.0	nil	—
La Renardières Service SA	nil	0.7	nil	0.7	nil	0.5

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

27 Related party transactions ***(continued)***

Future aggregate minimum lease payments to the key member of management are as follows:

2015	Total payable ($m)	Due within 1 year ($m)	Due within 1 to 5 years ($m)	Due after more than 5 years ($m)
Leosolis SA	62.4	3.1	12.5	46.8
Hunters SA	11.4	0.9	2.2	8.3
Toumim SA	6.0	0.3	1.3	4.4
Delphim SA	35.4	3.2	12.9	19.3
Educim SA	59.7	2.5	10.0	47.2
La Renardières Service SA	6.6	0.6	2.2	3.8
Résidence Panorama SA	0.3	0.1	0.2	—
de Meyer Jérôme	0.0	0.0	—	—
	181.8	10.7	41.3	129.8

2014	Total payable ($m)	Due within 1 year ($m)	Due within 1 to 5 years ($m)	Due after more than 5 years ($m)
Leosolis SA	68.8	3.3	13.1	52.4
Hunters SA	12.8	0.9	2.6	9.3
Toumim SA	6.7	0.3	1.3	5.1
Delphim SA	40.5	3.4	13.5	23.6
Educim SA	65.2	2.6	10.5	52.1
La Renardières Service SA	7.5	0.6	2.3	4.6
Résidence Panorama SA	0.4	0.1	0.3	0.0
de Meyer Jérôme	0.1	0.1	—	—
	202.0	11.3	43.6	147.1

2013	Total payable ($m)	Due within 1 year ($m)	Due within 1 to 5 years ($m)	Due after more than 5 years ($m)
Leosolis SA	70.8	3.2	12.9	54.7
Hunters SA	13.5	0.9	2.6	10.0
Toumim SA	6.9	0.3	1.3	5.3
Delphim SA	43.1	3.3	13.3	26.5
La Renardières Service SA	8.0	0.6	2.3	5.1
	142.3	8.3	32.4	101.6

There is a rental guarantee made to Delphim SA for CHF1.2 million in respect of a 14 year lease of school premises in Switzerland. The annual payment under this lease are CHF3.1 million ($3.2 million) and the guarantee expires on 31 August 2026.

In addition to the above, the vendor was also paid a consultancy fee of $0.2 m illion (2014 - $1.2 million, 2013 - $0.3 million) and reimbursement of costs $2.5 million (2014 - $1.2 million, 2013 - $1.8 million).

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

27 Related party transactions ***(continued)***

Included within other creditors is an amount of $0.8 million (current $0.2 million, non-current $0.6 million) 2014 - $0.8 million (current - $0.2 million, non-current - $0.6 million) 2013 - $2.3 million (current: $1.5 million, non-current: $0.8 million). The $0.8 million is due to the vendor of College Champittet for the earn-out agreement and is to be settled over the next 4 years (2014 - $0.8 million to be settled over 4 years, 2013 - $1.0 million to be settled over 5 years). The remaining $1.3 million in 2013 relates to the deferred consideration which is due to the vendor for the initial purchase of College Champittet by Premier Education Holdings Limited (formerly known as Premier Education Holdings s.a.r.l.). The repayment date for this deferred consideration is 1 September 2013. These amounts relate to the original purchase of the trade and assets of College Champittet by the corporate vehicle (Cime Services SA) used to purchase College Champittet.

During the year ended 31 August 2014, $15.0 million (2013 - $3.3 million) was paid to Baring Private Equity Asia, the ultimate parent of the Group in respect of the termination of professional services and consultancy agreement in 2014 and management and consultancy fees in 2013. Furthermore, $0.2 million (2013 - $0.4 million) was paid to Barings Private Equity Asia for the reimbursement of travelling expenses. In the year ended 31 August 2013, $6.5 million was paid to Barings Private Equity Asia for the transaction fee in relation to the issuance of the $325 million of 10.25% Senior secured notes due 2017 by Nord Anglia Education (UK) Holdings PLC.

During the year ended 31 August 2014, $61.2 million of preference share redemption premium was paid to PEH and the carrying value of the shares redeemed was $0.0 million (2013 - $0.0 million). Included within the transactions with PEH is the $19.5 million consideration in respect of the transfer of British International School Abu Dhabi (‘BISAD’) in the prior year. The remaining balance ($14.5 million) was settled as part of the share cancellation and recapitalisation (see note 22).

During the year ended 31 August 2014, a consultancy fee of $nil million (2013: $0.1 million) was paid to a close family member of senior management for consultancy purposes.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

28 Earnings/(loss) per share

Basic earnings/(loss) per share amounts are calculated by dividing the earnings/(losses) attributable to owners of the company by the weighted average number of ordinary shares in issue during the financial year, which has been adjusted to retroactively reflect as outstanding in all periods the shares held by PEH, the parent, immediately prior to the initial public offering. During the year $nil (2014 – $32.1 million; 2013 – $14.9 million) New preference shares were redeemed at the option of the Company. The amount paid on redemption was $nil (2014 - $61.6 million; 2013 - $138.7 million) and the carrying value of the shares redeemed comprised $nil (2014 – $0.0 million; 2013 – $0.0 million) of share capital and $nil (2014 - $61.6 million; 2013 - $138.7 million) of associated share premium. The redemption premium paid to the preference shareholders, whom are not the controlling party, has been added to loss for the year available for equity shareholders.

Diluted earnings/(loss) per share amounts are calculated by dividing the earnings/(losses) attributable to owners of the company by the weighted average number of ordinary shares in issue during the financial year adjusted for the effects of potentially dilutive options. The dilutive effect is calculated on the full exercise of all potentially dilutive ordinary share options granted by the Group, including performance-based options which the Group considers to have been earned.

	2013			2014			2015		
	Basic	Potentially dilutive share options	Diluted	Basic	Potentially dilutive share options	Diluted	Basic	Potentially dilutive share options	Diluted
Loss ($m)									
Continuing operations	(23.3)		(23.3)	(90.4)		(90.4)	**7.4**		**7.4**
Preference share redemption premium	(1.6)		(1.6)	(0.4)		(0.4)	**—**		**—**
Total losses attributable to equity shareholders	(24.9)		(24.9)	(90.8)		(90.8)	**7.4**		**7.4**
Weighted average number of shares (millions)	74.0	—	74.0	85.1	—	85.1	**99.4**	**0.1**	**99.5**
Loss per share ($ per share)	(0.34)		(0.34)	(1.07)		(1.07)	**0.07**		**0.07**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

29 Subsequent events

There were no material subsequent events.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

30 Parent company financial information

Income Statements

	Note	Year ended 31 August 2013 $m	Year ended 31 August 2014 $m	Year ended 31 August 2015 $m
Revenue		—	—	—
Cost of sales		—	—	—
Gross profit		—	—	—
Selling, general and administrative expense		(0.1)	(3.0)	**(1.0)**
Depreciation		—	—	—
Amortization		—	—	—
Exceptional items	*30c*	(1.1)	(35.0)	**(16.1)**
Total expenses		(1.2)	(38.0)	**(17.1)**
Operating loss		(1.2)	(38.0)	**(17.1)**
Finance income		—	—	**1.5**
Finance expense		(8.5)	(10.4)	**(5.0)**
Net financing expense		(8.5)	(10.4)	**(3.5)**
Loss before tax		(9.7)	(48.4)	**(20.6)**
Income tax		—	—	—
Loss for the period		(9.7)	(48.4)	**(20.6)**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

30 Parent company financial information *(continued)*

Statement s of Comprehensive Loss

	Note	Year ended 31 August 2013 $m	Year ended 31 August 2014 $m	Year ended 31 August 2015
Loss for the period		(9.7)	(48.4)	**(20.6)**
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss:				
Foreign exchange translation differences		—	—	—
Other comprehensive income/(loss) for the period, net of income tax		—	—	—
Total comprehensive loss for the year		(9.7)	(48.4)	**(20.6)**
Attributable to:				
Equity holders of the company		(9.7)	(48.4)	**(20.6)**

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

30 Parent company financial information (continued)

Balance Sheet
as at 31 August

	Note	2013 $m	2014 $m	2015 $m
Non-current assets				
Investments	*30b*	332.1	538.3	538.3
Advances to subsidiaries		—	—	119.7
		332.1	538.3	658.0
Current assets				
Advances to subsidiaries		1.3	14.6	—
Cash and cash equivalents		0.0	0.0	0.0
		1.3	14.6	0.0
Total assets		333.4	552.9	658.0
Current liabilities				
Other interest-bearing loans and borrowings		(1.1)	0.0	—
Advances from subsidiaries		(1.5)	(25.2)	(7.5)
		(2.6)	(25.2)	(7.5)
Non-current liabilities				
Other interest-bearing loans and borrowings		(140.5)	0.0	—
Advances from subsidiaries		—	(109.1)	(114.4)
		(140.5)	(109.1)	(114.4)
Total liabilities		(143.1)	(134.3)	(121.9)
Net assets		190.3	418.6	536.1
Equity attributable to equity holders of the parent				
Share capital	*22**	67.5	1.0	1.0
Share premium	*22**	256.5	597.1	735.2
Shareholder deficit		(133.7)	(179.5)	(200.1)
Shareholders' funds		190.3	418.6	536.1

These financial statements set out on pages 102 to 111 were approved the board of directors on 31 December 2015 and were signed on its behalf by:

A Fitzmaurice
Director
31 December 2015

G Halder
Director
31 December 2015

Company number: MC-264950

* Note reference refers to consolidated financial statement note.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

30 Parent company financial information *(continued)*

Statement s of Changes in Equity

for the year ended 31 August 2013, 31 August 2014 and 31 August 2015

	Share capital	Share premium	Other reserves	Shareholders' deficit	Total shareholder equity
Balance at 31 August 2012 and 1 September 2012	67.5	255.2	—	(124.1)	198.6
Total comprehensive loss for the year					
Loss for the year	—	—	—	(9.7)	(9.7)
Transactions with owners, recorded directly in equity					
Issue of preference shares (see note 22*)	—	140.0	—	—	140.0
Preference shares redemption (see note 22*)	—	(138.7)	—	—	(138.7)
Equity-settled share based payment transactions (see note 20*)	—	—	—	0.1	0.1
Total contributions by and distributions to owners	—	1.3	—	0.1	1.4
Balance at 31 August 2013	67.5	256.5	—	(133.7)	190.3

* Note reference refers to consolidated financial statement note.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

30 Parent company financial information *(continued)*

Statement s of Changes in Equity *(continued)*

	Share capital	Share premium	Other reserves	Shareholders' deficit	Total shareholder equity
Balance at 1 September 2013	67.5	256.5	—	(133.7)	190.3
Total comprehensive loss for the year					
Loss for the year	—	—	—	(48.4)	(48.4)
Transactions with owners, recorded directly in equity					
Proceeds from shares issued (see note 22*)	1.0	348.6	—	—	349.6
Issue of preference shares	0.0	3.8	—	—	3.8
Contribution from parent	—	14.5	—	—	14.5
Transaction costs recognized directly in equity	—	(29.6)	—	—	(29.6)
Return of capital to pre IPO shareholders	(67.5)	4.0	—	—	(63.5)
Forgiveness of the loan	—	14.3	—	—	14.3
Distribution to parent	—	(15.0)	—	—	(15.0)
Equity-settled share based payment transactions (see note 20*)	—	—	—	2.6	2.6
Total contributions by and distributions to owners	(66.5)	340.6	—	2.6	276.7
Balance at 31 August 2014 and 1 September 2014	**1.0**	**597.1**	**—**	**(179.5)**	**418.6**
Total comprehensive loss for the year					
Loss for the year				(20.6)	(20.6)
Transactions with owners, recorded directly in equity					
Proceeds from shares issued (see note 22*)	0.0	148.6	—	—	148.6
Transaction costs recognized directly in equity	—	(10.8)	—	—	(10.8)
Exercise share options	—	0.3	—	0.0	0.3
Total contributions by and distributions to owners	0.0	138.1	—	0.0	138.1
Balance at 31 August 2015	**1.0**	**735.2**	**—**	**(200.1)**	**536.1**

* Note reference refers to consolidated financial statement note.

Notes to the financial statements for the year ended 31 August 2015 ***(continued)***

30 Parent company financial information *(continued)*

Cash Flow Statement s
for the year ended 31 August 2013, 31 August 2014 and 31 August 2015

	Note	Year ended 31 August 2013 $m	Year ended 31 August 2014 $m	Year ended 31 August 2015 $m
Cash flows from operating activities				
Loss for the period before taxation		(9.7)	(48.4)	**(20.6)**
Adjustments for:				
Bond redemption expense		—	13.8	**—**
Loan to subsidiary forgone		—	—	**14.5**
Net financial expense		8.5	10.4	**3.5**
Equity settled share-based payment expenses		0.1	2.6	**0.3**
Cash used in operations		(1.1)	(21.6)	**(2.3)**
Payment of bond redemption expense		—	(13.8)	**—**
Interest paid		(6.6)	(9.4)	**—**
Net cash used in operating activities		(7.7)	(44.8)	**(2.3)**
Cash flows from investing activities				
Investment in subsidiary		(133.4)	(206.2)	**—**
Advances to subsidiaries		(0.4)	(5.3)	**(119.7)**
Net cash used in investing activities		(133.8)	(211.5)	**(119.7)**
Cash flows from financing activities				
Proceeds from the issue of share capital, net		140.0	323.8	**118.9**
Proceeds from issue of 8.50% Senior PIK toggle notes		150.0	—	**—**
Advances from subsidiaries		—	161.0	**3.1**
Repayment of borrowings		—	(150.0)	**—**
Payment of borrowing expenses		(9.8)	—	**—**
Distribution to parent		—	(15.0)	**—**
Share redemption		(138.7)	(63.5)	**—**
Net cash generated from financing activities		141.5	256.3	**122.0**
Net increase in cash and cash equivalents		0.0	0.0	**0.0**
Cash and cash equivalents at the beginning of period		0.0	0.0	**0.0**
Effect of exchange rate fluctuations on cash held		0.0	0.0	**0.0**
Cash and cash equivalents at 31 August		0.0	0.0	**0.0**

Notes to the parent company financial statements

30 Parent company financial information *(continued)*

Nord Anglia Education, Inc. was incorporated in the Cayman Islands on 14 December 2011 as an exempt company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is Offices of Maples Corporate Services, Ugland House, PO Box 309, Grand Cayman, KY1-1104, Cayman Islands.

30a Basis of preparation

The parent company financial statements are prepared on the historical cost basis. The financial statements are presented in US Dollar ("$"), unless otherwise stated.

The financial statements are prepared on a going concern basis. The shareholders' funds on as at 31 August 2015 shows net assets by $536.1 million (2014 - $418.6 million).

The directors have reviewed the latest guidance relating to going concern and, having made all relevant enquiries, have formed a judgement that Nord Anglia Education, Inc and its subsidiaries (together "the Group") has adequate resources at its disposal to continue its operations for the foreseeable future. This judgement is based on a review undertaken of the current business forecast to 31 August 2016 and the projected cash requirements over that period to assess the likelihood of the Group being able to continue as a going concern. Suitable sensitivities were run for the periods up to 31 August 2016 to assess the headroom available. This review concluded that there were no material uncertainties that potentially could give rise to a significant doubt about the business continuing as a going concern.

Prior year correction

In preparing the financial statements for the current period, the Company revised the prior year balance sheet and cash flow statement for the Company. Previously advances to and from subsidiaries were treated as working capital. Currently these fund inflows and outflows from subsidiaries are classified following the nature of these transactions. When the nature is a lending and borrowing, such cash flows are included in investing and financing respectively. This change does not affect revenue, operating profit, profit for the period, earnings per share.

The reconciliation table for the changes in the classification to correct an error is as follows:

	As at 31 August 2013		As at 31 August 2014	
	As previously reported $m	As corrected for error $m	As previously reported $m	As corrected for error $m
Balance Sheet				
Advances from subsidiaries (current)	1.3	1.3	(134.3)	(25.2)
Advances from subsidiaries (non-current)	—	—	—	(109.1)
Cash Flow Statement				
Cash used in operations	(1.5)	(1.1)	134.1	(21.6)
Net cash used in operating activities	(8.1)	(7.7)	110.9	(44.8)
Net cash used in investing activities	(133.4)	(133.8)	(206.2)	(211.5)
Net cash generated from financing activities	141.5	141.5	95.3	256.3

Investments

In accordance with IAS 27R, the Company accounts for its investments in subsidiaries and associates at cost.

Investments are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an impairment loss is recognized for the amount by which the carrying amount exceeds the recoverable amount, and the recoverable amount is the higher of value in use and fair value less costs to sell.

Borrowings and borrowing costs

All loans and borrowings are initially recognized at the fair value of the consideration received net of issue costs associated with the borrowing. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the income statement over the period of the borrowings using the effective interest rate method.

Borrowing costs are expensed in the period in which they are incurred, except for issue costs, which are amortized over the period of the borrowing. Any initial differences between book value and the fair value of the loan due to the parent company are adjusted to equity to the extent they represent capital transactions with the parent.

Notes to the parent company financial statements *(continued)*

30 Parent company financial information *(continued)*

30b Investments

	$m
At 31 August 2012	198.6
Additions during the year	133.5
At 31 August 2013	332.1
Additions during the year	206.2
At 31 August 2014	538.3
Additions during the year	—
At 31 August 2015	538.3

On 20 May 2013, the Company subscribed to 1 preference share with an aggregate nominal value of $1 was issued at par of Nord Anglia Education (UK) Holdings PLC with a share premium of $133.4 million per share, for the financing of the acquisition and related fees and expenses of WCL Group Limited (see note 2 in the Group financial statements).

On 6 December 2013, the Company subscribed to 2 ordinary shares with an aggregate nominal value of $2 was issued at par of Nord Anglia Education (UK) Holdings PLC with a share premium of $4.5 million, for the funding of the Company's operating activities.

On 31 March 2014, the Company subscribed to 1 ordinary share with an aggregate nominal value of $1 was issued at par of Nord Anglia Education (UK) Holdings PLC with a share premium of $201.7 million per share, for the part settlement of the $325.0 million 10.25% senior secured notes issued on 28 March 2012 and the $165.0 million 10.25% senior secured notes issued on 26 June 2013.

Investments represent 100% of the issued share capital of Nord Anglia Education (UK) Holdings PLC, a company incorporated in the United Kingdom. The principle activity of this subsidiary is that of a holding company.

The Directors believe the carrying value of the investments is supported by their underlying net assets and future cash flows.

Details of investments indirectly held by the Company are disclosed in note 1 3 of the consolidated financial statements.

30c Exceptional item

Included within the current year charge of $16.1 million is a loan to a subsidiary (NA Schools Limited) of $14.5 million which was written off. A charge has been recognized through the profit and loss as a result of the derecognition of the financial asset.

In 2014, the exceptional charges of $35.0 million relates to the Initial Public Offering and the extinguishment of the 8.5% Senior PIK toggle notes due 2018.

During 2013, the exceptional charges of $1.1 million relates to the non-incremental costs associated with the raising of 8.5% Senior PIK toggle notes due 2018.

30d Contingent liabilities

The Company had no contingent liabilities at 31 August 2015 (2013 and 2014 - $nil).

30e Operating leases

The Company had no operating leases at 31 August 2015 (2013 and 2014 - $nil).

Notes to the parent company financial statements *(continued)*

30 Parent company financial information *(continued)*

30f Capital commitments

The Company had no capital commitments at 31 August 2015 (2013 and 2014 - $nil).

30g Related party transactions

There are no other related party transactions other than those disclosed in the Group accounts. Under IAS 24 the Company is exempt from disclosing transactions within wholly owned subsidiaries.

30h Supplemental information

The following reconciliations are provided as additional information to satisfy the schedule 1 SEC requirements for parent-only financial information:

	Note	Year ended 31 August 2013 $m	Year ended 31 August 2014 $m	Year ended 31 August 2015 $m
IFRS loss reconciliation				
Parent only — IFRS loss for the period		(9.7)	(48.4)	**(20.6)**
Additional (loss)/profit if subsidiaries had been accounted for on the equity method of accounting as opposed cost		(13.6)	(42.0)	**29.2**
Consolidated IFRS loss for the period		(23.3)	(90.4)	**8.6**
IFRS equity reconciliation				
Parent only — IFRS equity		190.3	418.6	**536.1**
Additional loss if subsidiaries had been accounted for on the equity method of accounting as opposed cost		(170.3)	(227.9)	**(256.8)**
		20.0	190.7	**279.3**

Exhibit 2.1

EXECUTION COPY

NORD ANGLIA EDUCATION FINANCE LLC

as the Issuer

NORD ANGLIA EDUCATION, INC.

as the Parent Guarantor

The other Guarantors party hereto

CHF200,000,000 5.750% SENIOR SECURED NOTES DUE 2022

INDENTURE

Dated as of June 25, 2015

CITICORP INTERNATIONAL LIMITED

as Trustee

HSBC BANK USA, N.A.

as Primary Collateral Agent

HSBC BANK PLC

as Hungarian Collateral Agent

CITIBANK, N.A., LONDON BRANCH,

as Paying Agent and Transfer Agent

and

CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG,

as Registrar

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Exhibit F	FORM OF SOLVENCY CERTIFICATE

INDENTURE, dated as of June 25, 2015, among Nord Anglia Education Finance LLC, a public limited company organized under the laws of the State of Delaware (the " *Issuer* "), Nord Anglia Education, Inc., an exempt company with limited liability organized under the laws of the Cayman Islands (the " *Parent Guarantor* "), the other Guarantors (as defined below), Citicorp International Limited, as trustee, HSBC Bank USA, N.A., as primary collateral agent (the " *Primary Collateral Agent* "), HSBC Bank plc, as Hungarian Collateral Agent (the " *Hungarian Collateral Agent* " and, together with the Primary Collateral Agent, the " *Collateral Agents* "), Citibank, N.A., London Branch, as paying agent and transfer agent, and Citigroup Global Markets Deutschland AG., as registrar.

The Issuer, the Guarantors, the Trustee and the Collateral Agents agree as follows for the benefit of each other and for the equal and ratable benefit of the Holders (as defined below) of the 5.750% Senior Secured Notes due 2022 in an aggregate principal amount of CHF200,000,000 (the " *Initial Notes* ") and the Holders of any Additional Notes (as defined below and, together with the Initial Notes, the " *Notes"*):

ARTICLE 1
DEFINITIONS AND INCORPORATION BY REFERENCE

Section 1.01 *Definitions.*

" *Acquired Debt* " means Debt of a Person:

(a) existing at the time such Person becomes a Restricted Subsidiary or is merged into or consolidated with the Parent Guarantor or any Restricted Subsidiary; or

(b) assumed in connection with the acquisition of assets from any such Person,

in each case, whether or not such Debt was Incurred in connection with, or in contemplation of, or to finance, such Person becoming a Restricted Subsidiary or such acquisition, as the case may be.

Acquired Debt will be deemed to be Incurred on the date the acquired Person becomes a Restricted Subsidiary (or is merged into or consolidated with the Parent Guarantor or any Restricted Subsidiary, as the case may be) or the date of the related acquisition of assets from any Person.

" *Acquisition* " means the acquisition by the Parent Guarantor of a portfolio of six schools from Meritas, LLC and certain of its Affiliates pursuant to the Meritas Transaction Agreement.

" *Acquisition Closing Date* " means the closing date of the Acquisition pursuant to the Meritas Transaction Agreement.

" *Additional Intercreditor Agreement* " means (a) any additional intercreditor agreement to be entered into by the Trustee on behalf of the Holders of any Additional Notes, the Issuer and each Guarantor in connection with the issuance of Additional Notes or (b) any additional intercreditor agreement to be entered into by the representative on behalf of such holders of Debt that is permitted to share in the Collateral.

" *Additional Notes* " means additional Notes (other than the Initial Notes) issued under this Indenture in accordance with Sections 2.02 and 4.09 hereof, as part of the same series as the Initial Notes.

" *Affiliate* " means, with respect to any specified Person:

(a) any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person;

(b) any other Person that owns, directly or indirectly, 10% or more of such specified Person's Capital Stock or any officer or director of any such specified Person; or

(c) any other Person 10% or more of the Voting Stock of which is beneficially owned or held, directly or indirectly by such specified Person.

For the purposes of this definition, "control," when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

" *Agent* " means any Registrar, co-registrar, Transfer Agent, Authenticating Agent, Paying Agent or additional paying agent.

" *Applicable Procedures* " means, with respect to any transfer or exchange of or for Book-Entry Interests in any Global Note, the rules and procedures of Euroclear and Clearstream that apply to such transfer or exchange.

" *Applicable Redemption Premium* " means, with respect to any Note on any redemption date, the greater of:

(a) 1.0% of the principal amount of the Note; and

(b) the excess of:

(i) the present value at such redemption date of: (x) the redemption price of such Note at July 15, 2018 (such redemption price being set forth in the table appearing in Section 3.07(c) hereof) *plus* (y) all required interest payments that would otherwise be due to be paid on such Note during the period between the redemption date and July 15, 2018 (excluding accrued but unpaid interest), computed using a discount rate equal to the Swiss Government Bond Rate at such redemption date *plus* 50 basis points; over

(ii) the outstanding principal amount of the Note.

For the avoidance of doubt, calculation of the Applicable Redemption Premium will not be a duty or obligation of the Trustee or any Paying Agent.

" *Asset Sale* " means any sale, issuance, conveyance, transfer, lease or other disposition (including, without limitation, by way of merger, consolidation, amalgamation or other combination or Sale and Leaseback Transaction) by the Parent Guarantor or a Restricted Subsidiary (collectively, a "transfer"), directly or indirectly, in one or a series of related transactions, of:

(a) any Capital Stock of any Subsidiary (other than directors' qualifying shares or shares required by applicable law to be held by a Person other than the Parent Guarantor or a Subsidiary);

(b) all or substantially all of the properties and assets of any division or line of business of the Parent Guarantor or any Restricted Subsidiary; or

(c) any other of the Parent Guarantor's or any Restricted Subsidiary's properties or assets.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(i) any single transaction or series of related transactions that involves assets or Capital Stock having, at the time of such transaction, a Fair Market Value of less than US$5,000,000 (or the Dollar Equivalent thereof);

(ii) any transfer or disposition of assets (x) by the Issuer to any Guarantor or (y) by any Guarantor to the Issuer or any other Guarantor;

(iii) any transfer or disposition of assets (x) by the Issuer or any Guarantor to any Non-Guarantor Subsidiary or (y) by any Non-Guarantor Subsidiary to the Issuer, any Guarantor or any other Non-Guarantor Subsidiary; *provided* that any such transfer or disposition under (x) or (y) complies with Section 4.10(a)(1) hereof;

(iv) any transfer or disposition of obsolete, worn out, damaged or other equipment, facilities or assets that are no longer useful in the conduct of the Parent Guarantor's and any Restricted Subsidiary's business and that are disposed of in the ordinary course of business;

(v) sales or dispositions of receivables in any factoring transaction in the ordinary course of business;

(vi) any transfer or disposition of assets that is governed by Article 5 and Section 4.14 hereof;

(vii) for the purposes of Section 4.10 hereof only, the making of a Permitted Investment or a Restricted Payment permitted under Section 4.07 hereof;

(viii) the sale, lease, sublease, assignment, transfer or other disposition of any equipment, inventory or receivables in the ordinary course of business;

(ix) an issuance of Capital Stock by a Restricted Subsidiary to the Parent Guarantor or to another Restricted Subsidiary;

(x) any transfer, termination, unwinding or other disposition of Hedging Agreements in the ordinary course of business and not for speculative purposes (it being understood that hedging with respect to the Notes and the Credit Facility shall be deemed "in the ordinary course of business" under this clause (x));

(xi) sales or transfers of assets received by the Parent Guarantor or any Restricted Subsidiary upon the foreclosure on a Lien granted in favor of the Parent Guarantor or any Restricted Subsidiary or any other transfer of title with respect to any secured investment in default;

(xii) the granting of Liens not prohibited by Section 4.12 hereof;

(xiii) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims, in the ordinary course of business;

(xiv) disposition or transfer of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in

bankruptcy, concurso mercantil or similar proceedings and exclusive of factoring or similar arrangements; or

(xv) a disposition of cash or Cash Equivalents.

" *Attributable Debt* " means, with respect to any Sale and Leaseback Transaction at the time of determination, the present value (discounted at the interest rate implicit in the lease determined in accordance with IFRS or, if not known, at the Parent Guarantor's incremental borrowing rate) of the total obligations of the lessee of the property subject to such lease for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended, or until the earliest date on which the lessee may terminate such lease without penalty or upon payment of penalty (in which case the rental payments will include such penalty), after excluding from such rental payments all amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water, utilities and similar charges.

" *Average Life* " means, as of the date of determination with respect to any Debt, the quotient obtained by dividing:

(a) the sum of the products of:

(i) the numbers of years from the date of determination to the date or dates of each successive scheduled principal payment of such Debt; multiplied by

(ii) the amount of each such principal payment;

by

(b) the sum of all such principal payments.

" *Bank Deposit Debt* " means Debt of the Parent Guarantor or any Restricted Subsidiary that is subject to a Lien over one or more bank accounts of the Parent Guarantor or its Restricted Subsidiaries and is used by the Parent Guarantor and/or Restricted Subsidiaries to, directly or indirectly, engage in foreign currency exchange transactions; *provided* , *however* , that the aggregate amount of deposits in all such pledged bank accounts will not at any time be less than 90% or exceed an amount equal to 110% of the aggregate outstanding principal amount of such Debt.

" *Bankruptcy Law* " means (i) the U.K. Insolvency Act 1986, as amended (together with the rules and regulations made pursuant thereto), (ii) Title 11 of the U.S. Code or (iii) the laws of any other jurisdiction or any political subdivision thereof relating to bankruptcy, concurso mercantil, insolvency, receivership, winding up, liquidation, reorganization or relief of debtors.

" *Board of Directors* " means:

(a) with respect to any corporation, the board of directors or managers of the corporation (which, in the case of any corporation having both a supervisory board and an executive or management board, will be the executive or management board) or any duly authorized committee thereof;

(b) with respect to any partnership, the board of directors of the general partner of the partnership or any duly authorized committee thereof;

(c) with respect to a limited liability company, the managing member or members (or analogous governing body) or any controlling committee of managing members thereof; and

(d) with respect to any other Person, the board or any duly authorized committee thereof or committee of such Person serving a similar function.

" *Book-Entry Interest* " means a beneficial interest in a Global Note held by or through a Participant.

" *Business Day* " means a day other than a Saturday, Sunday or other day on which banking institutions in London, Hong Kong, Zurich or a place of payment under this Indenture are authorized or required by law to close; *provided* , *however* , that for any payments to be made under this Indenture, such day shall also be a day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (" *TARGET* ") payment system is open for the settlement of payments.

" *Capital Stock* " means, with respect to any Person, any and all shares, interests, partnership interests (whether general or limited), participations, rights in or other equivalents (however designated) of such Person's equity, any other interest or participation that confers the right to receive a share of the profits and losses, or distributions of assets of, such Person and any rights (other than debt securities convertible into or exchangeable for Capital Stock), warrants or options exchangeable for, or convertible into, such Capital Stock, whether now outstanding or issued after the Issue Date.

" *Capitalized Lease Obligation* " means, with respect to any Person, any obligation of such Person under a lease of (or other agreement conveying the right to use) any property (whether real, personal or mixed), which obligation is required to be classified and accounted for as a capital lease obligation under IFRS, and, for purposes of this Indenture, the amount of such obligation at any date will be the capitalized amount thereof at such date, determined in accordance with IFRS and the Stated Maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty. For the avoidance of doubt, an operating lease will not be deemed a Capitalized Lease Obligation, regardless of any reclassification or recharacterization under IFRS.

" *Cash Equivalents* " means any of the following:

(a) any evidence of Debt denominated in Euro, Sterling, Swiss francs or U.S. dollars with a maturity of 180 days or less from the date of acquisition, issued or directly and fully guaranteed or insured by a member state (an " *EU Member State* ") of the Pre-Expansion European Union whose sole lawful currency on the Issue Date is the Euro, the government of the United Kingdom of Great Britain and Northern Ireland, Switzerland, the United States of America, any state thereof or the District of Columbia, or any agency or instrumentality thereof;

(b) demand or time deposit accounts, certificates of deposit, money market deposits or bankers' acceptances denominated in Euro, Sterling, Swiss francs or U.S. dollars with a maturity of 180 days or less from the date of acquisition issued by a bank or trust company organized in an EU Member State, the United Kingdom of Great Britain and Northern Ireland, Switzerland or any commercial banking institution that is a member of the U.S. Federal Reserve System, in each case having combined capital and surplus and undivided profits of not less than US$500,000,000, whose long-term, unsecured, unsubordinated and unguaranteed debt has a rating, at the time any investment is made therein, of at least A or the equivalent thereof from S&P and at least A2 or the equivalent thereof from Moody's;

(c) commercial paper with a maturity of 180 days or less from the date of acquisition issued by a corporation that is not the Parent Guarantor's or any Restricted Subsidiary's Affiliate and which is incorporated under the laws of an EU Member State, United Kingdom of Great Britain and Northern Ireland, Switzerland, the United

States of America or any state thereof and, at the time of acquisition, having a short-term credit rating of at least A-1 or the equivalent thereof from S&P or at least P-l or the equivalent thereof from Moody's;

(d) repurchase obligations with a term of not more than seven days for underlying securities of the type described in clause (a) of this definition, entered into with a financial institution meeting the qualifications described in clause (b) of this definition;

(e) Investments in money market mutual funds at least 95% of the assets of which constitute Cash Equivalents of the kind described in clauses (a) through (d) of this definition;

(f) direct obligations of the PRC and Hong Kong or any agency of any of the foregoing or obligations fully and unconditionally guaranteed by the PRC and Hong Kong or any agency of any of the foregoing, in each case maturing within one year;

(g) demand or time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with (i) Agricultural Bank of China, Bank of China, Bank of Communications, China CITIC Bank, China Merchants Bank, Industrial Commercial Bank of China, China Construction Bank, Bank of Shanghai or China Huaxia Bank or HSBC Bank (China) Company Limited or (ii) any other bank, trust company, financial institution or similar entity organized under the laws of the PRC whose long-term debt is rated as high or higher than any of those institutions described in clause (i) of this subsection (g);

(h) demand or time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with Ahli United Bank, Standard Chartered Bank, Standard Chartered Bank Malaysia Berhad, Standard Chartered Bank (Vietnam) Ltd., UOB Bank, Australia and New Zealand Bank, National Bank of Abu Dhabi, Samba Financial Group, UBS AG, Fifth Third Bank, Bank of America, N.A., HSBC Bank USA, N.A. or its affiliates, Millennium Bank S.A., Budapest Bank, Commercial Bank, Cambodian Public Bank, ANZ Royal Bank, Vietnam Export Import Commercial Joint Stock Bank (Eximbank) or VID Public Bank;

(i) demand or time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with any bank, trust company, financial institution or similar entity, not otherwise included under clause (b), (g) or (h) of this definition which would rank, in terms of combined capital and surplus and undivided profits or the ratings on its long-term debt, among the top five such institutions in a jurisdiction in which the Parent Guarantor or a Restricted Subsidiary conducts its business or is organized; or

(j) demand or time deposits, certificates of deposit, overnight or call deposits and money market deposits with any bank, trust company, financial institution or similar entity organized under the laws of the jurisdiction of incorporation of any Restricted Subsidiary; *provided* that such deposits do not exceed US$10,000,000 (or the Dollar Equivalent thereof) with any single bank or US$30,000,000 (or the Dollar Equivalent thereof) in the aggregate at any date of determination thereafter.

" *Change of Control* " means the occurrence of any of the following events:

(a) (i) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than a Permitted Holder or the Permitted Holders, is or becomes the "beneficial owner," directly or indirectly, of more than 35% of the voting power

of the Parent Guarantor's outstanding Voting Stock and (ii) the Permitted Holders do not beneficially own a larger percentage of such Voting Stock than such Person or group (for the purposes of this clause (b), such other Person or group will be deemed to beneficially own all Voting Stock of a specified entity directly held by a parent entity, if such other Person or group becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 35% of the Voting Stock of such parent entity and the Permitted Holders do not beneficially own more than 35% of the Voting Stock of such entity);

(b) the merger or consolidation of the Parent Guarantor with or into another Person, the merger of another Person with or into the Parent Guarantor or the sale of all or substantially all of the assets of the Parent Guarantor and its Subsidiaries, taken as a whole, to any Person, in any case other than (i) a transaction in which the survivor or transferee is a Permitted Holder or a Person that is controlled by a Permitted Holder or (ii) a transaction following which (A) in the case of a merger or consolidation transaction, holders of securities that represented 100% of the Voting Stock of the Parent Guarantor immediately prior to such transaction (or other securities into which such securities are converted as part of such merger or consolidation transaction) own directly or indirectly at least a majority of the voting power of the Voting Stock of the surviving Person in such merger or consolidation transaction immediately after such transaction and in substantially the same proportion as before the transaction and (B) in the case of a sale of assets transaction, each transferee becomes an obligor in respect of the Notes and a Subsidiary of the transferor of such assets; or

(c) during any consecutive two-year period, individuals who at the beginning of such period constituted the Parent Guarantor's Board of Directors (together with any new members whose election to such Board of Directors, or whose nomination for election by the Parent Guarantor's shareholders, was approved by a vote of at least a majority of the members of the Parent Guarantor's Board of Directors then still in office who were either members at the beginning of such period or whose election or nomination for election was previously so approved) cease for any reason to constitute a majority of the members of the Parent Guarantor's Board of Directors then in office.

" *Clearstream* " means Clearstream Banking, a *société anonyme* , or any successor securities clearing agency.

" *Collateral* " means any and all rights, properties and assets in which a security interest has been or will be granted to secure, directly or indirectly, the Obligations of the Issuer and Guarantors under this Indenture, the Notes and/or any Guarantee.

" *Commission* " means the U.S. Securities and Exchange Commission.

" *Consolidated EBITDA* " means, for any period, the sum of (A) Consolidated Net Income plus (B) in each case to the extent deducted in computing Consolidated Net Income for such period:

(a) Consolidated Interest Expense;

(b) Consolidated Tax Expense;

(c) Consolidated Non-cash Charges, less all non-cash items increasing Consolidated Net Income for such period (other than, for the avoidance of doubt, the accrual of revenue in the ordinary course of business);

(d) any extraordinary, exceptional or non-recurring losses (minus any extraordinary, exceptional or non-recurring gains);

(e) any losses (less gains) attributable to sales of assets of the Parent Guarantor or any Restricted Subsidiary that are not sold in the ordinary course of business;

(f) any expenses, charges or fees relating to any Equity Offering, Permitted Investment, acquisition or Debt permitted to be Incurred under this Indenture, in each case, whether or not successful; and

(g) all expenses incurred directly in connection with any early extinguishment of Debt less any gain from any write off or forgiveness of Debt.

" *Consolidated Fixed Charge Coverage Ratio* " of the Parent Guarantor means, for any period, the ratio of (1) Consolidated EBITDA to (2) Consolidated Interest Expense; *provided* that:

(a) if the Parent Guarantor or any Restricted Subsidiary has Incurred, repaid or redeemed any Debt since the beginning of such period that, in the case of Debt Incurred, remains outstanding, or if the transaction giving rise to the need to calculate the Consolidated Fixed Charge Coverage Ratio is an Incurrence of Debt, Consolidated Net Income and Consolidated Interest Expense for such period will be calculated after giving effect on a *pro forma* basis to such Debt Incurrence, repayment or redemption as if such Debt had been Incurred, repaid or redeemed on the first day of such period and the discharge of any other Debt repaid, repurchased, defeased or otherwise discharged with the proceeds of such new Debt as if such discharge had occurred on the first day of such period, *provided* that in the event of any such repayment or redemption, the *pro forma* Consolidated EBITDA for such period will be calculated as if the Parent Guarantor or such Restricted Subsidiary had not earned any interest income actually earned during such period in respect of funds used to repay or redeem such Debt;

(b) if, since the beginning of such period, the Parent Guarantor or any Restricted Subsidiary will have made any Asset Sale, Consolidated Net Income for such period will be reduced on a *pro forma* basis by an amount equal to the Consolidated Net Income (if positive) directly attributable to the assets which are the subject of such Asset Sale for such period, or increased on a *pro forma* basis by an amount equal to the Consolidated Net Income (if negative) directly attributable thereto, for such period and the Consolidated Interest Expense for such period will be reduced on a *pro forma* basis by an amount equal to the Consolidated Interest Expense directly attributable to any Debt of the Parent Guarantor or of any Restricted Subsidiary repaid, repurchased, defeased or otherwise discharged with respect to the Parent Guarantor and the continuing Restricted Subsidiaries in connection with such Asset Sale for such period (or, if the Capital Stock of any Restricted Subsidiary is sold, the Consolidated Interest Expense for such period directly attributable to the Debt of such Restricted Subsidiary to the extent the Parent Guarantor and the continuing Restricted Subsidiaries are no longer liable for such Debt after such sale);

(c) if, since the beginning of such period the Parent Guarantor or any Restricted Subsidiary (by merger, consolidation, amalgamation or other combination or otherwise) will have made an Investment in any Restricted Subsidiary (or any Person which becomes a Restricted Subsidiary) or an acquisition of assets, including any acquisition of an asset occurring in connection with a transaction causing a calculation to be made hereunder, Consolidated Net Income and Consolidated Interest Expense for such period will be calculated after giving *pro forma* effect thereto

(including the Incurrence of any Debt) as if such Investment or acquisition occurred on the first day of such period; and

(d) if, since the beginning of such period any Person (that subsequently became a Restricted Subsidiary or was merged with or into the Parent Guarantor or any Restricted Subsidiary since the beginning of such period) will have made any Asset Sale or any Investment or acquisition of assets that would have required an adjustment pursuant to clause (b) or (c) of this definition if made by the Parent Guarantor or a Restricted Subsidiary during such period, Consolidated Net Income and Consolidated Interest Expense for such period will be calculated after giving *pro forma* effect thereto as if such Asset Sale or Investment or acquisition occurred on the first day of such period.

If any Debt bears a floating rate of interest and is being given *pro forma* effect, the interest expense on such Debt will be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Debt for a period equal to the remaining term of such Interest Rate Agreement).

" *Consolidated Interest Expense* " means, for any period, without duplication and in each case determined on a consolidated basis in accordance with IFRS, the sum of:

(a) the Parent Guarantor's and the Restricted Subsidiaries' interest expense for such period (excluding (i) amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses; and (ii) any net interest on any Entrusted Loans), *plus* , to the extent not otherwise included in interest expense:

(i) amortization of debt discount and original issue discount;

(ii) the net payments made or received pursuant to Currency Agreements or Interest Rate Agreements (including amortization of fees and discounts, but excluding any non-cash interest expense attributable to the movement in the mark-to-market valuation of obligations under Currency Agreements or Interest Rate Agreements or other derivative instruments pursuant to IFRS);

(iii) realized commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and similar transactions; and

(iv) the interest portion of any deferred payment obligation and amortization of debt issuance costs; *plus*

(b) the interest component of the Parent Guarantor's and the Restricted Subsidiaries' Capitalized Lease Obligations accrued and/or scheduled to be paid or accrued during such period other than the interest component of Capitalized Lease Obligations between or among the Parent Guarantor and any Restricted Subsidiary or between or among Restricted Subsidiaries; *plus*

(c) the Parent Guarantor's and the Restricted Subsidiaries non-cash interest expenses and interest that was capitalized during such period; *plus*

(d) the interest expense on Debt of another Person (other than the Parent Guarantor or any Restricted Subsidiary) to the extent such Debt is guaranteed by the Parent Guarantor or any Restricted Subsidiary or secured by a Lien on the Parent Guarantor's or any Restricted Subsidiary's assets; *plus*

(e) cash and non-cash dividends due (whether or not declared) on the Parent Guarantor's Redeemable Capital Stock and any Restricted Subsidiary's Preferred Stock (to any Person other than the Parent Guarantor and any Restricted Subsidiary and other than dividends payable solely in Capital Stock of the Parent Guarantor (other than Redeemable Capital Stock)), in each case for such period.

" *Consolidated Net Income* " means, for any period, the Parent Guarantor's and the Restricted Subsidiaries' consolidated net income (or loss) for such period as determined in accordance with IFRS, adjusted by excluding (to the extent included in such consolidated net income or loss), without duplication:

(a) the portion of net income (and the loss to the extent such loss is funded in cash by the Parent Guarantor or a Restricted Subsidiary) of any Person (other than the Parent Guarantor or a Restricted Subsidiary), including Unrestricted Subsidiaries, in which the Parent Guarantor or any Restricted Subsidiary has an interest, except that the Parent Guarantor's or a Restricted Subsidiary's interest in the net income of such Person for such period shall be included in such Consolidated Net Income to the extent of the aggregate amount of dividends or other distributions actually paid to the Parent Guarantor or any Restricted Subsidiary in cash dividends or other distributions during such period;

(b) solely for the purpose of determining the amount available for Restricted Payments under Section 4.07 hereof, the net income (but not the loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary is not at the date of determination permitted, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary (other than (i) restrictions pursuant to this Indenture, (ii) restrictions in effect on the Issue Date with respect to a Restricted Subsidiary, and other restrictions with respect to such Restricted Subsidiary that, taken as a whole, are not materially less favorable to the Holders than such restrictions in effect on the Issue Date, (iii) restrictions specified in Section 4.08(b)(13) hereof and (iv) restrictions permitted by Sections 4.08(b)(1) and 4.08(b)(2) hereof);

(c) net after-tax gains (or losses) attributable to the termination of any employee pension benefit plan;

(d) any restoration to net income of any contingency reserve, except to the extent provision for such reserve was made out of income accrued;

(e) the net income (or losses) attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or not such operations were classified as discontinued);

(f) the cumulative effect of a change in accounting principles;

(g) any one-time non-cash charges or any amortization or depreciation or any impact of asset revaluation resulting from purchase accounting, in each case, in relation to any acquisition of, or merger or consolidation with, another Person or business or resulting from any reorganization or restructuring involving the Parent Guarantor or its Subsidiaries;

(h) any unrealized gains or losses in respect of Hedging Agreements;

(i) any unrealized gains (or losses) due solely to fluctuations in currency values and related tax effects;

(j) any non-cash compensation charge or expenses arising from any grant of stock, stock options or other equity-based awards and any non-cash deemed finance charges in respect of any pension liabilities or other provisions;

(k) fees, costs and expenses payable by the Parent Guarantor or any Restricted Subsidiary on or before the Issue Date in connection with the entry into the Credit Agreement, the Engagement Letter and the Meritas Transaction Agreement; and

(l) any goodwill or other intangible asset impairment charges.

" *Consolidated Non-cash Charges* " means, for any period, the aggregate depreciation, amortization and other non-cash expenses of the Parent Guarantor and the Restricted Subsidiaries for such period, determined on a consolidated basis in accordance with IFRS (excluding any such non-cash charge that requires an accrual of or reserve for cash charges for any future period).

" *Consolidated Tax Expense* " means, for any period with respect to any Relevant Taxing Jurisdiction, the provision for all national, local and foreign federal, state or other income taxes (including without limitation, withholding taxes) of the Parent Guarantor and the Restricted Subsidiaries for such period as determined on a consolidated basis in accordance with IFRS.

" *continuing* " means, with respect to any Default or Event of Default, that such Default or Event of Default has not been cured or waived.

" *Credit Agreement* " means that certain Amended and Restated Credit and Guaranty Agreement to be dated on or around the Issue Date, between, among others, the Issuer, the Guarantors, HSBC Bank USA, N.A., as administrative agent to the term loan lenders and as primary collateral agent, The Hongkong and Shanghai Banking Corporation Limited, as administrative agent to the revolving lenders, HSBC Bank plc, as Hungarian collateral agent and the lenders party thereto from time to time, and all documentation relating thereto, including collateral documents, notes, instruments, agreements, letter of credit and guarantees, as such documentation, in whole or in part, may be amended, restated, renewed, extended, substituted, refinanced, restructured, replaced, supplemented or otherwise modified from time to time.

" *Credit Facility* " or " *Credit Facilities* " means, one or more debt facilities or indentures, as the case may be (including the Credit Agreement), or commercial paper facilities providing for revolving credit loans, term loans, notes, letters of credit or other forms of Debt, guarantees and assurances or other credit facilities or extensions of credit, including overdrafts, in each case, as amended, restated, modified, renewed, refunded, replaced, refinanced, repaid, increased or extended in whole or in part from time to time.

" *Currency Agreements* " means, in respect of a Person, any spot or forward foreign exchange agreements and currency swap, currency option, futures, collars or other similar agreements or arrangements or to which such Person is a party or beneficiary.

" *Custodian* " means Citibank, N.A., London Branch, and any and all successors thereto appointed as Custodian hereunder and having become such pursuant to the applicable provision of this Indenture.

" *Debt* " means, with respect to any Person, without duplication:

(a) all liabilities of such Person for borrowed money or for the deferred purchase price of property or services due more than six months after such property is acquired or

services provided, excluding trade payables Incurred in the ordinary course of business;

(b) all obligations of such Person evidenced by bonds, notes, debentures or other similar instruments;

(c) the maximum amount (after giving effect to any prior drawings or reductions that may have been reimbursed) of any letters of credit, bankers' acceptances, receivables facilities or other similar facilities issued or created by or for the account of such Person, except to the extent relating to a trade payable arising in the ordinary course of business;

(d) all debt of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even if the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property), which is due more than one year after its Incurrence but excluding trade payables arising in the ordinary course of business;

(e) all Capitalized Lease Obligations of such Person;

(f) all obligations of such Person under or in respect of Hedging Agreements (the amount of any such obligation to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time);

(g) all Redeemable Capital Stock of such Person valued at the greater of its voluntary maximum fixed repurchase price and its involuntary maximum fixed repurchase price plus accrued and unpaid dividends; and

(h) Preferred Stock of any Restricted Subsidiary,

provided , *however* , that clauses (a) through (f) above (other than letters of credit, Attributable Debt and Hedging Obligations) will be included in definition of "Debt" if and to the extent any such items would appear as a liability on a balance sheet of the specified Person prepared in accordance with IFRS; *provided further* , that the term "Debt" will not include: (i) anything initially accounted for as an operating lease, regardless of any reclassification or recharacterization under IFRS; (ii) customer deposits and advance payments received in the ordinary course of business from customers for goods or services purchased in the ordinary course of business; (iii) any pension obligations of the Parent Guarantor or a Restricted Subsidiary; (iv) accrued liabilities Incurred in the ordinary course of business, and (v) Entrusted Loans. In addition, the term "Debt" includes all Debt of others secured by a Lien on any asset of the Person (whether or not such Debt is assumed by the Person) and, to the extent not otherwise included, the guarantee by such Person of any Debt of any other Person.

For purposes of this definition, the "maximum fixed repurchase price" of any Redeemable Capital Stock that does not have a fixed redemption, repayment or repurchase price will be calculated in accordance with the terms of such Redeemable Capital Stock as if such Redeemable Capital Stock were purchased on any date on which Debt will be required to be determined pursuant to this Indenture, and if such price is based upon, or measured by, the fair market value of such Redeemable Capital Stock, such Fair Market Value will be determined in good faith by the Board of Directors of the Parent Guarantor of such Redeemable Capital Stock; *provided* , that if such Redeemable Capital Stock is not then permitted to be redeemed, repaid or repurchased, the redemption, repayment or repurchase price will be the book value of such Redeemable Capital Stock as reflected in the most recent financial statements of such Person.

" *Default* " means any event that is, or after the giving of notice or passage of time or both would be, an Event of Default.

" *Definitive Note* " means a certificated Note registered in the name of the Holder thereof and issued in accordance with Sections 2.06, 2.07 or 2.09 hereof, substantially in the form of **Exhibit A** hereto, except that such Note will not bear the Global Note Legend and will not have the "Schedule of Exchanges of Interests in the Global Note" attached thereto.

" *Depositary* " means, with respect to the Notes issuable or issued in whole or in part in global form, a depositary common to Euroclear and Clearstream being initially Citibank Europe plc, including any and all successors thereto appointed as Depositary hereunder and having become such pursuant to the applicable provision(s) of this Indenture.

" *Designated Non-cash Consideration* " means the Fair Market Value of non-cash consideration received by the Parent Guarantor or any of its Restricted Subsidiaries in connection with an Asset Sale that is designated as Designated Non-cash Consideration pursuant to an Officers' Certificate, setting forth the basis of such valuation, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of such Designated Non-cash Consideration.

" *Disinterested Member* " means, with respect to any transaction or series of related transactions, a member of the Parent Guarantor's Board of Directors who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions or is not an Affiliate, or an officer, director, member of a supervisory, executive or management board or employee of any Person (other than the Parent Guarantor or a Restricted Subsidiary) who has any direct or indirect financial interest in or with respect to such transaction or series of related transactions.

" *Dollar Equivalent* " means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York using exchange rates prevailing on the date of determination.

" *Engagement Letter* " means the Engagement Letter dated as of April 24, 2015 among the Issuer, Goldman Sachs Bank USA, Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc. and HSBC Securities (USA) Inc.

" *Entrusted Loans* " means borrowings by the Parent Guarantor or any Restricted Subsidiary from a bank, trust company or other financial institution that are subject to a Lien on deposits made by the Parent Guarantor or another Restricted Subsidiary as security for such borrowings; *provided* that no assets other than such deposits secure such borrowings, the value of such borrowings does not exceed the value of such deposits and such borrowings are denominated in the same currency as such deposits.

" *Equity Interests* " means Capital Stock and all warrants, options or other rights to acquire Capital Stock (but excluding any debt security that is convertible into, or exchangeable for, Capital Stock).

" *Equity Offering* " means an offer and sale in an underwritten public offering or private placement of Capital Stock (which is Qualified Capital Stock) of the Parent Guarantor, or any Holding Company of the Parent Guarantor, to any Person other than a Restricted Subsidiary of the Parent Guarantor or the Permitted Holders; *provided* that the net proceeds of such offer and sale are contributed to the equity capital of the Parent Guarantor and *provided further* that the aggregate gross cash proceeds received by the Parent Guarantor or any Holding Company of the Parent Guarantor from such transaction will not be less than US$20,000,000 (or the Dollar Equivalent thereof).

" *Euro" or "€* " means the lawful currency of the member states of the European Union that participate in the third stage of the European Economic and Monetary Union.

" *Euroclear* " means Euroclear Bank S.A./N.V. or any successor securities clearing agency.

" *Exchange Act* " means the U.S. Securities Exchange Act of 1934, as amended, or any successor statute, and the rules and regulations promulgated by the Commission thereunder.

" *Excluded Contributions* " means the net cash proceeds received by the Parent Guarantor after the Issue Date from the sale (other than to a Subsidiary of the Parent Guarantor) of Capital Stock (other than Redeemable Capital Stock) of the Parent Guarantor, designated as "Excluded Contributions" pursuant to an Officers' Certificate of the Parent Guarantor (which will be designated no later than the date on which such Excluded Contribution has been received by the Parent Guarantor). Such Excluded Contributions will be excluded from the calculation set forth in Section 4.07(b)(3)(B) hereof.

" *Fair Market Value* " means, with respect to any asset or property, the sale value that would be obtained in an arm's-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Parent Guarantor's Board of Directors.

" *Global Note Legend* " means the legend set forth in Section 2.06(f)(2) hereof, which is required to be placed on all Global Notes issued under this Indenture.

" *Global Notes* " means, individually and collectively, each of the Restricted Global Notes and the Unrestricted Global Notes, substantially in the form of **Exhibit A** hereto, bearing the Global Note Legend, issued in accordance with Sections 2.01 and 2.06 hereof.

" *guarantee* " means, as applied to any obligation:

(a) a guarantee (other than by endorsement of negotiable instruments for collection or deposit in the ordinary course of business), direct or indirect, in any manner, of any part or all of such obligation; and

(b) an agreement, direct or indirect, contingent or otherwise, the practical effect of which is to assure in any way the payment or performance (or payment of damages in the event of non-performance) of all or any part of such obligation, including, without limiting the foregoing, by the pledge of assets and the payment of amounts drawn down under letters of credit.

" *Guarantee* " means any guarantee of the Issuer's obligations under this Indenture and the Notes by the Parent Guarantor, any Restricted Subsidiary or any other Person in accordance with the provisions of this Indenture. When used as a verb, "Guarantee" will have a corresponding meaning.

" *Guarantors* " means the Parent Guarantor and Restricted Subsidiaries party to this Indenture on the Issue Date as guarantors and any other Restricted Subsidiary that Incurs a Guarantee. For the avoidance of doubt, if a Guarantee is released in accordance with the provisions of this Indenture, the entity that provided such Guarantee will no longer be considered a "Guarantor" and will be excluded from the definition of "Guarantors."

" *Hedging Agreements* " means Currency Agreements, Interest Rate Agreements and any other future or forward contracts, swaps, options or similar agreements or arrangements, including with respect to fluctuations in commodity prices.

" *Holder* " means the Person in whose name a Note is recorded on the Registrar's books, which shall initially be the nominee of the common depositary of Clearstream and Euroclear.

" *Holding Company* " of a Person means any other Person (other than a natural person) of which the first Person is a Subsidiary.

" *IFRS* " means International Financial Reporting Standards as adopted by the European Union as in effect from time to time.

" *Immaterial Subsidiary* " means any Restricted Subsidiary that has Consolidated EBITDA of less than 3% of the Parent Guarantor's Consolidated EBITDA for the four quarters ended most recently for which internal financial statements are available, measured on a *pro forma* basis giving effect to any acquisitions or dispositions of companies, division or lines of business since the start of such four quarter period and on or prior to the date of acquisition of such subsidiary.

" *Indenture* " means this Indenture, as amended or supplemented from time to time.

" *Independent Financial Advisor* " means an investment banking firm, bank, accounting firm or third-party appraiser, in any such case, of international standing; *provided* that such firm is not an Affiliate of the Parent Guarantor.

" *Indirect Participant* " means a Person who holds a Book-Entry Interest in a Global Note through a Participant.

" *Interest Rate Agreements* " means, in respect of a Person, any interest rate protection agreements and other types of interest rate hedging agreements (including, without limitation, interest rate swaps, caps, floors, collars and similar agreements or arrangements) as to which such Person is a party or beneficiary.

" *Intercreditor Agreement* " means the Intercreditor Agreement to be dated on or about the Issue Date among the Issuer, the Collateral Agents, the Trustee and certain other parties, as amended, waived or modified from time to time.

" *Investment Grade Status* " shall occur when the Notes receive both of the following: (1) a rating of "BBB-" or higher from S&P and (2) a rating of "Baa3" or higher from Moody's, or the equivalent of such rating by either such rating organization or, if no rating of S&P Moody's then exists, the equivalent of such rating by any other Nationally Recognized Statistical Ratings Organization.

" *Investments* " means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including Guarantees or other similar obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions in consideration of Debt, Equity Interests or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. If the Parent Guarantor or any Subsidiary of the Parent Guarantor sells or otherwise disposes of any Equity Interests of any direct or indirect Subsidiary of the Parent Guarantor such that, after giving effect to any such sale or disposition, such Person is no longer a Subsidiary of the Parent Guarantor, the Parent Guarantor will be deemed to have made an Investment on the date of any such sale or disposition equal to the Fair Market Value of the Parent Guarantor's Investments in such Subsidiary that were not sold or disposed of in an amount determined as provided in the definition of Fair Market Value. The acquisition by the Parent Guarantor or any Subsidiary of the Parent Guarantor of a Person that holds an Investment in a third Person will be deemed to be an Investment by the Parent Guarantor or such Subsidiary in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in the final

paragraph of Section 4.07(a) hereof. Except as otherwise provided in this Indenture, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

" *Issue Date* " means June 25, 2015.

" *Issuer* " has the meaning assigned to it in the preamble to this Indenture.

" *Lien* " means any mortgage or deed of trust, charge, pledge, lien (statutory or otherwise), privilege, security interest, hypothecation, assignment for or by way of security, claim, preference, priority or other encumbrance upon or with respect to any property of any kind, real or personal, movable or immovable, now owned or hereafter acquired. A Person will be deemed to own subject to a Lien any property which such Person has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement.

" *Luxembourg* " means the Grand Duchy of Luxembourg.

" *Luxembourg Guarantor* " means any Guarantor whose registered office or place of central administration is located in Luxembourg.

" *Maturity* " means, with respect to any Debt, the date on which any principal of such Debt becomes due and payable as therein or herein provided, whether at the Stated Maturity with respect to such principal or by declaration of acceleration, call for redemption or purchase or otherwise.

" *Meritas Transaction Agreement* " means the Transaction Agreement, dated as of April 24, 2015, by and among the Parent Guarantor, Viking Holdco, Inc., Viking Merger Subsidiary, LLC, NAE HK Holdings Limited, Meritas, LLC, Viking Holding Company, LLC, Sterling International Schools, Sterling International Schools C Corporation and the sellers listed on the schedule thereto (as amended, restated, amended and restated, supplemented or otherwise modified from time to time).

" *Moody's* " means Moody's Investors Service, Inc. and any of its successors that is a Nationally Recognized Statistical Rating Organization.

" *Nationally Recognized Statistical Rating Organization* " means a nationally recognized statistical rating organization within the meaning of Rule 15c3-1(c)(2)(vi)(F) under the Exchange Act.

" *Net Cash Proceeds* " means:

(a) with respect to any Asset Sale, the proceeds thereof in the form of cash or Cash Equivalents (except to the extent that such obligations are financed or sold with recourse to the Parent Guarantor or any Restricted Subsidiary), net of:

(i) brokerage commissions and other fees and expenses (including, without limitation, fees and expenses of legal counsel, accountants, investment banks and other consultants) related to such Asset Sale;

(ii) provisions for all taxes paid or payable, or required to be accrued as a liability under IFRS as a result of such Asset Sale;

(iii) all distributions and other payments required to be made to any Person (other than the Parent Guarantor or any Restricted Subsidiary) owning a beneficial interest in the assets subject to the Asset Sale; and

(iv) appropriate amounts required to be provided by the Parent Guarantor or any Restricted Subsidiary, as the case may be, as a reserve in accordance with IFRS against any liabilities associated with such Asset Sale and retained by the Parent Guarantor or any Restricted Subsidiary, as the case may be, after such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale, all as reflected in an Officers' Certificate delivered to the Trustee; and

(b) with respect to any capital contributions, issuance or sale of Capital Stock or options, warrants or rights to purchase Capital Stock, or debt securities or Capital Stock that have been converted into or exchanged for Capital Stock as referred to under Section 4.07 hereof, the proceeds of such issuance or sale in the form of cash or Cash Equivalents, payments in respect of deferred payment obligations when received in the form of, or stock or other assets when disposed of for, cash or Cash Equivalents (except to the extent that such obligations are financed or sold with recourse to the Parent Guarantor or any Restricted Subsidiary), net of attorney's fees, accountant's fees and brokerage, consultation, underwriting and other fees and expenses actually Incurred in connection with such issuance or sale and net of taxes paid or payable as a result of thereof.

" *Non-Guarantor Debt* " means, for any Non-Guarantor Subsidiary, Debt attributable to such Non-Guarantor Subsidiary.

" *Non-Guarantor Shares* " means shares of Capital Stock of a Non-Guarantor Subsidiary that are directly owned by a Person organized outside of the PRC.

" *Non-Guarantor Subsidiary* " means a Restricted Subsidiary that is not a Guarantor.

" *Non-U.S. Person* " means a Person who is not a U.S. Person.

" *Notes* " has the meaning assigned to it in the preamble to this Indenture. The Initial Notes and the Additional Notes will be treated as a single class for all purposes under this Indenture, and unless the context otherwise requires, all references to the Notes will include the Initial Notes and any Additional Notes.

"Obligations " means any principal, interest, penalties, fees, indemnifications, reimbursements, damages and other liabilities payable under the documentation governing any Debt.

"Offering Memorandum" means the offering memorandum dated June 18, 2015, relating to the offering of the Initial Notes.

" *Officer* " means, with respect to any Person, the Chairman of the Board, the Chief Executive Officer, the President, the Chief Operating Officer, the Chief Financial Officer, the Treasurer, any Assistant Treasurer, the Controller, the Secretary or any Vice-President of such Person.

" *Officers' Certificate* " means a certificate signed by two Officers of the Issuer, a Guarantor or any relevant Person, as the case may be, who are authorized to represent such Person and delivered to the Trustee.

" *Opinion of Counsel* " means a written opinion from legal counsel who is reasonably acceptable to the Trustee, that meets the requirements of Section 13.04 hereof. The counsel may be an employee of or counsel to the Issuer, any Subsidiary of the Issuer or the Trustee.

" *Pari Passu Debt* " means Senior Debt including, without limitation, (a) any Debt of the Issuer that ranks equally in right of payment with the Notes or (b) with respect to any Guarantee, any Debt that ranks equally in right of payment to such Guarantee.

" *Participant* " means, with respect to the Depositary, Euroclear or Clearstream, a Person who has an account with the Depositary, Euroclear or Clearstream, respectively.

" *Perfection Requirements* " means the making of the appropriate registrations, filings or notifications (and the corresponding acknowledgements) of, or the payment of any stamp, duty (including mortgage duty), registration or similar taxes or payments on, or in respect of, the Security Documents in order to create or perfect (if applicable) the security created or purported to be created by the Security Documents or in order to achieve the relevant priority for such security, as specifically contemplated in any Security Document or in any related legal opinion delivered to the Trustee or the applicable Collateral Agent.

" *Permitted Business* " means any business related, ancillary or complementary to the business of the Parent Guarantor and the Subsidiaries on the Issue Date.

" *Permitted Collateral Liens* " means any Lien on the Collateral:

(a) to secure:

(i) Pari Passu Debt of the Parent Guarantor or a Restricted Subsidiary that is permitted to be Incurred under Sections 4.09(b)(1) or (2) hereof;

(ii) Pari Passu Debt of the Parent Guarantor or a Restricted Subsidiary that is permitted to be Incurred under Section 4.09(b)(5) hereof; *provided* that all collateral securing such Debt secures the Notes and the Guarantees on at least an equal and ratable basis;

(iii) Pari Passu Debt of the Issuer or a Guarantor that is permitted to be Incurred under clause (a) or (b)(21) of Section 4.09 hereof;

(iv) any obligations under Currency Agreements or Interest Rate Agreements permitted under Section 4.09(b)(7) hereof, as long as the related Debt is permitted to be Incurred under this Indenture; or

(v) any Permitted Refinancing Debt thereof;

(b) that is a statutory Lien arising by operation of law; or

(c) any Lien permitted by clause (a), (e), (f), (g), (h), (i), (j), (l), (m), (n), (r), (s), (t), (u), (v), (z) or (aa) of the definition of "Permitted Liens", by clause (o) of such definition, only to the extent the Lien being extended, renewed or replaced was a Permitted Collateral Lien, and by clause (p) of such definition, only to the extent the Debt being refinanced was secured by a Permitted Collateral Lien;

provided , in the case of clause (a) of this definition, that such Lien either ranks: (A) equal to all other Liens on such Collateral securing Pari Passu Debt of the Issuer or the relevant Guarantor, if the Lien secures Pari Passu Debt or (B) junior to the Liens securing the Notes and the Guarantees; *provided further* that, in the case of clauses (a), (b) and (c) of this definition, any Debt related to such Lien does not rank in priority to the Notes in any appropriation or distribution provisions in the Intercreditor Agreement (or any similar agreement among creditors).

" *Permitted Holders* " means (i) Baring Private Equity Asia GP III, L.P., Baring Private Equity Asia GP III Limited, Baring Private Equity Asia GP IV, L.P., Baring Private Equity Asia GP IV Limited and Baring Private Equity Asia Group Limited, (ii) any Related Person of any Person named in clause (i) of this definition and/or (iii) any successor to any Person described in clause (i) or (ii) of this definition.

" *Permitted Investments* " means any of the following:

(a) Investments in cash or Cash Equivalents;

(b) intercompany Debt to the extent permitted under Section 4.09(b)(4) hereof;

(c) Investments in: (i) the Issuer, (ii) a Restricted Subsidiary; or (iii) another Person if as a result of such Investment such other Person becomes a Restricted Subsidiary or such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all of its assets to, the Parent Guarantor or a Restricted Subsidiary; *provided* that, in the case of clauses (ii) and (iii), such Investment complies with Section 4.11(a)(1) hereof;

(d) Investments made by the Parent Guarantor or any Restricted Subsidiary as a result of or received in connection with an Asset Sale permitted under or made in compliance with Section 4.10 hereof to the extent such Investments are non-cash proceeds permitted thereunder;

(e) expenses or advances to cover payroll, travel entertainment, moving, other relocation and similar matters that are expected at the time of such advances to be treated as expenses in accordance with IFRS;

(f) Investments in the Notes and any other Senior Debt of the Issuer or a Guarantor;

(g) Investments existing, or made pursuant to legally binding commitments in existence, at the Issue Date and any Investment that amends, extends, renews, replaces or refinances an Investment existing on the date of this Indenture; *provided* that such new Investment is on terms and conditions no less favorable to the Parent Guarantor or the applicable Restricted Subsidiary than the Investment being amended, extended, renewed, replaced or refinanced;

(h) Investments in Hedging Agreements permitted under Section 4.09(b)(7) hereof;

(i) Investments in a Person to the extent that the consideration therefor consists of the Parent Guarantor's Qualified Capital Stock or the net proceeds of the substantially concurrent issue and sale (other than to any Subsidiary) of shares of the Parent Guarantor's Qualified Capital Stock; *provided* that the net proceeds of such sale have been excluded from, and will not have been included in, the calculation of the amount determined under Section 4.07(b)(3)(B) hereof;

(j) (i) stock, obligations or securities received in satisfaction of judgments, foreclosure of liens or settlement of debts and (ii) any Investments received in compromise of obligations, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy, concurso mercantil or insolvency of any trade creditor, trade debtor or customer;

(k) advances made to contractors, vendors, distributors, manufacturers or suppliers, including advance payments for the acquisition of assets, equipment, machinery,

consumables, supplies or services, in each case in the ordinary course of business and dischargeable in accordance with customary trade terms;

(l) pledges or deposits with respect to leases or utilities provided to third parties in the ordinary course of business or Liens otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under Section 4.12 hereof;

(m) receivables owing to the Parent Guarantor or any Restricted Subsidiary created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms; *provided, however* , that such trade terms may include such concessionary trade terms as the Parent Guarantor or any such Restricted Subsidiary deems reasonable under the circumstances;

(n) deposits made to secure the performance of tenders, bids or trade or government contracts, or to secure statutory or regulatory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature Incurred in the ordinary course of business;

(o) lease, utility and workers' compensation, performance and similar deposits or advances made in the ordinary course of business;

(p) deposits made in connection with the acquisition of real property or land use rights;

(q) an Investment in an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary;

(r) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (r) that are at the time outstanding, not to exceed US$30,000,000 (or the Dollar Equivalent thereof); and

(s) Investments pursuant to or contemplated by the Meritas Transaction Agreement, including any schedules or exhibits thereto.

" *Permitted Liens* " means the following types of Liens:

(a) Liens (other than Liens securing Debt under the Credit Agreement) existing as of the date of the issuance of the Notes;

(b) Liens on any property or assets of the Parent Guarantor or a Restricted Subsidiary granted in favor of the Parent Guarantor or any Restricted Subsidiary;

(c) Liens on any of the Parent Guarantor's or any Restricted Subsidiary's property or assets securing the Notes or any Guarantee;

(d) any interest or title of a lessor under any Capitalized Lease Obligation and Liens to secure Debt (including Capitalized Lease Obligations) of the types permitted by Section 4.09(b)(5) hereof covering only the equipment, property or assets acquired with such Debt and any improvements thereon, to the extent the related Debt may be Incurred under this Indenture;

(e) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by the Parent Guarantor or any

Restricted Subsidiary in the ordinary course of business in accordance with the Parent Guarantor's or such Restricted Subsidiary's past practices prior to the Issue Date;

(f) statutory Liens of landlords and carriers, warehousemen, mechanics, suppliers, materialmen, repairmen, employees, pension plan administrators or other like Liens arising in the ordinary course of the Parent Guarantor's or any Restricted Subsidiary's business and with respect to amounts not yet delinquent or being contested in good faith by appropriate proceedings and for which a reserve or other appropriate provision, if any, as will be required in conformity with IFRS will have been made and Liens arising solely by virtue of any statutory or common law provisions relating to attorney's liens or bankers' liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depositary institution;

(g) Liens for taxes, assessments, government charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as will be required in conformity with IFRS will have been made;

(h) Liens Incurred or deposits made to secure the performance of tenders, bids or trade or government contracts, or to secure statutory or regulatory obligations, bankers' acceptances (not issued to support Debt for borrowed money), surety or appeal bonds, performance bonds or other obligations of a like nature Incurred in the ordinary course of business;

(i) zoning restrictions, easements, licenses, reservations, title defects, rights-of-way, utilities, sewers, electrical lines, telephone lines, telegraph wires, restrictions, encroachments and other similar charges, encumbrances or title defects incurred in the ordinary course of business that do not in the aggregate materially interfere with the ordinary conduct of the business of the Parent Guarantor and its Restricted Subsidiaries on the properties subject thereto, taken as a whole;

(j) (i) Liens arising out of judgments or awards not constituting an Event of Default and (ii) Liens arising by reason of any judgment, decree or order of any court as long as such Lien is adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment, decree or order will not have been finally terminated or the period within which such proceedings may be initiated will not have expired;

(k) Liens on property of, or on shares of Capital Stock or Debt of, any Person existing at the time such Person is acquired by, merged with or into or consolidated with, the Parent Guarantor or any Restricted Subsidiary (or at the time the Parent Guarantor or a Restricted Subsidiary acquires such property, Capital Stock or Debt); *provided* that such Liens: (i) do not extend to or cover any property or assets of the Parent Guarantor or any Restricted Subsidiary other than the property or assets acquired or than those of the Person merged into or consolidated with the Parent Guarantor or Restricted Subsidiary and (ii) were created prior to, and not in connection with or in contemplation of, such acquisition, merger, consolidation, amalgamation or other combination;

(l) Liens Incurred or deposits made in the ordinary course of business in connection with workers' compensation, unemployment insurance and other types of social security or other insurance;

(m) Liens Incurred in connection with any cash or treasury management program, or cash pooling, netting or set off arrangements, in each case established in the ordinary

course of business for the Parent Guarantor's benefit or that of any Restricted Subsidiary;

(n) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the products and proceeds thereof;

(o) any extension, renewal or replacement, in whole or in part, of any Lien; *provided* that any such extension, renewal or replacement shall be no more restrictive in any material respect than the Lien so extended, renewed or replaced and will not extend in any material respect to any additional property or assets;

(p) Liens securing Debt Incurred to refinance Debt that has been secured by a Lien permitted by this Indenture; *provided* that: (i) any such Lien will not extend to or cover any assets not securing the Debt so refinanced and (ii) the Debt so refinanced will have been permitted to be Incurred;

(q) Liens with respect to obligations (other than for the borrowing of money) that do not exceed US$20,000,000 (or the Dollar Equivalent thereof) at any one time outstanding;

(r) Liens made to secure obligations arising from statutory, regulatory, contractual or warranty requirements of the Parent Guarantor or any Restricted Subsidiary, including rights of offset and set-off;

(s) Liens resulting from escrow arrangements entered into in connection with the disposition of assets;

(t) any right of refusal, right of first offer, option or other arrangement to sell or otherwise dispose of an asset of the Parent Guarantor or any Restricted Subsidiary;

(u) any encumbrance or restriction (including put and call arrangements) with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(v) leases or subleases granted to others that in the aggregate do not materially interfere with the ordinary course of business of the Parent Guarantor and the Restricted Subsidiaries, taken as a whole;

(w) Liens Incurred on one or more bank accounts to secure Bank Deposit Debt;

(x) Liens Incurred or deposits made to secure Entrusted Loans;

(y) Liens on assets of a Non-Guarantor Subsidiary to secure Debt of such Non-Guarantor Subsidiary or any other Non-Guarantor Subsidiary;

(z) Liens on deposits made in order to secure the performance of the Parent Guarantor or any Restricted Subsidiary in connection with the acquisition of real property or land use rights and not securing Debt of the Parent Guarantor or any Restricted Subsidiary;

(aa) Liens to secure Debt permitted by Section 4.09(b)(16) hereof; and

(bb) Liens on assets of the Parent Guarantor or a Guarantor to secure Debt of the Parent Guarantor or such Guarantor that is permitted by Section 4.09(b)(21) hereof;

provided that, notwithstanding the foregoing, Permitted Liens will not include Liens securing Non-Guarantor Debt in the form of, or represented by, bonds, debentures, notes or other investment securities which are, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

" *Permitted Ordinary Course Liens* " means Liens described in clause (a), (g), (j), (k) or (u) of the definition of Permitted Liens.

" *Permitted Refinancing Debt* " means any renewals, extensions, substitutions, defeasances, discharges, refinancings or replacements (each, for purposes of this definition and Section 4.09(b)(10) hereof, a "refinancing") of any Debt of the Parent Guarantor or a Restricted Subsidiary or pursuant to this definition, including any successive refinancings, as long as:

(a) such Debt is in an aggregate principal amount (or if Incurred with original issue discount, an aggregate issue price) not in excess of the sum of: (i) the aggregate principal amount (or if Incurred with original issue discount, the aggregate accreted value) then outstanding of the Debt being refinanced and (ii) an amount necessary to pay all accrued interest on such Debt and any fees and expenses, including premiums and defeasance costs, related to such refinancing;

(b) such new Debt, determined as of the date of Incurrence of such new Debt, does not mature prior to the earlier of the final maturity date of the Notes and the Stated Maturity of the Debt to be refinanced, and the Average Life of the portion, if any, of such new Debt that is scheduled to mature on or prior to the final maturity date of the Notes is at least equal to the remaining Average Life of the portion of the Debt to be refinanced that is scheduled to mature on or prior to the final maturity date of the Notes;

(c) if the Debt being renewed, extended, substituted, defeased, discharged, refinanced or replaced is subordinated in right of payment to the Notes or the Guarantees (as applicable), such Permitted Refinancing Debt is subordinated in right of payment to, the Notes or the Guarantees (as applicable) on terms at least as favorable to the Holders as those contained in the documentation governing the Debt being renewed, extended, substituted, defeased, discharged, refinanced or replaced;

(d) the new Debt is not senior in right of payment to the Debt that is being refinanced; and

(e) such Debt is Incurred either by the Parent Guarantor or by the Restricted Subsidiary who is the obligor in relation to the Debt being renewed, extended, substituted, defeased, discharged, refinanced or replaced,

provided that Permitted Refinancing Debt will not include (i) Debt of a Non-Guarantor Subsidiary that refinances the Debt of a Guarantor or (ii) Debt of any Restricted Subsidiary that refinances Debt of an Unrestricted Subsidiary.

" *Person* " means any individual, corporation, limited liability company, partnership, joint venture, association, joint-stock company, trust, unincorporated organization or government or any agency or political subdivision thereof.

" *Post-Closing Collateral* " means Collateral pledged pursuant to the Security Documents set forth in **Schedule A** to this Indenture to be entered into more than five Business Days after the date hereof.

" *Post-Closing Date* " means the date that is 60 days after the Acquisition Closing Date, or such later date consented to by the Primary Collateral Agent (such consent not to be unreasonably withheld or delayed).

" *Post-Closing Date Guarantors* " means Viking Holdco, Inc., Sterling International Schools C Corporation, Viking Holding Company, LLC, Collegiate Prep Realty LLC, Meritas (Gibraltar) Holdings Limited, Village Real Estate LLC, North Broward Preparatory Schools, LLC, Meritas Luxembourg Holding S. à r.l., Meritas CH S.à.r.l., Collège du Léman, S.à.r.l., Meritas Malta Holdings Limited, Meritas MX, LLC, British International School LLC, Nord Anglia International School L.L.C., Sterling International Schools, Sterling Asian Schools Holdings Limited and Meritas México, S. de R.L. de C.V.

" *PRC* " means the People's Republic of China, excluding (solely for purposes of this definition) the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

"Pre-Expansion European Union " means Austria, Belgium, Denmark, Finland, France, Germany, Luxembourg, the Netherlands, Sweden and the United Kingdom. For the avoidance of doubt, such countries shall not include (i) Greece, Ireland, Italy, Portugal and Spain or (ii) any country that became or becomes a member of the European Union after January 1, 2004.

" *Preferred Stock* " means, with respect to any Person, Capital Stock of any class or classes (however designated) of such Person that is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over the Capital Stock of any other class of such Person, whether now outstanding or issued after the Issue Date and including, without limitation, all classes and series of preferred or preference stock of such Person.

" *Private Placement Legend* " means the legend set forth in Section 2.06(f)(1)(A) hereof to be placed on all Notes issued under this Indenture except where otherwise permitted by the provisions of this Indenture.

" *pro forma* " means, with respect to any calculation made or required to be made pursuant to the terms of the Notes, a calculation made in good faith by the Parent Guarantor.

"QIB" means a "qualified institutional buyer" as defined in Rule 144A.

" *Qualified Capital Stock* " of any Person means any and all Capital Stock of such Person other than Redeemable Capital Stock.

" *Redeemable Capital Stock* " means any class or series of Capital Stock that, either by its terms, by the terms of any security into which it is convertible or exchangeable or by contract or otherwise, is, or upon the happening of an event or passage of time would be, required to be redeemed prior to the final Stated Maturity of the Notes or is redeemable at the option of the holder thereof at any time prior to such final Stated Maturity (other than upon a change of control of the Parent Guarantor in circumstances in which the Holders of the Notes would have similar rights), or is convertible into or exchangeable for debt securities at any time prior to such final Stated Maturity; *provided* that any Capital Stock that would constitute Qualified Capital Stock but for provisions thereof giving holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of any "asset sale" or "change of control" occurring prior to the Stated Maturity of the Notes will not constitute Redeemable Capital Stock if the "asset sale" or "change of control" provisions applicable to such Capital Stock are no more favorable to the holders of such Capital Stock than the provisions contained in Sections 4.10 and 4.14 hereof and such Capital Stock specifically provides that such Person will not repurchase or redeem any such stock pursuant to such

provision prior to the Issuer's repurchase of such Notes as are required to be repurchased pursuant to Sections 4.10 and 4.14 hereof.

"refinance" means to refinance, repay, prepay, replace, renew or refund.

" *Regulation S* " means Regulation S promulgated under the Securities Act.

" *Regulation S Global Note* " means a Global Note substantially in the form of **Exhibit A** hereto bearing the Global Note Legend and the Private Placement Legend and deposited with the Custodian and registered in the name of the Depositary or its nominee, that will be issued in an initial amount equal to the principal amount of the Notes initially resold in reliance on Regulation S.

" *Related Person* " means:

(a) any majority owned Subsidiary of any Permitted Holder;

(b) any trust, corporation, partnership, limited liability company or other entity, the beneficiaries, stockholders, partners, members, owners or Persons beneficially holding in the aggregate a majority (and controlling) interest of which consist of any one or more Permitted Holders and/or such other Persons referred to in the immediately preceding clause (a); or

(c) any investment fund or vehicle managed, sponsored or advised by any Permitted Holder,

but not including, however, any operating portfolio companies of any of the foregoing.

" *Replacement Assets* " means, on any date, property or assets (other than current assets) of a nature or type that are used in a Permitted Business, including the Capital Stock of any Person holding such property or assets that is primarily engaged in a Permitted Business and is, or will, upon the acquisition by the Parent Guarantor or any of its Restricted Subsidiaries of such Capital Stock, become, a Restricted Subsidiary.

" *Responsible Officer,* " when used with respect to the Trustee, means any officer within the corporate trust department of the Trustee (or any successor of the Trustee) including any managing director, director, vice president, assistant vice president, assistant secretary, assistant treasurer, trust officer or any other officer or assistant officer of the Trustee customarily performing functions similar to those performed by any of the above designated officers and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject and, in each case, who will have direct responsibility for the administration of this Indenture.

"Restricted Definitive Note" means a Definitive Note bearing the Private Placement Legend.

"Restricted Global Note" means a Global Note bearing the Private Placement Legend.

" *Restricted Investment* " means any Investment other than a Permitted Investment. "Restricted Subsidiary" means any Subsidiary of the Issuer other than an Unrestricted Subsidiary.

" *Restricted Period* " means the 40-day distribution compliance period as defined in Regulation S.

" *Restricted Subsidiary* " means any Subsidiary of the Parent Guarantor other than an Unrestricted Subsidiary.

" *Reversion Date* " means, after the Notes have achieved Investment Grade Status, the date, if any, that such Notes shall cease to have such Investment Grade Status.

" *Rule 144* " means Rule 144 promulgated under the Securities Act.

" *Rule 144A* " means Rule 144A promulgated under the Securities Act.

" *Rule 144A Global Note* " means a Global Note substantially in the form of **Exhibit A** hereto bearing the Global Note Legend and the Private Placement Legend and deposited with and registered in the name of the Depositary or its nominee, that will be issued in an initial amount equal to the principal amount of the Notes initially resold in reliance on Rule 144A.

" *Rule 903* " means Rule 903 promulgated under the Securities Act.

" *Rule 904* " means Rule 904 promulgated under the Securities Act.

" *Sale and Leaseback Transaction* " means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby the Parent Guarantor or any Restricted Subsidiary transfers such property to another Person and the Parent Guarantor or any Restricted Subsidiary leases it from such Person.

" *S&P* " means Standard and Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc. and its successors.

" *Securities Act* " means the U.S. Securities Act of 1933, as amended, or any successor statute, and the rules and regulations promulgated by the Commission thereunder.

" *Security Documents* " means the documents listed in **Schedule A** to this Indenture and the security agreements, the pledge agreements, the collateral assignments and other instruments and documents executed and delivered pursuant to this Indenture, the Intercreditor Agreement or any Additional Intercreditor Agreement or any of the foregoing, as the same may be amended, supplemented or otherwise modified from time to time and pursuant to which the Collateral is pledged, assigned or granted to or on behalf of the applicable Collateral Agent for the benefit of (among others) the holders of the Notes and the Trustee or notice of such pledge, assignment or grant is given.

" *Senior Debt* " means (i) any Debt of the Issuer or any Guarantor that is either secured or not Subordinated Debt and (ii) any Non-Guarantor Debt other than Non-Guarantor Debt Incurred pursuant to Section 4.09(b)(4) hereof.

" *Significant Subsidiary* " means, at any time a Subsidiary of the Parent Guarantor which (i) has earnings before interest, tax, depreciation and amortization calculated on the same basis as Consolidated EBITDA (calculated on a consolidated basis if such Subsidiary has any Subsidiaries) representing 7.5% or more of the Consolidated EBITDA of the Parent Guarantor and its Subsidiaries or (ii) has total assets (calculated on a consolidated basis if such Subsidiary has any Subsidiaries) representing 7.5% or more of Total Assets.

" *Stated Maturity* " means with respect to any debt, the date specified in the instrument governing such debt as the fixed date on which the principal of such debt, or any installment of interest thereon, is due and payable.

" *Sterling* " means the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

" *Subordinated Debt* " means Debt of the Issuer or any of the Guarantors that is subordinated in right of payment to the Notes or the Guarantees of such Guarantors, as the case may be.

" *Subsidiary* " means, with respect to any Person, any corporation, association or other business entity:

(a) a majority of whose Voting Stock is at the time, directly or indirectly, owned by such Person, by one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person;

(b) whose financial statements are consolidated with those of such Person in accordance with IFRS; or

(c) in which such Person, one or more Subsidiaries of such Person or such Person and one or more Subsidiaries thereof, directly or indirectly, at the date of determination thereof, has at least a majority interest entitled to vote in the election of directors, managers or trustees thereof (or other Person performing similar functions).

" *Swiss francs* " or " *CHF* " means the lawful currency of Switzerland.

" *Swiss Government Bond Rate* " means the yield to maturity at the time of computation of direct obligations of the Swiss Confederation (*Staatsanleihen*) with a constant maturity (as officially compiled and published in the most recent financial statistics that has become publicly available at least two Business Days (but not more than five Business Days) prior to the redemption date (or, if such financial statistics are not so published or available, any publicly available source of similar market data selected by the Issuer in good faith)) most nearly equal to the period from the redemption date to July 15, 2018; *provided, however* , that if the period from the redemption date to July 15, 2018 is not equal to the constant maturity of a direct obligation of the Swiss Confederation for which a weekly average yield is given, the Swiss Government Bond Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of direct obligations of the Swiss Confederation for which such yields are given, except that if the period from such redemption date to July 15, 2018 is less than one year, the weekly average yield on actually traded direct obligations of the Swiss Confederation adjusted to a constant maturity of one year shall be used.

" *Swiss Government Obligations* " means any security that is (1) a direct obligation of Switzerland for the payment of which the full faith and credit of Switzerland is pledged or (2) an obligation of a Person controlled or supervised by and acting as an agency or instrumentality of Switzerland the payment of which is unconditionally guaranteed as a full faith and credit obligation by Switzerland, which, in either case under the preceding clause (1) or (2), is not callable or redeemable at the option of the issuer thereof.

" *Total Assets* " means the consolidated total assets of the Parent Guarantor and its Restricted Subsidiaries as shown on the most recent balance sheet (excluding the notes thereto) of the Parent Guarantor; *provided* that, for purposes of Section 4.09(b)(5) hereof, "Total Assets" will be calculated after giving *pro forma* effect to include the cumulative value of all of the assets, property or equipment the acquisition, construction, improvement or development of which involves the calculation of Total Assets, as measured by the purchase price or cost therefor or budgeted cost determined in good faith by the Parent Guarantor or a Restricted Subsidiary.

" *Trustee* " means Citicorp International Limited, until a successor replaces it in accordance with the applicable provisions of this Indenture and thereafter means the successor serving hereunder.

"Unrestricted Definitive Note" means a Definitive Note that does not bear and is not required to bear the Private Placement Legend.

"Unrestricted Global Note" means a Global Note that does not bear and is not required to bear the Private Placement Legend.

" *Unrestricted Subsidiary* " means:

(a) any Subsidiary of the Parent Guarantor that at the time of determination is an Unrestricted Subsidiary (as designated by the Parent Guarantor's Board of Directors pursuant to Section 4.19 hereof); and

(b) any Subsidiary of an Unrestricted Subsidiary.

" *U.S. dollars* " or " *US$* " means the lawful currency of the United States of America.

" *U.S. Person* " means a U.S. Person as defined in Rule 902(k) promulgated under the Securities Act.

" *Voting Stock* " means any class or classes of Capital Stock pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the Board of Directors, managers or trustees (or Persons performing similar functions) of any Person (irrespective of whether or not, at the time, stock of any other class or classes will have, or might have, voting power by reason of the happening of any contingency).

Section 1.02 *Other Definitions.*

Term	Defined in Section
" *Acquisition Longstop Date* "	3.09
" *Additional Amounts* "	4.22
" *Asset Sale Offer* "	4.10
" *Authenticating Agent* "	2.02
" *Authentication Order* "	2.02
" *Authorized Agent* "	13.06
" *Change in Tax Law* "	3.08
" *Change of Control Offer* "	4.14
" *Change of Control Payment* "	4.14
" *Change of Control Payment Date* "	4.14
" *Covenant Defeasance* "	8.03
" *Event of Default* "	6.01
" *Excess Proceeds* "	4.10
" *Incur* "	4.09
" *Incurrence* "	4.09
" *Initial Agreement* "	4.08
" *Legal Defeasance* "	8.02
" *Notes Offer* "	4.10
" *Offer Amount* "	3.10
" *Offer Period* "	3.10
" *Paying Agent* "	2.03
" *Permitted Debt* "	4.09

Term	Defined in Section
" *Polish Bankruptcy Law* "	11.02
" *Polish Guarantor* "	11.02
" *Purchase Date* "	3.10
" *Register* "	2.03
" *Registrar* "	2.03
" *Relevant Taxing Jurisdiction* "	4.22
"Restricted Obligations"	11.02
" *Restricted Payment* "	4.07
" *Restricted Payments* "	4.07
" *Special Mandatory Redemption* "	3.09
" *Special Mandatory Redemption Date* "	3.09
" *Special Mandatory Redemption Price* "	3.09
" *Special Termination Date* "	3.09
" *Successor Guarantor* "	5.03
" *Surviving Entity* "	5.02
"Swiss Anticipatory Tax"	11.02
" *Swiss Guarantor* "	11.02
" *Tax Redemption Date* "	3.08
" *Taxes* "	4.22
" *Transfer Agent* "	2.03

Section 1.03 *Rules of Construction.*

Unless the context otherwise requires:

(a) a term has the meaning assigned to it;

(b) an accounting term not otherwise defined has the meaning assigned to it in accordance with IFRS;

(c) "or" is not exclusive;

(d) words in the singular include the plural, and in the plural include the singular;

(e) "will" shall be interpreted to express a command;

(f) provisions apply to successive events and transactions;

(g) references to sections of or rules under the Securities Act will be deemed to include substitute, replacement of successor sections or rules adopted by the SEC from time to time;

(h) all references to the principal, premium, interest or any other amount payable pursuant to this Indenture will be deemed also to refer to any Additional Amounts which may be payable hereunder in respect of payments of principal, premium, interest and any other amounts payable pursuant to this Indenture or any undertakings given in addition thereto or in substitution therefor pursuant to this Indenture and express reference to the payment of Additional Amounts in any provisions hereof will not be construed as excluding Additional Amounts in those provisions hereof where such express reference is not made;

(i) unsecured Debt shall not be deemed to be subordinate or junior to secured Debt merely by virtue of its nature as unsecured Debt; and

(j) this Indenture will not treat Debt as subordinated or junior to any other Debt merely because it has a junior priority with respect to security in the same collateral or is subject to other contractual arrangements with respect to the priority of collateral or the proceeds of such collateral.

Section 1.04 *Luxembourg Terms* .

Without prejudice to the generality of any provision of this Indenture, to the extent this Indenture relates to a Luxembourg Guarantor, a reference to: (a) a winding-up, administration or dissolution includes, without limitation, bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), general settlement with creditors, reorganisation or similar laws affecting the rights of creditors generally; (b) a receiver, administrative receiver, administrator, trustee, custodian, sequestrator, conservator or similar officer appointed for the reorganization or liquidation of the business of a person includes, without limitation, a *juge délégué* , *commissaire* , *juge-commissaire* , *mandataire ad hoc* , *administrateur provisoire* , *liquidateur* or *curateur* ; (c) a lien or security interest includes any *hypothèque, nantissement, gage, privilège, sûreté réelle, droit de rétention* and any type of security in rem (*sûreté réelle*) or agreement or arrangement having a similar effect and any transfer of title by way of security; (d) a person being unable to pay its debts includes that person being in a state of *cessation de paiements* ; (e) creditors process means an executory attachment (*saisie exécutoire*) or conservatory attachment (*saisie conservatoire*); (f) by-laws or constitutional documents includes its up-to-date (restated) articles of association (*statuts coordonnés*); and (g) a director includes an *administrateur* or a *gérant* .

Section 1.05 *Polish Terms* .

In this Indenture, where it relates to a Polish Guarantor, a reference to:

(a) (i) a composition or similar arrangement with any creditor includes a postępowanie upadłościowe z możliwością zawarcia układu, postępowanie naprawcze and postępowanie restrukturyzacyjne; (ii) a compulsory manager, receiver or administrator includes a sędzia komisarz, nadzorca sądowy, nadzorca układu, syndyk, zarządca or zarządca przymusowy established under Article 27 of the Polish Act on Registered Pledges and the Pledge Register dated 6 December 1996, as amended (J.L. 1996, No. 149, item 703) or Article 931 or Article 10641 of the Polish Code of Civil Procedure dated 17 November 1964, as amended (J.L. 1964, No. 43, item 296); (iii) a winding up includes a declaration of bankruptcy; and (iv) reorganization includes postępowanie restrukturyzacyjne;

(b) an “administration” means (i) administration (zarząd) established under Article 1064’ of the Polish Code of Civil Procedure of 17 November 1964 (the “ **Polish** Code of Civil Procedure”) or (ii) administration of seized property (zarząd zajętą nieruchomością) established under Article 931 of the *Polish Code of Civil Procedure* ;

(c) a “disposal” (rozporządzenie) means a sale (sprzedaż), transfer (przewłaszczenie), assignment (przelew), grant (darowizna), lease (oddanie w najem lub dzierżawę), licence (udzielenie licencji), declaration of trust (ustanowienie stosunku powiernictwa) or other disposal, whether voluntary or involuntary;

(d) “security” includes any mortgage (hipoteka), pledge (zastaw), security assignment (przelew na zabezpieczenie), security transfer of title (przewłaszczenie na zabezpieczenie), retention right (prawo zatrzymania), right to reclaim sold goods (zastrzeżenie własności rzeczy sprzedanej), Polish law submission to execution (oświadczenie o dobrowolnym poddaniu się egzekucji), any right in rem (prawo rzeczowe), power of attorney granted for security purposes and any other obligation (zobowiązanie) created for the purpose of granting security;

(e) an "indemnity" means any obligation to (i) compensate loss incurred by any person (zobowiązanie do naprawienia szkody), (ii) assume debt of any person (zobowiązanie do przejęcia długu) and (iii) release any person from an obligation to perform (zobowiązanie do zwolnienia z obowiązku świadczenia);

(f) an "attachment" and "sequestration" means injunction over the property (zajęcie); and

(g) an "execution" means action undertaken in the enforcement proceedings (czynność egzekucyjna).

ARTICLE 2
THE NOTES

Section 2.01 *Form and Dating.*

(a) *General* . The Notes and the Trustee's or Authenticating Agent's certificate of authentication will be substantially in the form of **Exhibit A** hereto. The Notes may have notations, legends or endorsements required by law, stock exchange rule or usage and as provided herein. The Issuer will approve the form of the Notes and any notation, legend or endorsement thereon. Each Note will be dated the date of its authentication. The terms and provisions contained in the Notes will constitute, and are hereby expressly made, a part of this Indenture and the Issuer, the Guarantors, the Trustee, the Primary Collateral Agent and the Hungarian Collateral Agent, by their execution and delivery of this Indenture, expressly agree to such terms and provisions and to be bound thereby. However, to the extent any provision of any Note conflicts with the express provisions of this Indenture, the provisions of this Indenture will govern and be controlling.

(b) *Global Notes* . Notes issued in global form will be substantially in the form of **Exhibit A** hereto (including the Global Note Legend thereon and the "Schedule of Exchanges of Interests in the Global Note" attached thereto). The Global Notes will, upon issuance, be deposited with and registered in the name of the Depositary (or its nominee) for the accounts of Euroclear and Clearstream. The Notes will not be eligible for clearance with the Depositary Trust Company. Each Global Note will represent such of the outstanding Notes as will be specified therein and each will provide that it represents the aggregate principal amount of outstanding Notes from time to time endorsed thereon and that the aggregate principal amount of outstanding Notes represented thereby may from time to time be reduced or increased, as appropriate, to reflect exchanges, redemptions, purchases and cancellations. Any endorsement of a Global Note to reflect the amount of any increase or decrease in the aggregate principal amount of outstanding Notes represented thereby will be made by the Trustee, or the Custodian or the Paying Agent at the direction of the Trustee, in accordance with instructions given by the Holder thereof as required by Section 2.06 hereof.

(c) *Rule 144A Global Notes and Regulation S Global Notes.* Notes sold within the United States to QIBs pursuant to Rule 144A under the Securities Act will be issued initially in the form of a Rule 144A Global Note, which will be deposited with the Custodian and registered in the name of the Depositary or its nominee duly executed by the Issuer and authenticated by the Trustee or the Authenticating Agent as hereinafter provided. The aggregate principal amount of the Rule 144A Global Note may from time to time be increased or decreased by adjustments made on **Schedule A** to each such Global Note, as hereinafter provided.

Notes offered and sold in reliance on Regulation S will be issued initially in the form of a Regulation S Global Note, which will be deposited with the Custodian and registered in the name of the Depositary or its nominee, duly executed by the Issuer and authenticated by the Trustee or the Authenticating Agent as hereinafter provided. The aggregate principal amount of the Regulation S Global Note may from time to time be increased or decreased by adjustments made on **Schedule A** to each such Global Note, as hereinafter provided.

(d) *Definitive Notes.* Definitive Notes issued upon transfer of a Book-Entry Interest or a Definitive Note, or in exchange for a Book-Entry Interest or a Definitive Note, will be issued in accordance with this Indenture. Notes issued in definitive registered form will be substantially in the form of **Exhibit A** hereto (excluding the Global Note Legend thereon and without the "Schedule of Exchanges of Interests in the Global Note" in the form of **Schedule A** attached thereto).

(e) *Book-Entry Provisions.* The Applicable Procedures will be applicable to Book-Entry Interests in the Global Notes that are held by Participants through Euroclear or Clearstream.

(f) *Denominations.* The Notes will be in denominations of CHF150,000 or integral multiples of CHF1,000 in excess thereof.

Section 2.02 *Execution and Authentication.*

At least one Officer must sign the Notes for the Issuer by manual or facsimile signature. If an Officer whose signature is on a Note no longer holds that office at the time a Note is authenticated, the Note will nevertheless be valid.

A Note will not be valid until authenticated by the manual signature of the authorized signatory of the Trustee or the Authenticating Agent. The signature will be conclusive evidence that the Note has been authenticated under this Indenture. Notwithstanding the foregoing, if any Note will have been authenticated and delivered hereunder but never issued and sold by the Issuer, the Issuer will deliver such Note to the Trustee for cancellation pursuant to Section 2.11 hereof.

The Trustee will, upon receipt of a written order of the Issuer signed by an authorized representative (an " *Authentication Order* "), authenticate or cause the Authenticating Agent to authenticate the Notes for original issue that may be validly issued under this Indenture, including any Additional Notes. The aggregate principal amount of Notes outstanding at any time may not exceed the aggregate principal amount of Notes authorized for issuance by the Issuer pursuant to one or more Authentication Orders, except as provided in Section 2.07 hereof.

The Trustee may appoint one or more authentication agents (each, an " *Authenticating Agent* ") acceptable to the Issuer to authenticate Notes. Such an agent may authenticate Notes whenever the Trustee may do so. Each reference in this Indenture to authentication by the Trustee includes authentication by such agent. An Authenticating Agent has the same rights as an Agent to deal with Holders or an Affiliate of the Issuer. The Trustee hereby appoints Citicorp International Limited as Authenticating Agent with respect to the Notes. Citicorp International Limited hereby accepts such appointment and the Issuer hereby confirms that such appointment is acceptable to it.

Section 2.03 *Paying Agent, Registrars and Transfer Agents*

The Issuer will maintain one or more paying agents (each, a " *Paying Agent* ") for the Notes. If the Issuer maintains a Paying Agent with respect to the Notes in a member state of the European Union, such Paying Agent will be located in a member states of the European Union that is not obligated to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income, or any law implementing or complying with or introduced in order to conform to, such directive or such other directive. The initial Paying Agent will be Citibank, N.A., London Branch, which hereby accepts such appointment.

The Issuer will also maintain one or more registrars (each, a " *Registrar* ") and a transfer agent (each, a " *Transfer Agent* "). The Issuer hereby appoints as initial Registrar Citigroup Global Capital Markets Deutschland AG, which hereby accepts such appointment. The Issuer hereby appoints as the initial Transfer Agent Citibank, N.A., London Branch, which hereby accepts such appointment.

The Registrar and the Transfer Agent will maintain a register (the " *Register* ") reflecting ownership of Definitive Notes outstanding from time to time and will make payments on and facilitate transfer of Definitive Notes on the behalf of the Issuer and will send a copy of the Register to the Issuer on the Issue Date and after any change to the Register made by the Registrar, with such copy to be held by the Issuer and at its registered office. In the case of discrepancies between the Register and the register held by the Issuer at its registered office, the registrations in the register held by the Issuer at its registered office will prevail.

Upon written notice to the Trustee, the Issuer may change the Paying Agent, Registrar or Transfer Agent without prior notice to the Holders. In addition, the Issuer or any of its Subsidiaries may act as Paying Agent in connection with the Notes other than for the purposes of effecting a redemption under Section 3.07 hereof or an offer to purchase the Notes described under Section 4.10 or Section 4.14 hereof.

Section 2.04 *Paying Agent to Hold Money.*

The Issuer will require each Paying Agent other than the Trustee and the initial Paying Agent to agree in writing that each Paying Agent will hold for the benefit of Holders or the Trustee all money held by the Paying Agent for the payment of principal of (and premium, if any) or interest on the Notes, and will notify the Trustee in writing of any Default by the Issuer in making any such payment. While any such Default continues, the Trustee may require a Paying Agent to pay all money held by it to the Trustee. The Issuer at any time may require a Paying Agent to pay all money held by it to the Trustee. Upon payment over to the Trustee, the Paying Agent (if other than the Issuer or a Subsidiary of the Issuer) will have no further liability for the money. If the Issuer or a Subsidiary of the Issuer acts as Paying Agent, it will segregate and hold in a separate trust fund for the benefit of the Holders all money held by it as Paying Agent. Upon any insolvency, bankruptcy or reorganization proceedings relating to the Issuer (including, without limitation, its bankruptcy, voluntary or judicial liquidation, composition with creditors, reprieve from payment, controlled management, fraudulent conveyance, general settlement with creditors, reorganization or similar laws affecting the rights of creditors generally), the Trustee will serve as Paying Agent for the Notes. The Issuer will provide funds to the Paying Agent no later than 10:00 a.m. (London time) on the Business Day prior to the day on which the Paying Agent is to make payment. In addition, the Issuer shall cause the bank effecting payment for it to confirm, before 10:00 a.m. (London time) on the third Business Day before each Payment Date, by tested telex or authenticated SWIFT message to the Paying Agent, the payment instructions relating to such payment. A Paying Agent will not be obliged to pay the Holders of the Notes (or make any other payment) unless and until such time as it has confirmed receipt of funds sufficient to make the relevant payment in immediately available and cleared funds. The rights of Holders of beneficial interests in the Notes to receive payment on such Notes are subject to the applicable procedures of Euroclear and Clearstream.

Section 2.05 *Holder Lists.*

The Registrar will preserve in as current a form as is reasonably practicable the most recent list available to it of the names and addresses of all Holders. If the Trustee or the Paying Agent is not the Registrar, the Issuer will furnish or cause the Registrar to furnish, to the Trustee and each Paying Agent at least seven Business Days before each interest payment date and at such other times as the Trustee or the Paying Agent may request in writing, a list of the names and addresses of the Holders in such form and as of such date as the Trustee or the Paying Agent may reasonably require.

Section 2.06 *Transfer and Exchange.*

(a) *Transfer and Exchange of Global Notes* . A Global Note may not be transferred except as a whole by a Depositary to a Custodian or a nominee of such Custodian, by a Custodian or a nominee of such Custodian to such Depositary or to another nominee or Custodian of such Depositary, or by such Custodian or Depositary or any such nominee to a successor Depositary or

Custodian or a nominee thereof. Transfers between participants in Euroclear and Clearstream will be effected in accordance with Euroclear and Clearstream's rules and will be settled in immediately available funds.

All Global Notes will be exchanged by the Issuer for Definitive Notes:

(1) if either Euroclear or Clearstream notifies the Issuer that it is unwilling or unable to continue to act as Depositary or that the Depositary with whom the Global Notes are deposited is unwilling or unable to continue to act as common depository and a successor Depositary is not appointed by the Issuer within 120 days;

(2) if Euroclear or Clearstream so request following an Event of Default under the Indenture;

(3) in whole, but not in part, at any time if the Issuer in its sole discretion determines that the Global Notes should be exchanged for Definitive Registered Notes; or

(4) if the owner of a Book-Entry Interest requests such exchange in writing delivered through either Euroclear or Clearstream following an Event of Default.

Each of Euroclear and Clearstream has advised the Issuer that upon request by an owner of a Book-Entry Interest described in the immediately preceding clause (4), its current procedure is to request that the Issuer issue or cause to be issued Notes in definitive registered form to all owners of Book-Entry Interests.

Global Notes also may be exchanged or replaced, in whole or in part, as provided in Sections 2.07 and 2.10 hereof. Every Note authenticated and delivered in exchange for, or in lieu of, a Global Note or any portion thereof, pursuant to this Section 2.06 or Section 2.07 or 2.10 hereof, shall be authenticated and delivered in the form of, and shall be, a Global Note. A Global Note may not be exchanged for another Note other than as provided in this Section 2.06(a), however, Book-Entry Interests in a Global Note may be transferred and exchanged as provided in Section 2.06(b) or (c) hereof.

(b) *General Provisions Applicable to Transfer and Exchange of Book-Entry Interests in the Global Notes* .

The transfer and exchange of Book-Entry Interests will be effected through the Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Transfers of Book-Entry Interests in the Restricted Global Notes will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers and exchanges of Book-Entry Interests for Book-Entry Interests also will require compliance with either subparagraph (b)(1) or (b)(2) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(1) *Transfer of Book-Entry Interests in the Same Global Note* . Book-Entry Interests in a Restricted Global Note may be transferred to Persons who take delivery thereof in the form of a Book-Entry Interest in the same Restricted Global Note in accordance with the transfer restrictions set forth in the Private Placement Legend; *provided, however* , that prior to the expiration of the Restricted Period, Book-Entry Interests in the Regulation S Global Notes will be limited to persons that have accounts with Euroclear or Clearstream or persons who hold interests through Euroclear or Clearstream, and any sale or transfer of such interest to U.S. Persons will not be permitted during the Restricted Period unless such resale or transfer is made pursuant to Rule 144A. Book-Entry Interests in any Unrestricted Global Note may be transferred to Persons who take delivery thereof in the form of a Book-Entry Interest in an Unrestricted Global Note.

No written orders or instructions will be required to be delivered to the Trustee to effect the transfers described in this Section 2.06(b)(1).

(2) *All Other Transfers and Exchanges of Book-Entry Interests in Global Notes.* A holder may transfer or exchange a Book-Entry Interest in Global Notes in a transaction not subject to Section 2.06(b)(1) hereof only if the Trustee and the Registrar or the Transfer Agent (copied to the Trustee) receives either:

(A) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing such Depositary to credit or cause to be credited a Book-Entry Interest in another Global Note in an amount equal to the Book-Entry Interest to be transferred or exchanged; and

(ii) instructions given by the Depositary in accordance with the Applicable Procedures containing information regarding the Participant's account to be credited with such increase; or

(B) both:

(i) a written order from a Participant or an Indirect Participant given to the Depositary in accordance with the Applicable Procedures directing such Depositary to cause to be issued a Definitive Note in an amount equal to the Book-Entry Interest to be transferred or exchanged; and

(ii) instructions given by the Depositary to the Registrar containing information specifying the identity of the Person in whose name such Definitive Note will be registered to effect the transfer or exchange referred to in (i) above, the principal amount of such securities and the ISIN, Common Code or other similar number identifying the Notes,

(3) *Transfer of Book-Entry Interests to Another Restricted Global Note.* A Book-Entry Interest in any Restricted Global Note may be transferred to a Person who takes delivery thereof in the form of a Book-Entry Interest in another Restricted Global Note if the transfer complies with the requirements of Section 2.06(b)(2) hereof and the Registrar receives the following:

(A) if the transferee will take delivery in the form of a Book-Entry Interest in a Rule 144A Global Note, then the transferor must deliver a certificate in the form of **Exhibit B** hereto, including the certifications in item (1) thereof; and

(B) if the transferee will take delivery in the form of a Book-Entry Interest in a Regulation S Global Note, then the transferor must deliver a certificate in the form of **Exhibit B** hereto, including the certifications in item (2) thereof.

(4) *Transfer and Exchange of Book-Entry Interests in a Restricted Global Note for Book-Entry Interests in an Unrestricted Global Note* . A Book-Entry Interest in any Restricted Global Note may be exchanged by any holder thereof for a Book-Entry Interest in an Unrestricted Global Note or transferred to a Person who takes delivery thereof in the form of a Book-Entry Interest in an Unrestricted Global Note if the exchange or transfer complies with the requirements of Section 2.06(b)(2) above and the Registrar receives the following:

(i) if the holder of such Book-Entry Interest in a Restricted Global Note proposes to exchange such Book-Entry Interest for a Book-Entry Interest in an Unrestricted Global Note, a certificate from such holder in the form of **Exhibit C** hereto, including the certifications in item (1)(a) thereof; or

(ii) if the holder of such Book-Entry Interest in a Restricted Global Note proposes to transfer such Book-Entry Interest to a Person who shall take delivery thereof in the form of a Book-Entry Interest in an Unrestricted Global Note, a certificate from such holder in the form of **Exhibit B** hereto, including the certifications in item (4) thereof;

and, in each such case, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected at a time when an Unrestricted Global Note has not yet been issued, the Issuer shall issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee shall authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the aggregate principal amount of Book-Entry Interests transferred pursuant to this Section 2.06(b)(4).

Book-Entry Interests in an Unrestricted Global Note cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a Book-Entry Interest in a Restricted Global Note.

(c) *Transfer or Exchange of Book-Entry Interests for Definitive Notes.*

(1) *Book-Entry Interests in Restricted Global Notes to Restricted Definitive Notes.* If any holder of a Book-Entry Interest in a Restricted Global Note proposes to exchange such Book-Entry Interest for a Restricted Definitive Note or to transfer such Book-Entry Interest to a Person who takes delivery thereof in the form of a Restricted Definitive Note, then, upon receipt by the Registrar of the following documentation:

(A) if the holder of such Book-Entry Interest in a Restricted Global Note proposes to exchange such Book-Entry Interest for a Restricted Definitive Note, a certificate from such holder in the form of **Exhibit C** hereto, including the certifications in item (2)(a) thereof;

(B) if such Book-Entry Interest is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (1) thereof;

(C) if such Book-Entry Interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (2) thereof;

(D) if such Book-Entry Interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (3)(a) thereof;

(E) if such Book-Entry Interest is being transferred to the Issuer or any of its Subsidiaries, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (3)(b) thereof; or

(F) if such Book-Entry Interest is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (3)(c) thereof,

the Trustee shall cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuer shall execute and the Trustee shall authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a Book-Entry Interest in a Restricted Global Note pursuant to this Section 2.06(c) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such Book-Entry Interest shall instruct the Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Definitive Notes to the Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a Book-Entry Interest in a Restricted Global Note pursuant to this Section 2.06(c)(1) shall bear the Private Placement Legend and shall be subject to all restrictions on transfer contained therein.

(2) *Book-Entry Interests in Restricted Global Notes to Unrestricted Definitive Notes.* A holder of a Book-Entry Interest in a Restricted Global Note may exchange such Book-Entry Interest for an Unrestricted Definitive Note or may transfer such Book-Entry Interest to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note only if the Registrar receives the following:

(A) if the holder of such Book-Entry Interest in a Restricted Global Note proposes to exchange such Book-Entry Interest for an Unrestricted Definitive Note, a certificate from such holder in the form of **Exhibit C** hereto, including the certifications in item (1)(b) thereof; or

(B) if the holder of such Book-Entry Interest in a Restricted Global Note proposes to transfer such Book-Entry Interest to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such holder in the form of **Exhibit B** hereto, including the certifications in item (4) thereof;

and, in each such case, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Book-Entry Interests in Unrestricted Global Notes to Unrestricted Definitive Notes.* If any holder of a Book-Entry Interest in an Unrestricted Global Note proposes to exchange such Book-Entry Interest for a Definitive Note or to transfer such Book-Entry Interest to a Person who takes delivery thereof in the form of a Definitive Note, then, upon satisfaction of the conditions set forth in Section 2.06(b)(2) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Note to be reduced accordingly pursuant to Section 2.06(g) hereof, and the Issuer will execute and the Trustee will authenticate and deliver to the Person designated in the instructions a Definitive Note in the appropriate principal amount. Any Definitive Note issued in exchange for a Book-Entry Interest pursuant to this Section 2.06(c)(3) will be registered in such name or names and in such authorized denomination or denominations as the holder of such Book-Entry Interest requests through instructions to the Registrar from or through the Depositary and the Participant or Indirect Participant. The Trustee will deliver such Definitive Notes to the

Persons in whose names such Notes are so registered. Any Definitive Note issued in exchange for a Book-Entry Interest pursuant to this Section 2.06(c)(3) will not bear the Private Placement Legend.

(d) *Transfer and Exchange of Definitive Notes for Book-Entry Interests.*

(1) *Restricted Definitive Notes to Book-Entry Interests in Restricted Global Notes.* If any Holder of a Restricted Definitive Note proposes to exchange such Note for a Book-Entry Interest in a Restricted Global Note or to transfer such Restricted Definitive Notes to a Person who takes delivery thereof in the form of a Book-Entry Interest in a Restricted Global Note, then, upon receipt by the Registrar of the following documentation:

(A) if the Holder of such Restricted Definitive Note proposes to exchange such Note for a Book-Entry Interest in a Restricted Global Note, a certificate from such Holder in the form of **Exhibit C** hereto, including the certifications in item (2)(b) thereof;

(B) if such Restricted Definitive Note is being transferred to a QIB in accordance with Rule 144A, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (1) thereof;

(C) if such Restricted Definitive Note is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (2) thereof;

(D) if such Restricted Definitive Note is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (3)(a) thereof;

(E) if such Restricted Definitive Note is being transferred to the Issuer or any of its Subsidiaries, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (3)(b) thereof; or

(F) if such Restricted Definitive Note is being transferred pursuant to an effective registration statement under the Securities Act, a certificate to the effect set forth in **Exhibit B** hereto, including the certifications in item (3)(c) thereof,

the Trustee will cancel the Restricted Definitive Note, increase or cause to be increased the aggregate principal amount of, in the case of clause (A) above, the appropriate Restricted Global Note, in the case of clause (B) above, the Rule 144A Global Note, and in the case of clause (C) above, the Regulation S Global Note.

(2) *Restricted Definitive Notes to Book-Entry Interests in Unrestricted Global Notes.* A Holder of a Restricted Definitive Note may exchange such Note for a Book-Entry Interest in an Unrestricted Global Note or transfer such Restricted Definitive Note to a Person who takes delivery thereof in the form of a Book-Entry Interest in an Unrestricted Global Note only if the Registrar receives the following:

(A) if the Holder of such Definitive Notes proposes to exchange such Notes for a Book-Entry Interest in the Unrestricted Global Note, a certificate from such Holder in the form of **Exhibit C** hereto, including the certifications in item (1)(c) thereof; or

(B) if the Holder of such Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of a Book-Entry Interest in the Unrestricted Global Note, a certificate from such Holder in the form of **Exhibit B** hereto, including the certifications in item (4) thereof;

and, in each such case, if the Registrar so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

Upon satisfaction of the conditions of any of the subparagraphs in this Section 2.06(d)(2), the Trustee will cancel the Definitive Notes and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Note.

(3) *Unrestricted Definitive Notes to Book-Entry Interests in Unrestricted Global Notes.* A Holder of an Unrestricted Definitive Note may exchange such Note for a Book-Entry Interest in an Unrestricted Global Note or transfer such Definitive Notes to a Person who takes delivery thereof in the form of a Book-Entry Interest in an Unrestricted Global Note at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Definitive Note and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Notes.

If any such exchange or transfer from a Definitive Note to a Book-Entry Interest is effected pursuant to paragraphs (2) or (3) above at a time when an Unrestricted Global Note has not yet been issued, the Issuer will issue and, upon receipt of an Authentication Order in accordance with Section 2.02 hereof, the Trustee will authenticate one or more Unrestricted Global Notes in an aggregate principal amount equal to the principal amount of Definitive Notes so transferred.

(e) *Transfer and Exchange of Definitive Notes for Definitive Notes.* Upon request by a Holder of Definitive Notes and such Holder's compliance with the provisions of this Section 2.06(e), the Registrar will register the transfer or exchange of Definitive Notes. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Registrar the Definitive Notes duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 2.06(e).

(1) *Restricted Definitive Notes to Restricted Definitive Notes.* Any Restricted Definitive Note may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Definitive Note if the Registrar receives the following:

(A) if the transfer will be made pursuant to Rule 144A, then the transferor must deliver a certificate in the form of **Exhibit B** hereto, including the certifications in item (1) thereof;

(B) if the transfer will be made pursuant to Rule 903 or Rule 904, then the transferor must deliver a certificate in the form of **Exhibit B** hereto, including the certifications in item (2) thereof; and

(C) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, then the transferor must deliver a

certificate in the form of **Exhibit B** hereto, including the certifications, certificates and Opinion of Counsel required by item (3) thereof, if applicable.

(2) *Restricted Definitive Notes to Unrestricted Definitive Notes.* Any Restricted Definitive Note may be exchanged by the Holder thereof for an Unrestricted Definitive Note or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Definitive Note if the Registrar receives the following:

(A) if the Holder of such Restricted Definitive Notes proposes to exchange such Notes for an Unrestricted Definitive Note, a certificate from such Holder in the form of **Exhibit C** hereto, including the certifications in item (1)(d) thereof; or

(B) if the Holder of such Restricted Definitive Notes proposes to transfer such Notes to a Person who shall take delivery thereof in the form of an Unrestricted Definitive Note, a certificate from such Holder in the form of **Exhibit B** hereto, including the certifications in item (4) thereof;

and, in each such case, if the Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the Private Placement Legend are no longer required in order to maintain compliance with the Securities Act.

(3) *Unrestricted Definitive Notes to Unrestricted Definitive Notes.* A Holder of Unrestricted Definitive Notes may transfer such Notes to a Person who takes delivery thereof in the form of an Unrestricted Definitive Note. Upon receipt of a request to register such a transfer, the Registrar shall register the Unrestricted Definitive Notes pursuant to the instructions from the Holder thereof.

(f) *Legends.* The following legends will appear on the face of all Notes issued under this Indenture unless specifically stated otherwise in the applicable provisions of this Indenture.

(1) *Private Placement Legend* .

(A) Except as permitted by subparagraph (B) below, each Global Note and each Definitive Note (and all Notes issued in exchange therefor or in substitution thereof) will bear a legend in substantially the following form:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR ANY STATE SECURITIES LAWS, AND ACCORDINGLY, NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, ASSIGNED, PLEDGED OR OTHERWISE TRANSFERRED OR SOLD WITHIN THE UNITED STATES IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM [*IN THE CASE OF RULE 144A NOTES:* AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) OR (B) IT IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT; (2) AGREES THAT IT WILL NOT WITHIN THE TIME PERIOD REFERRED TO IN RULE 144(d) UNDER THE SECURITIES ACT AS IN EFFECT WITH RESPECT TO SUCH TRANSFER, RESELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (I) TO NORD ANGLIA EDUCATION FINANCE LLC OR ANY SUBSIDIARY THEREOF; (II) INSIDE THE UNITED STATES

TO A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT; (III) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT; (IV) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE); (V) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (PROVIDED THAT THE ISSUER OR THE TRUSTEE MAY, IN CIRCUMSTANCES THAT ANY OF THEM DEEMS APPROPRIATE, REQUIRE EVIDENCE AS TO COMPLIANCE WITH ANY SUCH EXEMPTION); OR (VI) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT; AND (3) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. IN CONNECTION WITH ANY TRANSFER OF THIS NOTE WITHIN THE TIME PERIOD REFERRED TO ABOVE, THE HOLDER MUST CHECK THE APPROPRIATE BOX SET FORTH ON THE REVERSE HEREOF RELATING TO THE MANNER OF SUCH TRANSFER AND SUBMIT SUCH CERTIFICATE TO THE TRUSTEE. EACH OWNER AND BENEFICIAL OWNER, BY ITS ACCEPTANCE OF THIS NOTE OR AN INTEREST IN THE NOTE EVIDENCED HEREBY, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS AND THAT NO REPRESENTATIONS CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT FOR RESALES OF THIS NOTE. AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION" AND "UNITED STATES" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT. THE INDENTURE CONTAINS A PROVISION REQUIRING THE TRUSTEE TO REFUSE TO REGISTER ANY TRANSFER OF THIS NOTE IN VIOLATION OF THE FOREGOING RESTRICTIONS]."

(B) Notwithstanding the foregoing, any Global Note or Definitive Note issued pursuant to subparagraphs (b)(4), (c)(2), (c)(3), (d)(2), (d)(3), (e)(2) or (e)(3) of this Section 2.06 (and all Notes issued in exchange therefor or substitution thereof) will not bear the Private Placement Legend.

(2) *Global Note Legend* . Each Global Note will bear a legend in substantially the following form:

"THIS GLOBAL NOTE IS HELD BY THE DEPOSITARY (AS DEFINED IN THE INDENTURE GOVERNING THIS NOTE) OR ITS NOMINEE IN CUSTODY FOR THE BENEFIT OF THE BENEFICIAL OWNERS HEREOF, AND IS NOT TRANSFERABLE TO ANY PERSON UNDER ANY CIRCUMSTANCES EXCEPT THAT (1) THE TRUSTEE MAY MAKE SUCH NOTATIONS HEREON AS MAY BE REQUIRED PURSUANT TO SECTION 2.06 OF THE INDENTURE, (2) THIS GLOBAL NOTE MAY BE TRANSFERRED OR EXCHANGED IN WHOLE BUT NOT IN PART PURSUANT TO SECTION 2.06(a) OF THE INDENTURE, AND (3) THIS GLOBAL NOTE MAY BE DELIVERED TO THE TRUSTEE FOR CANCELLATION PURSUANT TO SECTION 2.11 OF THE INDENTURE."

(g) *Cancellation and/or Adjustment of Global Notes.* At such time as all Book-Entry Interests in a particular Global Note have been exchanged for Definitive Notes or a particular Global Note has been redeemed, repurchased or cancelled in whole and not in part, each such Global Note will be returned to or retained and cancelled by the Trustee in accordance with Section 2.11 hereof. At any time prior to such cancellation, if any Book-Entry Interest in a Global Note is exchanged for or transferred to a Person who will take delivery thereof in the form of a Book-Entry Interest in another Global Note or for Definitive Notes, the principal amount of Notes represented by such Global Note will be reduced accordingly and an endorsement will be made on such Global Note by the Trustee or

the Custodian, at the direction of the Trustee, to reflect such reduction; and if the Book-Entry Interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a Book-Entry Interest in another Global Note, such other Global Note will be increased accordingly and an endorsement will be made on such Global Note by the Trustee or by the Custodian at the direction of the Trustee to reflect such increase.

(h) *General Provisions Relating to Transfers and Exchanges.*

(1) To permit registrations of transfers and exchanges, the Issuer will execute and the Trustee or the Authenticating Agent will authenticate Global Notes and Definitive Notes upon receipt of an Authentication Order in accordance with Section 2.02 hereof or at the Registrar's request.

(2) No service charge will be made by the Issuer or the Registrar to a Holder of a Book-Entry Interest in a Global Note, a Holder of a Global Note or a Holder of a Definitive Note for any registration of transfer or exchange, but the Issuer may require payment of a sum sufficient to cover any stamp duty, stamp duty reserve, documentary or other similar tax or governmental charge that may be imposed in connection therewith (other than any such transfer taxes or similar governmental charge payable upon exchange or transfer pursuant to Sections 2.10, 3.06, 4.10 and 4.14 hereof).

(3) No Transfer Agent or Registrar will be required to register the transfer of or exchange of any Note selected for redemption in whole or in part, except the unredeemed portion of any Note being redeemed in part.

(4) All Global Notes and Definitive Notes issued upon any registration of transfer or exchange of Global Notes or Definitive Notes will be the valid obligations of the Issuer, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Global Notes or Definitive Notes surrendered upon such registration of transfer or exchange.

(5) The Issuer will not be required to register the transfer into its register kept at its registered office of any Definitive Notes: (A) for a period of 15 calendar days prior to any date fixed for the redemption of the Notes under Section 3.03 hereof; (B) for a period of 15 calendar days immediately prior to the date fixed for selection of Notes to be redeemed in part; (C) for a period of 15 calendar days prior to the record date with respect to any interest payment date, or (D) which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer, an Asset Sale Offer or a Notes Offer. Any such transfer will be made without charge to the Holder, other than any taxes, duties and governmental charges payable in connection with such transfer.

(6) The Trustee, any Agent and the Issuer may deem and treat the Person in whose name any Note is registered as the absolute owner of such Note for the purpose of receiving payment of principal of, or interest, if any, on such Notes and for all other purposes, and none of the Trustee, any Agent or the Issuer will be affected by notice to the contrary nor liable for treating the registered holder as such. Ownership of the Notes will be evidenced through registration from time to time at the registered office of the Issuer, and such registration is a means of evidencing title to the Notes.

(7) All certifications, certificates and Opinions of Counsel required to be submitted to the Issuer, the Trustee or the applicable Registrar pursuant to this Section 2.06 to effect a registration of transfer or exchange may be submitted initially by facsimile with originals to be delivered promptly thereafter to the Trustee.

Section 2.07 *Replacement Notes.*

(a) If any mutilated Note is surrendered to the Registrar, the Trustee or the Issuer and the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Note, the Issuer will issue and the Trustee, upon receipt of an Authentication Order, will authenticate or cause the Authenticating Agent to authenticate a replacement Note if the Trustee's requirements are met. If required by the Trustee or the Issuer, an indemnity bond must be supplied by the Holder that is sufficient in the judgment of the Trustee and the Issuer to protect the Issuer, the Trustee, any Agent from any loss that any of them may suffer if a Note is replaced. The Issuer may charge the Holder for its expenses in replacing a Note, including reasonable fees and expenses of counsel. In case any such mutilated, destroyed, lost or stolen Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer pursuant to the terms of this Indenture, the Issuer, in its discretion, may, instead of issuing a new Note, pay, redeem or purchase such Note, as the case may be.

(b) Every replacement Note is an additional obligation of the Issuer and will be entitled to all of the benefits of this Indenture equally and proportionately with all other Notes duly issued hereunder.

Section 2.08 *Outstanding Notes.*

The Notes outstanding at any time are all the Notes authenticated by the Trustee or the Authenticating Agent except for those canceled by it, those delivered to it for cancellation, those reductions in the interest in a Global Note effected by the Trustee in accordance with the provisions hereof, and those described in this Section 2.08 as not outstanding. Except as set forth in Section 2.09 hereof, a Note does not cease to be outstanding because the Issuer or an Affiliate of the Issuer holds the Note; however, Notes held by the Issuer or a Subsidiary of the Issuer will not be deemed to be outstanding for purposes of Section 3.07(a) hereof.

If a Note is replaced pursuant to Section 2.07 hereof, it ceases to be outstanding unless the Trustee receives proof satisfactory to it that the replaced Note is held by a protected purchaser. If the principal amount of any Note is considered paid under Section 4.01 hereof, it ceases to be outstanding and interest on it ceases to accrue. If a Paying Agent (other than the Issuer, a Subsidiary of the Issuer or an Affiliate of any thereof) holds, on a redemption date or maturity date, money sufficient to pay Notes payable on that date, then on and after that date such Notes will be deemed to be no longer outstanding and will cease to accrue interest.

Section 2.09 *Treasury Notes.*

In determining whether the Holders of the required principal amount of Notes have concurred in any direction, waiver or consent, Notes owned by the Issuer or any Guarantor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with the Issuer or any Guarantor, will be considered as though not outstanding, except that for the purposes of determining whether the Trustee will be protected in relying on any such direction, waiver or consent, only Notes that the Trustee knows are so owned will be so disregarded.

Section 2.10 *Temporary Notes.*

Until certificates representing Notes are ready for delivery, the Issuer may prepare and the Trustee, upon receipt of an Authentication Order, will authenticate or cause the Authenticating Agent to authenticate temporary Notes. Temporary Notes will be substantially in the form of certificated Notes but may have variations that the Issuer considers appropriate for temporary Notes and as may be reasonably acceptable to the Trustee. Without unreasonable delay, the Issuer will prepare and the Trustee or the Authenticating Agent will authenticate definitive Notes in exchange for temporary Notes.

Holders of temporary Notes will be entitled to all of the benefits of this Indenture.

Section 2.11 *Cancellation.*

The Issuer at any time may deliver Notes to the Trustee for cancellation. The Registrar, each Paying Agent and any Transfer Agent will forward to the Trustee any Notes surrendered to them for registration of transfer, exchange or payment. The Trustee, or at the direction of the Trustee, the Registrar or the Paying Agent (other than the Issuer or a Subsidiary of the Issuer) and no one else will cancel all Notes surrendered for registration of transfer, exchange, payment, replacement or cancellation and will destroy canceled Notes (subject to the record retention requirement of the Exchange Act). Certification of the destruction of all canceled Notes will be delivered to the Issuer following a written request from the Issuer. The Issuer may not issue new Notes to replace Notes that it has paid or that have been delivered to the Trustee for cancellation.

Section 2.12 *Defaulted Interest.*

If the Issuer defaults in a payment of interest on the Notes, it will pay the defaulted interest in any lawful manner plus, to the extent lawful, interest payable on the defaulted interest, to the Persons who are Holders on a subsequent special record date, in each case at the rate provided in the Notes and in Section 4.01 hereof. The Issuer will notify the Trustee as soon as practicable in writing of the amount of defaulted interest proposed to be paid on each Note and the date of the proposed payment. The Issuer will fix or cause to be fixed each such special record date and payment date; *provided* that no such special record date may be less than 10 days prior to the related payment date for such defaulted interest. At least 15 days before the special record date, the Issuer (or, upon the written request of the Issuer, the Trustee in the name and at the expense of the Issuer) will mail or cause to be mailed to the Holders in accordance with Section 13.01 hereof a notice that states the special record date, the related payment date and the amount of such interest to be paid.

Section 2.13 *Further Issues.*

(a) Subject to compliance with Section 4.09 hereof, the Issuer may from time to time issue Additional Notes ranking *pari passu* with the Initial Notes and with the same terms as to status, redemption and otherwise as such Notes (save for payment of interest accruing prior to the issue date of such Additional Notes or for the first payment of interest following the issue date of such Additional Notes). Any Additional Notes, the Initial Notes and any previously issued Additional Notes will be consolidated and treated as a single class for all purposes under this Indenture, including, without limitation, waivers, amendments, redemptions and offers to purchase except as otherwise specified with respect to each series of Notes.

(b) Whenever it is proposed to create and issue any Additional Notes, the Issuer will give to the Trustee not less than three Business Days' notice in writing of its intention to do so, stating the amount of Additional Notes proposed to be created and issued.

Section 2.14 *ISIN or Common Code Number.*

The Issuer in issuing the Notes may use an "ISIN" or "Common Code" number and, if so, such ISIN or Common Code number will be included in notices of redemption or exchange as a convenience to Holders; *provided* , *however* , that any such notice may state that no representation is made as to the correctness or accuracy of the ISIN or Common Code number printed in the notice or on the Notes, and that reliance may be placed only on the other identification numbers printed on the Notes, and any such redemption or exchange will not be affected by any defect in or omission of such numbers. In addition, in order for any Additional Notes to have the same Common Code or ISIN, as applicable, as the Notes, such Additional Notes must be fungible with the Notes for U.S. federal income tax purposes.

The Issuer will promptly notify the Trustee in writing of any change in the ISIN or Common Code number.

Section 2.15 *Deposit of Moneys.*

No later than 10:00 a.m. (London time) on the Business Day prior to each Interest Payment Date, the maturity date of the Notes and each payment date relating to an Asset Sale Offer, Notes Offer or a Change of Control Offer, and on the Business Day immediately following any acceleration of the Notes pursuant to Section 6.02 hereof, the Issuer will deposit with the Paying Agent, in immediately available funds, money in Swiss francs sufficient to make cash payments, if any, due on such day or date, as the case may be. Subject to actual receipt of such funds as provided by this Section 2.15 by the designated Paying Agent, such Paying Agent will remit such payment in a timely manner to the Holders on such day or date, as the case may be, to the Persons and in the manner set forth in paragraph 2 of the Notes. The Issuer will promptly notify the Trustee and the Paying Agent of its failure to so act.

Section 2.16 *Agents.*

(a) The rights, powers, duties and obligations and actions of each Agent under this Indenture are several and not joint or joint and several.

(b) The Issuer and the Agents acknowledge and agree that in the event of a Default or Event of Default, the Trustee may, by notice in writing to the Issuer and the Agents, require that the Agents act as agents of, and take instructions exclusively from, the Trustee.

ARTICLE 3
REDEMPTION AND PREPAYMENT

Section 3.01 *Notices to Trustee.*

If the Issuer elects to redeem Notes pursuant to the optional redemption provisions of Section 3.07 or Section 3.08 hereof, it will deliver to the Trustee in accordance with Section 13.01 hereof, at least 10 days but not more than 60 days before a redemption date, an Officers' Certificate setting forth:

(a) the clause of this Indenture pursuant to which the redemption will occur;

(b) the redemption date and the record date;

(c) the principal amount of Notes to be redeemed;

(d) the redemption price; and

(e) the ISIN or Common Code numbers of the Notes, as applicable.

Section 3.02 *Selection of Notes to Be Redeemed or Purchased.*

If fewer than all of the Notes are to be redeemed or purchased in an offer to purchase at any time, the Trustee will select the Notes for redemption or purchase by a method that complies with the requirements, as certified to the Trustee by the Issuer, of the principal securities exchange, if any, on which the Notes are listed at such time and in compliance with the requirements of Euroclear and Clearstream or, if the Notes are not listed on a securities exchange, the Notes are not held through Euroclear or Clearstream or Euroclear or Clearstream do not prescribe a method of selection, on a *pro rata* basis or by lot or such other method as the Trustee in its sole and absolute discretion deems fair and appropriate. The Trustee will not be liable for selections made by it in accordance with this

Section 3.02. No Notes of less than CHF150,000 in aggregate principal amount will be purchased or redeemed in part and only Notes in integral multiples of CHF1,000 will be redeemed.

Notices of purchase or redemption will be given to each Holder pursuant to Sections 3.03 and 13.01 hereof.

If any Note is to be redeemed in part only, the notice of redemption that relates to that Note will state the portion of the principal amount of that Note that is to be redeemed. A new Note in principal amount equal to the unredeemed portion of the original Note will be issued in the name of the Holder upon cancellation of the original Note.

Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of Notes called for redemption.

In relation to Definitive Notes, a new Note in principal amount equal to the unpurchased or unredeemed portion of any Note purchased or redeemed in part will be issued in the name of the Holder thereof upon cancellation of the original Note. On or after any purchase or redemption date, unless the Issuer defaults in payment of the purchase or redemption price, interest will cease to accrue on Notes or portions thereof tendered for purchase or called for redemption.

Section 3.03 *Notice of Redemption.*

(a) At least 10 days but not more than 60 days before a redemption date, the Issuer will deliver, pursuant to Section 13.01 hereof, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or the satisfaction and discharge of this Indenture pursuant to Articles 8 or 12 hereof. For Notes which are represented by Global Notes held on behalf of Euroclear or Clearstream, notices may be given by delivery of the relevant notices to Euroclear or Clearstream, which will give such notices to the Holders.

(b) The notice will identify the Notes to be redeemed and corresponding ISIN or Common Code numbers, as applicable, and will state:

(1) the redemption date and the record date;

(2) the redemption price and the amount of accrued interest, if any, and Additional Amounts, if any, to be paid;

(3) if any Global Note is being redeemed in part, the portion of the principal amount of such Global Note to be redeemed and that, after the redemption date upon surrender of such Global Note, the principal amount thereof will be decreased by the portion thereof redeemed pursuant thereto;

(4) if any Definitive Note is being redeemed in part, the portion of the principal amount of such Note to be redeemed, and that, after the redemption date, upon surrender of such Note, a new Definitive Note or Definitive Notes in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Definitive Note;

(5) the name and address of the Paying Agent(s) to which the Notes are to be surrendered for redemption;

(6) that Notes called for redemption must be surrendered to the relevant Paying Agent to collect the redemption price, plus accrued and unpaid interest, if any;

(7) that, unless the Issuer defaults in making such redemption payment, or interest, if any, on Notes called for redemption cease to accrue on and after the redemption date;

(8) the paragraph of the Notes and/or Section of this Indenture pursuant to which the Notes called for redemption are being redeemed; and

(9) that no representation is made as to the correctness or accuracy of the ISIN or Common Code numbers, if any, listed in such notice or printed on the Notes.

(c) At the Issuer's request, the Trustee will give the notice of redemption in the Issuer's name and at its expense in accordance with Section 13.01 hereof; *provided, however* , that the Issuer will have delivered to the Trustee, at least ten days prior to the date the notice is required to be delivered pursuant to Section 3.03(a) hereof or such shorter period acceptable to the Trustee, an Officers' Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as provided in Section 3.03(b) hereof.

Section 3.04 *Effect of Notice of Redemption.*

A notice of redemption may, at the Issuer's discretion, be subject to satisfaction of one or more conditions precedent. On and after a redemption date, unless the Issuer defaults in payment of the purchase or redemption price, interest will cease to accrue on such Notes or portion of them called for redemption.

Section 3.05 *Deposit of Redemption or Purchase Price.*

(a) No later than 10:00 a.m. (London time) on the Business Day prior to the redemption date or, to the extent the Paying Agent is appointed as paying agent for the applicable offer, the purchase date, the Issuer will deposit with the Trustee or with the Paying Agent money in Swiss francs sufficient to pay the redemption or purchase price of, and accrued interest (if any) on, all Notes to be redeemed on that date. The Trustee or the Paying Agent will promptly return to the Issuer any money deposited with the Trustee or the Paying Agent, as applicable, by the Issuer in excess of the amounts necessary to pay the redemption or purchase price of, and accrued interest, if any, on, all Notes to be purchased or redeemed.

(b) If the Issuer complies with the provisions of Section 3.05(a) hereof, on and after the redemption or purchase date, interest will cease to accrue on the Notes or the portions of Notes called for redemption or purchase. If a Note is redeemed or purchased on or after a record date for the payment of interest but on or prior to the related interest payment date, then any accrued and unpaid interest will be paid to the Person in whose name such Note was registered at the close of business on such record date. If any Note called for redemption or purchase is not so paid upon surrender for redemption or purchase because of the failure of the Issuer to comply with Section 3.05(a) hereof, interest will be paid on the unpaid principal, from the redemption or purchase date until such principal is paid, and to the extent lawful on any interest not paid on such unpaid principal, in each case at the rate provided in the Notes and in Section 4.01 hereof.

Section 3.06 *Notes Redeemed or Purchased in Part.*

Upon surrender of a Definitive Note that is redeemed or purchased in part, the Issuer will issue and, upon receipt of an Authentication Order, the Trustee or the Authenticating Agent will authenticate for (and in the name of) the Holder at the expense of the Issuer a new Note equal in principal amount to the unredeemed or unpurchased portion of the Note surrendered; *provided* that any Definitive Note will be in a principal amount of CHF150,000 or a higher integral multiple of CHF1,000.

Section 3.07 *Optional Redemption.*

(a) At any time prior to July 15, 2018, upon not less than 10 nor more than 60 days' notice, the Issuer may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes at a redemption price of 105.750% of their principal amount, plus accrued and unpaid interest, if any, to the redemption date, with the net proceeds from one or more Equity Offerings; *provided* , that

(1) at least 65% of the aggregate principal amount of Notes that were initially issued under this Indenture would remain outstanding immediately after the proposed redemption; and

(2) the redemption occurs within 90 days after the closing of such Equity Offering.

(b) At any time prior to July 15, 2018, upon not less than 10 nor more than 60 days' notice, the Issuer may, on any one or more occasions, redeem all or part of the Notes at a redemption price equal to 100% of the principal amount thereof plus the Applicable Redemption Premium and accrued and unpaid interest, if any, to the redemption date, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to subsections (a) and (b) of this Section 3.07 and Section 3.08 hereof, the Notes will not be redeemable at the Issuer's option prior to July 15, 2018. At any time on or after July 15, 2018, and prior to maturity, upon not less than 10 nor more than 60 days' notice, the Issuer may, on any one or more occasions, redeem all or part of the Notes. These redemptions will be in amounts of CHF150,000 or higher integral multiples of CHF1,000 at the following redemption prices (expressed as percentages of their principal amount at maturity), plus accrued and unpaid interest, if any, to the redemption date, if redeemed during the 12-month period commencing on July 15 of the years set forth below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
2018	102.875%
2019	101.438%
2020 and thereafter	100.000%

(d) Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(e) Any redemption pursuant to this Section 3.07 will be made pursuant to the provisions of Sections 3.01 through 3.06 hereof. Any redemption or notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent. In addition, if a redemption is subject to the satisfaction of one or more conditions precedent, the related notice shall describe each such condition, and if applicable, state that, in the Issuer's discretion, the date of redemption may be delayed until such time as any or all such conditions shall be satisfied or waived (*provided* that in no event shall such date of redemption be delayed to a date later than 60 days after the date on which such notice was mailed), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied or waived by the date of redemption, or by the date of redemption as so delayed. Subject to the provisions of the preceding two sentences, Notes called for redemption become due on the date fixed for redemption. On and after the redemption date, interest ceases to accrue on Notes or portions of Notes called for redemption. No Note of less than CHF150,000 in aggregate principal amount shall be redeemed in part and only Notes in integral multiples of CHF1,000 will be redeemed.

Section 3.08 *Redemption Upon Changes in Withholding Taxes.*

(a) The Issuer may, at its option, redeem the Notes, in whole but not in part, at any time upon giving not less than 10 nor more than 60 days' notice (which notice will be irrevocable and given in accordance with Section 3.03 and Section 13.01 hereof) to the Holders, at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date to be fixed by the Issuer (a " *Tax Redemption Date* ") then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of Holders on the relevant record date to receive interest due on an interest payment date that is prior to the Tax Redemption Date) if the Issuer or any Guarantor is or, on the next date on which any amount would be payable by the Issuer or such Guarantor in respect of the Notes, would be obliged to pay Additional Amounts in excess of the Additional Amounts that the Issuer or Guarantor was obligated to pay as of the Issue Date in respect of the Notes, which the Issuer cannot avoid by the use of reasonable measures available to it (including taking reasonable measures to make payment through a Paying Agent or a different Guarantor located in another jurisdiction), as a result of:

(1) any change in, or amendment to, the laws or treaties (or any regulations, protocols or rulings promulgated thereunder) of any Relevant Taxing Jurisdiction affecting taxation that becomes effective on or after the date of this Indenture (or, in the case of a jurisdiction that becomes a Relevant Taxing Jurisdiction after the date of this Indenture, on or after such date; *provided* that there has been no formal proposal for such change or amendment the enactment of which was imminent when the jurisdiction became a Relevant Taxing Jurisdiction); or

(2) any change in the official application, administration or interpretation of the laws, treaties, regulations or rulings of any Relevant Taxing Jurisdiction (including a holding, judgment or order by a court of competent jurisdiction or a change in published administrative practice) that becomes effective on or after the date of this Indenture (or, in the case of a jurisdiction that becomes a Relevant Taxing Jurisdiction after the date of this Indenture, on or after such date; *provided* that there has been no formal proposal for such change or amendment the enactment of which was imminent when the jurisdiction became a Relevant Taxing Jurisdiction),

(each of the foregoing clauses (1) and (2), a " *Change in Tax Law* ").

(b) Notwithstanding Section 3.08(a) hereof, no such notice of redemption will be given (a) earlier than 60 days prior to the earliest date on which the Issuer would be obliged to make such payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantees were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts in accordance with the terms of this Indenture remains in effect.

(c) Prior to the publication or, where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuer will deliver to the Trustee:

(1) an Officers' Certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to so redeem have occurred (including that the obligation to pay such Additional Amounts cannot be avoided by the Issuer, the relevant Guarantor or another Guarantor taking reasonable measures available to it); and

(2) an opinion of independent tax counsel of recognized standing, qualified under the laws of the Relevant Taxing Jurisdiction to the effect that the Issuer or relevant Guarantor is or would be obliged to pay such Additional Amounts as a result of a Change in Tax Law.

(d) The Trustee will accept such Officers' Certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the Holders.

Section 3.09 *Mandatory Redemption.*

(a) In the event that (i) the Acquisition is not consummated on or prior to July 31, 2015 (the " *Acquisition Longstop Date* "), (ii) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by the Acquisition Longstop Date or (iii) the Acquisition Agreement terminates at any time prior to the Acquisition Longstop Date (the date of any such event referred to in clauses (i)-(iii) above being the " *Special Termination Date* "), the Issuer will redeem all of the Notes (the " *Special Mandatory Redemption* ") at a price (the " *Special Mandatory Redemption Price* ") equal to 100% of their principal amount, plus accrued and unpaid interest, if any, from the Issue Date to the Special Mandatory Redemption Date (as defined below) (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

(b) Notice of the Special Mandatory Redemption will be delivered by the Issuer, no later than one Business Day following the Special Termination Date, to the Trustee and the Paying Agent, and will provide that the Notes shall be redeemed on a date that is no later than the fifth Business Day after such notice is given by the Issuer (the " *Special Mandatory Redemption Date* ").

(c) On the Special Mandatory Redemption Date, the Issuer shall pay to the Paying Agent for payment to each Holder the Special Mandatory Redemption Price for such Holder's Notes.

(d) If at the time of such Special Mandatory Redemption, the Notes are listed on the Irish Stock Exchange, and the rules of the Irish Stock Exchange so require, the Issuer will notify the Irish Stock Exchange that the Special Mandatory Redemption has occurred and any relevant details relating to such Special Mandatory Redemption

(e) Other than the Special Mandatory Redemption, the Issuer is not required to make any mandatory redemption or sinking fund payments with respect to the Notes. However, the Issuer may be required to offer to purchase the Notes as described under Section 4.10 and Section 4.14 hereof. The Parent Guarantor and its Affiliates may at any time and from time to time purchase Notes in the open market or otherwise.

Section 3.10 *Asset Sale Offer or Notes Offer.*

(a) In the event that, pursuant to Section 4.10 hereof, the Issuer is required to commence an Asset Sale Offer or a Notes Offer, it will follow the procedures specified in this Section 3.10.

(b) Each Asset Sale Offer and Notes Offer will be made to all Holders and, to the extent applicable, to all holders of Pari Passu Debt or Senior Debt, as applicable. Each Asset Sale Offer and Notes Offer will remain open for a period of at least 30 days and not more than 60 days following its commencement except to the extent that a longer period is required by the Exchange Act (the " *Offer Period* "). No later than three Business Days after the termination of the Offer Period (the " *Purchase Date* "), the Issuer will apply all Excess Proceeds, in the case of an Asset Sale Offer, or applicable Net Cash Proceeds, in the case of a Notes Offer (the " *Offer Amount* ") to the purchase of the Notes and, if applicable, such other Pari Passu Debt or Senior Debt (on a *pro rata* basis based on the principal amount of the Notes and such other Pari Passu Debt or Senior Debt surrendered, if applicable or, if less than the Offer Amount has been tendered, all Notes and, if applicable, other Debt tendered in response to the Asset Sale Offer or Notes Offer, as the case may be). Payment for any Notes so purchased will be made in the same manner as interest payments are made.

(c) If the Purchase Date is on or after a record date for the payment of interest and on or before the related payment date, any accrued and unpaid interest, if any, will be paid to the Person in

whose name a Note is registered at the close of business on such record date, and no additional interest will be payable to Holders who tender Notes pursuant to the Asset Sale Offer or Notes Offer, as the case may be.

(d) Upon the commencement of an Asset Sale Offer or Notes Offer, the Issuer will send, by first class mail, a notice to the Trustee and each of the Holders with a copy to the Trustee. The notice will contain all instructions and materials necessary to enable such Holders to tender Notes pursuant to the Asset Sale Offer or Notes Offer, as the case may be. The notice, which will govern the terms of the Asset Sale Offer or Notes Offer (as applicable), will state:

(1) that the Asset Sale Offer or Notes Offer (as applicable) is being made pursuant to this Section 3.10 and Section 4.10 hereof and the length of time the Asset Sale Offer or Notes Offer (as applicable) will remain open;

(2) the Offer Amount, the purchase price and the Purchase Date;

(3) that any Note not tendered or accepted for payment will continue to accrue interest;

(4) that, unless the Issuer defaults in making such payment, any Note accepted for payment pursuant to the Asset Sale Offer or Notes Offer (as applicable) will cease to accrue interest after the Purchase Date;

(5) that Holders electing to have a Note purchased pursuant to an Asset Sale Offer or Notes Offer (as applicable) may elect to have Notes purchased in integral multiples of CHF1,000 (*provided* that Notes of CHF150,000 or less may only be redeemed in whole and not in part);

(6) that Holders electing to have a Note purchased pursuant to any Asset Sale Offer or Notes Offer (as applicable) will be required to surrender the Note, with the form entitled "Option of Holder to Elect Purchase" on the reverse of the Note completed, or transfer by book-entry transfer through the facilities of the Depositary, to the account of the Issuer, or a Paying Agent at the address specified in the notice at least three Business Days before the Purchase Date;

(7) that Holders will be entitled to withdraw their election if the Issuer, the Depositary or the Paying Agent, as the case may be, receives, not later than the expiration of the Offer Period, a facsimile transmission or letter setting forth the name of the Holder, the principal amount of the Note the Holder delivered for purchase and a statement that such Holder is withdrawing his election to have such Note purchased;

(8) that, if the aggregate principal amount of Notes and, if applicable, other Pari Passu Debt or Senior Debt surrendered by holders thereof exceeds the Offer Amount, the Issuer will select the Notes and such other Pari Passu Debt or Senior Debt to be purchased on a *pro rata* basis based on the principal amount of Notes and such other Pari Passu Debt or Senior Debt surrendered (with such adjustments as may be deemed appropriate by the Issuer so that only Notes in denominations of CHF1,000 or integral multiples thereof will be purchased (*provided* that Notes of CHF150,000 or less may only be redeemed in whole and not in part)); and

(9) that Holders whose Definitive Notes were purchased only in part will be issued new Definitive Notes equal in principal amount to the unpurchased portion of the Notes surrendered (or transferred by book-entry transfer).

(e) On or before the Purchase Date, the Issuer will, to the extent lawful, accept for payment, on a *pro rata* basis to the extent necessary, the Offer Amount of Notes or portions thereof tendered pursuant to the Asset Sale Offer or Notes Offer (as applicable), or if less than the Offer Amount has been tendered, all Notes tendered, and will deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating that such Notes or portions thereof were accepted for payment by the Issuer in accordance with the terms of this Section 3.10. The Issuer, the Depositary or the Paying Agent, as the case may be, will promptly (but in any case not later than five Business Days after the Purchase Date) mail or deliver to each tendering Holder in the manner specified in the Notes an amount equal to the purchase price of the Notes tendered by such Holder and accepted by the Issuer for purchase. In connection with any purchase of Global Notes pursuant hereto, the Trustee will endorse such Global Notes to reflect the decrease in principal amount of such Global Note resulting from such purchase. In connection with any partial purchase of Definitive Notes, the Issuer will promptly issue a new Definitive Note, and the Trustee, upon written request from the Issuer, will procure the authentication of and mail or deliver such new Definitive Note to the tendering Holder, in a principal amount equal to any unpurchased portion of the Definitive Note surrendered. Any Note tendered but not accepted will be promptly mailed or delivered by the Issuer to the Holder thereof.

(f) Other than as specifically provided in this Section 3.10, any purchase pursuant to this Section 3.10 will be made pursuant to the provisions of Sections 3.01 through 3.06 hereof (it being understood that any purchase pursuant to this Section 3.10 will not be subject to conditions precedent).

ARTICLE 4
COVENANTS

Section 4.01 *Payment of Notes.*

The Issuer will pay or cause to be paid the principal of, premium on, if any, interest, if any, on, the Notes on the dates and in the manner provided in the Notes and this Indenture. Principal, premium, if any, and interest, if any, will be considered paid on the date due if the Paying Agent, if other than the Issuer or a Subsidiary of the Issuer, holds as of 10:00 a.m. (London time) one Business Day prior to the due date money deposited by the Issuer in immediately available funds and designated for and sufficient to pay all principal, premium, if any, and interest, if any, then due. If the Issuer or any of its Subsidiaries acts as Paying Agent, principal, premium, if any, and interest, if any, will be considered paid on the due date if the entity acting as Paying Agent complies with Section 2.04 hereof.

Principal of, interest, and premium, if any, on the Notes will be payable at the corporate trust office or agency of the Paying Agent maintained in the City of London, for such purposes. All payments on the Global Notes will be made by transfer of immediately available funds to an account of the Holder of the Global Notes in accordance with instructions given by that Holder.

Principal of, interest and premium, if any, on any Definitive Notes will be payable at the corporate trust office or agency of any Paying Agent in any location required to be maintained for such purposes pursuant to Section 2.03 hereof. In addition, interest on Definitive Notes may be paid by check mailed to the person entitled thereto as shown on the Register for such Definitive Notes.

The Issuer will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal at a rate that is 1% per annum higher than the then applicable interest rate on the Notes to the extent lawful. The Issuer will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest, if any (without regard to any applicable grace period), at the same rate to the extent lawful.

Section 4.02 *Maintenance of Office or Agency.*

The Issuer will maintain the offices and agencies specified in Section 2.03 and Section 13.06 hereof. The Issuer will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Issuer fails to maintain any such required office or agency or fails to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the trust office of the Trustee (the address of which is specified in Section 13.01 hereof).

The Issuer may also from time to time designate one or more other offices or agencies where the Notes may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however* , that no such designation or rescission will in any manner relieve the Issuer of its obligation to maintain an office or agency in the City of London for such purposes. The Issuer will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

The Issuer hereby designates the trust office of the Trustee (the address of which is specified in Section 13.01 hereof) as one such office or agency of the Issuer in accordance with Section 2.03 hereof.

Section 4.03 *Reports to Holders.*

(a) As long as any Notes are outstanding, the Issuer will furnish to the Trustee (who, at the Issuer's expense will furnish by mail to the Holders):

(1) within 120 days after the end of the Parent Guarantor's fiscal year beginning with the fiscal year ending August 31, 2015, annual reports containing (i) the audited consolidated balance sheet of the Parent Guarantor as of the end of the most recent fiscal year and audited consolidated income statements and statements of cash flow of the Parent Guarantor for the most recent two fiscal years, including appropriate footnotes to such financial statements, for and as of the end of such fiscal years and the report of the independent auditors on the financial statements and (ii) calculations of Consolidated EBITDA and Consolidated Interest Expense, in each case, for such fiscal year;

(2) within 60 days following the end of each of the first three fiscal quarters in each fiscal year of the Parent Guarantor, quarterly financial statements containing the following information: (i) the Parent Guarantor's unaudited condensed consolidated balance sheet as of the end of such quarter and unaudited condensed statements of income and cash flow for the most recent quarter year-to-date period ending on the unaudited condensed balance sheet date and the comparable prior period; and (ii) calculations of Consolidated EBITDA and Consolidated Interest Expense, in each case, for the four quarters ended with such fiscal quarter; and

(3) promptly after the occurrence of a material event that the Parent Guarantor announces publicly or any acquisition, disposition or restructuring, merger or similar transaction that is material to the Parent Guarantor and the Restricted Subsidiaries, taken as a whole, or a senior executive officer or director changes at the Parent Guarantor or a change in auditors of the Parent Guarantor, a report containing a description of such event; *provided* that nothing in this clause (3) obligates the Parent Guarantor to provide historical or pro forma financial information in respect of any acquisitions of businesses to the extent that the Parent Guarantor has not previously provided the same information publicly.

(b) At any time that any of the Parent Guarantor's subsidiaries are Unrestricted Subsidiaries and any such Unrestricted Subsidiary or a group of Unrestricted Subsidiaries, taken as a whole, constitutes a Significant Subsidiary of the Parent Guarantor, then the annual and quarterly

financial information required by Sections 4.03(a)(1) and (2) hereof will include a reasonably detailed presentation, either on the face of the financial statements or in the footnotes thereto, of the financial condition and results of operations of the Parent Guarantor and its Restricted Subsidiaries separate from the financial condition and results of operations of the Unrestricted Subsidiaries of the Parent Guarantor.

(c) The availability of the reports required by Section 4.03(a) and (b) above on the Commission's EDGAR database shall be deemed to satisfy the Issuer's reporting obligations under such paragraphs.

(d) Subject to Sections 4.03(a) and (b) hereof, no report need include separate financial statements for any Guarantors or Non-Guarantor Subsidiaries or any disclosure with respect to the results of operations or any other financial or statistical disclosure not of a type included in the Offering Memorandum.

(e) The Issuer will furnish to the Holders and to prospective investors, upon the request of such Holders, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act as long as the Notes are not freely transferable under the Exchange Act by Persons who are not "affiliates" under the Securities Act.

(f) All reports provided pursuant to this Section 4.03 will be made in the English language.

Section 4.04 *Compliance Certificate.*

(a) The Issuer will deliver to the Trustee no later than the date on which the Issuer is required to deliver annual reports pursuant to Section 4.03 hereof, an Officers' Certificate stating that in the course of the performance by the relevant officers of their respective duties as an officer of the Issuer they would normally have knowledge of any Default and whether or not such officers know of any Default that occurred during such period and, if any, specifying such Default, its status and what action the Issuer is taking or proposes to take with respect thereto. For purposes of this Section 4.04(a), such compliance will be determined without regard to any period of grace or requirement of notice under this Indenture.

(b) As long as any of the Notes are outstanding, the Issuer will deliver to the Trustee, within 15 Business Days upon any Officer becoming aware of any Default, an Officers' Certificate specifying such Default and what action the Issuer is taking or proposes to take with respect thereto.

Section 4.05 *Taxes.*

The Issuer will pay, and will cause each of its Subsidiaries to pay, prior to delinquency, all material Taxes, assessments, and governmental levies except such as are contested in good faith and by appropriate proceedings or where the failure to effect such payment is not adverse in any material respect to the Holders.

Section 4.06 *Stay, Extension and Usury Laws.*

Each of the Issuer and the Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay, extension or usury law wherever enacted, now or at any time hereafter in force, that may affect the covenants or the performance of this Indenture; and each of the Issuer and the Guarantors (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law, and covenants that it will not, by resort to any such law, hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law has been enacted.

Section 4.07 *Restricted Payments.*

(a) The Parent Guarantor will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, take any of the following actions (each of which is a " *Restricted Payment* " and which are collectively referred to as " *Restricted Payments* "):

(1) declare or pay any dividend on or make any distribution, directly or indirectly (whether made in cash, securities or other property), with respect to any of the Parent Guarantor's or any Restricted Subsidiary's Capital Stock (including, without limitation, any payment in connection with any merger, consolidation, amalgamation or other combination involving the Parent Guarantor or any Restricted Subsidiary) (other than to the Parent Guarantor or any Restricted Subsidiary), except for dividends or distributions to the extent payable in (i) shares of the Parent Guarantor's Qualified Capital Stock, or (ii) options, warrants or other rights to acquire such shares of Qualified Capital Stock;

(2) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger, consolidation, amalgamation or other combination), directly or indirectly (i) any shares of the Parent Guarantor's Capital Stock or any Capital Stock of any direct or indirect parent of the Parent Guarantor or (ii) any options, warrants or other rights to acquire such shares of Capital Stock;

(3) make any principal payment on, or repurchase, redeem, defease or otherwise acquire or retire for value, prior to any scheduled principal payment, sinking fund payment or Stated Maturity, any Subordinated Debt (other than intercompany Debt between the Parent Guarantor and any Restricted Subsidiary or among Restricted Subsidiaries); or

(4) make any Investment (other than any Permitted Investment) in any Person.

If any Restricted Payment described above is not made in cash, the amount of the proposed Restricted Payment will be the Fair Market Value of the asset to be transferred as of the date of transfer.

(b) Notwithstanding Section 4.07(a) hereof, the Parent Guarantor or any Restricted Subsidiary may make a Restricted Payment if, at the time of and after giving *pro forma* effect to such proposed Restricted Payment:

(1) no Default or Event of Default has occurred and is continuing;

(2) the Parent Guarantor could Incur at least US$1.00 of additional Debt pursuant to the ratio set forth in Section 4.09(a) hereof; and

(3) the aggregate amount of all Restricted Payments declared or made after the Issue Date, and after giving effect to any reductions required by Section 4.07(d) hereof, does not exceed the sum of:

(A) 50% of aggregate Consolidated Net Income on a cumulative basis during the period beginning on the first day of the fiscal quarter in which the Notes are issued and ending on the last day of the Parent Guarantor's last fiscal quarter ending prior to the date of such proposed Restricted Payment for which internal financial statements are available (or, if such aggregate cumulative Consolidated Net Income shall be a negative number, minus 100% of such negative amount); *plus*

(B) the aggregate Net Cash Proceeds (other than proceeds designated as Excluded Contributions) and the Fair Market Value of marketable securities and non-cash

property or assets (*provided* that only Restricted Investments may be made with such non-cash property or assets) received by the Parent Guarantor after the Issue Date as equity capital contributions or from the issuance or sale (other than to any Subsidiary) of (i) shares of the Parent Guarantor's Qualified Capital Stock (including upon the exercise of options, warrants or rights) or (ii) options, warrants or rights to purchase shares of the Parent Guarantor's Qualified Capital Stock (except, in each case to the extent such proceeds are used to purchase, redeem or otherwise retire Capital Stock or Subordinated Debt as set forth in Section 4.07(c)(4) or (5) hereof, excluding the Net Cash Proceeds and Fair Market Value of marketable securities and non-cash property or assets received from the issuance of the Parent Guarantor's Qualified Capital Stock, options, warrants or rights to purchase shares of the Parent Guarantor's Qualified Capital Stock financed, directly or indirectly, using funds borrowed from the Parent Guarantor or any Subsidiary until and to the extent such borrowing is repaid; *plus*

(C) (x) the amount by which the Parent Guarantor's Senior Debt or Senior Debt of any Restricted Subsidiary is reduced on the Parent Guarantor's consolidated balance sheet after the Issue Date upon the conversion or exchange (other than by a Subsidiary) of such Senior Debt into the Parent Guarantor's Qualified Capital Stock and (y) the aggregate Net Cash Proceeds and Fair Market Value of marketable securities and non-cash property or assets (*provided* that only Restricted Investments may be made with such non-cash property or assets) received after the Issue Date by the Parent Guarantor from the issuance or sale (other than to any Subsidiary) of Debt or Redeemable Capital Stock that has been converted into or exchanged for the Parent Guarantor's Qualified Capital Stock, to the extent such Debt or Redeemable Capital Stock was originally sold for cash or Cash Equivalents, together with, in the case of both clauses (x) and (y), the aggregate Net Cash Proceeds received by the Parent Guarantor at the time of such conversion or exchange, excluding the Net Cash Proceeds and the Fair Market Value of marketable securities and non-cash property or assets received from the issuance of the Parent Guarantor's Qualified Capital Stock financed, directly or indirectly, using funds borrowed from the Parent Guarantor or any Subsidiary until and to the extent such borrowing is repaid; *plus*

(D) (x) proceeds realized upon the sale or other disposition to a Person other than the Parent Guarantor or a Restricted Subsidiary of any Restricted Investment, repayments of loans or advances or other transfers of assets (including by way of dividend, distribution, interest payments or returns of capital) to the Parent Guarantor or any Restricted Subsidiary, *less* the cost of the disposition of such Investment and net of taxes, (y) if a Restricted Investment constituted a guarantee, an amount equal to the amount of such guarantee upon the full and unconditional release of such guarantee and (z) in the case of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary (as long as the designation of such Subsidiary as an Unrestricted Subsidiary was deemed a Restricted Payment), the Fair Market Value of the Parent Guarantor's interest in such Subsidiary; *plus*

(E) in the event that the Parent Guarantor or any Restricted Subsidiary makes any Restricted Investment in a Person after the Issue Date that becomes a Restricted Subsidiary, an amount equal to the Fair Market Value of the Parent Guarantor's or such Restricted Subsidiary's existing interest in such Person that was previously treated as a Restricted Payment.

(c) Notwithstanding Sections 4.07(a) and (b) hereof, the Parent Guarantor and any Restricted Subsidiary may take the following actions as long as (x) with respect to clauses (9) and (12) below no Default or Event of Default has occurred and is continuing and (y) with respect to clauses (11) and (14) below, no Event of Default has occurred and is continuing:

(1) the payment of any dividend within 120 days after the date of its declaration if at such date of its declaration such payment would have been permitted by the provisions of this Section 4.07;

(2) cash payments in lieu of issuing fractional shares pursuant to the exchange or conversion of any exchangeable or convertible securities;

(3) the repurchase, redemption or other acquisition or retirement for value of any Capital Stock of the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor held by any employee benefit plan of the Parent Guarantor or any of its Restricted Subsidiaries, any current or former officer, director, consultant or employee of the Parent Guarantor or any of its Restricted Subsidiaries (or permitted transferees, estates or heirs of any of the foregoing) pursuant to any equity subscription agreement, stock option agreement, shareholders' agreement or similar agreement (or, in each case, Restricted Payments to any Holding Company of the Parent Guarantor to enable such a repurchase, redemption or other acquisition or retirement of Capital Stock of such Holding Company); *provided* that the aggregate price paid (or Restricted Payments made) for all such repurchased, redeemed, acquired or retired Capital Stock may not exceed US$2,000,000 (or the Dollar Equivalent thereof) in any twelve-month period;

(4) the repurchase, redemption or other acquisition or retirement for value of any shares of the Parent Guarantor's Capital Stock, options, warrants or other rights to acquire such Capital Stock in exchange for (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares or scrip), or out of the Net Cash Proceeds to the Parent Guarantor of a substantially concurrent issuance and sale (other than to a Subsidiary) of, shares of the Parent Guarantor's Qualified Capital Stock, options, warrants or other rights to acquire such Capital Stock; *provided* , in each case, that the amount of any such Net Cash Proceeds that are utilized for any such Restricted Payment will not constitute Excluded Contributions;

(5) the prepayment, repayment, purchase, repurchase, redemption, defeasance or other acquisition or retirement for value or payment of principal of any Subordinated Debt in exchange for, or out of the Net Cash Proceeds to the Parent Guarantor of a substantially concurrent issuance and sale (other than to a Subsidiary) of, shares of the Parent Guarantor's Qualified Capital Stock;

(6) the prepayment, repayment, purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Debt (other than Redeemable Capital Stock) in exchange for, or out of the Net Cash Proceeds of a substantially concurrent Incurrence (other than to a Subsidiary) of, Permitted Refinancing Debt;

(7) the declaration or payment of any dividend to all holders of Capital Stock of a Restricted Subsidiary on a *pro rata* basis or on a basis that results in the receipt by the Parent Guarantor or a Restricted Subsidiary of dividends or distributions of greater value than the Parent Guarantor or such Restricted Subsidiary would receive on a *pro rata* basis;

(8) the repurchase of Capital Stock deemed to occur upon the exercise of stock options with respect to which payment of the cash exercise price has been forgiven if the cumulative aggregate value of such deemed repurchases does not exceed the cumulative aggregate amount of the exercise price of such options received;

(9) the declaration and payment of dividends to holders of any class or series of Redeemable Capital Stock issued in accordance with Section 4.09 hereof;

(10) the purchase, repurchase, redemption, retirement or other acquisition for value of Capital Stock deemed to occur upon the exercise of stock options, warrants or other securities, if such Capital Stock represents a portion of the exercise price of such options, warrants or other securities;

(11) any purchase, repurchase, redemption, defeasance or other acquisition or retirement of Subordinated Debt (excluding any Subordinated Shareholder Funding) of the Parent Guarantor or any of its Restricted Subsidiaries pursuant to provisions similar to those described under Section 4.14 hereof; *provided* that all Notes validly tendered by Holders in connection with a Change of Control Offer, as applicable, have been repurchased, redeemed or acquired for value;

(12) Restricted Payments that are made with Excluded Contributions;

(13) payments pursuant to any tax sharing agreement or arrangement among the Parent Guarantor and its Subsidiaries and other Persons with which the Parent Guarantor or any of its Restricted Subsidiaries is required or permitted to file a consolidated income tax return or with which the Parent Guarantor or any of its Restricted Subsidiaries is properly a part of a unitary or combined group for income tax purposes; *provided, however* , that such payments will not exceed the amount of income tax that the Parent Guarantor and its applicable Subsidiaries would owe on a stand-alone basis if no such group filing were made and the related tax liabilities of the Parent Guarantor and its applicable Subsidiaries are relieved by the payment of such amounts;

(14) any other Restricted Payment; *provided* that the total aggregate amount of Restricted Payments made under this clause (14) does not exceed US$20,000,000 (or the Dollar Equivalent thereof).

(d) The actions described in clauses (1), (3), (11) and (14) of Section 4.07(c) hereof are Restricted Payments that will be permitted to be made in accordance with Section 4.07(c) hereof but that will reduce the amount that would otherwise be available for Restricted Payments under Section 4.07(b)(3) hereof.

Section 4.08 *Dividend and Other Payment Restrictions Affecting Restricted Subsidiaries.*

(a) The Parent Guarantor will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any Restricted Subsidiary to:

(1) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock or any other interest or participation in, or measured by, its profits;

(2) pay any Debt owed to the Parent Guarantor or any other Restricted Subsidiary;

(3) make loans or advances to the Parent Guarantor or any other Restricted Subsidiary; or

(4) transfer any of its properties or assets to the Parent Guarantor or any other Restricted Subsidiary,

provided that (i) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (ii) the subordination of (including the application of any standstill

requirements to) loans or advances made to the Parent Guarantor or any Restricted Subsidiary to other Debt Incurred by the Parent Guarantor or any Restricted Subsidiary will not be deemed to constitute such an encumbrance or restriction.

(b) The provisions of Section 4.08(a) hereof will not apply to:

(1) encumbrances and restrictions imposed by the Notes, this Indenture, the Guarantees, the Credit Facilities, the Intercreditor Agreement or the Security Documents;

(2) encumbrances or restrictions imposed by Debt permitted to be Incurred under Credit Facilities or any guarantee thereof in accordance with Section 4.09 hereof; *provided* that in the case of any such encumbrances or restrictions imposed under any Credit Facility, such encumbrances or restrictions are not materially more restrictive taken as a whole than those imposed by the Credit Agreement as of the Issue Date;

(3) encumbrances or restrictions contained in any agreement in effect on the Issue Date;

(4) with respect to restrictions or encumbrances referred to in Section 4.08(a)(4) hereof, encumbrances and restrictions (i) that restrict in a customary manner the subletting, assignment or transfer of any properties or assets that are subject to a lease, license, conveyance or other similar agreement to which the Parent Guarantor or any Restricted Subsidiary is a party or (ii) contained in operating leases for real property and restricting the transfer of such real property upon the occurrence and during the continuance of a default in the payment of rent;

(5) encumbrances or restrictions contained in any agreement or other instrument of a Person or relating to assets acquired by the Parent Guarantor or any Restricted Subsidiary in effect at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;

(6) encumbrances or restrictions contained in contracts for sales of Capital Stock or assets permitted by Section 4.10 hereof with respect to the assets or Capital Stock to be sold pursuant to such contract or in customary merger or acquisition agreements (or any option to enter into such contract) for the purchase or acquisition of Capital Stock or assets or any of the Parent Guarantor's Subsidiaries by another Person;

(7) encumbrances or restrictions imposed by applicable law or regulation or by governmental licenses, concessions, franchises or permits;

(8) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under contracts entered into the ordinary course of business;

(9) encumbrances or restrictions in customary provisions in joint venture and similar agreements entered into in good faith; *provided* that (x) the encumbrance or restriction is not materially more disadvantageous to the Holders than is customary in comparable agreements (as determined in good faith by the Parent Guarantor) and (y) the Parent Guarantor determines in good faith that any such encumbrance or restriction will not materially affect the ability of the Parent Guarantor or any Guarantor to make any principal or interest payments on the Notes;

(10) in the case of Section 4.08(a)(4) hereof, customary encumbrances or restrictions in connection with purchase money obligations, mortgage financings and Capitalized Lease Obligations for property acquired in the ordinary course of business;

(11) any encumbrance or restriction arising by reason of customary non-assignment provisions in agreements;

(12) any encumbrance or restriction pursuant to an agreement or instrument effecting a refunding, replacement or refinancing of Debt Incurred pursuant to, or that otherwise extends, renews, refunds, refinances or replaces, an agreement or instrument referred to in Section 4.08(b)(1), (2), (3), (5), (9) or (10) hereof (an " *Initial Agreement* ") or contained in any amendment, supplement or other modification to an Initial Agreement; *provided, however* , that the encumbrances and restrictions with respect to such Restricted Subsidiary contained in any such agreement or instrument are no less favorable in any material respect to the Holders taken as a whole than the encumbrances and restrictions contained in such Initial Agreement (as determined in good faith by the Parent Guarantor);

(13) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Debt permitted to be Incurred pursuant to Section 4.09 hereof if either (i) the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Holders than the encumbrances and restrictions contained in the Initial Agreements (as determined in good faith by the Parent Guarantor) or (ii) such encumbrance or restriction is customary in comparable financings (as determined in good faith by the Parent Guarantor) and either: (x) the Parent Guarantor determines that such encumbrance or restriction will not materially affect the Parent Guarantor's ability to make principal or interest payments on the Notes as and when they come due or (y) such encumbrance or restriction applies only if a default occurs relating to such Debt;

(14) any encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, extensions, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in clauses (12) or (13) of this Section 4.08(b); *provided* that such amendments, modifications, restatements, renewals, extensions, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of the Parent Guarantor's Board of Directors, no more restrictive (taken as a whole) with respect to such encumbrances or restrictions in any material respect than those contained in the encumbrances or restrictions prior to such amendment, modification, restatement, renewal, extension, increase, supplement, refunding, replacement or refinancing; or

(15) with respect to restrictions or encumbrances referred to in Section 4.08(a)(4) hereof, encumbrances or restrictions existing by reason of any Lien permitted under Section 4.12 hereof.

Section 4.09 *Incurrence of Indebtedness and Issuance of Preferred Stock.*

(a) The Parent Guarantor will not, and will not cause or permit any Restricted Subsidiary to, create, issue, incur, assume, guarantee or in any manner become directly or indirectly liable with respect to or otherwise become responsible for, contingently or otherwise, the payment of (individually and collectively, to " *Incur* " or, as appropriate, an " *Incurrence* "), any Debt (including any Acquired Debt); *provided* that the Issuer and any Guarantor will be permitted to Incur Debt (including Acquired Debt) if at the time of such Incurrence and after giving effect to the Incurrence of such Debt and the application of the proceeds thereof, on a *pro forma* basis, the Consolidated Fixed Charge Coverage Ratio for the four full fiscal quarters for which internal financial statements are

available immediately preceding the Incurrence of such Debt, taken as one period, would be greater than 2.0 to 1.0.

(b) This Section 4.09 will not, however, prohibit the following (collectively, " *Permitted Debt* "):

(1) the Incurrence by the Parent Guarantor or any Restricted Subsidiary of Debt under Credit Facilities in an aggregate principal amount at any one time outstanding not to exceed an amount equal to (i) US$1,030,000,000 (or the Dollar Equivalent thereof), *plus* (ii) in the case of any refinancing of any Debt permitted under this clause (1), the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing;

(2) the Incurrence by the Issuer of Debt pursuant to the Notes (other than Additional Notes) and the Incurrence of Debt by the Guarantors pursuant to the Guarantees (other than Guarantees of Additional Notes);

(3) any Debt of the Parent Guarantor or any Restricted Subsidiary outstanding on the Issue Date (other than Debt incurred under clauses (1) and (4) of this Section 4.09(b)), any Acquired Debt Incurred as a result of the Acquisition and any deferred consideration owed as of the Issue Date under the Meritas Transaction Agreement;

(4) the Incurrence by the Parent Guarantor or any Restricted Subsidiary of intercompany Debt between the Parent Guarantor and any Restricted Subsidiary or between or among Restricted Subsidiaries; *provided* that:

(A) if the Issuer or a Guarantor is the obligor on any such Debt and the lender is not the Issuer or a Guarantor, it is unsecured and expressly subordinated in right of payment to the prior payment in full in cash (whether upon Stated Maturity, acceleration or otherwise) and the performance in full of its obligations under the Notes or its Guarantee, as the case may be; and

(B) (x) any disposition, pledge or transfer of any such Debt to any Person (other than a disposition, pledge or transfer to the Parent Guarantor or a Restricted Subsidiary) and (y) any transaction pursuant to which any Restricted Subsidiary that has Debt owing from the Parent Guarantor or another Restricted Subsidiary ceases to be a Restricted Subsidiary, will, in each case, be deemed to be an Incurrence of such Debt not permitted by this Section 4.09(b)(4);

(5) the Incurrence by the Parent Guarantor or any Restricted Subsidiary of Debt represented by Capitalized Lease Obligations, mortgage financings, purchase money obligations or other Debt Incurred or assumed in connection with the acquisition, construction, improvement or development of real or personal, movable or immovable equipment, property or assets (including the lease or other purchase of land use rights), in each case, Incurred for the purpose of financing or refinancing all or any part of the purchase price, lease expense or cost of construction, improvement or development of property, plant or equipment used in the Parent Guarantor's or any Restricted Subsidiary's business (including any related fees or expenses reasonably incurred in connection with such acquisition, construction, improvement or development), including any such purchase through the acquisition of Capital Stock of any Person that owns such real or personal, movable or immovable equipment, property or assets which will, upon acquisition, become a Restricted Subsidiary; *provided* that the principal amount of such Debt so Incurred when aggregated with other Debt previously Incurred in reliance on this clause (5) (together with any refinancings thereof pursuant to clause (10) of this Section

4.09(b)) and still outstanding shall not in the aggregate exceed the greater of US$50,000,000 (or the Dollar Equivalent thereof) or 3.0% of Total Assets;

(6) the Incurrence by the Parent Guarantor or any Restricted Subsidiary of Debt arising from agreements providing for guarantees, indemnities or obligations in respect of earnouts, purchase price adjustments or similar obligations in connection with the disposition of assets, including, without limitation, shares of Capital Stock, other than guarantees or similar credit support given by the Parent Guarantor or any Restricted Subsidiary of Debt Incurred by any Person acquiring all or any portion of such assets for the purpose of financing such acquisition; *provided* that the maximum aggregate liability in respect of all such Debt permitted pursuant to this clause (6) will at no time exceed the gross proceeds, including non-cash proceeds (the Fair Market Value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value), actually received from the sale of such assets;

(7) the Incurrence by the Parent Guarantor or any Restricted Subsidiary of Debt under Currency Agreements or Interest Rate Agreements entered into in the ordinary course of business and not for speculative purposes (it being understood that hedging in respect of the Notes and the Credit Facilities using Currency Agreements and Interest Rate Agreements shall be deemed "in the ordinary course of business" under this clause (7));

(8) the Incurrence by the Parent Guarantor or any Restricted Subsidiary of Debt in respect of workers' compensation and claims arising under similar legislation, or pursuant to self-insurance obligations and not in connection with the borrowing of money or the obtaining of advances or credit;

(9) the Incurrence of Debt by the Parent Guarantor or any Restricted Subsidiary arising from (i) 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, *provided* that such Debt is extinguished within five Business Days of Incurrence, (ii) bankers' acceptances, advance payments, payments of customs duties, the accounting for value added tax to a relevant taxing authority, performance, surety, judgment, appeal or similar bonds, instruments or obligations and (iii) completion guarantees provided, letters of credit or similar instruments in respect of self insurance and workers compensation obligations obtained by the Parent Guarantor or any Restricted Subsidiary, in each case in the ordinary course of business;

(10) the Incurrence by the Parent Guarantor or any Restricted Subsidiary of Permitted Refinancing Debt in exchange for or the net proceeds of which are used to refund, replace or refinance Debt Incurred by the Parent Guarantor or any Restricted Subsidiary pursuant to, or described in, Section 4.09(a) hereof or clauses (2), (3), (5), (10), (14) or (19) of this Section 4.09(b), as the case may be; *provided* , however, that Permitted Refinancing Debt with respect to Acquired Debt Incurred pursuant to Section 4.09(b)(14) below, if guaranteed or in the form of a guarantee from the Issuer or any Guarantor, will not be deemed to be permitted under this clause (10);

(11) Debt Incurred by the Parent Guarantor or any Restricted Subsidiary constituting reimbursement obligations with respect to letters of credit, trade guarantees or similar instruments issued in the ordinary course of business to the extent that such letters of credit, trade guarantees or similar instruments are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than 30 days following receipt by the Parent Guarantor or such Restricted Subsidiary of a demand for reimbursement;

(12) any customary cash or treasury management, cash pooling or netting or setting off arrangements in the ordinary course of business;

(13) without limiting Section 4.12 hereof, Debt arising by reason of any Lien granted by or applicable to such Person securing Debt of the Parent Guarantor or any Restricted Subsidiary as long as the Incurrence of such Debt was permitted under the terms of this Indenture;

(14) Acquired Debt Incurred by the Parent Guarantor or any Restricted Subsidiary (other than Debt Incurred (i) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which a Person becomes a Restricted Subsidiary or was otherwise acquired by the Parent Guarantor or a Restricted Subsidiary or (ii) otherwise in connection with or in contemplation of such acquisition); *provided* that, after giving *pro forma* effect to such acquisition, the Parent Guarantor could Incur at least US$1.00 of additional Debt pursuant to the ratio set forth in Section 4.09(a) hereof; and *provided further* that if such Acquired Debt is guaranteed by the Parent Guarantor or a Restricted Subsidiary, such guarantee will not be deemed to be permitted by this clause (14);

(15) (i) the guarantee by the Parent Guarantor or any Guarantor of Debt of the Parent Guarantor or any Guarantor or (ii) the guarantee by a Non-Guarantor Subsidiary of Debt of any other Non-Guarantor Subsidiary, in each case to the extent that the guaranteed Debt was permitted to be Incurred by another provision of this covenant and *provided* that if the Debt being guaranteed is subordinated to the Notes or is unsecured, then such guarantee will be subordinated or unsecured to the same extent as the Debt guaranteed;

(16) Debt of any Restricted Subsidiary Incurred as a result of (i) any governmental or regulatory restrictions, limitations or penalties in the nature of capital controls, exchange controls or similar restrictions affecting the Incurrence or repayment of intercompany Debt by any Restricted Subsidiary or (ii) any ordinary course country risk management policies of the Parent Guarantor or any Restricted Subsidiary restricting or limiting transfers or distributions from the Parent Guarantor or any Restricted Subsidiary to the Parent Guarantor or any Restricted Subsidiary;

(17) [RESERVED]

(18) payments by the Parent Guarantor or any Restricted Subsidiary permitted by Section 4.07(c)(13) hereof;

(19) Bank Deposit Debt Incurred by the Parent Guarantor or any Restricted Subsidiary, *provided* that, on the date of the Incurrence of such Debt and after giving effect thereto, the aggregate principal amount of all such Debt Incurred pursuant to this clause (19) (together with any refinancings thereof) does not exceed an amount equal to US$35,000,000 (or the Dollar Equivalent thereof);

(20) unsecured Debt of the Parent Guarantor or any Restricted Subsidiary consisting of earnout provisions in connection with the acquisition of assets, including shares of Capital Stock, by the Parent Guarantor or any Restricted Subsidiary; and

(21) the Incurrence of Debt by the Parent Guarantor or any Restricted Subsidiary (other than and in addition to Debt permitted under clauses (1) through (20) above) in an aggregate principal amount at any one time outstanding not to exceed US$50,000,000 (or the Dollar Equivalent thereof),

provided that Permitted Debt that could be Incurred by any Restricted Subsidiary of the Parent Guarantor that is not a Guarantor or the Issuer pursuant to clauses (1), (5), (7), (10), (14) and (21) of Section 4.09(b) hereof (together with all other Debt Incurred pursuant to such clauses) shall

not exceed US$50,000,000 (or the Dollar Equivalent thereof) in the aggregate at any one time outstanding.

(c) For purposes of determining compliance with this Section 4.09, in the event that an item of Debt meets the criteria of more than one of the categories of Permitted Debt described in clauses (2) through (21) of Section 4.09(b) hereof, or is entitled to be Incurred pursuant to Section 4.09(a) hereof, the Parent Guarantor in its sole discretion will be permitted to classify (and divide) such item of Debt on the date of its Incurrence in any manner that complies with this Section 4.09. Debt under the Credit Agreement Incurred on or prior to the Issue Date will be deemed to have been Incurred in reliance on the exception provided by Section 4.09(b)(1) hereof and such Debt may not be reclassified. In addition, any item of Debt initially classified as Incurred pursuant to one of the categories of Permitted Debt described in clauses (2) through (21) of Section 4.09(b) hereof or entitled to be Incurred pursuant to Section 4.09(a) hereof, may later be reclassified (and divided) by the Parent Guarantor in its sole discretion such that it will be deemed as having been Incurred pursuant to such new clause or clauses or Section 4.09(a) hereof to the extent that such reclassified Debt could be Incurred pursuant to such new clause or clauses or Section 4.09(a) hereof at the time of such reclassification.

(d) Notwithstanding any other provision of this covenant, the maximum amount of Debt that the Parent Guarantor or any Restricted Subsidiary may Incur pursuant to this covenant shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rates of currencies.

(e) (1) Obligations in the form of letters of credit, guarantees or Liens, in each case supporting Debt otherwise included in the determination of such particular amount;

(2) any Liens granted pursuant to the equal and ratable provisions referred to in Section 4.12 hereof; and

(3) accrual of interest or Preferred Stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Debt in the form of additional Debt with substantially equivalent terms, the reclassification of Preferred Stock as Debt due to a change in accounting principles, and the payment of dividends on Preferred Stock or Redeemable Capital Stock in the form of additional shares of the same class of Preferred Stock or Redeemable Capital Stock,

will not, in any case, be treated as Debt that is subject to this Section 4.09 hereof; *provided* , in each such case, that the amount of any such accrual, accretion, amortization, payment or reclassification is included in the Consolidated Interest Expense of the Parent Guarantor as accrued, and *provided further* , that with respect to clause (e)(3) above (except with respect to accrual of interest and Preferred Stock dividends), the amount of any such accrual, accretion, amortization, payment or reclassification will be included as Debt for purposes of determining the amount of Debt outstanding for the Incurrence of additional Debt.

(f) For purposes of determining compliance with this Section 4.09, the principal amount of Debt issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined in conformity with IFRS.

(g) The Issuer will not Incur any Debt (including Permitted Debt) that is subordinated in right of payment to any other Debt of the Issuer unless such Debt is also contractually subordinated in right of payment to the Notes on substantially identical terms; *provided, however* , that no Debt will be deemed to be subordinated in right of payment to any other Debt of the Issuer solely by virtue of being unsecured or by virtue of being secured on a junior Lien basis.

(h) The Guarantors will not Incur any Debt (including Permitted Debt) that is subordinated in right of payment to any Debt of the Guarantors unless such Debt is also contractually

subordinated in right of payment to the Guarantees on substantially identical terms; *provided, however* , that no Debt will be deemed to be subordinated in right of payment to any other Debt of a Guarantor solely by virtue of being unsecured or by virtue of being secured on a junior Lien basis.

Section 4.10 *Limitation on Asset Sales.*

(a) The Parent Guarantor will not, and will not cause or permit any Restricted Subsidiary to, consummate any Asset Sale unless:

(1) the consideration the Parent Guarantor or any of its Restricted Subsidiaries receives for such Asset Sale is not less than the Fair Market Value of the assets sold;

(2) at least 75% of the consideration the Parent Guarantor or such Restricted Subsidiaries receive in respect of such Asset Sale consists of:

(A) cash (including any Net Cash Proceeds received from the conversion to cash within 90 days of such Asset Sale of securities, notes or other obligations received in consideration of such Asset Sale);

(B) Cash Equivalents (including any Net Cash Proceeds received from the conversion to cash within 90 days of such Asset Sale of securities, notes or other obligations received in consideration of such Asset Sale);

(C) the assumption by the purchaser of (x) the Parent Guarantor's Debt or Debt of any Restricted Subsidiary (other than Subordinated Debt) as a result of which neither the Parent Guarantor nor any of the Restricted Subsidiaries remains obliged in respect of such Debt or (y) Debt of a Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, if the Parent Guarantor and each other Restricted Subsidiary is released from any guarantee of such Debt as a result of such Asset Sale;

(D) Replacement Assets;

(E) any Designated Non-cash Consideration received by the Parent Guarantor or any of its Restricted Subsidiaries in such Asset Sale; *provided* that the aggregate Fair Market Value of such Designated Non-cash Consideration, taken together with the Fair Market Value at the time of receipt of all other Designated Non-cash Consideration received pursuant to this clause (E), does not exceed (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value) US$25,000,000 (or the Dollar Equivalent thereof); or

(F) any combination of the consideration specified in the foregoing clauses (A) through (E); and

(3) the Issuer delivers an Officers' Certificate to the Trustee certifying that such Asset Sale complies with the provisions described in the foregoing Sections 4.10(a)(1) and (2).

(b) If the Parent Guarantor or any Restricted Subsidiary consummates an Asset Sale, an amount equal to the amount of the Net Cash Proceeds of the Asset Sale, within 365 days of the receipt of such Net Cash Proceeds (or the Parent Guarantor or one or more of its Restricted Subsidiaries may enter into a binding commitment to so use; *provided* that such Net Cash Proceeds are so used within 90 days after the expiration of the aforementioned 365 day period) may be used by the Parent Guarantor or one or more of its Restricted Subsidiaries to:

(1) in the case of Net Cash Proceeds from the sale or other disposition of assets or properties that are part of the Collateral, (i) permanently repay or prepay (A) the Notes or (B) Debt Incurred under Section 4.09(b)(1) hereof, (ii) permanently repay or prepay any other Pari Passu Debt that is secured by the Collateral, as long as the Issuer or such Restricted Subsidiary makes an offer on a *pro rata* basis to all Holders at a purchase price equal to 100% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of purchase (a " *Notes Offer* "), in accordance with Section 3.10 hereof, (iii) invest in Replacement Assets or make a capital expenditure, *provided* that if any such Replacement Asset or asset purchased through capital expenditures constitutes Capital Stock of a Person that is, or will upon the consummation of such Asset Sale become, a Restricted Subsidiary that is required to be a Guarantor, such Capital Stock shall become part of the Collateral subject to the Security Documents relating to the Collateral or (iv) do any combination of the foregoing; and

(2) in the case of Net Cash Proceeds from the sale or other disposition of assets or properties that are not part of the Collateral, (i) permanently repay or prepay (A) the Notes or (B) Debt Incurred under Section 4.09(b)(1) hereof, (ii) permanently repay or prepay any other Senior Debt owing to a Person other than the Parent Guarantor or a Restricted Subsidiary, as long as the Parent Guarantor or the applicable Restricted Subsidiary makes a Notes Offer on a *pro rata* basis to all Holders at a purchase price equal to 100% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of purchase, in accordance with Section 3.10 hereof, (iii) invest in Replacement Assets, (iv) make a capital expenditure or (v) do any combination of the foregoing.

The amount of such Net Cash Proceeds not so used as set forth in this Section 4.10(b) constitutes " *Excess Proceeds* ."

(c) When the aggregate amount of Excess Proceeds exceeds US$10,000,000 (or the Dollar Equivalent thereof), the Issuer will, within 30 Business Days, make an offer to purchase (an " *Asset Sale Offer* ") to all Holders and, at the Issuer's election, to the holders of any Pari Passu Debt, to the extent required by the terms thereof, on a *pro rata* basis, in accordance with the procedures set forth in Section 3.10 hereof and the agreements governing any such Pari Passu Debt, the maximum principal amount, in the case of the Notes (expressed as a minimum amount of CHF150,000 and higher integral multiples of CHF1,000) of the Notes and any such Pari Passu Debt that may be purchased with the amount of the Excess Proceeds. The offer price as to each Note and any such Pari Passu Debt will be payable in cash in an amount equal to (solely in the case of the Notes) 100% of the principal amount of such Note and (solely in the case of Pari Passu Debt) no greater than 100% of the principal amount (or accreted value, as applicable) of such Pari Passu Debt, plus, in each case, accrued and unpaid interest, if any, to the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

To the extent that the aggregate principal amount of Notes and any such Pari Passu Debt tendered pursuant to an Asset Sale Offer is less than the aggregate amount of Excess Proceeds, the Parent Guarantor may use the amount of such Excess Proceeds not used to purchase Notes and Pari Passu Debt for general corporate purposes that are not otherwise prohibited by this Indenture. Upon completion of each such Asset Sale Offer, the amount of Excess Proceeds will be reset to zero.

Pending the final application of any Net Cash Proceeds, the Parent Guarantor may temporarily reduce revolving credit borrowings or otherwise invest the Net Cash Proceeds in any manner that is not prohibited by this Indenture.

If the Issuer is required to make an Asset Sale Offer or Notes Offer, the Issuer will comply with the applicable tender offer rules, including Rule 14e-1 under the Exchange Act and any other applicable securities laws and regulations, including the requirements of any applicable securities exchange on which Notes are then listed. To the extent that the provisions of any securities laws or

regulations conflict with Sections 3.10 or 4.10 hereof, the Issuer will comply with such securities laws and regulations and will not by virtue thereof be deemed to have breached its obligations under Sections 3.10 or 4.10 hereof.

Section 4.11 *Limitation on Transactions with Affiliates.*

(a) The Parent Guarantor will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, enter into or suffer to exist any transaction or series of related transactions (including, without limitation, the sale, purchase, exchange or lease of assets or property or the rendering of any service), with, or for the benefit of, any Affiliate of the Parent Guarantor having a value greater than US$2,000,000 (or the Dollar Equivalent thereof), unless such transaction or series of transactions is entered into in good faith and:

(1) such transaction or series of transactions is on terms that, taken as a whole, are not materially less favorable to the Parent Guarantor or such Restricted Subsidiary, as the case may be, than those that could have been obtained in a comparable arm's-length transaction with third parties that are not Affiliates of the Parent Guarantor;

(2) with respect to any transaction or series of related transactions involving aggregate payments or the transfer of assets or the provision of services having a value greater than US$5,000,000 (or the Dollar Equivalent thereof), the Parent Guarantor will deliver a resolution of its Board of Directors (attached to an Officers' Certificate to the Trustee) resolving that such transaction complies with Section 4.11(a)(1) hereof and that the fairness of such transaction has been approved by a majority of the Disinterested Members, if any, of the Board of Directors; and

(3) with respect to any transaction or series of related transactions involving aggregate payments or the transfer of assets or the provision of services having a value greater than US$10,000,000 (or the Dollar Equivalent thereof), the Parent Guarantor will deliver to the Trustee a written opinion of an Independent Financial Advisor stating that the transaction or series of transactions is fair to the Parent Guarantor or such Restricted Subsidiary from a financial point of view or that the terms are not materially less favorable to the Parent Guarantor or its relevant Restricted Subsidiary than those that would have been obtained in a comparable transaction by the Parent Guarantor or such Restricted Subsidiary with a Person that is not an Affiliate of the Parent Guarantor.

(b) The restrictions set forth in Section 4.11(a) hereof will not apply to:

(1) customary directors' fees, indemnities and similar arrangements (including the payment of directors' and officers' insurance premiums), consulting fees, employee compensation, employee and director bonuses, employment agreements and arrangements or employee benefit arrangements, including stock options or legal fees;

(2) any Restricted Payment not prohibited by Section 4.07 hereof;

(3) loans and advances (or guarantees to third party loans, but not any forgiveness of such loans or advances) to directors, officers or employees of the Parent Guarantor or any Restricted Subsidiary made in the ordinary course of business in an amount outstanding not to exceed at any one time US$2,000,000 (or the Dollar Equivalent thereof);

(4) agreements and arrangements existing on the Issue Date and any amendment, extension, renewal, refinancing, modification or supplement thereto; *provided* that any such amendment, extension, renewal, refinancing, modification or supplement to the terms thereof is not more disadvantageous, taken as a whole, to the Holders and to the

Parent Guarantor and the Restricted Subsidiaries, as applicable, in any material respect than the original agreement or arrangement as in effect on the Issue Date;

(5) the issuance of securities or other payments, awards or grants in cash, securities or similar transfers pursuant to, or for the purpose of the funding of, employment arrangements, stock options, stock ownership plans and other similar arrangements, as long as the terms thereof are or have been previously approved by the Parent Guarantor's Board of Directors;

(6) transactions between or among the Parent Guarantor and the Restricted Subsidiaries or between or among Restricted Subsidiaries;

(7) any issuance of Capital Stock (other than Redeemable Capital Stock) of the Parent Guarantor, options, warrants or other rights to acquire such Capital Stock;

(8) the existence of, or the performance by the Parent Guarantor or any of its Restricted Subsidiaries of its obligations under the terms of, any stockholders' or joint venture agreement (including any registration rights agreement or purchase agreement relating thereto) to which it is a party as of the Issue Date; *provided, however* , that the existence of, or the performance by the Parent Guarantor or any of its Restricted Subsidiaries of, obligations under any future amendment to any such existing agreement entered into after the Issue Date shall only be permitted by this clause (8) to the extent that the terms of any such amendment or new agreement are not more disadvantageous to the Holders when taken as a whole in any material respect than the original agreement as in effect on the Issue Date;

(9) any transaction with a Person that is an Affiliate of the Parent Guarantor, solely because the Parent Guarantor or a Restricted Subsidiary owns Capital Stock in or otherwise controls such Person or has the right to designate one or more members of the Board of Directors or similar governing body of such Person;

(10) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services or providers of employees or other labor, in each case in the ordinary course of business and otherwise in compliance with the terms of this Indenture that are fair to the Parent Guarantor or the Restricted Subsidiaries, in the reasonable determination of the members of the Board of Directors of the Parent Guarantor or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person; and

(11) any Permitted Investment (other than a Permitted Investment as defined in clause (c)(iii) or (r) of the definition of " *Permitted Investments* " herein).

Section 4.12 *Limitation on Liens.*

(a) The Parent Guarantor will not, and will not cause or permit any Restricted Subsidiary to, directly or indirectly, create, Incur, assume, affirm or suffer to exist any Lien of any kind upon any property or assets of the Parent Guarantor or any Restricted Subsidiary, including any shares of stock or intercompany notes or other Debt of any Restricted Subsidiary, owned on the date of this Indenture or acquired after the date of this Indenture, or any income, profits or proceeds therefrom, except:

(1) in the case of any property or asset that does not constitute Collateral, Permitted Liens; *provided* , *however* , that the Parent Guarantor and any such Restricted Subsidiary may only place Permitted Ordinary Course Liens on Non-Guarantor Shares. Notwithstanding the foregoing sentence, the Parent Guarantor or any Restricted Subsidiary may place a Lien on any property or asset that does not constitute Collateral (i) even if

such Lien is not a Permitted Lien or (ii) in the case of Non-Guarantor Shares, even if such Lien is not a Permitted Ordinary Course Lien, if the Notes (or a Guarantee in the case of Liens of a Guarantor) are directly secured equally and ratably or on a prior basis with the obligation or liability secured by such Lien; and

(2) in the case of any property or asset that constitutes Collateral, Permitted Collateral Liens; *provided* that no such Permitted Collateral Lien (except for Liens permitted under clause (b) or (c) of the definition thereof) will be granted unless such assets or property also secure the Notes.

(b) Any Lien arising as a result of Section 4.12(a)(1) hereof will be automatically and unconditionally released and discharged concurrently with (i) the unconditional release of the Lien that gave rise to such Lien (other than as a consequence of an enforcement action with respect to the assets subject to such Lien) or (ii) as set forth in Section 10.02 hereof.

Section 4.13 *Corporate Existence* .

Subject to Article 5 hereof, the Issuer shall do or cause to be done all things necessary to preserve and keep in full force and effect:

(1) its corporate existence, and the corporate, partnership or other existence of each of its Restricted Subsidiaries, in accordance with the respective organizational documents (as the same may be amended from time to time) of the Issuer or any such Restricted Subsidiary; and

(2) the rights (charter and statutory), licenses and franchises of the Issuer and its Restricted Subsidiaries; *provided* , *however* , that the Issuer shall not be required to preserve any such right, license or franchise, or the corporate, partnership or other existence of any of its Restricted Subsidiaries, if the Board of Directors shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Issuer and its Subsidiaries, taken as a whole, and that the loss thereof is not adverse in any material respect to the Holders of the Notes.

Section 4.14 *Offer to Repurchase Upon Change of Control.*

(a) Upon the occurrence of a Change of Control, the Issuer will make an offer (a " *Change of Control Offer* ") to each Holder to repurchase all or any part (equal to CHF150,000 or a higher integral multiple of CHF1,000) of that Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest, if any, on the Notes repurchased to the date of purchase (the " *Change of Control Payment* ") subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date. Within thirty days following any Change of Control, the Issuer will mail a notice to each Holder describing the transaction or transactions that constitute the Change of Control and offering to repurchase Notes on the date (the " *Change of Control Payment Date* ") specified in the notice, stating:

(1) that the Change of Control Offer is being made pursuant to this Section 4.14 and that all Notes tendered will be accepted for payment;

(2) the Change of Control Payment and the Change of Control Payment Date, which will be no earlier than 30 days and no later than 60 days from the date such notice is mailed;

(3) that any Note not tendered will continue to accrue interest;

(4) that, unless the Issuer defaults in the payment of the Change of Control Payment, all Notes accepted for payment pursuant to the Change of Control Offer will cease to accrue interest after the Change of Control Payment Date;

(5) that Holders electing to have any Notes purchased pursuant to a Change of Control Offer will be required to surrender the Notes, with the form entitled "Option of Holder to Elect Purchase" attached to the Notes completed, or transfer by book-entry transfer, to the Paying Agent at the address specified in the notice prior to the close of business on the third Business Day preceding the Change of Control Payment Date;

(6) that Holders will be entitled to withdraw their election if the Paying Agent receives, not later than the close of business on the second Business Day preceding the Change of Control Payment Date, a facsimile transmission or letter setting forth the name of the Holder, the principal amount of Notes delivered for purchase, and a statement that such Holder is withdrawing his election to have the Notes purchased; and

(7) that Holders whose Notes are being purchased only in part will be issued new Notes equal in principal amount to the unpurchased portion of the Notes surrendered, which unpurchased portion must be equal to CHF150,000 in principal amount and higher integral multiples of CHF1,000.

(b) The Issuer will comply with the requirements of Rule 14e-1 under the Exchange Act and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control. To the extent that the provisions of any securities laws or regulations conflict with this Section 4.14, the Issuer will comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Section 4.14 by virtue of such compliance.

(c) On the Change of Control Payment Date, the Issuer will, to the extent lawful:

(1) accept for payment all Notes or portions of Notes properly tendered pursuant to the Change of Control Offer;

(2) cause to be paid to the Holders an amount equal to the Change of Control Payment in respect of all Notes or portions of Notes properly tendered;

(3) deliver or cause to be delivered to the Trustee the Notes properly accepted together with an Officers' Certificate stating the aggregate principal amount of Notes or portions of Notes being purchased by the Issuer;

(4) in the case of Global Notes, deliver, or cause to be delivered, to the Paying Agent the Global Notes in order to reflect thereon the portion of such Notes or portions thereof that have been tendered to and purchased by the Issuer; and

(5) in the case of Definitive Registered Notes, deliver, or cause to be delivered, to the relevant Registrar for cancellation all Definitive Registered Notes accepted for purchase by the Issuer.

(d) If any Definitive Registered Notes have been issued, the Issuer will cause to be promptly mailed to each Holder of Definitive Registered Notes so tendered the Change of Control Payment for such Notes, and the Trustee or its Authenticating Agent will promptly authenticate (or cause to be authenticated) and mail (or cause to be transferred by book-entry) to each Holder of Definitive Registered Notes a new Note equal in aggregate principal amount to the unpurchased portion of the Notes surrendered, if any; *provided* that each such new Note will be in an aggregate principal amount that is at least CHF150,000 and integral multiples of CHF1,000 in excess thereof.

The Issuer will publicly announce the results of the Change of Control Offer on or as soon as practicable after the Change of Control Payment Date.

(e) The provisions of this Section 4.14 that require the Issuer to make a Change of Control Offer following a Change of Control will be applicable whether or not any other provisions of this Indenture are applicable.

(f) The Issuer will not be required to make a Change of Control Offer upon a Change of Control if (1) a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in this Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes properly tendered and not withdrawn under the Change of Control Offer or (2) notice of redemption has been given pursuant to Section 3.07 hereof, unless and until there is a default in payment of the applicable redemption price. Notwithstanding anything to the contrary contained in this Section 4.14, a Change of Control Offer may be made in advance of a Change of Control, conditioned upon the consummation of such Change of Control, if a definitive agreement is in place for the Change of Control at the time the Change of Control Offer is made. The closing date of any such Change of Control Offer made in advance of a Change of Control may be changed to conform to the actual closing date of the Change of Control, *provided* that such closing date is not earlier than 30 days nor later than 60 days from the date the Change of Control Offer notice is mailed as described in this Section 4.14(a).

Section 4.15 *Limitation on Sale and Leaseback Transactions.*

(a) The Parent Guarantor will not, and will not cause or permit any Restricted Subsidiary to, enter into any Sale and Leaseback Transaction with respect to any property or assets (whether now owned or hereafter acquired), unless:

(1) Section 4.10 hereof is complied with, including the provisions concerning the application of Net Cash Proceeds (treating all of the net consideration received in such Sale and Leaseback Transaction as Net Cash Proceeds for the purposes of Section 4.10 hereof);

(2) to the extent the Parent Guarantor or such Restricted Subsidiary, as applicable, would Incur Debt as a result of such Sale and Leaseback Transaction, it would be permitted to Incur Debt under Section 4.09 hereof in the amount of the Attributable Debt Incurred in respect of such Sale and Leaseback Transaction; and

(3) to the extent the Parent Guarantor or such Restricted Subsidiary, as applicable, would Incur Debt as a result of such Sale and Leaseback Transaction, it would be permitted to grant a Lien to secure Debt under Section 4.12 hereof in the amount of the Attributable Debt in respect of such Sale and Leaseback Transaction.

Notwithstanding the foregoing, nothing shall prevent the Parent Guarantor or any Restricted Subsidiary from engaging in a Sale and Leaseback Transaction solely between the Parent Guarantor and any Restricted Subsidiary or solely between or among Restricted Subsidiaries.

Section 4.16 *Limitation on Issuances and Sales of Capital Stock of Restricted Subsidiaries.*

(a) The Parent Guarantor will not sell or otherwise dispose of, and will not permit any Restricted Subsidiary (other than as permitted under Section 4.12 hereof), directly or indirectly, to issue or sell, any shares of Capital Stock of a Restricted Subsidiary (including options, warrants or other rights to purchase shares of such Capital Stock).

(b) Section 4.16(a) hereof will not apply to:

(1) any issuance or sale of shares of Capital Stock of a Restricted Subsidiary to the Parent Guarantor or a Restricted Subsidiary;

(2) any issuance or sale to directors of directors' qualifying shares or issuances or sales of shares of Capital Stock of a Restricted Subsidiary to be held by third parties, in each case to the extent required by applicable law;

(3) any issuance or sale of shares of Capital Stock of a Restricted Subsidiary made in compliance with Section 4.10 hereof;

(4) any issuance or sale of shares of Capital Stock of a Restricted Subsidiary if, immediately after giving effect to such issuance or sale, such Restricted Subsidiary would no longer constitute a Restricted Subsidiary and any remaining Investment in such Person would have been permitted to be made under Section 4.07 hereof if made on the date of such issuance or sale; or

(5) Capital Stock issued by a Person prior to the time:

(A) such Person becomes a Restricted Subsidiary;

(B) such Person consolidates or merges with or into a Restricted Subsidiary; or

(C) a Restricted Subsidiary consolidates or merges with or into such Person;

but only if such Capital Stock was not issued or Incurred by such Person in anticipation of it becoming a Restricted Subsidiary.

(c) The Parent Guarantor shall continue to hold, directly or indirectly, 100% of the Capital Stock of the Issuer.

Section 4.17 *Limitation on Guarantees of Debt by Restricted Subsidiaries* .

(a) Subject to Section 4.17(b), (c) and (d) below, the Parent Guarantor will cause all future Restricted Subsidiaries to Guarantee the Notes (other than an Immaterial Subsidiary or a Restricted Subsidiary incorporated in or organized under the laws of the PRC, the Czech Republic, the Slovak Republic, Thailand, Vietnam or any jurisdiction that prohibits such Restricted Subsidiary from guaranteeing the payment of the Notes) as soon as practicable but in any event within 60 days after each such person becomes a Restricted Subsidiary. The Parent Guarantor will not permit any Restricted Subsidiary that is not a Guarantor, directly or indirectly, to guarantee, assume or in any other manner become liable for the payment of any Debt of the Parent Guarantor or any Guarantor (other than the Notes), unless:

(1) (A) such Restricted Subsidiary simultaneously executes and delivers a supplemental indenture (the form of which is attached as **Exhibit E** hereto) to this Indenture providing for a Guarantee of payment of the Notes by such Restricted Subsidiary on the same terms as the guarantee of such other Debt; and

(B) with respect to any guarantee of Subordinated Debt by such Restricted Subsidiary, any such guarantee will be subordinated to such Restricted Subsidiary's Guarantee with respect to the Notes at least to the same extent as such Subordinated Debt is subordinated to the Notes; and

(2) to the maximum extent permitted by law, such Restricted Subsidiary waives and will not in any manner whatsoever claim or take the benefit or advantage of any rights of reimbursement, indemnity or subrogation or any other rights against the Parent Guarantor or any other Restricted Subsidiary as a result of any payment by such Restricted Subsidiary under its Guarantee.

(b) Section 4.17(a) hereof will not be applicable to any guarantee of any Restricted Subsidiary:

(1) guaranteeing Debt existing on the Issue Date;

(2) that existed at the time such Person became a Restricted Subsidiary if the guarantee was not Incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary;

(3) arising solely due to the granting of a Permitted Lien that would not otherwise constitute a guarantee of Debt of the Parent Guarantor or any Guarantor; or

(4) given to a bank or trust company incorporated in any member state of the Pre-Expansion European Union or any commercial banking institution (or any branch, Subsidiary or Affiliate thereof) in each case having combined capital and surplus and undivided profits of not less than €500,000,000, whose debt has a rating, at the time such guarantee was given, of at least A or the equivalent thereof by S&P and at least A2 or the equivalent thereof by Moody's, in connection with the operation of cash management programs established for the Parent Guarantor's benefit or that of any Restricted Subsidiary.

(c) Notwithstanding Sections 4.17(a) and (b) hereof, any Guarantee of the Notes created pursuant to the provisions described in Section 4.17(a) hereof may provide by its terms that it will be automatically and unconditionally released and discharged upon:

(1) any sale, exchange or transfer, to any Person who is not the Parent Guarantor's Affiliate, of all of the Capital Stock owned by the Parent Guarantor and its Restricted Subsidiaries in, or all or substantially all the assets of, such Restricted Subsidiary (which sale, exchange or transfer is not prohibited by this Indenture); or

(2) (with respect to any Guarantee created after the Issue Date) the release by the holders of the Parent Guarantor's or the Guarantor's Debt described in paragraph 4.17(a) hereof, of the guarantee by such Restricted Subsidiary (including any deemed release upon payment in full of all obligations under such Debt other than as a result of payment under such guarantee), at a time when:

(A) no other Debt of the Parent Guarantor (other than the Notes) or any Guarantor (other than the Guarantees) has been guaranteed by such Restricted Subsidiary; or

(B) the holders of all such other Debt that is guaranteed by such Restricted Subsidiary also release their guarantee by such Restricted Subsidiary (including any deemed release upon payment in full of all obligations under such Debt other than as a result of payment under such guarantee); or

(3) the release of the Guarantees on the terms and conditions and in the circumstances described in Section 11.05 hereof.

(d) Notwithstanding Sections 4.17(a) through 4.17(c) hereof, the Parent Guarantor will not be obligated to cause such Restricted Subsidiary to guarantee the Notes to the extent such Guarantee could reasonably be expected to give rise to or result in:

(1) any conflict with or violation of applicable law;

(2) risk of personal or criminal liability for the officers, directors, shareholders or partners of such Restricted Subsidiary;

(3) any cost, expense, liability or obligation (including with respect to any Taxes but excluding any reasonable guarantee or similar fee payable to the Parent Guarantor or any Restricted Subsidiary) other than reasonable expenses and other than reasonable governmental expenses incurred in connection with any governmental or regulatory filings required as a result of, or any measures pursuant to Section 4.17(d)(1) undertaken in connection with, such Guarantee; or

(4) breach of, or any termination event under, any existing material contract (and any amendment, modification or supplement thereto) of such Restricted Subsidiary in the reasonable opinion of the Board of Directors of such Restricted Subsidiary or the Parent Guarantor.

Section 4.18 *Payments for Consent.*

The Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Holder for or as an inducement to any consent, waiver or amendment of any of the terms or provisions of this Indenture or the Notes unless such consideration is offered to be paid and is paid to all Holders that consent, waive or agree to amend in the time frame set forth in any documents distributed relating to such consent, waiver or agreement.

Notwithstanding the foregoing, the Parent Guarantor and its Subsidiaries will be permitted, in connection with any offer or payment of consideration for, or as an inducement to, any consent, waiver or amendment of any of the terms or provisions of this Indenture, to exclude any Holder, or to offer and pay different consideration to any Holder for, or as an inducement to, any such consent, waiver or amendment, in each case to the extent (and only to the extent) that such Holder is in any jurisdiction where:

(a) (1) the solicitation of such consent, waiver or amendment in the manner deemed appropriate by the Parent Guarantor, (2) the payment of the consideration therefor or (3) the conduct or completion of a related offer to purchase or exchange the Notes for cash or other securities in the manner deemed appropriate by the Parent Guarantor would require the Parent Guarantor or any of its Restricted Subsidiaries to (A) file a registration statement, prospectus or similar document or subject the Parent Guarantor or any of its Restricted Subsidiaries to ongoing periodic reporting or similar requirements under any applicable securities laws (including, but not limited to, the United States federal securities laws and the laws of the European Union or its member states), which the Parent Guarantor in its sole discretion determines (acting in good faith) would be materially burdensome, (B) qualify as a foreign corporation or other entity or as a dealer in securities in such jurisdiction if it is not otherwise required to so qualify, (C) generally consent to service of process in any such jurisdiction or (D) subject itself or any of its Restricted Subsidiaries to taxation in any such jurisdiction if it is not otherwise so subject; or

(b) such solicitation would otherwise not be permitted under applicable law in such jurisdiction.

Section 4.19 *Designation of Unrestricted and Restricted Subsidiaries.*

(a) The Parent Guarantor's Board of Directors may designate any Subsidiary (including newly acquired or newly established Subsidiaries, but excluding the Issuer, which must remain a Restricted Subsidiary) to be an "Unrestricted Subsidiary," *provided* that:

(1) such designation would not cause a Default;

(2) the Parent Guarantor would be permitted to make an Investment at the time of designation (assuming the effectiveness of such designation) pursuant to Section 4.07 hereof in an amount equal to the Fair Market Value of the Parent Guarantor's interest in such Subsidiary;

(3) such Subsidiary does not own any Capital Stock, Redeemable Capital Stock or Debt of, or own or hold any Lien on any property or assets of, or have any Investment in, the Parent Guarantor or any other Restricted Subsidiary;

(4) such Subsidiary is not liable, directly or indirectly, with respect to any Debt, Lien or other obligation that, if in default, would result (with the passage of time or giving of notice or otherwise) in a default on any of the Parent Guarantor's Debt or Debt of any Restricted Subsidiary; *provided* that an Unrestricted Subsidiary may provide a Guarantee for the Notes;

(5) such Subsidiary, either alone or in the aggregate with all other Unrestricted Subsidiaries, does not operate, directly or indirectly, all or substantially all of the businesses of the Parent Guarantor and its Subsidiaries;

(6) such Subsidiary is a Person with respect to which neither the Parent Guarantor nor any Restricted Subsidiary has any direct or indirect obligation to:

(A) subscribe for additional Capital Stock of such Person; or

(B) maintain or preserve such Person's financial condition or to cause such Person to achieve any specified levels of operating results; and

(7) neither the Parent Guarantor nor any Restricted Subsidiary directly or indirectly guarantees, is liable for or provides credit support for the Debt of such Subsidiary.

(b) In the event of any such designation, the Parent Guarantor will be deemed to have made an Investment constituting a Restricted Payment pursuant to Section 4.07 hereof for all purposes of this Indenture in an amount equal to the Fair Market Value of the Parent Guarantor's interest in such Subsidiary.

(c) The Parent Guarantor's Board of Directors may designate any Unrestricted Subsidiary as a Restricted Subsidiary, *provided* that:

(1) such designation would not cause a Default;

(2) such designated Unrestricted Subsidiary will not have any Debt outstanding (other than Debt that would be Permitted Debt), immediately before and after giving effect to such proposed designation, or after giving *pro forma* effect to the Incurrence of any such Debt of such designated Unrestricted Subsidiary as if such Debt was Incurred on the date of its designation as a Restricted Subsidiary, the Parent Guarantor

could Incur at least US$1.00 of additional Debt pursuant to the ratio set forth in Section 4.09(a) hereof; and

(3) any Lien on the property of such Unrestricted Subsidiary at the time of such designation which will be deemed to have been Incurred by such newly designated Restricted Subsidiary as a result of such designation would be permitted to be Incurred by the covenant described under Section 4.12 hereof.

(d) Any such designation as an Unrestricted Subsidiary or Restricted Subsidiary by the Parent Guarantor's Board of Directors will be evidenced to the Trustee by filing a resolution of the Parent Guarantor's Board of Directors with the Trustee giving effect to such designation and an Officers' Certificate certifying that such designation complies with the conditions set forth in this Section 4.19, and giving the effective date of such designation. Any such filing with the Trustee must occur within 45 days after the end of the Parent Guarantor's fiscal quarter in which such designation is made (or, in the case of a designation made during the last fiscal quarter of the Parent Guarantor's fiscal year, within 90 days after the end of such fiscal year).

Section 4.20 *Maintenance of Listing.*

The Issuer will use its commercially reasonable efforts to maintain the listing of the Notes on the Official List of the Irish Stock Exchange for trading on its Global Exchange Market for so long as such Notes are outstanding; *provided* , that if at any time the Issuer determines that it will not maintain such listing, it will obtain prior to the delisting of the Notes from the Official List of the Irish Stock Exchange, and thereafter use its best efforts to maintain, a listing of such Notes on another recognized stock exchange.

Section 4.21 *Impairment of Security Interest.*

(a) Subject to Sections 4.21(b) and (c) below, the Parent Guarantor will not, and will not cause or permit any of its Restricted Subsidiaries to, take or knowingly omit to take, any action, which action of omission would have the result of materially impairing any security interest over any of the assets comprising the Collateral (it being understood that the Incurrence of Liens on the Collateral permitted by the definition of Permitted Collateral Liens will not be deemed to materially impair the security interest with respect to any Collateral) for the benefit of the Holders (including the priority thereof).

(b) At the direction of the Parent Guarantor and without the consent of the Holders, the Trustee and the applicable Collateral Agent may from time to time enter into one or more amendments to the Security Documents to: (A) cure any ambiguity, omission, defect or inconsistency therein; (B) provide for any Permitted Collateral Liens; (C) add to the Collateral or (D) make any other change thereto that does not adversely affect the Holders in any material respect; *provided* , *however* , that no Security Document may be amended, extended, renewed, restated, supplemented or otherwise modified or replaced, unless contemporaneously with such amendment, extension, renewal, restatement, supplement, modification or renewal, the Parent Guarantor delivers to the Trustee, any of:

(1) a solvency opinion, in form satisfactory to the Trustee, from an Independent Financial Advisor confirming the solvency of the Parent Guarantor and its Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement;

(2) a certificate from the Board of Directors or chief financial officer of the Parent Guarantor (acting in good faith), substantially in the form set forth as **Exhibit F** to this Indenture, confirming the solvency of the Person granting such Lien after giving effect

to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement; or

(3) an Opinion of Counsel, in form satisfactory to the Trustee confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement, the Lien or Liens securing the Notes created under the Security Documents as so amended, extended, renewed, restated, supplemented, modified or replaced remain valid and perfected Liens not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Lien or Liens were not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification or replacement.

(c) Nothing in this Section 4.21 will restrict the release or replacement of any security interests in compliance with the provisions set out in Section 10.02 hereof.

(d) In the event that the Parent Guarantor complies with this Section 4.21, the Trustee and/or the applicable Collateral Agent (as the case may be) will consent to any such amendment, extension, renewal, restatement, supplement, modification or replacement without the need for instructions from the Holders; *provided* such amendments do not impose any personal obligations on the Trustee or adversely affect the rights, duties, liabilities or immunities of the Trustee under this Indenture or the Intercreditor Agreement.

Section 4.22 *Additional Amounts.*

(a) All payments made under or with respect to the Notes or the Guarantees will be made free and clear of and without withholding or deduction for or on account of any present or future taxes, duties, levies, imposts, assessments or other governmental charges and any interest, penalties and other liabilities with respect thereto (collectively, " *Taxes* "), unless the withholding or deduction of such Taxes is required by law or by the relevant taxing authority's interpretation or administration thereof. If any withholding or deduction for or on account of any Taxes imposed or levied by or on behalf of any jurisdiction in which the Issuer or the relevant Guarantor is organized, engaged in business or resident for tax purposes, or from or through which payment under or with respect to the Notes or the Guarantees is made by or on behalf of the Issuer, or any political subdivision or authority thereof or therein having the power to tax (each, a " *Relevant Taxing Jurisdiction* "), will at any time be required to be made from any payment made under or with respect to the Notes or the Guarantees, the Issuer or the relevant Guarantor, as the case may be, will pay such additional amounts (" *Additional Amounts* ") as may be necessary so that the net amount received by each Holder of the Notes after such withholding or deduction (including any withholding or deduction attributable to Additional Amounts) will equal the amount that such Holder would have received if such Taxes had not been required to be withheld or deducted.

(b) Notwithstanding Section 4.22(a) hereof, neither the Issuer nor a Guarantor will pay Additional Amounts to a Holder of any Note in respect or on account of:

(1) any Taxes that would not have been imposed or levied by a Relevant Taxing Jurisdiction but for the Holder's present or former connection with such Relevant Taxing Jurisdiction (or a present or former connection between the Relevant Taxing Jurisdiction and a fiduciary, settlor, beneficiary, member or shareholder of such Holder if such Holder is an estate, a trust, partnership, limited liability company or a corporation), including, but not limited to, citizenship, nationality, residence, domicile or existence of a business, permanent establishment, dependent agent, place of business or place of management present or deemed present within the Relevant Taxing Jurisdiction, other than the mere receipt or holding of any Note or Guarantee or by reason of the receipt of payments thereunder or the exercise or enforcement of rights under such Note, such Guarantee or this Indenture;

(2) any Taxes that are imposed or withheld by reason of the failure of the Holder or beneficial owner of any Note, to timely comply with a written request of the Issuer, addressed to the Holder at least 60 calendar days prior to the relevant date on which a payment under the Notes is due and payable, to comply (to the extent it is legally entitled to) with any certification, identification, information or other reporting requirement concerning nationality, residence, identity or connection with the Relevant Taxing Jurisdiction imposed by statute, treaty, regulation or administrative practice of the Relevant Taxing Jurisdiction as a precondition to an exemption from, or a reduction in the rate of deduction or withholding of, Taxes imposed by the Relevant Taxing Jurisdiction (including, without limitation, a certification that the Holder or beneficial owner is not resident in the Relevant Taxing Jurisdiction);

(3) any estate, inheritance, gift, sales, transfer, personal property or similar Taxes;

(4) any Tax that is payable other than by deduction or withholding from payments made under or with respect to any Note or Guarantee;

(5) any Tax that would not have been so imposed but for the presentation (where presentation is required in order to receive payment) by the Holder or beneficial owner of a Note for payment on a date more than 30 days after the date on which such payment becomes due and payable or the date on which payment thereof is duly provided for, whichever occurs later, except to the extent that the Holder or beneficial owner would have been entitled to such Additional Amounts on presenting the same for payment on any day (including the last day) within such 30-day period;

(6) any withholding or deduction in respect of any Taxes where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to the European Council Directive 2003/48/EC or any Directive otherwise implementing the conclusions of the ECOFIN Council meetings of November 26 and 27, 2000 or any law implementing or complying with, or introduced in order to conform to, any such Directive;

(7) any Tax that is required to be withheld or deducted from a payment made to a Holder who would have been able to avoid such withholding or deduction by presenting a Note for a payment (where presentation is required) to another available paying agent in a member state of the European Union (unless such Notes could not have been presented for payment elsewhere);

(8) any Tax that is imposed on or with respect to any payment made to any Holder who is a fiduciary or partnership or an entity that is not the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment would not have been entitled to the Additional Amounts had such beneficiary, settlor, member or beneficial owner been the actual Holder of such Note; or

(9) any withholding Tax imposed by the United States or a political subdivision thereof.

In addition, Additional Amounts will not be payable with respect to any Taxes that are imposed in respect or on account of any combination of the above items (1) through (9). No Additional Amounts will be required to be paid for any tax, assessment, withholding or deduction required by sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended (" *FATCA* "), any current or future Treasury Regulations or rulings promulgated thereunder, any law, regulation or other official guidance enacted in any jurisdiction implementing FATCA, any

intergovernmental agreement between the United States and any other jurisdiction to implement FATCA, or any agreement with the U.S. Internal Revenue Service under FATCA.

(c) The Issuer or the relevant Guarantor will make or cause to be made such withholding or deduction of Taxes as required by, and remit the full amount of any Taxes so deducted or withheld to the relevant taxing authority in accordance with, all applicable laws. The Issuer will provide the Trustee with and, upon request, make available to the Holders, within 30 days after the date on which the payment of any Taxes so deducted or withheld is due pursuant to applicable law, certified copies of tax receipts evidencing such payment by the Issuer or relevant Guarantor or if, notwithstanding the Issuer's or relevant Guarantor's reasonable efforts to obtain such receipts, the same are not obtainable, other evidence of such payment reasonably satisfactory to the Trustee.

(d) At least 30 calendar days prior to each date on which any payment under or with respect to the Notes or the Guarantees is due and payable, if the Issuer or a Guarantor will be obliged to pay Additional Amounts with respect to such payment (unless such obligation to pay Additional Amounts arises after the 30th day prior to the date on which payment under or with respect to the Notes or the Guarantees is due and payable, in which case delivery of the Officers' Certificate described below will be made promptly thereafter), the Issuer or the relevant Guarantor will deliver to the Trustee an Officers' Certificate stating that such Additional Amounts will be payable and the amounts so payable on the payment date. The Officers' Certificate must also set forth any other information necessary to enable the Paying Agent to pay Additional Amounts on the relevant payment date. The Trustee will be entitled to rely solely on such Officers' Certificate as conclusive proof that such payments are necessary.

(e) In addition, the Issuer and the Guarantors will pay and (without duplication) indemnify the Holders for any present or future stamp, issue, registration, transfer, documentation, court, excise, property or other similar Taxes imposed or levied by any Relevant Taxing Jurisdiction in respect of the execution, delivery, registration, enforcement, redemption or retirement of, or the receipt of any Payment under or with respect to, the Notes, this Indenture or the Guarantees, or any other document or instrument referred to thereunder (limited, solely in the case of Taxes with respect to the receipt of any Payment, to any such taxes other than those imposed under FATCA or described under (a) through (c) and (e) through (g) and any combination of any of the foregoing.

(f) The foregoing provisions will survive any termination, defeasance or discharge of this Indenture (and any transfer of a Holder or beneficial owner of its Notes) and will apply *mutatis mutandis* to any jurisdiction in which any Surviving Entity (as defined below) or successor Person to the Issuer or a Guarantor is organized, engaged in business or resident for tax purposes or any political subdivision or taxing authority or agency thereof or therein.

(g) Whenever in this Indenture there is mentioned, in any context, the payment of principal (and premium, if any), a redemption price, interest or any other amount payable under or with respect to any Note (including payments thereof made pursuant to any Guarantee), such mention will be deemed to include mention of the payment of Additional Amounts provided for in this Indenture to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

Section 4.23 *Collateral* .

(a) The Parent Guarantor shall pledge, or cause each Guarantor, including each future Guarantor, to pledge, the Capital Stock owned by the Parent Guarantor or such Guarantor of any Person that is a Guarantor or becomes a Guarantor after the Issue Date, upon such Person becoming a Guarantor, to secure the obligations of the Issuer and the Guarantors under the Notes and this Indenture in the manner described in Article 10 hereof (subject to the Perfection Requirements set forth in the Security Documents and the restrictions set forth under Section 4.12 hereof). Such future pledges of such Capital Stock shall be deemed to constitute Collateral.

(b) The Parent Guarantor will, and will procure that each Guarantor will, at its own expense, execute and do all such acts and things and provide such assurances as each Collateral Agent may reasonably require (i) for registering any Security Documents in any required register and for perfecting or protecting the security intended to be afforded by such Security Documents; and (ii) if such Security Documents have become enforceable, for facilitating the realization of all or any part of the assets which are subject to such Security Documents and for facilitating the exercise of all powers, authorities and discretions vested in each Collateral Agent or in any receiver of all or any part of those assets. The Parent Guarantor will, and will procure that each Guarantor will, execute all transfers, conveyances, assignments and releases of that property whether to each Collateral Agent or to its nominees and give all notices, orders and directions which each Collateral Agent may reasonably request.

(c) Notwithstanding anything in this Section 4.23 to the contrary, the Parent Guarantor is not obligated to cause the Capital Stock of a Guarantor to be pledged so long as the pledge of such Capital Stock (i) could reasonably be expected to give rise to or result in a breach of, or any termination event under, any existing material contract of such Guarantor in the reasonable opinion of the Board of Directors of the Parent Guarantor or such Guarantor or (ii) would not be recognized as enforceable under the laws of the jurisdiction where such Guarantor is organized. For the avoidance of doubt, the Capital Stock of British International School LLC and Nord Anglia International School L.L.C., organized under the laws of the United Arab Emirates, will not be pledged. Notwithstanding anything to the contrary, no current or future Subsidiary of the Parent Guarantor that is or becomes, and in each case remains, a Controlled Foreign Corporation (as defined in the United States Internal Revenue Code of 1986, as amended) (or any subsidiary owned by any such Controlled Foreign Corporation) or a Subsidiary that has no material assets other than equity or debt interest in such Controlled Foreign Corporation shall be required to give a guarantee or pledge any of its assets (including shares in a Subsidiary) as security for an obligation (as guarantor or otherwise) of a ‘‘United States person’’ (as defined in the United States Internal Revenue Code of 1986, as amended). Furthermore, not more than 65% of the total combined voting power of all classes of shares entitled to vote of any such Subsidiary may be pledged directly or indirectly as security for an obligation (as guarantor or otherwise) of a ‘‘United States person.

Section 4.24 *Additional Intercreditor Agreements* .

(a) At the request of the Issuer, at the time of, or prior to, the Incurrence of any Debt that is permitted to share the Collateral, the Issuer, the relevant Guarantors, the Trustee and the Collateral Agents will enter into an Additional Intercreditor Agreement on terms substantially similar to the Intercreditor Agreement or an accession or amendment to the Intercreditor Agreement (which accession or amendment does not adversely affect the rights of the Holders), in each case without the consent of any Holder; *provided* that such Intercreditor Agreement or Additional Intercreditor Agreement will not impose any personal obligations on the Trustee or either Collateral Agent or adversely affect the rights, duties, liabilities or immunities of the Trustee under this Indenture or the Intercreditor Agreement.

(b) Each Holder, by accepting such Note, will be deemed to have agreed to and accepted the terms and conditions of each such Intercreditor Agreement, Additional Intercreditor Agreement or accession or amendment to the Intercreditor Agreement, and neither the Trustee nor the Collateral Agents shall be required to seek the consent of any Holders to perform their respective obligations under and in accordance with this covenant.

Section 4.25 *Suspension of Covenants on Achievement of Investment Grade Status.*

(a) If on any date following the Issue Date, the Notes have achieved Investment Grade Status and no Default or Event of Default has occurred and is continuing (a “ *Suspension Event* ”), then, beginning on that day and continuing until the Reversion Date, the following provisions of this Indenture will not apply to such Notes: Section 4.07, Section 4.09, Section 4.08, Section 4.10, Section

4.11, Section 4.17, the provisions of paragraphs (a) and (b) of Section 4.16, Section 4.15 and Section 5.02(a)(3) (collectively, the " *Suspended Covenants* "), and, in each case, any related default provision of this Indenture will cease to be effective and will not be applicable to the Parent Guarantor and its Restricted Subsidiaries.

(b) The Suspended Covenants and any related default provisions will again apply according to their terms from the first day on which a Suspension Event ceases to be in effect. Such covenants will not, however, be of any effect with regard to actions of the Parent Guarantor properly taken during the continuance of the Suspension Event, and Section 4.07 will be interpreted as if it has been in effect since the date of such Indenture except that no default will be deemed to have occurred solely by reason of a Restricted Payment made while that covenant was suspended. On the Reversion Date, all Debt Incurred during the continuance of the Suspension Event will be classified, at the Parent Guarantor's option, as having been Incurred pursuant to Section 4.09(a) or Section 4.09(b) (to the extent such Debt would be permitted to be Incurred thereunder as of the Reversion Date and after giving effect to Debt Incurred prior to the Suspension Event and outstanding on the Reversion Date). To the extent such Debt would not be so permitted to be incurred under Section 4.09(a) or Section 4.09(b) such Debt will be deemed to have been outstanding on the Issue Date, so that it is classified as permitted under Section 4.09(b)(3). The Issuer shall notify the Trustee in writing that the conditions under this covenant have been satisfied, although such notification shall not be a condition for the suspension of the covenants set forth above to be effective. The Trustee shall not be obliged to notify Holders of such event.

Section 4.26 *Post-Closing Collateral and Guarantees.*

(a) The Issuer and the Parent Guarantor will and, as applicable, will procure that each of the Guarantors, as soon as practicable, and, in any event, on or before the applicable date set forth in Schedule A (Security Documents) (or such later date consented to by the Primary Collateral Agent, such consent not to be unreasonably withheld or delayed), (x) execute and deliver to the applicable Collateral Agent, as applicable, such Security Documents (in the agreed form as of the Issue Date, with such changes, amendments, supplements and other variations as agreed by the applicable Collateral Agent) and other documents to create effective first priority Liens and security interests over the Post-Closing Collateral to be provided in respect of the Notes, the Guarantees and this Indenture and (y) take all action, including executing and delivering all ancillary documents, in connection with the creation, perfection and/or registration of such Post-Closing Collateral. The Issuer and the Parent Guarantor will cause the Post-Closing Date Guarantors to Guarantee the Notes on or before the Post-Closing Date by executing and delivering to the Trustee a supplemental indenture in the form of Exhibit E to this Indenture.

ARTICLE 5
SUCCESSORS

Section 5.01 *Merger, Consolidation or Sale of Assets of the Issuer* .

(a) The Issuer will not, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or otherwise combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of, or take any action pursuant to any resolution passed by the Issuer's Board of Directors or shareholders with respect to a demerger or division pursuant to which the Issuer would dispose of, all or substantially all of the Issuer's properties and assets to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:

(1) either: (i) the Issuer will be the continuing corporation or (ii) the Person (if other than the Issuer) formed by or surviving any such merger, consolidation, amalgamation or other combination or to which such sale, assignment, conveyance,

transfer, lease or disposition of all or substantially all of the properties and assets of the Issuer has been made (the " *Successor Issuer* "):

(A) will be a corporation duly incorporated and validly existing under the laws of any member state of the Pre-Expansion European Union as of the Issue Date, the United States of America, any state thereof , the District of Columbia, the British Virgin Islands or the Cayman Islands; and

(B) will expressly assume, by a supplemental indenture in form satisfactory to the Trustee, the Issuer's obligations under this Indenture, the Intercreditor Agreement and the Security Documents, and this Indenture, the Intercreditor Agreement and the Security Documents will remain in full force and effect as so supplemented;

(2) immediately after giving effect to such transaction or series of transactions on a *pro forma* basis (and treating any obligation of the Issuer Incurred in connection with or as a result of such transaction or series of transactions as having been Incurred by the Issuer at the time of such transaction), no Default or Event of Default will have occurred and be continuing; and

(3) any Guarantor, unless it is the other party to the transactions described above, has, by way of execution of a supplemental indenture, confirmed that its Guarantee will apply to such Person's obligations under this Indenture and the Notes .

(b) The Successor Issuer will succeed to, and be substituted for, and may exercise every right and power of, the Issuer under this Indenture, the Security Documents and the Intercreditor Agreement, but, in the case of a lease of all or substantially all of the Issuer's assets, the Issuer will not be released from the obligation to pay the principal of, premium, if any, and interest, on the Notes.

(c) Nothing in this Indenture will prevent the Issuer from consolidating or otherwise combining with or merging into an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Issuer, reincorporating the Issuer in another jurisdiction in compliance with Section 5.01(a)(1)(A) hereof or changing the legal form of the Issuer.

Section 5.02 *Merger, Consolidation or Sale of Assets of the Parent Guarantor* .

(a) The Parent Guarantor will not, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or otherwise combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of, or take any action pursuant to any resolution passed by the Parent Guarantor's Board of Directors or shareholders with respect to a demerger or division pursuant to which the Parent Guarantor would dispose of, all or substantially all of the Parent Guarantor's properties and assets to any other Person or Persons, and the Parent Guarantor will not, and will not cause or permit any Restricted Subsidiary to, enter into any such transaction or series of transactions if such transaction or series of transactions, in the aggregate, would result in the sale, assignment, conveyance, transfer, lease or other disposition of all or substantially all of the properties and assets of the Parent Guarantor and its Restricted Subsidiaries on a consolidated basis to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:

(1) either: (i) the Parent Guarantor will be the continuing corporation or (ii) the Person (if other than the Parent Guarantor) formed by or surviving any such merger, consolidation, amalgamation or other combination or to which such sale, assignment, conveyance, transfer, lease or disposition of all or substantially all of the properties and assets of the Parent Guarantor and the Restricted Subsidiaries on a consolidated basis has been made (the " *Surviving Entity* "):

(A) will be a corporation duly incorporated and validly existing under the laws of any member state of the Pre-Expansion European Union as of the Issue Date, the United States of America, any state thereof, the District of Columbia, the British Virgin Islands or the Cayman Islands; and

(B) will expressly assume, by a supplemental indenture in form satisfactory to the Trustee, the Parent Guarantor's obligations under this Indenture, the Intercreditor Agreement and the Security Documents, and this Indenture, the Intercreditor Agreement and the Security Documents will remain in full force and effect as so supplemented;

(2) immediately after giving effect to such transaction or series of transactions on a *pro forma* basis (and treating any obligation of the Parent Guarantor or any Restricted Subsidiary Incurred in connection with or as a result of such transaction or series of transactions as having been Incurred by the Parent Guarantor or such Restricted Subsidiary at the time of such transaction), no Default or Event of Default will have occurred and be continuing;

(3) immediately after giving effect to such transaction or series of transactions on a *pro forma* basis (on the assumption that the transaction or series of transactions occurred on the first day of the four-quarter fiscal period immediately prior to the consummation of such transaction or series of transactions with the appropriate adjustments with respect to the transaction or series of transactions being included in such *pro forma* calculation), the Parent Guarantor (or the Surviving Entity if the Parent Guarantor is not the continuing obligor under this Indenture) could Incur at least US$1.00 of additional Debt pursuant to Section 4.09(a) hereof;

(4) any Guarantor, unless it is the other party to the transactions described above, has, by way of execution of a supplemental indenture, confirmed that its Guarantee will apply to such Person's obligations under this Indenture and the Notes; and

(5) if any of the Parent Guarantor's or any Restricted Subsidiary's property or assets will thereupon become subject to any Lien, the provisions of Section 4.12 hereof are complied with;

(b) The Surviving Entity will succeed to, and be substituted for, and may exercise every right and power of, the Parent Guarantor under this Indenture, the Security Documents and the Intercreditor Agreement, but, in the case of a lease of all or substantially all of the Parent Guarantor's assets, the Parent Guarantor will not be released from the obligation to pay the principal of, premium, if any, and interest, on the Notes under its Guarantee.

(c) Nothing in this Indenture will prevent: (1) any Restricted Subsidiary that is not a Guarantor from consolidating with, merging into or transferring all or substantially all of its properties and assets to the Parent Guarantor or any other Restricted Subsidiary that is not a Guarantor or (2) any Guarantor from merging into or transferring all or part of its properties and assets to the Parent Guarantor or another Guarantor. In addition, the Parent Guarantor may consolidate or otherwise combine with or merge into an Affiliate incorporated or organized for the purpose of changing the legal domicile of the Parent Guarantor, reincorporating the Parent Guarantor in another jurisdiction in compliance with Section 5.02(a)(1)(A) hereof or changing the legal form of the Parent Guarantor.

Section 5.03 *Merger, Consolidation or Sale of Assets of the Subsidiary Guarantors.*

(a) Subject to Section 11.05 hereof, no Subsidiary Guarantor will, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or otherwise combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of, or take any action

pursuant to any resolution passed by such Subsidiary Guarantor's Board of Directors or shareholders with respect to a demerger or division pursuant to which such Subsidiary Guarantor will dispose of, all or substantially all of such Subsidiary Guarantor's properties and assets to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:

(1) such Subsidiary Guarantor is the surviving corporation or the Person formed by or surviving any such consolidation or merger (if other than such Subsidiary Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is a corporation incorporated, organized or existing under the laws of a member state of the Pre-Expansion European Union as of the Issue Date, the United States of America, any state thereof , the District of Columbia, the British Virgin Islands, the Cayman Islands or the jurisdiction under the laws of which such Subsidiary Guarantor was organized at the time immediately prior to such consolidation, merger or other transactions referred to in this Section 5.03(a) (such Subsidiary Guarantor or such Person, as the case may be, being herein called the " *Successor Guarantor* ");

(2) the Successor Guarantor (if other than such Subsidiary Guarantor) expressly assumes all the obligations of such Subsidiary Guarantor under its Guarantee, this Indenture, the Intercreditor Agreement and the Security Documents, pursuant to supplemental indentures and/or agreements in form satisfactory to the Trustee; and

(3) immediately after giving *pro forma* effect to such transaction, no Default or Event of Default exists and is continuing.

(b) The Successor Guarantor will succeed to, and be substituted for, and may exercise every right and power of, the relevant Subsidiary Guarantor under this Indenture, but, in the case of a lease of all or substantially all of the Subsidiary Guarantor's assets, the Subsidiary Guarantor will not be released from the obligation to pay the principal of, premium, if any, and interest, on the Notes under its Guarantee.

ARTICLE 6
DEFAULTS AND REMEDIES

Section 6.01 *Events of Default.*

Each of the following will be an " *Event of Default* ":

(a) default for 30 days in the payment when due of any interest on any Note;

(b) default in the payment of the principal of or premium, if any, on any Note at its Maturity (upon acceleration, optional or mandatory redemption, if any, required repurchase or otherwise);

(c) failure to comply with Article 5 hereof;

(d) failure to make or consummate an Asset Sale Offer in accordance with Section 4.10 hereof;

(e) failure to make or consummate a Change of Control Offer in accordance with Section 4.14 hereof;

(f) failure to comply with any covenant or agreement of the Parent Guarantor or any Restricted Subsidiary that is contained in this Indenture or any Guarantee (other than specified in clause (a), (b), (c), (d), (e) or (l) of this Section 6.01) and such failure continues for a period of 30

days after written notice by the Trustee or the Holders of 25% or more in aggregate principal amount of the Notes then outstanding;

(g) default under the terms of any instrument evidencing or securing the Debt of the Parent Guarantor or any Restricted Subsidiary having an outstanding principal amount in excess of US$25,000,000 (or the Dollar Equivalent thereof) individually or in the aggregate, if that default:

(1) results in the acceleration of the payment of such Debt; or

(2) is caused by the failure to pay principal of such Debt prior to the expiration of any applicable grace periods provided in such Debt on the date of such default;

(h) (i) any Guarantee of the Parent Guarantor or a Guarantor that is a Significant Subsidiary or any group of Guarantors that, taken together, would constitute a Significant Subsidiary, is held in any judicial proceeding to be unenforceable or invalid or ceases to be in full force and effect or enforceable in accordance with its terms or (ii) any Guarantor denies or disaffirms such Guarantor's obligations in writing under its Guarantee, in each case, other than as provided for in this Indenture, any Guarantee or the Intercreditor Agreement;

(i) any security interest under the Security Documents shall, at any time, cease to be in full force and effect with respect to Collateral having Fair Market Value in excess of $25,000,000 (or the Dollar Equivalent thereof), or any such security interest will be declared invalid or unenforceable by a court of competent jurisdiction or the relevant grantor of the security granted pursuant to a Security Document asserts, in any pleading in any court of competent jurisdiction, that any such security interest is invalid or unenforceable for any reason other than the satisfaction in full of all obligations under this Indenture and discharge of this Indenture, or the Trustee ceases to have a first priority security interest (subject to the Perfection Requirements) in the Collateral (subject to any Permitted Collateral Liens), other than, in each case, pursuant to limitations on enforceability, validity or effectiveness imposed by applicable law or the terms of such Security Document or except in accordance with the terms of such Security Document, the Intercreditor Agreement or this Indenture, including the release provisions thereof;

(j) one or more final judgments, orders or decrees (not subject to appeal and not covered by insurance) shall be rendered against the Issuer, a Guarantor or any Significant Subsidiary either individually or in an aggregate amount, in each case in excess of US$25,000,000 (or the Dollar Equivalent thereof), and either a creditor shall have commenced an enforcement proceeding upon such judgment, order or decree or there shall have been a period of 60 consecutive days or more during which a stay of enforcement of such judgment, order or decree was not (by reason of pending appeal or otherwise) in effect;

(k) the Issuer, any Guarantor or any Significant Subsidiary pursuant to or within the meaning of Bankruptcy Law:

(1) commences a voluntary case;

(2) consents to the entry of an order for relief against it in an involuntary case;

(3) consents to the appointment of a custodian or administrator of it or for all or substantially all of its property;

(4) makes a general assignment for the benefit of its creditors; or

(5) admits in writing its inability to pay its debts generally as they become due; or

(l) a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that:

(1) is for relief against the Issuer, Guarantor or any Significant Subsidiary in an involuntary case;

(2) appoints a custodian or administrator of the Issuer, any Guarantor or any Significant Subsidiary or for all or substantially all of the property of the Issuer, any Guarantor or any Significant Subsidiary; or

(3) orders the liquidation of the Issuer, any Guarantor or any Significant Subsidiary, and the order or decree remains unstayed and in effect for 60 consecutive days; and

(m) failure by the Parent Guarantor or any Restricted Subsidiary to comply with its obligations under this Indenture to grant the Post-Closing Collateral pursuant to Section 4.26 hereof and such failure continues for 30 days.

If a Default or an Event of Default occurs and is continuing and is known to the Trustee, the Trustee will mail to each Holder of the Notes notice of the Default or Event of Default within 15 Business Days after written notice is provided to the Trustee in accordance with Section 13.01 hereof.

Section 6.02 *Acceleration.*

(a) If an Event of Default (other than as specified in (k) or (l) of Section 6.01 hereof) occurs and is continuing, the Trustee or the Holders of not less than 25% in aggregate principal amount of the Notes then outstanding by written notice to the Issuer (and to the Trustee if such notice is given by the Holders) may, and the Trustee, upon the written request of such Holders, will, subject to being indemnified and/or secured to its satisfaction, declare the principal of, premium, if any, and accrued interest on all of the outstanding Notes immediately due and payable, and upon any such declaration all such amounts payable in respect of the Notes will become immediately due and payable.

(b) If an Event of Default specified in clause (k) or (l) of Section 6.01 hereof occurs and is continuing, then the principal of, premium, if any, and accrued and unpaid interest on all of the outstanding Notes will become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.

(c) At any time after a declaration of acceleration under this Indenture, but before a judgment or decree for payment of the money due has been obtained by the Trustee, the Holders of a majority in aggregate principal amount of the outstanding Notes, by written notice to the Issuer and the Trustee, may rescind such declaration and its consequences if:

(1) the Issuer has paid or deposited with the Trustee a sum sufficient to pay:

(A) all overdue interest on all of the Notes then outstanding;

(B) all unpaid principal of and premium, if any, on any outstanding Notes that has become due otherwise than by such declaration of acceleration and interest thereon at the rate borne by the Notes;

(C) to the extent that payment of such interest is lawful, interest upon overdue interest and overdue principal at the rate borne by the Notes; and

(D) all sums paid or advanced by the Trustee under this Indenture and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel;

(2) the rescission would not conflict with any judgment or decree of a court of competent jurisdiction; and

(3) all Events of Default, other than the non-payment of amounts of principal of, premium, if any, and interest accrued on the Notes that has become due solely by such declaration of acceleration, have been cured or waived.

No such rescission will affect any subsequent default or impair any right consequent thereon.

(d) In the event of a declaration of acceleration of the Notes because of an Event of Default described in Section 6.01(g) hereof has occurred and is continuing, the declaration of acceleration of the Notes will be automatically annulled if the event of default or payment default triggering such Event of Default pursuant to Section 6.01(g) hereof is remedied or cured by the Parent Guarantor or a Restricted Subsidiary of the Parent Guarantor or waived by the Holder of the relevant Debt within 20 days after the declaration of acceleration with respect thereto, *provided* that:

(1) the annulment of the acceleration of the Notes would not conflict with any judgment or decree of a court of competent jurisdiction, and

(2) all existing Events of Default, except in the payment of principal of, premium, if any, or interest on any Notes that became due solely because of the acceleration of the Notes, have been cured or waived.

Section 6.03 *Other Remedies.*

If an Event of Default occurs and is continuing, the Trustee may pursue any available remedy to collect the payment of principal of (and premium, if any) or interest on the Notes or to enforce the performance of any provision of the Notes or this Indenture.

The Trustee may maintain a proceeding even if it does not possess any of the Notes or does not produce any of them in the proceeding. A delay or omission by the Trustee or any Holder in exercising any right or remedy accruing upon an Event of Default will not impair the right or remedy or constitute a waiver of or acquiescence in the Event of Default. All remedies are cumulative to the extent permitted by law.

Section 6.04 *Waiver of Past Defaults.*

The Holders of not less than a majority in aggregate principal amount of the outstanding Notes by written notice to the Trustee may, on behalf of the Holders of all of the Notes, waive any past Default, except a Default in the payment of the principal of, premium, if any, and interest on any Note held by a non-consenting Holder (which may only be waived with the consent of each Holder affected). Upon any such waiver, such Default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other Default or impair any right consequent thereon.

Section 6.05 *Control by Majority.*

Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on the Trustee. The Trustee may withhold from

holders of the Notes notice of any continuing Default or Event of Default if it determines that withholding notice is in their interest, except a Default or Event of Default relating to the payment of principal of (and premium, if any) or interest on the Notes.

Section 6.06 *Limitation on Suits.*

A Holder may not institute any proceedings with respect to this Indenture or any remedy thereunder unless:

(a) the Holders of at least 25% in aggregate principal amount of the outstanding Notes have made a written request and offered an indemnity and/or security satisfactory to the Trustee to institute such proceeding as Trustee under the Notes and this Indenture,

(b) the Trustee has failed to institute such proceeding within 30 days after receipt of such notice, and

(c) the Trustee within such 30-day period has not received directions inconsistent with such written request by Holders of a majority in aggregate principal amount of the outstanding Notes. Such limitations do not, however, apply to a suit instituted by a Holder of a Note for the enforcement of the payment of the principal of, premium, if any, and Additional Amounts or interest on such Note on or after the respective due dates expressed in such Note.

A Holder may not use this Indenture to prejudice the rights of another Holder or to obtain a preference or priority over another Holder.

Section 6.07 *Rights of Holders to Receive Payment.*

Notwithstanding any other provision of this Indenture, the right of any Holder to receive payment of principal of (and premium, if any) or interest on the Note, on or after the respective due dates expressed in the Note (including in connection with an offer to purchase), or to bring suit for the enforcement of any such payment on or after such respective dates, will not be impaired or affected without the consent of at least 90% of the then outstanding principal amount of the Notes; *provided* that a Holder will not have the right to institute any such suit for the enforcement of payment if and to the extent that the institution or prosecution thereof or the entry of judgment therein would, under applicable law, result in the surrender, impairment, waiver or loss of the Lien of this Indenture upon any property subject to such Lien.

Section 6.08 *Collection Suit by Trustee.*

If an Event of Default specified in Section 6.01(a) or Section 6.01(b) hereof occurs and is continuing, the Trustee is authorized to recover judgment in its own name and as trustee of an express trust against the Issuer for the whole amount of principal of, premium on, if any, and interest, if any, remaining unpaid on, the Notes and interest on overdue principal and, to the extent lawful, Additional Amounts, interest and such further amount as will be sufficient to cover the costs and expenses of collection, including the compensation, expenses, disbursements and advances of the Trustee, its agents and counsel.

Section 6.09 *Trustee May File Proofs of Claim.*

The Trustee is authorized to file such proofs of claim and other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and the Holders allowed in any judicial proceedings relative to the Issuer, a Guarantor or any other obligor upon the Notes, their creditors or property and will be entitled and empowered to collect, receive and distribute any money or other property payable or deliverable on any such claims

and any custodian in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee, and in the event that the Trustee will consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.06 hereof. To the extent that the payment of any such compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under Section 7.06 hereof out of the estate in any such proceeding, will be denied for any reason, payment of the same will be secured by a Lien on, and will be paid out of, any and all distributions, dividends, money, securities and other properties that the Holders may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise. Nothing herein contained will be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Notes or the rights of any Holder, or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 6.10 *Priorities.*

Subject to the terms of the Intercreditor Agreement, if the Trustee or the Security Agent collects any money pursuant to this Article 6 or from the enforcement of any Security Document, it will pay out (or in the case of a Collateral Agent, it will pay to the Trustee to pay out) the money in the following order:

First : to the Trustee, the Agents and their respective agents and attorneys for amounts due under Section 7.06 hereof, including payment of all compensation, expenses and liabilities Incurred, and all advances made, by the Trustee and the Agents and the costs and expenses of collection;

Second : to Holders for amounts due and unpaid on the Notes for principal, premium, if any, and interest, if any, ratably, without preference or priority of any kind, according to the amounts due and payable on the Notes for principal, premium, if any, and interest, if any, respectively; and

Third : to the Issuer, any Guarantor or to such party as a court of competent jurisdiction will direct.

The Trustee may fix a record date and payment date for any payment to Holders pursuant to this Section 6.10.

Section 6.11 *Undertaking for Costs.*

In any suit for the enforcement of any right or remedy under this Indenture or in any suit against the Trustee for any action taken or omitted by it as a Trustee, a court in its discretion may require the filing by any party litigant in the suit of an undertaking to pay the costs of the suit, and the court in its discretion may assess reasonable costs, including reasonable attorneys' fees, against any party litigant in the suit, having due regard to the merits and good faith of the claims or defenses made by the party litigant. This Section 6.11 does not apply to a suit by the Trustee, a suit by a Holder pursuant to Section 6.07 hereof, or a suit by Holders of more than 10% in aggregate principal amount of the then outstanding Notes.

Section 6.12 *Restoration of Rights and Remedies.*

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined in a final judgment adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Issuer, any Guarantor, the Trustee and the Holders will be restored severally and respectively to their former positions hereunder and thereafter

all rights and remedies of the Trustee and the Holders will continue as though no such proceeding had been instituted.

Section 6.13 *Rights and Remedies Cumulative.*

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Notes in Section 2.07 hereof, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy will, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion of any right or remedy hereunder, or otherwise, will not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 6.14 *Delay or Omission Not Waiver.*

No delay or omission of the Trustee or any Holder to exercise any right or remedy accruing upon any Event of Default will impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article 6 or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

ARTICLE 7
TRUSTEE

Section 7.01 *Duties of Trustee.*

(a) If an Event of Default has occurred and is continuing, the Trustee will exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

(b) Except during the continuance of an Event of Default:

(1) the duties of the Trustee and the Agents will be determined solely by the express provisions of this Indenture and the Trustee and the Agents need perform only those duties that are specifically set forth in this Indenture and no others, and no implied covenants or obligations will be read into this Indenture against the Trustee or the Agents; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely without liability, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture. However, the Trustee will examine the certificates and opinions to determine whether or not they conform to the requirements of this Indenture.

(c) The Trustee may not be relieved from liabilities for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(1) this Section 7.01(c) does not limit the effect of Section 7.01(b) hereof;

(2) the Trustee will not be liable for any error of judgment made in good faith by a Responsible Officer, unless it is proved that the Trustee was negligent in ascertaining the pertinent facts; and

(3) the Trustee will not be liable with respect to any action it takes or omits to take in good faith in accordance with a direction received by it pursuant to Section 6.05 hereof.

(d) Whether or not therein expressly so provided, every provision of this Indenture that in any way relates to the Trustee is subject to paragraphs (a), (b) and (c) of this Section 7.01.

(e) No provision of this Indenture will require the Trustee to expend or risk its own funds or incur any liability.

(f) Neither the Trustee nor the Agents will be liable for interest on any money received by it except as the Trustee and/or the Agents may agree in writing with the Issuer. Money held in trust by the Trustee need not be segregated from other funds except to the extent required by law.

(g) The Trustee will have no obligation or duty to monitor, determine or inquire as to compliance with any of the provisions in this Indenture or the financial performance of the Issuer and the Guarantors, and shall be entitled to assume that the Issuer and the Guarantors are in compliance with all the provisions of this Indenture unless notified to the contrary in writing.

(h) Unless the Trustee receives prior written notice from the Issuer, the Trustee shall be entitled to assume, without any further inquiry, that the Issuer has duly performed all of its obligations in accordance with this Indenture, including each of the exhibits attached hereto.

Section 7.02 *Rights of Trustee.*

(a) The Trustee may conclusively rely upon, without liability, any document believed by it to be genuine and to have been signed or presented by the proper Person. The Trustee need not investigate any fact or matter stated in the document.

(b) Before the Trustee acts or refrains from acting, it may require an Officers' Certificate and/or an Opinion of Counsel or both. The Trustee will not be liable for any action it takes or omits to take in good faith in reliance on such Officers' Certificate and/or Opinion of Counsel. The Trustee and the Agents may consult with counsel and the written advice of such counsel or any Opinion of Counsel will be full and complete authorization and protection from liability in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon.

(c) The Trustee may act through its attorneys, delegates and agents and will not be responsible for supervising any attorney, delegate or agent or for the misconduct or negligence or acts or omissions of any attorney, delegate or agent appointed with due care.

(d) The Trustee will not be liable for any action it takes or omits to take in good faith that it reasonably believes to be authorized or within the rights or powers conferred upon it by this Indenture.

(e) Unless otherwise specifically provided in this Indenture, any demand, request, direction or notice from the Issuer will be sufficient if signed by an Officer of the Issuer.

(f) The Trustee will be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee reasonable indemnity or security satisfactory to it against the losses, liabilities and expenses that might be incurred by it in compliance with such request or direction.

(g) In no event shall the Trustee, Paying Agent, Transfer Agent or Registrar be responsible or liable for special, indirect, or consequential loss or damage of any kind (including, but

not limited to, loss of profit), regardless of whether the Trustee, Paying Agent, Transfer Agent or Registrar has been advised of the likelihood of such loss or damage or the form of action.

(h) Each of the Issuer and the Guarantors hereby irrevocably waives, in favor of the Trustee and the Agents, any conflict of interest that may arise by virtue of the Trustee and/or the Agents acting in various capacities under the Notes, the Guarantees, the Intercreditor Agreement, the Security Documents or this Indenture or for other customers of the Trustee and the Agents. Each of the Issuer and the Guarantors acknowledge that the Trustee and the Agents and their respective affiliates (together, the " **Agent Parties** ") may have interests in, or may be providing or may in the future provide financial or other services to other parties with interests which the Issuer and the Guarantors may regard as conflicting with its interests and may possess information (whether or not material to the Issuer and the Guarantors) other than as a result of the Trustee and/or the Agents acting as the Trustee and/or the Agents hereunder, that the Trustee and/or the Agents may not be entitled to share with the Issuer and/or the Guarantors. The Trustee and the Agents will not disclose confidential information obtained from the Issuer and the Guarantors (without its consent) to any of the Trustee and/or the Agent's other customers or affiliates nor will it use on the Issuer and the Guarantors' behalf any confidential information obtained from any other customer. Without prejudice to the foregoing, each of the Issuer and the Guarantors agree that the Agent Parties may deal (whether for its own or its customers' account) in, or advise on, securities of any party and that such dealing or giving of advice, will not constitute a conflict of interest for the purposes of the Notes, the Guarantees, the Intercreditor Agreement, the Security Documents or this Indenture.

(i) The Trustee shall treat information provided hereunder as confidential, but (unless consent is prohibited by law) each of the Issuer and the Guarantors hereby consent to the transfer and disclosure by the Trustee of any information relating to it provided hereunder to and between branches, subsidiaries, representative offices, affiliates and agents of the Trustee in connection with the discharge of the Trustee's trusts, powers, authorities, duties and obligations under this Indenture, wherever situated, for confidential use (including to service providers selected by the Trustee with due care for data processing, statistical and risk analysis purposes only). The Trustee and any such branch, subsidiary, representative office, affiliate, or agent may transfer and disclose any such information as required by any applicable law, regulatory authority or legal process.

(j) Notwithstanding anything else herein contained, the Trustee and the Agents may refrain without liability from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including but not limited to the laws of Hong Kong, Germany, the United States of America or any jurisdiction forming a part of it and England & Wales) or any directive or regulation of any agency of any such state or jurisdiction and may without liability do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.

(k) The Trustee may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction.

(l) Notwithstanding anything to the contrary in this Indenture or in any other transaction document, the Trustee and the Agents shall not in any event be liable for any loss or damage, or any failure or delay in the performance of its obligations hereunder if it is prevented from so performing its obligations by any reason which is beyond the control of the Trustee and/or the Agents, including, but not limited to, any existing or future law or regulation, any existing or future act of governmental authority, act of God, flood, war whether declared or undeclared, epidemic, terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown, computer failure or failure of any money transmission system or any event where performance of any duty or obligation under or pursuant to this Indenture would or may be illegal or would result in the Trustee and/or the Agents being in breach of any law, rule, regulation, or any decree, order or judgment of any court, or practice, request, direction, notice, announcement or similar action (whether or not having

the force of law) of any relevant government, government agency, regulatory authority, stock exchange or self-regulatory organization to which the Trustee or the Agents is subject.

(m) If an Event of Default shall have occurred, or if the Trustee finds it expedient or necessary, or is requested by the Issuer to undertake duties which are of an exceptional nature or otherwise outside the scope of the Trustee's normal duties under this Indenture, the Issuer will pay such additional remuneration as it and the Trustee may agree.

Section 7.03 *Individual Rights of Trustee.*

The Trustee in its individual or any other capacity may become the owner or pledgee of Notes and may otherwise deal with the Issuer or any Affiliate of the Issuer with the same rights it would have if it were not Trustee. However, in the event that the Trustee acquires any conflicting interest it must eliminate such conflict within 90 days or resign. Any Agent may do the same with like rights and duties. The Trustee is also subject to Sections 7.09 and 7.10 hereof.

Section 7.04 *Trustee's Disclaimer.*

The Trustee will not be responsible for and makes no representation as to the validity or adequacy of this Indenture, the Notes, any Guarantee, the Intercreditor Agreement (or any Additional Intercreditor Agreement entered into in accordance with the terms of the Intercreditor Agreement or this Indenture) or the Security Documents, it will not be accountable for the Issuer's use of the proceeds from the Notes or any money paid to the Issuer or upon the Issuer's direction under any provision of this Indenture, it will not be responsible for the use or application of any money received by any Paying Agent other than the Trustee, and it will not be responsible for any statement or recital herein or any statement in the Notes or any other document in connection with the sale of the Notes or pursuant to this Indenture other than its certificate of authentication.

Section 7.05 *Notice of Defaults.*

If a Default or Event of Default occurs and is continuing and is known to the Trustee, the Trustee will mail to Holders a notice of the Default or Event of Default within 15 Business Days after it occurs. Except in the case of a Default or Event of Default in the payment of principal of, premium on, if any, interest or Additional Amounts, if any, on any Notes, the Trustee may withhold notice if and as long as a committee of its Responsible Officers in good faith determines that withholding notice is in the best interests of Holders.

Section 7.06 *Compensation and Indemnity.*

(a) The Issuer and each Guarantor, jointly and severally, will pay to the Trustee and the Agents from time to time reasonable compensation for its acceptance of this Indenture and services hereunder as agreed in writing. The Trustee's and the Agent's compensation will not be limited by any law on compensation of a trustee of an express trust. The Issuer and each Guarantor, jointly and severally, will reimburse the Trustee and the Agents promptly upon request for all reasonable disbursements, advances and expenses incurred or made by it in addition to the compensation for its services. Such expenses will include the reasonable compensation, disbursements and expenses of the Trustee's and the Agent's agents and counsel.

(b) The Issuer and the Guarantors will jointly and severally indemnify the Trustee and the Agents against any and all losses, liabilities or expenses incurred by them arising out of or in connection with the acceptance or administration of its duties under this Indenture, including the costs and expenses of enforcing this Indenture against the Issuer and the Guarantors (including this Section 7.06) and defending themselves against any claim (whether asserted by the Issuer, the Guarantors, any Holder or any other Person) or liability in connection with the exercise or performance of any of their powers or duties hereunder, except to the extent any such loss, liability or expense may be attributable

to their gross negligence, willful misconduct or bad faith. The Trustee and the Agents will notify the Issuer promptly of any claim for which they may seek indemnity. Failure by the Trustee or the Agents to so notify the Issuer will not relieve the Issuer or any of the Guarantors of their obligations hereunder. The Issuer or such Guarantor will defend the claim and the Trustee or the Agents will cooperate in the defense. The Trustee or the Agents may have separate counsel and the Issuer will pay the reasonable fees and expenses of such counsel. Neither the Issuer nor any Guarantor need pay for any settlement made without its consent, which consent will not be unreasonably withheld.

(c) The obligations of the Issuer and the Guarantors under this Section 7.06 will survive the satisfaction and discharge of this Indenture.

(d) To secure the Issuer's and the Guarantors' payment obligations in this Section 7.06, the Trustee and the Agent will have a Lien prior to the Notes on all money or property held or collected by the Trustee and the Agent, except that held in trust to pay principal of, premium on, if any, or interest, if any, on, particular Notes. Such Lien will survive the satisfaction and discharge of this Indenture.

(e) When the Trustee incurs expenses or renders services after an Event of Default specified in Section 6.01(k) or (l) hereof occurs, the expenses and the compensation for the services (including the fees and expenses of its agents and counsel) are intended to constitute expenses of administration under any Bankruptcy Law.

Section 7.07 *Replacement of Trustee.*

(a) A resignation or removal of the Trustee and appointment of a successor Trustee will become effective only upon the successor Trustee's acceptance of appointment as provided in this Section 7.07.

(b) The Trustee may resign in writing at any time and be discharged from the trust hereby created by so notifying the Issuer. The Holders of a majority in aggregate principal amount of the then outstanding Notes may remove the Trustee by so notifying the Trustee and the Issuer in writing. The Issuer may remove the Trustee if:

(1) the Trustee fails to comply with Section 7.09 hereof;

(2) the Trustee is adjudged a bankrupt or an insolvent or an order for relief is entered with respect to the Trustee under any Bankruptcy Law;

(3) a custodian or public officer takes charge of the Trustee or its property; or

(4) the Trustee becomes incapable of acting.

(c) If the Trustee resigns or is removed or if a vacancy exists in the office of Trustee for any reason, the Issuer will promptly appoint a successor Trustee. Within one year after the successor Trustee takes office, the Holders of a majority in aggregate principal amount of the then outstanding Notes may appoint a successor Trustee to replace the successor Trustee appointed by the Issuer.

(d) If a successor Trustee does not take office within 60 days after the retiring Trustee resigns or is removed, the retiring Trustee may (at the expense of the Issuer) appoint a successor Trustee, or the retiring Trustee (at the expense of the Issuer), the Issuer, or the Holders of at least 10% in aggregate principal amount of the then outstanding Notes may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(e) If the Trustee, after written request by any Holder who has been a Holder for at least six months, fails to comply with Section 7.09 hereof, such Holder may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(f) A successor Trustee will deliver a written acceptance of its appointment to the retiring Trustee and to the Issuer. Thereupon, the resignation or removal of the retiring Trustee will become effective, and the successor Trustee will have all the rights, powers and duties of the Trustee under this Indenture. The successor Trustee will mail a notice of its succession to Holders. The retiring Trustee will promptly transfer all property held by it as Trustee to the successor Trustee; *provided* all sums owing to the Trustee hereunder have been paid and subject to the Lien provided for in Section 7.06 hereof. Notwithstanding replacement of the Trustee pursuant to this Section 7.07, the Issuer's obligations under Section 7.06 hereof will continue for the benefit of the retiring Trustee.

Section 7.08 *Successor Trustee by Merger, etc.*

If the Trustee consolidates, merges or converts into, or transfers all or substantially all of its corporate trust business to, another corporation, the successor corporation without any further act will be the successor Trustee.

Section 7.09 *Eligibility; Disqualification.*

There will at all times be a Trustee hereunder that is a corporation organized and doing business under the laws of the United States of America or of any state thereof that is authorized under such laws to exercise corporate trustee power, that is subject to supervision or examination by federal or state authorities and that has a combined capital and surplus of at least US$100,000,000 as set forth in its most recent published annual report of condition.

Section 7.10 *Agents.*

(a) Any Agent may resign and be discharged from its duties under this Indenture at any time by giving thirty (30) days' prior written notice of such resignation to the Trustee and Issuer. The Trustee or Issuer may remove any Agent at any time by giving thirty (30) days' prior written notice to any Agent. Upon such notice, a successor Agent will be appointed by the Issuer, who will provide written notice of such to the Trustee. Such successor Agent will become the Agent hereunder upon the resignation or removal date specified in such notice. If the Issuer is unable to replace the resigning Agent within thirty (30) days after such notice, the Agent may, in its sole discretion, deliver any funds then held hereunder in its possession to the Trustee or may (at the expense of the Issuer) appoint a successor Agent or may (at the expense of the Issuer) apply to a court of competent jurisdiction for the appointment of a successor Agent or for other appropriate relief. The reasonable costs and expenses (including its counsels' reasonable fees and expenses) incurred by the Agent in connection with such proceeding will be paid by the Issuer. Upon receipt of the identity of the successor Agent, the Agent will deliver any funds then held hereunder to the successor Agent, less the Agent's fees, costs and expenses or other obligations owed to the Agent. Upon its resignation and delivery any funds, the Agent will be discharged of and from any and all further obligations arising in connection with this Indenture, but will continue to enjoy the benefit of Section 7.06 hereof.

(b) In acting under the Indenture and in connection with the Notes, the Paying Agent shall, based on the advice of a legal counsel or a tax advisor reasonably acceptable to the Issuer, be entitled to make a deduction or withholding from any payment which it makes under the Indenture for or on account of any present or future taxes, duties, or similar charges if and to the extent so required by applicable law, in which event the Paying Agent shall make such payment after such withholding or deduction has been made (and Additional Amounts will be paid for any such withholding or deductions if and to the extent required under Section 4.22 of the Indenture) and shall account to the relevant authorities for the amount so withheld or deducted. Notwithstanding the foregoing, the Paying Agent shall provide prior notice to the Issuer before withholding or making any deduction in

accordance with this sub-section (together with a copy of the opinion from the aforesaid legal counsel or tax advisor stating that such withholding or deduction is required by applicable law) and shall not make any such withholding or deduction unless the Issuer, after receiving such notice from the Paying Agent, fails to transfer the necessary Additional Amounts to it in accordance with Section 4.22 of the Indenture on or prior to the scheduled payment date.

(c) The parties hereto agree that if any payments of interest or principal under the Notes become subject to U.S. withholding tax pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended or other similar applicable legislation, the parties hereto shall use commercially reasonable efforts to cooperate in good faith and to provide and share such relevant and applicable information including any relevant changes to their tax status to the extent practicable and, if necessary, make such amendments or modifications to this agreement as are necessary to permit the parties to fulfill their withholding and reporting obligations thereunder, provided that the Paying Agent and the Transfer Agent shall not be obliged to identify whether such withholding is applicable or assist any other party in fulfilling its withholding and reporting obligations thereunder.

(d) In acting under the Indenture and in connection with the Notes, the Agents are acting solely as agents of the Issuer and do not assume any fiduciary duty or other obligation towards, or have any relationship of agency or trust, for or with any person other than the Issuer.

(e) Any funds held by the Agents are not held by the Agents as banker and are therefore not subject to the relevant United Kingdom Financial Conduct Authority Client Money Rules.

(f) The Agents shall be fully protected and shall incur no liability for or in respect of any action taken or omitted to be taken or thing suffered by them in reliance upon any advice or representation (whether made orally or in writing), Note, notice, direction, consent, certificate, affidavit, statement or other paper or document believed by it to be genuine and to have been presented or signed by the proper party or parties.

(g) The Agents shall be entitled to refrain, without liability, from taking any action if they receive conflicting, unclear or equivocal instructions or in order to comply with any applicable law.

ARTICLE 8
LEGAL DEFEASANCE AND COVENANT DEFEASANCE

Section 8.01 *Option to Effect Legal Defeasance or Covenant Defeasance.*

The Issuer may at any time, at the option of its Board of Directors evidenced by a resolution set forth in an Officers' Certificate, elect to have either Section 8.02 or 8.03 hereof be applied to all outstanding Notes (including the Guarantees) upon compliance with the conditions set forth below in this Article 8.

Section 8.02 *Legal Defeasance and Discharge.*

Upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.02, the Issuer and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be deemed to have been discharged from their obligations with respect to all outstanding Notes (including the Guarantees) on the date the conditions set forth below are satisfied (hereinafter, " *Legal Defeasance* "). For this purpose, Legal Defeasance means that the Issuer and the Guarantors will be deemed to have paid and discharged the entire Debt represented by the outstanding Notes (including the Guarantees), which will thereafter be deemed to be "outstanding" only for the purposes of Section 8.05 hereof and the other Sections of this Indenture referred to in clauses (1) and (2) below (it being understood that such Notes will not be deemed outstanding for accounting purposes), and to have satisfied all their other obligations under such Notes, the Guarantees and this Indenture (and the Trustee, on demand of and at the expense of the

Issuer, will execute proper instruments acknowledging the same), except for the following provisions which will survive until otherwise terminated or discharged hereunder:

(1) the rights of Holders of outstanding Notes to receive payments in respect of the principal of, premium on, if any, or interest, if any, on, such Notes when such payments are due from the trust referred to in Section 8.04 hereof;

(2) the Issuer's obligations with respect to the Notes concerning issuing temporary Notes, registration of Notes, mutilated, destroyed, lost or stolen Notes and the maintenance of an office or agency for payment and money for security payments held in trust;

(3) the rights, powers, trusts, duties and immunities of the Trustee hereunder, and the Issuer's and the Guarantors' obligations in connection therewith; and

(4) this Section 8.02.

Subject to compliance with this Article 8, the Issuer may exercise its option under this Section 8.02 notwithstanding the prior exercise of its option under Section 8.03 hereof.

Section 8.03 *Covenant Defeasance.*

Upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, the Issuer and each of the Guarantors will, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, be released from each of their obligations under the covenants contained in Sections 4.07, 4.08, 4.09, 4.10, 4.11, 4.12, 4.14, 4.15, 4.16, 4.17, 4.18, 4.19, 4.21, 4.23 and 4.24 hereof and clause (3) of Section 5.02(a) hereof with respect to the outstanding Notes on and after the date the conditions set forth in Section 8.04 hereof are satisfied (hereinafter, " *Covenant Defeasance* "), and the Notes will thereafter be deemed not "outstanding" for the purposes of any direction, waiver, consent or declaration or act of Holders (and the consequences of any thereof) in connection with such covenants, but will continue to be deemed "outstanding" for all other purposes hereunder (it being understood that such Notes will not be deemed outstanding for accounting purposes). For this purpose, Covenant Defeasance means that, with respect to the outstanding Notes and Guarantees, the Issuer and the Guarantors may omit to comply with and will have no liability in respect of any term, condition or limitation set forth in any such covenant, whether directly or indirectly, by reason of any reference elsewhere herein to any such covenant or by reason of any reference in any such covenant to any other provision herein or in any other document and such omission to comply will not constitute a Default or an Event of Default under Section 6.01 hereof, but, except as specified above, the remainder of this Indenture and such Notes and Guarantees will be unaffected thereby. In addition, upon the Issuer's exercise under Section 8.01 hereof of the option applicable to this Section 8.03, subject to the satisfaction of the conditions set forth in Section 8.04 hereof, Sections 6.01(c), (d), (e), (f), (g) and (i) hereof will not constitute Events of Default.

Section 8.04 *Conditions to Legal or Covenant Defeasance.*

In order to exercise either Legal Defeasance or Covenant Defeasance under either Section 8.02 or 8.03 hereof:

(a) the Issuer must irrevocably deposit with the Trustee, in trust, for the benefit of the Holders of the Notes, cash in Swiss francs, non-callable Swiss Government Obligations, or a combination thereof, in amounts as will be sufficient, in the opinion of an internationally recognized investment bank, appraisal firm or firm of independent public accountants, to pay the principal of, premium on, if any, and interest, if any, on, the outstanding Notes on the stated date for payment thereof or on the applicable redemption date, as the case may be, and the Issuer must specify whether the Notes are being defeased to such stated date for payment or to a particular redemption date;

(b) in the case of an election under Section 8.02 hereof, the Issuer must deliver to the Trustee:

(A) an Opinion of Counsel reasonably acceptable to the Trustee confirming that:

(1) the Issuer has received from, or there has been published by, the U.S. Internal Revenue Service a ruling, or

(2) since the Issue Date, there has been a change in the applicable U.S. federal income tax law,

in either case to the effect that, and based thereon such opinion of counsel will confirm that, the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Legal Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Legal Defeasance had not occurred; and

(c) in the case of an election under Section 8.03 hereof, the Issuer must deliver to the Trustee an Opinion of Counsel reasonably acceptable to the Trustee confirming that the Holders of the outstanding Notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such Covenant Defeasance and will be subject to U.S. federal income tax on the same amounts, in the same manner and at the same times as would have been the case if such Covenant Defeasance had not occurred;

(d) no Default or Event of Default has occurred and is continuing on the date of such deposit (other than a Default or Event of Default resulting from the borrowing of funds to be applied to such deposit (and any similar concurrent deposit relating to other Debt), and the granting of Liens to secure such borrowings);

(e) such Legal Defeasance or Covenant Defeasance will not result in a breach or violation of, or constitute a default under, any material agreement or instrument (other than this Indenture and the agreements governing any other Debt being defeased, discharged or replaced) to which the Issuer or any of the Guarantors is a party or by which the Issuer or any of the Guarantors is bound;

(f) the Issuer must deliver to the Trustee an Officers' Certificate stating that the deposit was not made by the Issuer with the intent of preferring the Holders of Notes over the other creditors of the Issuer with the intent of defeating, hindering, delaying or defrauding any creditors of the Issuer or others; and

(g) the Issuer must deliver to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent relating to the Legal Defeasance or the Covenant Defeasance have been complied with.

Section 8.05 *Deposited Money and Government Securities to be Held in Trust; Other Miscellaneous Provisions.*

Subject to Section 8.06 hereof, all cash in Swiss francs and non-callable Swiss Government Securities (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee, collectively for purposes of this Section 8.05, the " *Trustee* ") pursuant to Section 8.04 hereof in respect of the outstanding Notes will be held in trust and applied by the Trustee, in accordance with the provisions of such Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as Paying Agent) as the Trustee may determine, to the Holders of such Notes of all sums due and to become due thereon in respect of principal, premium, if any, and

interest, if any, but such money need not be segregated from other funds except to the extent required by law.

The Issuer will pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the cash or the non-callable Swiss Government Securities deposited pursuant to Section 8.04 hereof or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the outstanding Notes.

Notwithstanding anything in this Article 8 to the contrary, the Trustee will deliver or pay to the Issuer from time to time upon the request of the Issuer any cash in Swiss francs or non-callable Swiss Government Securities held by it as provided in Section 8.04 hereof which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee (which may be the opinion delivered under Section 8.04(9) hereof), are in excess of the amount thereof that would then be required to be deposited to effect an equivalent Legal Defeasance or Covenant Defeasance.

Section 8.06 *Repayment to Issuer.*

Any money deposited with the Trustee (in trust) or any Paying Agent, or then held by the Issuer (in trust) for the payment of the principal of, premium on, if any, or interest, if any, on, any Note and remaining unclaimed for two years after such principal, premium, if any, or interest, if any, has become due and payable will be paid to the Issuer on its request or (if then held by the Issuer) will be discharged from such trust; and the Holder of such Note will thereafter be permitted to look only to the Issuer for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Issuer as trustee thereof, will thereupon cease.

Section 8.07 *Reinstatement.*

If the Trustee or Paying Agent is unable to apply any Swiss francs or non-callable Swiss Government Securities in accordance with Section 8.02 or 8.03 hereof, as the case may be, by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the Issuer's and the Guarantors' obligations under this Indenture and the Notes and the Guarantees will be revived and reinstated as though no deposit had occurred pursuant to Section 8.02 or 8.03 hereof until such time as the Trustee or Paying Agent is permitted to apply all such money in accordance with Section 8.02 or 8.03 hereof, as the case may be; *provided, however* , that, if the Issuer makes any payment of principal of (and premium, if any) or interest on any Note following the reinstatement of its obligations, the Issuer will be subrogated to the rights of the Holders of such Notes to receive such payment from the money held by the Trustee or Paying Agent.

ARTICLE 9
AMENDMENT, SUPPLEMENT AND WAIVER

Section 9.01 *Without Consent of Holders.*

(a) Notwithstanding Section 9.02 hereof, without the consent of any Holder of the Notes, the Issuer, the Guarantors, the Collateral Agents (as applicable) and the Trustee may modify, amend or supplement this Indenture, the Notes, the Guarantees, the Intercreditor Agreement and/or the Security Documents:

(1) to evidence the succession of another Person to the Issuer or a Guarantor and the assumption by any such successor of the covenants in this Indenture and in the Notes in accordance with Article 5 hereof;

(2) to add to the Issuer's covenants and those of any Guarantor or any other obligor in respect of the Notes for the benefit of the Holders of the Notes or to surrender

any right or power conferred upon the Issuer or any Guarantor or any other obligor in respect of the Notes, as applicable, in this Indenture, the Notes or any Guarantee;

(3) to cure any ambiguity, or to correct or supplement any provision in this Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Security Document that may be defective or inconsistent with any other provision in this Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Security Document or make any other change or provision to this Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Security Document; *provided* that, in each case, such change or provision will not materially adversely affect the interests of the Holders;

(4) to conform the text of this Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Security Document to any provision of the "Description of the Notes" section of the Offering Memorandum to the extent that such provision in the "Description of the Notes" was intended to be a verbatim recitation of a provision of this Indenture, the Notes, any Guarantee, the Intercreditor Agreement or any Security Document;

(5) to release (a) any Guarantee in accordance with (and if permitted by) the terms of this Indenture and the Intercreditor Agreement or (b) any Collateral in accordance with this Indenture, the Intercreditor Agreement and the Security Documents;

(6) to add a Guarantor or other guarantor under this Indenture;

(7) to evidence and provide the acceptance of the appointment of a successor Trustee under this Indenture;

(8) to mortgage, pledge, hypothecate or grant a security interest in favor of the Trustee for the benefit of the Holders as additional security for the payment and performance of the Issuer's and any Guarantor's obligations under this Indenture, in any property or assets, including any of which are required to be mortgaged, pledged or hypothecated or in which a security interest is required to be granted to the Trustee pursuant to this Indenture or otherwise;

(9) to provide for the issuance of Additional Notes in accordance with and if permitted by the terms of and limitations set forth in this Indenture;

(10) to provide for the addition of (by way of an Additional Intercreditor Agreement) or the amendment of, or accession to, the Intercreditor Agreement of a representative acting on behalf of such holders of Debt that is permitted to share in Collateral; and

(11) to comply with the procedures of Euroclear, Clearstream or any other applicable clearing system.

(b) In entering into any amendments, the Trustee will be entitled to request and rely on Officers' Certificates and Opinions of Counsel.

Upon the request of the Issuer accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon receipt by the Trustee of the documents described in Section 7.02 and Section 13.03 hereof, the Trustee and the Collateral Agents (as applicable) will join with the Issuer and the Guarantors in the execution of any amended or supplemental indenture authorized or permitted by the terms of this Indenture and to make any further appropriate agreements and stipulations that may be therein contained, but the Trustee and the Collateral Agents (as applicable) will not be obligated to enter into such amended or

supplemental indenture that affects its own rights, duties or immunities under this Indenture or otherwise.

Section 9.02 *With Consent of Holders.*

Except as provided below in this Section 9.02, the Issuer, the Guarantors, the Trustee and the Collateral Agents (as applicable) may amend or supplement this Indenture (including, without limitation, Section 3.10, Section 4.10 and Section 4.14 hereof), the Notes, the Guarantees, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), and, subject to Section 6.04 and Section 6.07 hereof, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium on, if any, or interest, if any, on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of this Indenture, the Notes, the Guarantees, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes); *provided* that if any amendment, waiver or other modification will only affect one series of the Notes, only the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes of such series will be required.

Upon the request of the Issuer accompanied by a resolution of its Board of Directors authorizing the execution of any such amended or supplemental indenture, and upon the filing with the Trustee of evidence satisfactory to the Trustee of the consent of the Holders as aforesaid, and upon receipt by the Trustee of the documents described in Section 7.02 hereof, the Trustee and the relevant Collateral Agent will join with the Issuer and the Guarantors in the execution of such amended or supplemental indenture unless such amended or supplemental indenture directly affects the Trustee's own rights, duties or immunities under this Indenture or otherwise, in which case the Trustee may in its absolute discretion, but will not be obligated to, enter into such amended or supplemental Indenture.

It is not necessary for the consent of the Holders under this Section 9.02 to approve the particular form of any proposed amendment, supplement or waiver, but it is sufficient if such consent approves the substance thereof.

After an amendment, supplement or waiver under this Section 9.02 becomes effective, the Issuer will mail to the Holders affected thereby a notice briefly describing the amendment, supplement or waiver. Any failure of the Issuer to mail such notice, or any defect therein, will not, however, in any way impair or affect the validity of any such amended or supplemental indenture or waiver. Subject to Section 6.04 and Section 6.07 hereof, the Holders of a majority in aggregate principal amount of the Notes then outstanding voting as a single class may waive compliance in a particular instance by the Issuer with any provision of this Indenture, the Notes, the Guarantees, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement. However, unless consented to by the Holders of at least 90% of the aggregate principal amount of then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes), an amendment, supplement or waiver under this Section 9.02 may not:

(1) change the Stated Maturity of the principal of, or any installment of or Additional Amounts or interest on, any Note (or change any Default or Event of Default under clause (a) of the definition thereof related thereto);

(2) reduce the principal amount of any Note (or Additional Amounts or premium, if any) or the rate of or change the time for payment of interest on any Note (or change any Default or Event of Default under clause (b) of the definition thereof related thereto);

(3) change the coin or currency in which the principal of any Note or any premium or any Additional Amounts or the interest thereon is payable;

(4) (i) change the date on which any Note may be redeemed pursuant to Article 3 or (ii) change any provision relating to the Special Mandatory Redemption of the Notes pursuant to Section 3.09 hereof;

(5) impair the right to institute suit for the enforcement of any payment of any Note in accordance with the provisions of such Note, this Indenture and the Intercreditor Agreement;

(6) reduce the principal amount of Notes whose Holders must consent to any amendment, supplement or waiver of provisions of this Indenture requiring the consent of 90% of Holders of the Notes;

(7) modify any of the provisions relating to supplemental indentures requiring the consent of 90% of Holders of the Notes;

(8) release any Guarantee except in compliance with the terms of this Indenture and the Intercreditor Agreement;

(9) release any Lien on the Collateral granted for the benefit of the Holders of the Notes, except in compliance with the terms of the Security Documents, Indenture and the Intercreditor Agreement; or

(10) make any change in the preceding amendment and waiver provisions.

Any amendment, supplement or waiver consented to by at least 90% of the aggregate principal amount of the then outstanding Notes will be binding against any non-consenting Holders.

Section 9.03 *Revocation and Effect of Consents.*

Until an amendment, supplement or waiver becomes effective, a consent to it by a Holder is a continuing consent by the Holder of a Note and every subsequent Holder that evidences the same debt as the consenting Holder's Note, even if notation of the consent is not made on any Note. However, any such Holder or subsequent Holder may revoke the consent as to its Note if the Trustee receives written notice of revocation before the date the amendment, supplement or waiver becomes effective. An amendment, supplement or waiver becomes effective in accordance with its terms and thereafter binds every Holder.

Section 9.04 *Notation on or Exchange of Notes.*

The Trustee may place an appropriate notation about an amendment, supplement or waiver on any Note thereafter authenticated. The Issuer in exchange for all Notes may issue and the Trustee will, upon receipt of an Authentication Order, authenticate or cause the Authenticating Agent to authenticate the new Notes that reflect the amendment, supplement or waiver.

Failure to make the appropriate notation or issue a new Note will not affect the validity and effect of such amendment, supplement or waiver.

Section 9.05 *Trustee and the Collateral Agents to Sign Amendments, etc.*

The Trustee and the Collateral Agents, as applicable, will sign any amended or supplemental indenture authorized pursuant to this Article 9 if the amendment or supplement does not adversely affect the rights, duties, liabilities or immunities of the Trustee or the Collateral Agents, as applicable. The Issuer may not sign an amended or supplemental indenture until the Board of Directors of the Issuer approves it. In executing any amended or supplemental indenture, the Trustee and the Collateral Agents will be entitled to receive and (subject to Section 7.01 hereof) will be fully protected in relying upon, an Officers' Certificate and an Opinion of Counsel stating that the execution of such amended or supplemental indenture is authorized or permitted by this Indenture. Notwithstanding the foregoing, an Opinion of Counsel shall not be required in connection with the addition of a Guarantor under this Indenture upon execution and delivery of such Guarantor and the Trustee of a supplemental indenture in substantially the form attached as **Exhibit E** hereto.

ARTICLE 10
COLLATERAL AND SECURITY

Section 10.01 *Security Documents.*

(a) The due and punctual payment of the principal of, premium on, if any, and interest, if any, on the Notes when and as the same will be due and payable, whether on an interest payment date, at maturity, by acceleration, repurchase, redemption or otherwise, and interest on the overdue principal of, premium on, if any, and interest (to the extent permitted by law), if any, on the Notes and any Guarantee, and performance of all other obligations of the Issuer and any Guarantor to the Holders, the Trustee and each Collateral Agent under this Indenture, the Notes and any Guarantee, according to the terms hereunder or thereunder, are secured as provided in the Security Documents and the Intercreditor Agreement. Each Holder, by its acceptance thereof, consents and agrees to the terms of the Security Documents and the Intercreditor Agreement and any Additional Intercreditor Agreement (including, without limitation, the provisions providing for foreclosure and release of Collateral and authorizing each Collateral Agent to enter into any Security Document on its behalf) as the same may be in effect or may be amended from time to time in accordance with its terms and authorizes and directs each Collateral Agent to enter into the Security Documents and the Intercreditor Agreement and any Additional Intercreditor Agreement and to perform its obligations and exercise its rights thereunder in accordance therewith. The Parent Guarantor will, and will cause each of the Restricted Subsidiaries to, do or cause to be done all such acts and things as may be necessary or proper, or as may be required by the provisions of the Security Documents, to assure and confirm to the Trustee that the applicable Collateral Agent holds, for the benefit of the Trustee and the Holders, duly created, enforceable and perfected Liens as contemplated hereby and by the Security Documents and the Intercreditor Agreement, so as to render the same available for the security and benefit of this Indenture and of the Notes and any Guarantee, according to the intent and purposes herein expressed. The Issuer and any Guarantor will each take, and the Parent Guarantor will cause the Restricted Subsidiaries to take (including as may be requested by the Trustee) any and all actions reasonably required to cause the Security Documents and the Intercreditor Agreement to create and maintain, as security for the Obligations of the Issuer and any Guarantor hereunder, in respect of the Collateral, valid and enforceable perfected first-priority Liens in and on all the Collateral ranking in right and priority of payment as set forth in this Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement and subject to no other Liens other than as permitted by the terms of this Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement.

(b) Each of the Issuer, the Trustee and the Holders agree that each Collateral Agent will be the joint and several creditor (together with the Holders and the Trustee) of each and every obligation of the parties hereto under the Notes and this Indenture, and that accordingly each Collateral Agent will have its own independent right to demand performance by the Issuer and the Guarantors of those obligations, except that such demand will only be made with the prior written consent of the Trustee acting at the written direction of the Holders representing a majority of the

outstanding aggregate principal amount of the Notes. However, any discharge of such obligation to each Collateral Agent, on the one hand, or to the Trustee or the Holders, as applicable, on the other hand, will, to the same extent, discharge the corresponding obligation owing to the other.

(c) Each Collateral Agent agrees that it will hold the security interests in Collateral created under the Security Documents to which it is a party as contemplated by this Indenture, and any and all proceeds thereof, for the benefit of, among others, the Trustee and the Holders, to act in preservation of the security interest in the Collateral. Each Collateral Agent will agree to any release of the security interest created by the Security Documents that is in accordance with this Indenture, the Intercreditor Agreement and any Additional Intercreditor Agreement without requiring any consent of the Holders or the Trustee. Subject to the preceding sentence, each Collateral Agent will take action or refrain from taking action in connection therewith only as directed by the Trustee.

(d) Each Holder, by accepting a Note, will be deemed (i) to have authorized each Collateral Agent, as applicable, to enter into the relevant Security Documents and (ii) to be bound thereby. Each Holder, by accepting a Note, appoints each Collateral Agent as its agent in accordance with the terms of the Security Documents and authorizes it to act on such Holder's behalf. The Trustee hereby acknowledges that each Collateral Agent is authorized to act under the Security Documents on behalf of the Trustee, with the full authority and powers of the Trustee thereunder. Each Collateral Agent is hereby authorized to exercise such rights, powers and discretions as are specifically delegated to it by the terms of the Security Documents, including the power to enter into the Security Documents, as trustee on behalf of the Holders and the Trustee, together with all rights, powers and discretions as are reasonably incidental thereto or necessary to give effect to the trusts created thereunder. Subject to the requirement that it agree to any release of the security interest created by the Security Documents that is in accordance with the Indenture and the Intercreditor Agreement without requiring any consent of the Holders or the Trustee, each Collateral Agent will be entitled to seek directions from the Trustee and will be obligated to follow those directions if given. Each Collateral Agent hereby accepts its appointment as the agent of the Holders and the Trustee under the Security Documents, and its authorization to so act on such Holders' and the Trustee's behalf.

Section 10.02 *Release of Collateral.*

(a) Collateral may be released from the Liens and security interests created by the Security Documents at any time or from time to time in accordance with the provisions of the Security Documents, the Intercreditor Agreement, any Additional Intercreditor Agreement and this Indenture. In addition, and subject to the terms and conditions of the relevant Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, upon the request of the Issuer pursuant to an Officers' Certificate and an Opinion of Counsel certifying that all conditions precedent hereunder have been met and at the sole cost and expense of the Issuer applicable Collateral Agent will authorize the release of Collateral from the security created by the Security Documents that is sold, conveyed or disposed of in compliance with the provisions of this Indenture. Upon receipt of such Officers' Certificate and Opinion of Counsel applicable Collateral Agent will execute, deliver or acknowledge any necessary or proper instruments of termination, satisfaction or release to evidence the release of any Collateral permitted to be released pursuant to this Indenture or the Security Documents and the Intercreditor Agreement and any Additional Intercreditor Agreement.

(b) Each Collateral Agent and the Trustee will take all necessary action required to effectuate any release of Collateral securing the Notes and the Guarantees in accordance with the provisions of the Indenture, the Intercreditor Agreement, any Additional Intercreditor Agreement and the relevant Security Documents. Each of the releases set forth above will be effected by applicable Collateral Agent without the consent of the Holders or any action on the part of the Trustee.

Section 10.03 *Authorization of Actions to Be Taken by the Trustee Under the Security Documents.*

Upon reasonable request of the Trustee, but without any affirmative duty on the Trustee to do so, the Issuer and the Guarantors will execute and deliver such further instruments and do such further acts as may be reasonably necessary to carry out more effectively the purposes of this Indenture.

Subject to the provisions of Section 7.01 and 7.02 hereof and the terms of the Security Documents and the Intercreditor Agreement, the Trustee may, in its sole and absolute discretion and without the consent of the Holders, direct, on behalf of the Holders, any Collateral Agent to take all actions it deems necessary or appropriate in order to:

(1) enforce any of the terms of the Security Documents or the Intercreditor Agreement; and

(2) collect and receive any and all amounts payable in respect of the Obligations of the Issuer or any Guarantor hereunder.

Subject to the provisions hereof, the Security Documents, the Intercreditor Agreement and any Additional Intercreditor Agreement, the Trustee and/or the relevant Collateral Agent will have power to institute and maintain such suits and proceedings as it may deem expedient to prevent any impairment of the Collateral by any acts that may be unlawful or in violation of the Security Documents, the Intercreditor Agreement or this Indenture, and such suits and proceedings as the Trustee may deem expedient to preserve or protect its interests and the interests of the Holders in the Collateral (including power to institute and maintain suits or proceedings to restrain the enforcement of or compliance with any legislative or other governmental enactment, rule or order that may be unconstitutional or otherwise invalid if the enforcement of, or compliance with, such enactment, rule or order would impair the security interest hereunder or be prejudicial to the interests of the Holders or of the Trustee and/or the relevant Collateral Agent).

Section 10.04 *Authorization of Receipt of Funds by the Trustee Under the Security Documents.*

The Trustee and/or each Collateral Agent is authorized to receive any funds for the benefit of the Holders distributed under the Security Documents or Intercreditor Agreement, and to make further distributions of such funds to the Holders according to the provisions of this Indenture and the Intercreditor Agreement.

Section 10.05 *Termination of Security Interest.*

Each Collateral Agent will, at the request of the Issuer or a Guarantor upon having provided the relevant Collateral Agent an Officers' Certificate (and Opinion of Counsel certifying compliance with this Section 10.05), release the relevant Collateral or other appropriate instrument evidencing such release (in the form provided by and at the expense of the Issuer under one or more of the following circumstances):

(1) upon full and final payment and performance of all obligations of the Issuer under this Indenture and the Notes;

(2) as provided in the Intercreditor Agreement or any Additional Intercreditor Agreement;

(3) upon the Legal Defeasance, Covenant Defeasance or satisfaction and discharge of this Indenture as provided in Articles 8 and 12 hereof, in each case in accordance with the terms and conditions of this Indenture;

(4) upon certain dispositions of the Collateral not prohibited by either Sections 4.10, 5.01 or 5.02 hereof (and in the latter instance, if such covenant authorizes such release);

(5) in the case of a Guarantor that is released from its Guarantee pursuant to the terms of this Indenture; or

(6) as described under Article 9 hereof.

ARTICLE 11
GUARANTEES

Section 11.01 *Guarantee.*

(a) Subject to this Article 11, each of the Guarantors hereby, jointly and severally, unconditionally guarantees to each Holder authenticated and delivered by the Trustee and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Indenture, the Notes or the obligations of the Issuer hereunder or thereunder, that:

(1) the principal of, premium on, if any, and interest, if any, on, the Notes will be promptly paid in full when due, whether at maturity, by acceleration, redemption or otherwise, and interest on the overdue principal of, premium on, if any, and interest, if any, on, the Notes, if lawful, and all other obligations of the Issuer to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(2) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for whatever reason, the Guarantors will be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of the Notes or this Indenture, the absence of any action to enforce the same, any waiver or consent by any Holder with respect to any provisions hereof or thereof, the recovery of any judgment against the Issuer, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of a guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Issuer, any right to require a proceeding first against the Issuer, protest, notice and all demands whatsoever and covenant that this Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and this Indenture.

(c) If any Holder or the Trustee is required by any court or otherwise to return to the Issuer, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Issuer or the Guarantors, any amount paid by either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, will be reinstated in full force and effect.

(d) Each Guarantor agrees that it will not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations

guaranteed hereby may be accelerated as provided in Article 6 hereof for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby and (2) in the event of any declaration of acceleration of such obligations as provided in Article 6 hereof, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantors for the purpose of this Guarantee. The Guarantors will have the right to seek contribution from any non-paying Guarantor so long as the exercise of such right does not impair the rights of the Holders under the Guarantee.

Section 11.02 *Limitation on Guarantor Liability.*

(a) Each Guarantor, and by its acceptance of Notes, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance, for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar national, federal, local or state law or voidable preference, financial assistance or improper corporate benefit, or violate the corporate purpose of the relevant Guarantor or any applicable capital maintenance or similar laws or regulations affecting the rights of creditors generally under any applicable law or regulation to the extent applicable to any Guarantee. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Article 11, result in the obligations of such Guarantor under its Guarantee not constituting either a fraudulent transfer or conveyance or voidable preference, financial assistance or improper corporate benefit, or violating the corporate purpose of the relevant Guarantor or any applicable capital maintenance or similar laws or regulations affecting the rights of creditors generally under any applicable law or regulation.

(b) *Limitation for Certain U.S. Guarantors.*

Notwithstanding anything to the contrary, no current or future Subsidiary of the Parent Guarantor that is or becomes, and in each case remains, a Controlled Foreign Corporation (as defined in the United States Internal Revenue Code of 1986, as amended) (or any subsidiary owned by any such Controlled Foreign Corporation) or a Subsidiary that has no material assets other than equity or debt interest in such Controlled Foreign Corporation shall be required to give a guarantee or pledge any of its assets (including shares in a Subsidiary) as security for an obligation (as guarantor or otherwise) of a "United States person" (as defined in the United States Internal Revenue Code of 1986, as amended). Furthermore, not more than 65% of the total combined voting power of all classes of shares entitled to vote of any such Subsidiary may be pledged directly or indirectly as security for an obligation (as guarantor or otherwise) of a "United States person."

(c) *Limitations for Hungarian Guarantors.*

(1) The obligations and liabilities of any Guarantor formed under the laws of Hungary under this Article 11 shall at all times be limited to the maximum aggregate amount that does not result in any conflict with Hungarian laws applicable to foundations and such Guarantor's deed of foundation.

The obligations and liabilities of any such Guarantor under this Article 11 may not:

(A) threaten the performance of such Guarantor's activities that serve the purposes stated in its deed of foundation or threaten the maintenance of its operation;

(B) exceed in amount the value of such Guarantor's assets;

(C) threaten such Guarantor's charitable activities or the status of such Guarantor as a charitable foundation.

(2) Notwithstanding any term of this Article 11 or any other term in this Indenture, any guarantee or indemnity given by or other obligation assumed by such Guarantor is meant as and is to be interpreted as an abstract guarantee agreement and not as surety as regulated in Articles 6:416-6:426 of the Hungarian Civil Code (*kezesség*) and the Hungarian Guarantor undertakes to comply with the provisions of this clause.

(d) *Limitations for Polish Guarantors* .

(1) Any Guarantee granted or assumed by a Guarantor incorporated in Poland (a " *Polish Guarantor* ") shall be limited in accordance with the following rules:

(A) To the extent the liability under this Indenture and/or the Notes is considered a liability (*zobowiązanie*) within the meaning of Article 11 section 2 of the Polish Bankruptcy and Rehabilitation Law of 28 February 2003 (Polish Journal of Laws No. 60, item 535, as amended) (as may be amended from time to time) (" *Polish Bankruptcy Law* "), the liability of each Polish Guarantor under this Indenture and/or the Notes shall be limited to the aggregate value of the assets of such Polish Guarantor current at the time less the aggregate value of its liabilities current at the time (other than the Polish Guarantor's liability hereunder), and thus such liability should not result in the Polish Guarantor's insolvency as defined in Article 11 section 2 of the Polish Bankruptcy Law;

(B) In addition to the provisions of paragraph (A) above, each Polish Guarantor that is a limited liability company (*Sp. z o.o.*) has the right to refrain from making a payment under this Indenture and/or the Notes in the event and to the extent that such payment would result in a reduction of its assets necessary to fully cover its registered share capital under Article 189 section 2 of the Polish Commercial Companies Code of 15 September 2000 (*Kodeks spółek handlowych* , Polish Journal of Laws No. 94, item 1037, as amended).

(2) The limitation in Section 11.02(d)(1)(A) hereof will not apply if one or more of the following circumstances occurs:

(A) any Event of Default is continuing, irrespective of whether such Event of Default occurs before or after the relevant Polish Guarantor becomes insolvent within the meaning of Article 11 section 2 of the Polish Bankruptcy Law;

(B) the liabilities of the relevant Polish Guarantor (other than those under the Security Documents) result in its insolvency within the meaning of Article 11 section 2 of the Polish Bankruptcy Law; or

(C) Polish law is amended in such a manner that over-indebtedness (*stan nadmiernego zadłużenia*) as provided for in Article 11 section 2 of the Polish Bankruptcy Law (as in force on the Closing Date) no longer gives grounds for bankruptcy or obliges the representatives of the Polish Guarantor to file for bankruptcy.

(3) For the avoidance of doubt, any Guarantee, indemnity and other obligations of any guarantee granted or assumed by the Polish Guarantor under this Indenture and/or the Notes shall be treated as future obligations under condition precedent which is failure to pay when due of any amount guaranteed under this Indenture and/or the Notes.

(e) *Limitations for Spanish Guarantors:*

Notwithstanding any other provision of this Article 11, the guarantee, indemnity and other obligations of any Guarantor that is incorporated and organized under the laws of Spain (a " *Spanish Guarantor* ") to be assumed in this Indenture (including, without limitation, the Guarantee) shall be limited as follows:

(i) The obligations and liabilities of any Spanish Guarantor under this Indenture or the Notes and in particular under this Section shall not include any obligation or liability which if incurred would constitute financial assistance within the meaning of articles 143 or 150 of the Spanish Royal Decree-Law 1/2010 approving the restated text of the Spanish Companies Act (*Ley de Sociedades de Capital*), as amended form time to time, or any other rule having the same meaning and effect, as interpreted by Spanish Courts.

(ii) The obligations of each Spanish Guarantor under this Indenture or the Notes and in particular under this Section shall be limited to an amount equal to the amount due by the Issuer and the conditions applying to each Spanish Guarantor shall never be less favorable than those applying to the Issuer.

(iii) The obligations of each Spanish Guarantor under this Indenture or the Notes and in particular under this Section shall be limited by the principles of corporate benefit.

(iv) In addition, The obligations of each Spanish Guarantor under this Indenture or the Notes and in particular under this Section shall be subject to any statutorily binding and unwaivable limitations set out in Book 4º Title XIV of the Spanish Civil Code (Guarantees (*De la Fianza*)).

(v) The Guarantee provided by Spanish Guarantors incorporated under the form of " *sociedades de responsabilidad limitada* " or " *S.L.s* ", is subject to the following restrictions:

(A) S.L.s can only issue notes up to an aggregate maximum amount of twice its own equity (*recursos propios*), unless the issue is secured by a mortgage, a pledge of securities, a public guarantee or a joint and several guarantee from a credit institution and, to the extent that such restriction may also apply to S.L.s when guaranteeing notes, a similar restriction shall be applicable to the Guarantee granted by the Spanish Guarantors incorporated under the form of S.L.s.

(B) S.L.s are prohibited to issue or guarantee notes convertible into quotas (*participaciones*).

(f) *Limitations for Swiss Guarantors.*

Notwithstanding any other provision of this Article 11, the guarantee, indemnity and other obligations of any Guarantor that is incorporated and organized under the laws of Switzerland (a " *Swiss Guarantor* ") to be assumed in this Indenture (including, without limitation, the Guarantee) shall be limited as follows:

(1) If and to the extent that (i) a Swiss Guarantor becomes liable under this Indenture, including, without limitation, this Article 11 and the Guarantee, as well as any and all Security Documents and any other document related to the Notes for obligations of its Affiliates (other than obligations of its direct or indirect wholly owned Subsidiaries) or otherwise obliged to grant economic benefits to its Affiliates (other than its direct or indirect wholly owned Subsidiaries), including, for the avoidance of doubt, the granting of

any security by the Swiss Guarantor or any restrictions of the Swiss Guarantor's rights of set-off and/or subrogation or its duties to subordinate or waive claims and (ii) complying with such obligations would constitute a repayment of capital (*Einlagerückgewähr*), a violation of the legally protected reserves (*gesetzlich geschützte Reserven*) or the payment of a (constructive) dividend (*Gewinnausschüttung*) by such Swiss Guarantor or would otherwise be restricted under Swiss corporate law then applicable (the " *Restricted Obligations* "), the aggregate liability of the Swiss Guarantor for Restricted Obligations shall be limited to the amount of freely distributable equity capital of the Swiss Guarantor at the time the Swiss Guarantor is required to perform under the Indenture, its Guarantee and the Security Documents; *provided* that this is a requirement under applicable Swiss law at that time and *provided further* that such limitation shall not discharge the Swiss Guarantor from its obligations in excess thereof, but merely postpone the performance date thereof until such times as performance is again permitted notwithstanding such limitation.

(2) In respect of Restricted Obligations, each Swiss Guarantor shall:

(A) if and to the extent required by applicable law in force at the relevant time mitigate to the extent possible any tax imposed based on the Swiss Federal Act on withholding tax of 13 October 1965 (the " *Swiss Anticipatory Tax* **"**) to be levied on the Restricted Obligations (and cause its parent and other relevant Affiliates to fully cooperate in any mitigating efforts) and promptly notify the Primary Collateral Agent thereof or, if such a notification procedure is not applicable:

(i) subject to any applicable double taxation treaty, deduct Swiss Anticipatory Tax at the rate of 35 per cent (or such other rate as is in force at that time) from any payment made by it in respect of the Restricted Obligations;

(ii) pay any such deduction to the Swiss Federal Tax Administration; and

(iii) notify (and the Issuer shall ensure that the Swiss Guarantor will notify) the relevant Collateral Agent that such a deduction has been made and provide the relevant Collateral Agent with evidence that such a deduction has been paid to the Swiss Federal Tax Administration; and

(B) to the extent such a deduction is made, not be obliged to either gross-up or indemnify the Holders in accordance with Section 4.22 hereof in relation to any such payment made by it in respect of Restricted Obligations unless grossing-up is permitted under the laws of Swiss Confederation then in force. The Swiss Guarantor shall use its best efforts to ensure that any Person that is, as a result of a deduction of Swiss Anticipatory Tax, entitled to a full or partial refund of the Swiss Anticipatory Tax, will as soon as possible after the deduction of the Swiss Anticipatory Tax (i) request a refund of the Swiss Anticipatory Tax under any applicable law (including double tax treaties) and (ii) pay to the relevant Collateral Agent upon receipt any amount so refunded for application as a further payment of the Swiss Guarantor under and pursuant to this Indenture.

(3) To the extent a Swiss Guarantor is required to deduct Swiss Anticipatory Tax pursuant to Section 11.02(f)(2) hereof, and if the maximum amount of freely disposable shareholder equity pursuant to Section 11.02(f)(1) hereof is not utilized, additional security interests granted by such Swiss Guarantor under this Indenture shall be enforced until the enforcement proceeds equal an amount that (after making any deduction of Swiss Anticipatory Tax) would have resulted if no deduction of Swiss Anticipatory Tax had been required; *provided* that such enforcement amount (including the increased

amount) shall in any event be limited to the maximum amount of freely distributable equity capital pursuant to Section 11.02(f)(1) hereof.

(4) In the case of Restricted Obligations, the Swiss Guarantor shall, and any parent company of the Swiss Guarantor party to this Indenture shall procure that the Swiss Guarantor will, promptly implement all such measures and/or to promptly procure the fulfillment of all prerequisites to allow it to perform its obligations under this Article 11 with minimum limitations and to allow the Collateral Agent (and the Holders) prompt use of the proceeds from security, including the following:

(A) preparation of an up-to-date audited balance sheet of the Swiss Guarantor;

(B) confirmation of the auditors of the Swiss Guarantor that the relevant amount represents (the maximum of) freely distributable profits and reserves;

(C) conversion of restricted reserves into profits and reserves freely available for the distribution as dividends (to the extent permitted by mandatory Swiss law);

(D) revaluation of hidden reserves (to the extent permitted by mandatory Swiss law);

(E) to the extent permitted by applicable law and Swiss accounting standards, write-up or realization of any of its assets that are shown in its balance sheet with a book value that is significantly lower than the market value of the assets, in case of realization, however, only if such assets are not necessary for such Swiss Guarantor's business (*nicht betriebsnotwendig*);

(F) approval by a shareholders' meeting of the Swiss Guarantor of the (resulting) profit distribution; and

(G) all such other measures necessary or useful to allow the Swiss Guarantor to make the payments agreed hereunder with a minimum of limitations.

(g) *Limitations for Luxembourg Guarantors.*

Notwithstanding anything to the contrary contained in this Agreement or in any Debt Document (as defined in the Interecreditor Agreement), the aggregate obligations and exposure of a Luxembourg Guarantor in respect of the obligations of a Person which is not a direct or indirect subsidiary of such Luxembourg Guarantor shall be limited at any time to an aggregate amount not exceeding 90% of the greater of (without double counting):

an amount equal to the sum of the Luxembourg Guarantor's Net Assets (as defined below) and its subordinated debt (*dettes subordonnées*), as reflected in the financial information of the Luxembourg Guarantor available to the Agent as at the date of its accession as a Guarantor, including, without limitation, its most recently and duly approved financial statements (*comptes annuels*); and

an amount equal to the sum of the Luxembourg Guarantor's Net Assets and its subordinated debt (*dettes subordonnées*), as reflected in the financial information of the Luxembourg Guarantor available to the Agent as at the date the guarantee is called, including, without limitation, its most recently and duly approved financial statements (*comptes annuels*) and any (unaudited) interim financial statements signed by its board of managers (*gérants*).

For this purpose, " *Net Assets* " shall mean all the assets (*actifs*) of the Luxembourg Guarantor minus its liabilities (*provisions et dettes*) as valued in accordance with Luxembourg generally accepted accounting principles (Lux GAAP) or International Financial Reporting Standards (IFRS), as applicable, and the relevant provisions of the Luxembourg Act of 19 December 2002 on the Register of Commerce and Companies, on accounting and on annual accounts of the companies, as amended.

Where, for the purpose of the above determination, no duly established annual accounts are available for the relevant reference period (which, for the avoidance of doubt, includes a situation where, in respect of the determination to be made under (a) above, no final annual accounts have been established in due time in respect of the then most recently ended financial year) the Luxembourg Guarantor shall, within reasonable time, establish unaudited interim accounts (as of the date of the end of the then most recent financial quarter) or annual accounts (as applicable) duly established in accordance with Luxembourg generally accepted accounting principles, pursuant to which the relevant Luxembourg Guarantor's Net Assets will be determined. If the Luxembourg Guarantor fails to provide such financial information within 45 Business Days as from the request of the Agent, the Agent, acting reasonably, may appoint an independent auditor (*réviseur d'entreprises agréé*) which shall undertake the determination of the Luxembourg Guarantor's Net Assets. In order to prepare such determination, the independent auditor (*réviseur d'entreprises agréé*) shall follow the Luxembourg accounting principles applicable to the Luxembourg Guarantor and shall in particular take into consideration such available elements and facts at such time including, without limitation, the latest annual accounts of such Luxembourg Guarantor and its Subsidiaries, any recent valuation of the assets of such Luxembourg Guarantor and its Subsidiaries (if available), the market value of the assets of the Luxembourg Guarantor and its Subsidiaries as if sold between a willing buyer and a willing seller as a going concern using a standard market multi criteria approach combining market multiples, book value, discounted cash flow or comparable public transaction of which price is known (taking into account circumstances at the time of the valuation and making all necessary adjustments to the assumption being used) and acting in a reasonable manner. The Luxembourg Guarantor will give access to the independent auditor (*réviseur d'entreprises agréé*) to the financial information and documents necessary to carry out its determination.

(h) *Limitation for Qatari Guarantors* .

Notwithstanding any other provision of this Article 11, the Guarantee, indemnity and other obligations of any Guarantor incorporated under the laws of the State of Qatar expressed to be assumed in this Article 11 shall be deemed to have been given only to the extent that the same do not violate the provision of Articles 1165 to 1186 (Privileged Rights) of Law No. (22) of 2004 promulgating the Civil Code of Qatar and the provisions of this Indenture shall be construed accordingly.

Section 11.03 *Execution and Delivery of Guarantee.*

To evidence its Guarantee set forth in Section 11.01 hereof, each Guarantor hereby agrees that a notation of such Guarantee substantially in the form attached as **Exhibit D** hereto will be endorsed by an Officer of such Guarantor on each Note authenticated and delivered by the Trustee and that this Indenture will be executed on behalf of such Guarantor by one of its Officers.

Each Guarantor hereby agrees that its Guarantee set forth in Section 11.01 hereof will remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee.

If an Officer whose signature is on this Indenture or on the Guarantee no longer holds that office at the time the Trustee or the Authenticating Agent authenticates the Note on which a Guarantee is endorsed, the Guarantee will be valid nevertheless.

The delivery of any Note by the Trustee, after the authentication thereof hereunder, will constitute due delivery of the Guarantee set forth in this Indenture on behalf of the Guarantors.

The Parent Guarantor will cause any Restricted Subsidiary so required by Section 4.17 and Section 4.27 to execute a supplemental indenture in the form of **Exhibit E** to this Indenture and a notation of Guarantees in the form of **Exhibit D** to this Indenture in accordance with Section 4.17, Section 4.27 and this Article 11.

Section 11.04 *Guarantors May Consolidate, etc., on Certain Terms.*

In case of any consolidation, merger, sale or conveyance and upon the assumption by the successor Person, by supplemental indenture, executed and delivered to the Trustee and satisfactory in form to the Trustee, of the Guarantee endorsed upon the Notes and the due and punctual performance of all of the covenants and conditions of this Indenture to be performed by the Guarantor, such successor Person will succeed to and be substituted for the Guarantor with the same effect as if it had been named herein as a Guarantor. Such successor Person thereupon may cause to be signed any or all of the Guarantees to be endorsed upon all of the Notes issuable hereunder which theretofore will not have been signed by the Issuer and delivered to the Trustee. All the Guarantees so issued will in all respects have the same legal rank and benefit under this Indenture as the Guarantees theretofore and thereafter issued in accordance with the terms of this Indenture as though all of such Guarantees had been issued at the date of the execution hereof.

Except as set forth in Articles 4 and 5 hereof, nothing contained in this Indenture or in any of the Notes will prevent any consolidation or merger of a Guarantor with or into the Issuer or any Guarantor, or will prevent any sale or conveyance of the property of a Guarantor as an entirety or substantially as an entirety to the Issuer or any Guarantor.

Upon any occurrence giving rise to a release of a Guarantee as specified above, the Trustee and each Collateral Agent will execute any documents reasonably required in order to evidence or effect such release, discharge and termination in respect of such Guarantee. None of the Issuer, any Guarantor or the Trustee will be required to make a notation on the Notes to reflect any such release, termination or discharge.

Section 11.05 *Releases.*

(a) The Guarantee of the Parent Guarantor will be automatically and unconditionally released (and thereupon will terminate and be discharged and be of no further force and effect):

(1) if the Parent Guarantor is not the Surviving Entity in a sale of all or substantially all of the properties and assets of the Parent Guarantor in a transaction that complies with Section 5.02 (including, without limitation, compliance with the requirement that the Surviving Entity expressly assume, by a supplemental indenture, the Parent Guarantor's obligations under this Indenture, the Intercreditor Agreement and the Security Documents);

(2) upon the Legal Defeasance, Covenant Defeasance or satisfaction and discharge of this Indenture as provided in Articles 8 and 12 hereof, in each case in accordance with the terms and conditions of this Indenture;

(3) upon repayment in full of the Notes; or

(4) as described in Section 9.02 hereof.

(b) A Guarantee (other than the Guarantee of the Parent Guarantor) will be automatically and unconditionally released (and thereupon will terminate and be discharged and be of no further force and effect):

(1) upon the sale or disposition (including through merger, consolidation, amalgamation or other combination) or conveyance, transfer or lease of the Capital Stock, or all or substantially all of the assets, of the Guarantor (or a Holding Company thereof) if such sale is made in compliance with either of Section 4.10 or Section 5.03 hereof (and, in the latter instance, such covenant authorizes such release);

(2) as provided in the Intercreditor Agreement;

(3) upon the Legal Defeasance, Covenant Defeasance or satisfaction and discharge of this Indenture as provided in Article 8 or 12 hereof, in each case, in accordance with the terms and conditions of this Indenture;

(4) upon the designation by the Parent Guarantor of that Guarantor (or a Holding Company thereof) as an Unrestricted Subsidiary in compliance with the terms of this Indenture;

(5) upon repayment in full of the Notes; or

(6) as described under Section 9.02 hereof.

(c) Upon any occurrence giving rise to a release of a Guarantee as specified above and the delivery by the Issuer of the Officers' Certificate and the Opinion of Counsel pursuant to Section 13.03 hereof, the Trustee or each Collateral Agent, as applicable, will execute any documents required in order to evidence or effect such release, discharge and termination in respect of such Guarantee. Neither the Issuer nor any Guarantor will be required to make a notation on the Notes to reflect any such release, termination or discharge.

(d) Any Guarantor not released from its obligations under its Guarantee as provided in this Section 11.05 will remain liable for the full amount of principal of, premium on, if any, and interest, if any, on, the Notes and for the other Obligations of any Guarantor under this Indenture as provided in this Article 11.

ARTICLE 12
SATISFACTION AND DISCHARGE

Section 12.01 *Satisfaction and Discharge.*

(a) This Indenture will be discharged and will cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes as expressly provided for in this Indenture) when:

(1) the Issuer has irrevocably deposited or caused to be deposited with the Trustee as funds on trust for such purpose an amount in Swiss francs or Swiss Government Obligations sufficient to pay and discharge the entire Debt on such Notes that have not, prior to such time, been delivered to the Trustee for cancellation, for principal of, premium, if any, and any accrued and unpaid interest on the Notes to the date of such deposit (in the case of Notes which have become due and payable) or to the Stated Maturity or redemption date, as the case may be, and the Issuer has delivered irrevocable instructions to the Trustee under this Indenture to apply the deposited money toward the payment of Notes at Stated Maturity or on the redemption date, as the case may be and either:

(A) all of the Notes that have been authenticated and delivered (other than destroyed, lost or stolen Notes that have been replaced or paid and Notes for which payment money has been deposited on trust or segregated and held on trust by the Issuer and thereafter repaid to the Issuer or discharged from such trust as provided for in this Indenture) have been delivered to the Trustee for cancellation; or

(B) all Notes that have not been delivered to the Trustee for cancellation: (x) have become due and payable (by reason of the mailing of a notice of redemption or otherwise); (y) will become due and payable within one year of Stated Maturity, or (z) are to be called for redemption within one year of the proposed discharge date under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the Issuer's name and at the Issuer's expense;

(2) the Issuer has paid or caused to be paid all sums payable by the Issuer under this Indenture; and

(3) the Issuer has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that:

(A) all conditions precedent provided in this Indenture relating to the satisfaction and discharge of this Indenture have been satisfied; and

(B) such satisfaction and discharge will not result in a breach or violation of, or constitute a default under, this Indenture.

In addition, the Issuer must deliver an Officers' Certificate and an Opinion of Counsel to the Trustee stating that all conditions precedent to satisfaction and discharge have been satisfied; *provided* that any such counsel may rely on any Officers' Certificate as to matters of fact (including as to compliance with the foregoing clauses (1), (2) and (3) of this Section 12.01(a)).

(b) Notwithstanding the satisfaction and discharge of this Indenture, if money has been deposited with the Trustee pursuant to Section 12.01(a)(1)(B), the provisions of Sections 12.02 and 8.06 hereof will survive. In addition, nothing in this Section 12.01 will be deemed to discharge those provisions of Section 7.06 hereof, that, by their terms, survive the satisfaction and discharge of this Indenture.

Section 12.02 *Application of Trust Money.*

Subject to the provisions of Section 8.06 hereof, all money deposited with the Trustee pursuant to Section 12.01 hereof will be held in trust and applied by it, in accordance with the provisions of the Notes and this Indenture, to the payment, either directly or through any Paying Agent (including the Issuer acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal of, premium on, if any, and interest, if any, for whose payment such money has been deposited with the Trustee; but such money need not be segregated from other funds except to the extent required by law.

If the Trustee or Paying Agent is unable to apply any money or U.S. Government Securities in accordance with Section 12.01 hereof by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, the Issuer's and any Guarantor's obligations under this Indenture and the Notes will be revived and reinstated as though no deposit had occurred pursuant to Section 12.01 hereof; *provided* that if the Issuer has made any payment of principal of, premium on, if any, and interest, if any, on, the Notes because of the reinstatement of its obligations, the Issuer will be subrogated to the rights of the Holders of such Notes to receive such payment from the money or U.S. Government Securities held by the Trustee or Paying Agent.

ARTICLE 13
MISCELLANEOUS

Section 13.01 *Notices.*

Any notice or communication by the Issuer, any Guarantor, the Trustee, the Primary Collateral Agent or the Hungarian Collateral Agent to the others is duly given if in writing and delivered in Person or mailed by first class mail (registered or certified, return receipt requested), facsimile transmission or overnight air courier guaranteeing next day delivery, to the others' address:

If to the Issuer and/or any Guarantor:

Nord Anglia Education Finance LLC
c/o Nord Anglia Education, Inc.
Level 12, St. George's Building
2 Ice House Street
Central, Hong Kong
Attention: Chief Financial Officer

With a copy to:

Latham & Watkins
18 th Floor, One Exchange Square
8 Connaught Place,
Central, Hong Kong
Facsimile No.: +852 2912 2600
Attention: Eugene Lee, Esq.

If to the Trustee

Citicorp International Limited
39 th Floor, Citibank Tower
Citibank Plaza
3 Garden Road
Central, Hong Kong
Facsimile No.: +852 2323 0279
Attention: Agency & Trust

If to the Paying Agent or Transfer Agent:

Citibank, N.A., London Branch
c/o Citibank, N.A., Dublin Branch
One North Wall Quay
Dublin 1
Ireland

With a copy to:

Citicorp International Limited
39 th Floor, Citibank Tower
Citibank Plaza
3 Garden Road
Central, Hong Kong
Facsimile No.: +852 2323 0279
Attention: Agency & Trust

If to the Registrar:

Citigroup Global Markets Deutschland AG
Reuterweg 16
60323 Frankfurt, Germany
Facsimile No.: +49 69 1366 1429
Attention: Germany Agency and Trust

With a copy to:

Citicorp International Limited
39 th Floor, Citibank Tower
Citibank Plaza
3 Garden Road
Central, Hong Kong
Facsimile No.: +852 2323 0279
Attention: Agency & Trust

If to the Primary Collateral Agent:

HSBC Bank USA, NA
452 5th Ave-8E6
New York, NY 10018
United States of America
Attn: Corporate Trust and Loan Agency

If to the Hungarian Collateral Agent:

HSBC Bank plc
8 Canada Square
London, E14 5HQ
United Kingdom

The Issuer, any Guarantor, the Trustee, the Primary Collateral Agent or the Hungarian Collateral Agent, by notice to the others, may designate additional or different addresses for subsequent notices or communications.

In the case of certificated Notes, all notices to Holders of the Notes will be validly given if mailed to each Holder by first-class mail at such Holder's respective address in the register of the Holders of such Notes, if any, maintained by the Registrar. In addition, for so long as any Notes are represented by Global Notes, all notices to Holders of the Notes will be validly given if delivered to Euroclear and Clearstream, each of which will give such notices to the Holders or, alternatively, will be valid if published in a leading English language daily newspaper published in London or such other English language daily newspaper with general circulation in Europe. If the Issuer mails a notice or communication to Holders, it will mail a copy to the Trustee and each Agent at the same time.

For so long as any of the Notes are listed on the Irish Stock Exchange and the rules of the Irish Stock Exchange so require, notices with respect to the Notes of the Issuer will be published in a daily newspaper with general circulation in Ireland or if, in the opinion of the Issuer such publication is not practicable, in an English language newspaper having general circulation in Europe. Such notices may also be published on the website of the Irish Stock Exchange (*www.ise.ie*) or the website of the Issuer.

Each such notice shall be deemed to have been given on the date of such publication or, if published more than once on different dates, on the first date on which publication is made; *provided* that, if notices are mailed, such notice shall be deemed to have been given on the later of such publication and the seventh day after being so mailed. Any notice or communication mailed to a Holder shall be mailed to such Person by first-class mail or other equivalent means, postage paid, and shall be deemed given five calendar days after mailing whether or not the addressee receives it. Failure to mail a notice or communication to a Holder or any defect in it shall not affect its sufficiency with respect to other Holders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

If a notice or communication is mailed or published in the manner provided above within the time prescribed, it is duly given, whether or not the addressee receives it.

If the Issuer or any Guarantor mails a notice or communication to Holders or delivers a notice or communication to holders of Book-Entry Interests, it will mail a copy to the Trustee and each Agent at the same time.

Any such notice or demand will be deemed to have been sufficiently given or served when so sent or deposited and, if to the Holders, when delivered in accordance with the applicable rules and procedures of the relevant clearing system, as the case may be.

Section 13.02 *Currency Indemnity.*

(a) The Swiss franc is the sole currency of account and payment for all sums payable under the Notes, the Guarantees and this Indenture. Any amount received or recovered in respect of the Notes or the Guarantees in a currency other than Swiss francs (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding up or dissolution of the Issuer, any Subsidiary or otherwise) by the Trustee and/or a Holder of the Notes in respect of any sum expressed to be due to such parties from the Issuer or the Guarantors will constitute a discharge of their obligation only to the extent of the Swiss franc amount that the recipient is able to purchase with the amount so received or recovered in such other currency on the date of that receipt or recovery (or, if it is not possible to purchase Swiss francs on that date, on the first date on which it is possible to do so).

(b) If the Swiss franc amount that could be recovered following such a purchase is less than the Swiss franc amount expressed to be due to the recipient under any Note, the Issuer and the Guarantors will jointly and severally indemnify the recipient against the cost of the recipient's making a further purchase of Swiss francs in an amount equal to such difference. For the purposes of this paragraph, it will be sufficient for the Trustee and/or Holder to certify that it would have suffered a loss had the actual purchase of Swiss francs been made with the amount so received in that other currency on the date of receipt or recovery (or, if a purchase of Swiss francs on that date had not been possible, on the first date on which it would have been possible). These indemnities, to the extent permitted by law:

(1) constitute a separate and independent obligation from the Issuer's and the Guarantors' other obligations;

(2) give rise to a separate and independent cause of action;

(3) apply irrespective of any waiver granted by any Holder of a Note; and

(4) will continue in full force and effect despite any other judgment, order, claim or proof for a liquidated amount in respect of any sum due under any Note or any other judgment or order.

Section 13.03 *Certificate and Opinion as to Conditions Precedent.*

Upon any request or application by the Issuer to the Trustee to take any action under this Indenture, the Issuer will furnish to the Trustee:

(1) an Officers' Certificate in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.04 hereof) stating that, in the opinion of the signers, all conditions precedent and covenants, if any, provided for in this Indenture relating to the proposed action have been satisfied; and

(2) an Opinion of Counsel in form and substance reasonably satisfactory to the Trustee (which must include the statements set forth in Section 13.04 hereof) stating that, in the opinion of such counsel, all such conditions precedent and covenants have been satisfied.

Section 13.04 *Statements Required in Certificate or Opinion.*

Each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture will include:

(1) a statement that the Person making such certificate or opinion has read such covenant or condition;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of such Person, he or she has made such examination or investigation as is necessary to enable him or her to express an informed opinion as to whether or not such covenant or condition has been satisfied; and

(4) a statement as to whether or not, in the opinion of such Person, such condition or covenant has been satisfied.

Section 13.05 *Rules by Trustee and Agents.*

The Trustee may make reasonable rules for action by or at a meeting of Holders. The Registrar or Paying Agent may make reasonable rules and set reasonable requirements for its functions.

Section 13.06 *Agent for Service; Submission to Jurisdiction; Waiver of Immunities.*

Each of the parties hereto irrevocably agrees that any suit, action or proceeding arising out of, related to, or in connection with this Indenture, the Notes, the Guarantees and any supplemental indenture or the transactions contemplated hereby, and any action arising under U.S. federal or state securities laws, may be instituted in any U.S. federal or state court located in the State and City of New York, Borough of Manhattan; irrevocably waives, to the fullest extent it may effectively do so, any objection which it may now or hereafter have to the laying of venue of any such proceeding; and irrevocably submits to the jurisdiction of such courts in any such suit, action or proceeding. The Issuer and each of the Guarantors has appointed Law Debenture Corporate Services Inc., with offices currently located at 400 Madison Avenue, 4 th Floor, New York, New York 10017, United States of America, as its authorized agent upon whom process may be served in any such suit, action or proceeding which may be instituted in any federal or state court located in the State of New York, Borough of Manhattan arising out of or based upon this Indenture, the Notes or the transactions contemplated hereby or thereby, and any action brought under U.S. federal or state securities laws

(the " *Authorized Agent* "). The Issuer and each of the Guarantors expressly consents and submits to the jurisdiction of any such court in respect of any such action and waives any other requirements of or objections to personal jurisdiction with respect thereto and waives any right to trial by jury. Such appointment will be irrevocable unless and until replaced by an agent reasonably acceptable to the Trustee. The Issuer and each of the Guarantors represents and warrants that the Authorized Agent has agreed to act as said agent for service of process, and the Issuer agrees to take any and all action, including the filing of any and all documents and instruments, that may be necessary to continue such appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent and written notice of such service to the Issuer will be deemed, in every respect, effective service of process upon the Issuer and any Guarantor. To the extent that the Issuer or any Guarantors, as the case may be, has or hereafter may acquire any sovereign or other immunity from jurisdiction of any court or from any legal process with respect to itself or its property, the Issuer, such Guarantor, as the case may be, irrevocably waives such immunity in respect of its obligations hereunder or under any Notes, Guarantees, supplemental indenture or the transactions contemplated hereby.

Section 13.07 *No Personal Liability of Directors, Officers, Employees and Stockholders.*

No director, officer, employee, incorporator, controlling Person or stockholder of the Issuer or any Guarantor, as such, will have any liability for any obligations of the Issuer or the Guarantors under the Notes, this Indenture, the Guarantees, the Intercreditor Agreement or the Security Documents or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note will waive and release all such liability. The waiver and release will be part of the consideration for issuance of the Notes. The waiver may not be effective to waive liabilities under U.S. federal securities laws.

Section 13.08 *Governing Law.*

THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THIS INDENTURE, THE NOTES AND THE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

Section 13.09 *No Adverse Interpretation of Other Agreements.*

This Indenture may not be used to interpret any other indenture, loan or debt agreement of the Issuer, any Guarantor or any of their respective Subsidiaries or of any other Person. Any such indenture, loan or debt agreement may not be used to interpret this Indenture.

Section 13.10 *Successors.*

All agreements of the Issuer in this Indenture and the Notes will bind its successors. All agreements of the Trustee, the Primary Collateral Agent and the Hungarian Collateral Agent in this Indenture will bind their respective successors, as applicable. All agreements of each Guarantor in this Indenture will bind its successors, except as otherwise provided in Section 11.05 hereof.

Section 13.11 *Severability.*

In case any provision in this Indenture or in the Notes is invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions will not in any way be affected or impaired thereby.

Section 13.12 *Counterpart Originals.*

The parties may sign any number of copies of this Indenture. Each signed copy will be an original, but all of them together represent the same agreement.

Section 13.13 *Table of Contents, Headings, etc.*

The Table of Contents, Cross-Reference Table and Headings of the Articles and Sections of this Indenture have been inserted for convenience of reference only, are not to be considered a part of this Indenture and will in no way modify or restrict any of the terms or provisions hereof.

Section 13.14 *Prescription.*

Claims against the Issuer or the Guarantors for the payment of principal of, premium, if any, or interest, on the Notes will become void unless presentation for payment is made as required in this Indenture within a period of six years after the applicable due date for payment thereof.

[Signatures on following page]

IN WITNESS HEREOF, the parties have caused this Indenture to be duly executed as of the date first written above.

NORD ANGLIA EDUCATION FINANCE LLC, as the Issuer

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

NORD ANGLIA EDUCATION, INC., as the Parent Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **NORD ANGLIA EDUCATION (UK) HOLDINGS PLC,**
as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

NAE HONG KONG LIMITED , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **NORD ANGLIA EDUCATION LIMITED ,** as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **NA SCHOOLS LIMITED ,** as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **NA EDUCATIONAL SERVICES LIMITED ,** as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **NORD ANGLIA EDUCATION DEVELOPMENT SERVICES LIMITED ,** as Guarantor

By: /s/ Andrew Fitzmaurice

Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **NORD ANGLIA VOCATIONAL EDUCATION AND TRAINING SERVICES LTD ,** as Guarantor

By: /s/ Andrew Fitzmaurice

Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **NORD INTERNATIONAL SCHOOLS LIMITED ,**
as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

BRITISH INTERNATIONAL SCHOOL FOUNDATION , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chairman of the Board of Trustees

(*Signature Page to Indenture*)

THE BRITISH SCHOOL SP. Z O.O. , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Member of the Management Board

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Member of the Management Board

(*Signature Page to Indenture*)

COLLÈGE ALPIN BEAU-SOLEIL SA , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

LA CÔTE INTERNATIONAL SCHOOL SA , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

COLLÈGE CHAMPITTET SA , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

EEE ENTERPRISE LIMITED, as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

RICE EDUCATION HONG KONG LIMITED, as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **WCL HOLDCO LIMITED,** as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **WCL GROUP LIMITED,** as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **WCL INTERMEDIATE HOLDINGS LIMITED,** as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **WCL SERVICES LIMITED,** as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **WCL SCHOOL MANAGEMENT SERVICES LIMITED,** as Guarantor

By: /s/ Andrew Fitzmaurice

Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

For and on behalf of **FIELDWORK EDUCATION LIMITED,** as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

(*Signature Page to Indenture*)

BRITISH SCHOOLS OF AMERICA, LLC, as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

BRITISH SCHOOL OF WASHINGTON, L.L.C., as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

BRITISH SCHOOL OF BOSTON, L.L.C., as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

BRITISH SCHOOL OF CHICAGO, L.L.C., as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

BRITISH SCHOOL OF HOUSTON, L.P., as Guarantor

By: British Schools of Texas, L.L.C., as General Partner

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

BSA RESOURCE SOLUTIONS, LLC, as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

BST HOLDING, L.L.C., as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

BRITISH SCHOOLS OF TEXAS, L.L.C., as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

BRITISH AMERICAN SCHOOL OF CHARLOTTE, L.L.C., as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

WCL ACADEMY OF NEW YORK LLC, as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: President and Treasurer

(*Signature Page to Indenture*)

EDUCATION OVERSEAS QATAR L.L.C. , as Guarantor

By: /s/ George Ghantous
Name: George Ghantous
Title: Regional Managing Director
Europe and Middle East

(*Signature Page to Indenture*)

WCL INTERMEDIATE HOLDINGS SPAIN, S.L.U. , as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Attorney

(*Signature Page to Indenture*)

INTERNATIONAL COLLEGE 2, S.L.U. , as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Attorney

(*Signature Page to Indenture*)

INTERNATIONAL COLLEGE SPAIN, S.A.U. , as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Attorney

(*Signature Page to Indenture*)

B I S LTD. , as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

BSG LIMITED , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

OASIS DEVELOPMENT MANAGEMENT LIMITED , as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

UMA EDUCATION HOLDINGS LIMITED , as Guarantor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

UMA EDUCATION HONG KONG LIMITED , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

DOVER COURT INTERNATIONAL SCHOOL (PTE.) LTD. , as Guarantor

By: /s/ Robert Walls
Name: Robert Walls
Title: Director

(*Signature Page to Indenture*)

NAE HK HOLDINGS LIMITED , as Guarantor

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

(*Signature Page to Indenture*)

HSBC BANK USA, N.A., as Primary Collateral Agent

By: /s/ Joseph A. Lloret
Name: Joseph A. Lloret
Title: Vice President

(*Signature Page to Indenture*)

HSBC BANK PLC, as Hungarian Collateral Agent

By: /s/ Julie Fort
Name: Julie Fort
Title: Authorised Signatory

(*Signature Page to Indenture*)

CITICORP INTERNATIONAL LIMITED, as Trustee

By: /s/ Rufus Southwood
Name: Rufus Southwood
Title: Vice President

(*Signature Page to Indenture*)

CITIBANK, N.A., LONDON BRANCH, as Paying Agent and Transfer Agent

By: /s/ Jane Dulson
Name: Jane Dulson
Title: Director

(*Signature Page to Indenture*)

CITIGROUP GLOBAL MARKETS DEUTSCHLAND AG, as Registrar

By:	/s/ Siegfried Roos		/s/ Gabriele Fisch
	Name:	Siegfried Roos	Gabriele Fisch
	Title:	Authorised Signatory	Authorised Signatory

(*Signature Page to Indenture*)

SCHEDULE A

SECURITY DOCUMENTS AT ISSUE DATE

1. CZECH REPUBLIC SECURITY DOCUMENTS

1.1 Ownership Interest Pledge Agreement No. 1 dated 1 April 2014 over 20 % ownership interest in English International School Prague s.r.o. (the " **Czech Company** ") (by Nord International Schools Limited) (English and Czech version)

1.2 Ownership Interest Pledge Agreement No. 2 dated 1 April 2014 over 80 % ownership interest in the Czech Company (by NA Schools Limited) (English and Czech version)

1.3 Amendment No. 1 to the Ownership Interest Pledge Agreement No. 1 dated a date within 5 Business Days of the date hereof over the shares in the Czech Company (English and Czech version)

1.4 Amendment No. 1 to the Ownership Interest Pledge Agreement No. 2 dated a date within 5 Business Days of the date hereof over the shares in the Czech Company (English and Czech version)

2. ENGLAND & WALES SECURITY DOCUMENTS

2.1 Share Charge dated 31 March 2014 over the shares of Nord Anglia Education (UK) Holdings PLC

2.2 Debenture dated 31 March 2014

2.3 Security Confirmation Deed dated 2 March 2015

2.4 Supplemental Share Charge dated a date within 5 Business Days of the date hereof

2.5 Supplemental Debenture dated a date within 5 Business Days of the date hereof

3. HONG KONG SECURITY DOCUMENTS

3.1 Share Mortgage dated 31 March 2014 over the shares of NAE Hong Kong Limited, Rice Education Hong Kong Limited, BSG Limited, Uma Education Hong Kong Limited, EEE Enterprise Limited and Uma Education Holdings Limited

3.2 Debenture dated 31 March 2014 in respect of assets of NAE Hong Kong Limited, EEE Enterprise Limited, Rice Education Hong Kong Limited, BSG Limited, Uma Education Hong Kong Limited and Uma Education Holdings Limited

3.3 Share Mortgage dated 30 April 2015 over the shares of NAE HK Holdings Limited, B I S Ltd., Uma Education Holdings Limited, EEE Enterprise Limited and Oasis Development Management Limited

3.4 Security Confirmation Deed dated 2 March 2015 in respect of the security documents listed in paragraphs 3.1 and 3.2 above

3.5 Security Confirmation Deed dated a date within 5 Business Days of the date hereof in respect of the security documents listed in paragraphs 3.1 to 3.4 above

4. HUNGARY SECURITY DOCUMENTS

4.1 Charge Agreement over Rights and Receivables dated 1 April 2014

4.2 Charge Confirmation Agreement dated 2 March 2015

4.3 Charge Confirmation Agreement dated a date within 5 Business Days of the date hereof

5. POLAND SECURITY DOCUMENTS

5.1 Agreement for Security Assignment of Rights under Insurance Agreements to be executed within 5 Business Days of the date hereof

5.2 Ordinary & Registered Pledge over shares in The British School sp. z.o.o. to be executed within 5 Business Days of the date hereof

5.3 Submission to enforcement to be executed within 5 Business Days of the date hereof

6. SINGAPORE SECURITY DOCUMENTS

6.1 Debenture dated 8 October 2014

6.2 Share Mortgage dated 8 October 2014 over shares in Dover Court International School (Pte.) Ltd.

6.3 First Confirmatory Debenture dated 30 April 2015

6.4 First Confirmatory Share Mortgage over shares in Dover Court International School (Pte.) Ltd. dated 2 March 2015

6.5 Second Confirmatory Share Mortgage dated a date within 5 Business Days of the date hereof over shares in Dover Court International School (Pte.) Ltd.

7. SLOVAKIA SECURITY DOCUMENTS

7.1 Shareholding Interest Pledge Agreement dated a date within 5 Business Days of the date hereof over shares in British International School Bratislava s.r.o. (by Nord Anglia Education Limited)

7.2 Shareholding Interest Pledge Agreement dated a date within 5 Business Days of the date hereof over shares in British International School Bratislava s.r.o. (by NA Schools Limited)

8. SPAIN SECURITY DOCUMENTS

8.1 Pledge over Participations of WCL Intermediate Holdings Spain, S.L.U. dated 1 April 2014

8.2 Pledge over Participations of International College 2 Spain, S.L.U. dated 1 April 2014

8.3 Pledge over Shares of International College Spain, S.A.U. dated 1 April 2014

8.4 First Extension, amendment and ratification dated 6 March 2015 of the pledge over WCL Intermediate Holdings Spain, S.L.U. quotas

8.5 First Extension, amendment and ratification dated 6 March 2015 of the pledge over International College 2, S.L.U. quotas

8.6 First Extension, amendment and ratification dated 6 March 2015 of the pledge over International College Spain, S.A.U. shares

8.7 Second Extension, amendment and ratification dated a date within 5 Business Days of the date hereof of the pledge over WCL Intermediate Holdings Spain, S.L.U. quotas

8.8 Second Extension, amendment and ratification dated a date within 5 Business Days of the date hereof of the pledge over International College 2, S.L.U. quotas

8.9 Second Extension, amendment and ratification dated a date within 5 Business Days of the date hereof of the pledge over International College Spain, S.A.U. shares

9. SWITZERLAND SECURITY DOCUMENTS

9.1 Share Pledge Agreement dated 31 March 2014 over shares in Collège Alpin Beau-Soleil SA

9.2 Share Pledge Agreement dated 31 March 2014 over shares in La Côte International School SA

9.3 Share Pledge Agreement dated 31 March 2014 over shares in Collège Champittet SA

9.4 Insurance Claim Assignment Agreement dated 31 March 2014 (by Collège Alpin Beau-Soleil SA)

9.5 Insurance Claim Assignment Agreement dated 31 March 2014 (by La Côte International School SA)

9.6 Insurance Claim Assignment Agreement dated 31 March 2014 (by Collège Champittet SA)

9.7 First Security Confirmation Agreement dated 2 March 2015

9.8 Second Security Confirmation Agreement dated a date within 5 Business Days of the date hereof

10. THAILAND SECURITY DOCUMENTS

10.1 Share Pledge Agreement dated 31 March 2014 over the shares of Regent Pattaya Campus Management Co., Ltd. (by Rice Education Hong Kong Limited and Nord Anglia Education Limited) (the **RPCM Share Pledge Agreement**)

10.2 Share Pledge Agreement dated 31 March 2014 over the shares of Saint Andrews International School Sukhumvit Campus Co., Ltd. (by UMA Education Hong Kong Limited and Nord Anglia Education Limited) (the **Saint Andrews Share Pledge Agreement**)

10.3 First Confirmation Deed dated 2 March 2015 in respect of the RPCM Share Pledge Agreement (by Rice Education Hong Kong Limited and Nord Anglia Education Limited)

10.4 First Confirmation Deed dated 2 March 2015 in respect of the Saint Andrews Share Pledge Agreement (by UMA Education Hong Kong Limited and Nord Anglia Education Limited)

10.5 Second Confirmation Deed dated a date within 5 Business Days of the date hereof in respect of the RPCM Share Pledge Agreement (by Rice Education Hong Kong Limited and Nord Anglia Education Limited)

10.6 Second Confirmation Deed dated a date within 5 Business Days of the date hereof in respect of the Saint Andrews Share Pledge Agreement (by UMA Education Hong Kong Limited and Nord Anglia Education Limited)

11. UNITED STATES SECURITY DOCUMENTS

11.1 U.S. Pledge Agreement dated as of March 31, 2014

11.2 U.S. Pledge and Security Agreement (by Borrower and certain U.S. Guarantors) dated as of March 31, 2014

11.3 Pledge Supplement to U.S. Pledge and Security Agreement dated as of the date hereof

11.4 Pledge Supplement to U.S. Pledge Agreement dated as of the date hereof by Nord Anglia Education Limited in favor of the Primary Collateral Agent

POST-CLOSING SECURITY DOCUMENTS

1. CAYMAN ISLANDS SECURITY DOCUMENTS

1.1 Share Charge dated a date within 60 days of the date hereof over the shares of Sterling International Schools

2. GIBRALTAR SECURITY DOCUMENTS

2.1 Share Charge dated a date within 60 days of the date hereof over the shares of Meritas (Gibraltar) Holdings Limited

3. HONG KONG SECURITY DOCUMENTS

3.1 Share Mortgage dated a date within 60 days of the date hereof over the shares of Sterling Asian Schools Holdings Limited

4. LUXEMBOURG SECURITY DOCUMENTS

4.1 Share pledge agreement dated a date within 60 days of the date hereof over the shares of Meritas Luxembourg Holding S.à r.l. between Meritas (Gibraltar) Holdings Limited as pledgor, the Primary Collateral Agent as collateral agent and in the presence of Meritas Luxembourg Holding S.à r.l. as company.

5. MALTA SECURITY DOCUMENTS

5.1 Share pledge agreement to be dated a date within 60 days of the date hereof over the shares in Meritas Malta Holdings Limited

6. MEXICO SECURITY DOCUMENTS

6.1 Equity Pledge Agreement, to be dated a date within 60 days of the date hereof by and among Meritas Luxembourg Holding SARL (" **Meritas Luxembourg** "), as pledgor, the Collateral Agent, as pledgee, and Meritas Mexico, S. de R.L. de C.V. (" **Meritas Mexico** "), as the company, over all the equity owned by Meritas Luxembourg in Meritas Mexico

6.2 Equity Pledge Agreement to be dated a date within 60 days of the date hereof by and among Meritas Malta Holdings Limited (" **Meritas Malta** "), as pledgor, the Collateral Agent, as pledgee, and Meritas Mexico, as the company, over the equity owned by Meritas Malta in Meritas Mexico

7. SINGAPORE SECURITY DOCUMENTS

7.1 Second Confirmatory Debenture dated a date within 60 days of the date hereof

8. SWITZERLAND SECURITY DOCUMENTS

8.1 Quota Pledge Agreement to be dated a date within 60 days of the date hereof regarding quotas in Meritas CH S.à.r.l.

8.2 Insurance Claim Assignment Agreement to be dated a date within 60 days of the date hereof (by Meritas CH S.à.r.l.)

8.3 Quota Pledge Agreement to be dated a date within 60 days of the date hereof regarding quotas in Collège du Léman S.à.r.l.

8.4 Insurance Claim Assignment Agreement to be dated a date within 60 days of the date hereof (by Collège du Léman S.à.r.l.)

9. UNITED STATES SECURITY DOCUMENTS

9.1 Pledge Supplement to U.S. Supplemental Pledge and Security Agreement dated a date within 60 days of the date hereof by Meritas MX, LLC in favor of the Primary Collateral Agent

9.2 Pledge Supplement to U.S. Pledge Agreement dated a date within 60 days of the date hereof by Meritas Luxembourg Holding S.à r.l in favor of the Primary Collateral Agent

EXHIBIT A

FORM OF NOTE

[Face of Note]

[Insert the Global Note Legend, if applicable pursuant to the provisions of the Indenture]

[Insert the Private Placement Legend, if applicable pursuant to the provisions of the Indenture]

NORD ANGLIA EDUCATION FINANCE LLC

5.750% Senior Secured Notes due 2022

GUARANTEED BY THE GUARANTORS (AS DEFINED IN THE INDENTURE)

No. _____

ISIN: [for Reg S] XS1250033898 [for Rule 144A] XS1250034359

COMMON CODE: [for Reg S] 125003389 [for Rule 144A] 125003435

CHF _____

NORD ANGLIA EDUCATION FINANCE LLC , a limited liability company organized under the laws of the State of Delaware, promises to pay to _____ or registered assigns,

the principal sum of _____ SWISS FRANCS or such greater or lesser amount as indicated in the schedule of Exchanges of Interests in the Global Note on July 15, 2022.

Interest Payment Dates: January 15 and July 15

Record Dates: January 1 and July 1

Dated: _____

IN WITNESS WHEREOF, the parties hereto have caused this Note to be signed manually or by facsimile by the duly authorized officers referred to below.

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Name:
Title:

This is one of the Notes referred to
in the within-mentioned Indenture:

Citicorp International Limited, not in its individual capacity, but in its capacity as Authenticating Agent with respect to the Notes appointed by the Trustee,
CITICORP INTERNATIONAL LIMITED

By: Citicorp International Limited

By: _____
Authorized Signatory

5.750% Senior Secured Notes due 2022

Capitalized terms used herein have the meanings assigned to them in the Indenture referred to below unless otherwise indicated.

(1) *INTEREST* . **NORD ANGLIA EDUCATION FINANCE LLC** , a limited liability company organized under the laws of the State of Delaware, (the " *Issuer* "), promises to pay or cause to be paid interest on the principal amount of this Note at 5.750% per annum from _____ until maturity. The Issuer will pay interest semi-annually in arrears on January 15 and July 15 of each year, or if any such day is not a Business Day, on the next succeeding Business Day (each, an " *Interest Payment Date* "). Interest on the Notes will accrue from the most recent date to which interest has been paid or, if no interest has been paid, from the date of issuance; *provided* that if there is no existing Default in the payment of interest, and if this Note is authenticated between a record date referred to on the face hereof and the next succeeding Interest Payment Date, interest shall accrue from such next succeeding Interest Payment Date; *provided further* that the first Interest Payment Date shall be January 15, 2016. The Issuer will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue principal and premium, if any, from time to time on demand at a rate that is 1% per annum in excess of the rate then in effect, to the extent lawful; it will pay interest (including post-petition interest in any proceeding under any Bankruptcy Law) on overdue installments of interest and Additional Amounts (without regard to any applicable grace periods), from time to time on demand at the same rate, to the extent lawful. Interest will be computed on the basis of a 360-day year comprised of twelve 30-day months.

(2) *METHOD OF PAYMENT* . The Issuer will pay interest on the Notes (except defaulted interest) and Additional Amounts, if any, to the Persons who are registered Holders of Notes at the close of business on the January 1 or July 1 preceding the next Interest Payment Date, even if such Notes are cancelled after such record date and on or before such Interest Payment Date, except as provided in Section 2.12 of the Indenture with respect to defaulted interest. The Notes will be payable as to principal, premium, if any, interest and Additional Amounts, if any, through the Paying Agent as provided in the Indenture or, at the option of the Issuer, payment of interest and Additional Amounts, if any, may be made by check mailed to the Holders at their addresses set forth in the register of Holders; *provided* that payment by wire transfer of immediately available funds will be required with respect to principal of and interest, premium and Additional Amounts, if any, on, all Global Notes and all other Notes the Holders of which will have provided wire transfer instructions to the Issuer or the Paying Agent. Such payment shall be made in Swiss francs.

(3) *PAYING AGENT, REGISTRAR AND TRANSFER AGENT* . Initially, Citicorp International Limited will act as the Trustee under the Indenture. Citibank, N.A., London Branch, will act as Paying Agent and Transfer Agent. Citigroup Global Markets Deutschland AG will act as Registrar. Upon notice to the Trustee, the Issuer may change any Paying Agent, Registrar or Transfer Agent.

If the Issuer maintains a Paying Agent with respect to the Notes in a member state of the European Union, such Paying Agent will be located in a member state of the European Union that is not obligated to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other directive implementing the conclusions of ECOFIN Council meeting of November 26-27, 2000 on the taxation of savings income, or any law implementing or complying with, or introduced in order to conform to, such directive or such other directive.

(4) *INDENTURE* . The Issuer issued the Notes under an Indenture dated as of June 25, 2015 (the " *Indenture* ") among the Issuer, the Guarantors, Citicorp International Limited, as Trustee, HSBC Bank USA, N.A. as Primary Collateral Agent, HSBC Bank plc as Hungarian Collateral Agent Security Agent, Citibank, N.A., London Branch, as Paying Agent and Transfer Agent and Citigroup

Global Markets Deutschland AG, as Registrar. The Notes are subject to all such terms, and Holders are referred to the Indenture for a statement of such terms. To the extent any provision of this Note conflicts with the express provisions of the Indenture, the provisions of the Indenture shall govern and be controlling.

(5) *OPTIONAL REDEMPTION.*

(a) At any time prior to July 15, 2018, upon not less than 10 nor more than 60 days' notice, the Issuer may on any one or more occasions redeem up to 35% of the aggregate principal amount of Notes at a redemption price of 105.750% of their principal amount, plus accrued and unpaid interest, if any, to the redemption date, with the net proceeds from one or more Equity Offerings; *provided* , that:

(i) at least 65% of the aggregate principal amount of Notes that were initially issued under the Indenture (excluding Notes held by the Issuer and its Subsidiaries) would remain outstanding immediately after the proposed redemption; and

(ii) the redemption occurs within 90 days after the closing of such Equity Offering.

(b) At any time prior to July 15, 2018, upon not less than 10 nor more than 60 days' notice, the Issuer may, on any one or more occasions, redeem all or part of the Notes at a redemption price equal to 100% of the principal amount thereof plus the Applicable Redemption Premium and accrued and unpaid interest, if any, to the redemption date, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date.

(c) Except pursuant to subparagraphs (a) and (b) of this Paragraph 5 and pursuant to Paragraph 6, the Notes will not be redeemable at the Issuer's option prior to July 15, 2018.

(d) At any time on or after July 15, 2018, and prior to maturity, upon not less than 30 nor more than 60 days' notice, the Issuer may, on any one or more occasions, redeem all or part of the Notes. These redemptions will be in amounts of CHF150,000 or higher integral multiples of CHF1,000 at the following redemption prices (expressed as percentages of their principal amount at maturity), plus accrued and unpaid interest, if any, to the redemption date, if redeemed during the 12-month period commencing on July 15 of the years set forth below, subject to the rights of Holders on the relevant record date to receive interest on the relevant interest payment date:

Year	Redemption Price
2018	102.875%
2019	101.438%
2020 and thereafter	100.000%

(e) Unless the Issuer defaults in the payment of the redemption price, interest will cease to accrue on the Notes or portions thereof called for redemption on the applicable redemption date.

(f) Any redemption pursuant to Section 3.07 of the Indenture shall be made pursuant to the provisions of Sections 3.01 through 3.06 of the Indenture. Any redemption and notice may, in the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent.

(6) *REDEMPTION FOR CHANGES IN TAXES.*

The Issuer may, at its option, redeem the Notes, in whole but not in part, at any time upon giving not less than 10 nor more than 60 days' notice (which notice shall be irrevocable and given in accordance with the provisions described in Section 3.03 of the Indenture) to the Holders, at a

redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest thereon, if any, to the redemption date to be fixed by the Issuer (a " *Tax Redemption Date* "), then due and which will become due on the Tax Redemption Date as a result of the redemption or otherwise (subject to the right of Holders on the relevant record date to receive interest due on an interest payment date that is prior to the Tax Redemption Date if the Issuer or any Guarantor is or, on the next date on which any amount would be payable by the Issuer or such Guarantor in respect of the Notes, would be obliged to pay Additional Amounts in excess of the Additional Amounts that the Issuer or Guarantor was obligated to pay as of the Issue Date in respect of the Notes, which the Issuer cannot avoid by the use of reasonable measures available to it (including taking reasonable measures to make payment through a Paying Agent or a different Guarantor located in another jurisdiction), as a result of:

(a) any change in, or amendment to, the laws or treaties (or any regulations, protocols or rulings promulgated thereunder) of any Relevant Taxing Jurisdiction affecting taxation that becomes effective on or after the date of the Indenture (or, in the case of a jurisdiction that becomes a Relevant Taxing Jurisdiction after the date of the Indenture, on or after such date; *provided* that there has been no formal proposal for such change or amendment the enactment of which was imminent when the jurisdiction became a Relevant Taxing Jurisdiction); or

(b) any change in the official application, administration or interpretation of the laws, regulations or rulings of any Relevant Taxing Jurisdiction (including a holding, judgment or order by a court of competent jurisdiction or a change in published administrative practice) that becomes effective on or after the date of the Indenture (or, in the case of a jurisdiction that becomes a Relevant Taxing Jurisdiction after the date of the Indenture, on or after such date; *provided* that there has been no formal proposal for such change or amendment the enactment of which was imminent when the jurisdiction became a Relevant Taxing Jurisdiction),

(each of the foregoing clauses (a) and (b), a " *Change in Tax Law* ").

The Issuer will not give any such notice of redemption (a) earlier than 60 days prior to the earliest date on which the Issuer would be obliged to make such payment of Additional Amounts or withholding if a payment in respect of the Notes or Guarantees were then due and (b) unless at the time such notice is given, the obligation to pay Additional Amounts in accordance with the terms of the Indenture remains in effect.

Prior to the publication or, where relevant, mailing of any notice of redemption pursuant to the foregoing, the Issuer will deliver to the Trustee:

(a) an Officers' Certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer to so redeem have occurred (including that the obligation to pay such Additional Amounts cannot be avoided by the Issuer, the relevant Guarantor or another Guarantor taking reasonable measures available to it); and

(b) an opinion of independent tax counsel of recognized standing, qualified under the laws of the Relevant Taxing Jurisdiction, to the effect that the Issuer or relevant Guarantor is or would be obliged to pay such Additional Amounts as a result of a Change in Tax Law.

The Trustee will accept such Officers' Certificate and opinion as sufficient evidence of the satisfaction of the conditions precedent as described above, in which event it will be conclusive and binding on the Holders.

(7) SPECIAL MANDATORY REDEMPTION.

(a) In the event that (i) the Acquisition is not consummated on or prior to the Acquisition Longstop Date, (ii) in the reasonable judgment of the Issuer, the Acquisition will not be consummated by the Acquisition Longstop Date or (iii) the Acquisition Agreement terminates at any time prior to the Acquisition Longstop Date (the date of any such event referred to in clauses (i)-(iii) above being the " *Special Termination Date* "), the Issuer will redeem all of the Notes (the " *Special Mandatory Redemption* ") at a price (the " *Special Mandatory Redemption Price* ") equal to 100% of the their principal amount, plus accrued but unpaid interest, if any, from the Issue Date to the Special Mandatory Redemption Date (as defined below) (subject to the right of holders of record on the relevant record date to receive interest due on the relevant interest payment date).

(b) Notice of the Special Mandatory Redemption will be delivered by the Issuer, no later than one Business Day following the Special Termination Date, to the Trustee and the Paying Agent, and will provide that the Notes shall be redeemed on a date that is no later than the fifth Business Day after such notice is given by the Issuer (the " *Special Mandatory Redemption Date* ").

(c) On the Special Mandatory Redemption Date, the Issuer shall pay to the Paying Agent for payment to each Holder the Special Mandatory Redemption Price for such Holder's Notes.

(d) If at the time of such Special Mandatory Redemption, the Notes are listed on the Irish Stock Exchange, and the rules of the Irish Stock Exchange so require, the Issuer will notify the Irish Stock Exchange that the Special Mandatory Redemption has occurred and any relevant details relating to such Special Mandatory Redemption

(8) *MANDATORY REDEMPTION.*

Other than the Special Mandatory Redemption, the Issuer is not required to make mandatory redemption or sinking fund payments with respect to the Notes. However, the Issuer may be required to offer to purchase the Notes as described under Section 4.10 and Section 4.14 of the Indenture. The Issuer and the Restricted Subsidiaries may at any time and from time to time purchase Notes in the open market or otherwise.

(9) *REPURCHASE AT THE OPTION OF HOLDER.*

(a) Upon the occurrence of a Change of Control, the Issuer will make a Change of Control Offer to each Holder to repurchase all or any part (equal to CHF150,000 or a higher integral multiple of CHF1,000) of that Holder's Notes at a purchase price in cash equal to 101% of the aggregate principal amount of Notes repurchased plus accrued and unpaid interest and Additional Amounts, if any, on the Notes repurchased to the date of purchase, subject to the rights of Holders on the relevant record date to receive interest due on the relevant interest payment date. Within 30 days following any Change of Control, the Issuer will mail a notice to each Holder setting forth the procedures governing the Change of Control Offer as required by the Indenture.

(b) Any Net Cash Proceeds from Asset Sales that are not applied or invested as provided and within the time period set forth in the Indenture will constitute "Excess Proceeds." When the aggregate amount of Excess Proceeds exceeds $10,000,000 (or the Dollar Equivalent thereof), within 30 Business Days thereof, the Issuer will make an Asset Sale Offer to all Holders of Notes and at the Issuer's election, the holders of any Pari Passu Debt, to the extent required by the terms thereof on a pro rata basis, to purchase with the proceeds of sales of assets in accordance with the procedures set forth in the Indenture the maximum principal amount in the case of the Notes (expressed as a minimum amount of CHF150,000 and higher integral multiples of CHF1,000) of the Notes and any such Pari Passu Debt (plus all accrued interest on the Debt and the amount of all fees and expenses, including premiums, incurred in connection therewith) that may be purchased, prepaid or redeemed out of the Excess Proceeds. The offer price as to each Note and any such Pari Passu Debt in any

Asset Sale Offer will be equal to solely in the case of the Notes 100% of the principal amount of such Note and (solely in the case of Pari Passu Debt) no greater than 100% of the principal amount (or accreted value as applicable) of such Pari Passu Debt, plus in each case accrued and unpaid interest and Additional Amounts, if any, to the date of purchase, prepayment or redemption, subject to the rights of Holders of Notes on the relevant record date to receive interest due on the relevant interest payment date, and will be payable in cash. If any Excess Proceeds remain after consummation of an Asset Sale Offer, the Issuer may use those Excess Proceeds for general corporate purposes that are not otherwise prohibited by the Indenture. If the aggregate principal amount of Notes and any such Pari Passu Debt validly tendered and not withdrawn by holders thereof exceeds the amount of Excess Proceeds, the Trustee will select the Notes and any such Pari Passu Debt, to be purchased on a *pro rata* basis based on the amount of Notes and the principal amount or accredited value of such Pari Passu Debt tendered by each Holder. Upon completion of each Asset Sale Offer, the amount of Excess Proceeds will be reset at zero.

(10) *NOTICE OF REDEMPTION* . At least 30 days but not more than 60 days before a redemption date, the Issuer will deliver, pursuant to Section 13.01 of the Indenture, a notice of redemption to each Holder whose Notes are to be redeemed at its registered address, except that redemption notices may be mailed more than 60 days prior to a redemption date if the notice is issued in connection with a defeasance of the Notes or the satisfaction and discharge of the Indenture. No Notes of CHF150,000 in aggregate principal amount or less shall be redeemed in part.

(11) *DENOMINATIONS, TRANSFER, EXCHANGE* .

[The Global Notes are in registered form without coupons attached. The Global Notes will represent the aggregate principal amount of all the Notes issued and not yet cancelled other than Definitive Notes.] [1] [The Definitive Notes are in registered form without coupons attached in denominations of CHF150,000 and higher integral multiples of CHF1,000. The transfer of Notes may be registered and Notes may be exchanged as provided in the Indenture. The Registrar and the Trustee may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and the Issuer may require a Holder to pay any taxes and fees required by law or permitted by the Indenture. The Issuer shall not be required to register the transfer of any Definitive Notes (A) for a period of 15 days prior to any date fixed for the redemption of the Notes; (B) for a period of 15 days immediately prior to the date fixed for selection of Notes to be redeemed in part; (C) for a period of 15 days prior to the record date with respect to any interest payment date; or (D) which the holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer, an Asset Sale Proceeds Offer or a Notes Offer.] [2]

(12) *PERSONS DEEMED OWNERS* . The registered Holder of a Note may be treated as the owner of it for all purposes.

(13) *AMENDMENT, SUPPLEMENT AND WAIVER* . Subject to certain exceptions, the Indenture (including, without limitation, Section 3.10, Section 4.10 and Section 4.14 thereof), the Notes, the Guarantees, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement may be amended or supplemented with the consent of the Holders of at least a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, the Notes), and, subject to Section 6.04 and Section 6.07 of the Indenture, any existing Default or Event of Default (other than a Default or Event of Default in the payment of the principal of, premium on, if any, interest or Additional Amounts, if any, on, the Notes, except a payment default resulting from an acceleration that has been rescinded) or compliance with any provision of the Indenture, the Notes, the Guarantees, the Security Documents,

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[1] *Include in any Global Note.*

[2] *Include in any Definitive Note*

the Intercreditor Agreement or any Additional Intercreditor Agreement may be waived with the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes (including, without limitation, Additional Notes, if any) voting as a single class (including, without limitation, consents obtained in connection with a purchase of, or tender offer or exchange offer for, Notes); *provided* that if any amendment, waiver or other modification will only affect one series of the Notes, only the consent of the Holders of a majority in aggregate principal amount of the then outstanding Notes of such series shall be required. In certain circumstances, the Indenture, the Notes, the Guarantees, the Intercreditor Agreement or any Security Document may be amended or supplemented without the consent of any Holder, including to cure any ambiguity, defect or inconsistency.

(14) *DEFAULTS AND REMEDIES* . Except as set forth in Section 6.02 of the Indenture, if an Event of Default, as defined in the Indenture, occurs and is continuing, the Trustee or the Holders of at least 25% in aggregate principal amount of the then outstanding Notes may declare all the Notes to be due and payable immediately. If a bankruptcy, concurso mercantil or insolvency default with respect to the Issuer, any Guarantor or any Significant Subsidiary occurs and is continuing, the Notes automatically become due and payable. Holders may not enforce the Indenture or the Notes except as provided in the Indenture. The Trustee may require indemnity and/or security satisfactory to it before it enforces the Indenture or the Notes. Holders of a majority in aggregate principal amount of the then outstanding Notes may direct the time, method and place of conducting any proceeding for exercising any remedy available to the Trustee or exercising any trust or power conferred on the Trustee.

(16) *AUTHENTICATION* . This Note will not be valid until authenticated by the manual signature of the authorized signatory of the Trustee or an authenticating agent.

(17) *ABBREVIATIONS* . Customary abbreviations may be used in the name of a Holder or an assignee, such as: TEN COM (= tenants in common), TEN ENT (= tenants by the entireties), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), and U/G/M/A (= Uniform Gifts to Minors Act).

(18) *ISIN AND COMMON CODE NUMBERS.* The Issuer has caused Common Code numbers to be printed on the Notes and the Trustee may use Common Code numbers in notices of redemption as a convenience to Holders. In addition, the Issuer has caused ISIN numbers to be printed on the Notes and the Trustee may use ISIN numbers in notices of redemption as a convenience to Holders. No representation is made as to the accuracy of any such numbers either as printed on the Notes or as contained in any notice of redemption and reliance may be placed only on the other identification numbers placed thereon.

(19) *GOVERNING LAW.* THE INTERNAL LAW OF THE STATE OF NEW YORK WILL GOVERN AND BE USED TO CONSTRUE THE INDENTURE, THIS NOTE AND THE NOTE GUARANTEES WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

The Issuer will furnish to any Holder upon written request and without charge a copy of the Indenture, the form of Note, the Security Documents, the Intercreditor Agreement or any Additional Intercreditor Agreement. Requests may be made to:

Nord Anglia Education Finance LLC
c/o Nord Anglia Education, Inc.
Level 12, St. George's Building
2 Ice House Street
Central, Hong Kong
Attention: Chief Financial Officer

ASSIGNMENT FORM

To assign this Note, fill in the form below:

(I) or (we) assign and transfer this Note to: _____

(Insert assignee's legal name)

_____

(Insert assignee's soc. sec. or tax I.D. no.)

_____

_____

_____

_____

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____ to transfer this Note on the books of the Issuer. The agent may substitute another to act for him.

Date: _____

Your Signature: _____

(Sign exactly as your name appears on the face of this Note)

Signature Guarantee*: _____

* Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program (" *STAMP* ") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

OPTION OF HOLDER TO ELECT PURCHASE *

If you want to elect to have this Note purchased by the Issuer pursuant to Section 4.10 or 4.14 of the Indenture, check the appropriate box below

☐ Section 4.10 ☐ Section 4.14

If you want to elect to have only part of the Note purchased by the Issuer pursuant to Section 4.10 or Section 4.14 of the Indenture, state the amount you elect to have purchased (in denominations of CHF150,000 or higher integral multiples of CHF1,000):

CHF _____
Date: _____

Your Signature: _____
(Sign exactly as your name appears on the face of this Note)

Tax Identification No.: _____

Signature Guarantee*: _____

* Signatures must be guaranteed by an "eligible guarantor institution" meeting the requirements of the Registrar, which requirements include membership or participation in the Security Transfer Agent Medallion Program (" *STAMP* ") or such other "signature guarantee program" as may be determined by the Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities Exchange Act of 1934, as amended.

SCHEDULE OF EXCHANGES OF INTERESTS IN THE GLOBAL NOTE

The following exchanges of a part of this Global Note for an interest in another Global Note or for a Definitive Note, or exchanges of a part of another Global Note or Definitive Note for an interest in this Global Note, have been made:

Date of Exchange	Amount of decrease in Principal Amount of this Global Note	Amount of increase in Principal Amount of this Global Note	Principal Amount of this Global Note following such decrease (or increase)	Signature of authorized officer of Paying Agent, Trustee or Custodian or Depositary

EXHIBIT B

FORM OF CERTIFICATE OF TRANSFER

Nord Anglia Education Finance LLC
c/o Nord Anglia Education, Inc.
Level 12, St. George's Building
2 Ice House Street
Central, Hong Kong
Attention: Chief Financial Officer

Citicorp International Limited
39th Floor, Citibank Tower
Citibank Plaza
3 Garden Road
Central, Hong Kong

Citigroup Global Markets Deutschland AG
Reuterweg 16
60323 Frankfurt
Germany

Re: CHF200,000,000 5.750% Senior Secured Notes due 2022 of Nord Anglia Education Finance LLC

Reference is hereby made to the Indenture, dated as of June 25, 2015 (the " *Indenture* "), among Nord Anglia Education Finance LLC, a limited liability company organized under the laws of the State of Delaware (the " *Issuer* "), the Guarantors party thereto, Citicorp International Limited, as Trustee , HSBC Bank USA, N.A. as Primary Collateral Agent, HSBC Bank plc as Hungarian Collateral Agent, Citibank N.A., London Branch, as Paying Agent and Transfer Agent, and Citigroup Global Markets Deutschland AG, as Registrar. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the " *Transferor* ") owns and proposes to transfer the Note[s] or interest in such Note[s] specified in Annex A hereto, in the principal amount of CHF _____ in such Note[s] or interests (the " *Transfer* "), to _____ (the " *Transferee* "), as further specified in Annex A hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ **Check if Transferee will take delivery of a Book-Entry Interest in the Rule 144A Global Note or a Restricted Definitive Note pursuant to Rule 144A** . The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the " *Securities Act* "), and, accordingly, the Transferor hereby further certifies that the Book-Entry Interest or Definitive Note is being transferred to a Person that the Transferor reasonably believes is purchasing the Book-Entry Interest or Definitive Note for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A, and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred Book-Entry Interest or Definitive Note will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Rule 144A Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

2. ☐ **Check if Transferee will take delivery of a Book-Entry Interest in the Regulation S Global Note or a Restricted Definitive Note pursuant to Regulation S** . The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the Restricted Period, the transferee is not a U.S. Person or for the account or benefit of a U.S. Person, and will take delivery only as a Book-Entry Interest so transferred through Euroclear or Clearstream. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred Book-Entry Interest or Definitive Note will be subject to the restrictions on Transfer enumerated in the Private Placement Legend printed on the Regulation S Global Note and/or the Restricted Definitive Note and in the Indenture and the Securities Act.

3. ☐ **Check and complete if Transferee will take delivery of a Restricted Definitive Note pursuant to any provision of the Securities Act other than Rule 144A or Regulation S** . The Transfer is being effected in compliance with the transfer restrictions applicable to Book-Entry Interests in Restricted Global Notes and Restricted Definitive Notes and pursuant to and in accordance with the Securities Act and any applicable blue sky securities laws of any state of the United States, and accordingly the Transferor hereby further certifies that (check one):

(a) ☐ such Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act;

or

(b) ☐ such Transfer is being effected to the Issuer or a subsidiary thereof;

or

(c) ☐ such Transfer is being effected pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

4. ☐ **Check if Transferee will take delivery of a Book-Entry Interest in an Unrestricted Global Note or of an Unrestricted Definitive Note** .

(a) ☐ **Check if Transfer is pursuant to Rule 144** . (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred Book-Entry Interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(b) ☐ **Check if Transfer is Pursuant to Regulation S** . (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance

with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred Book-Entry Interest or Definitive Note will no longer be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes, on Restricted Definitive Notes and in the Indenture.

(c) ☐ **Check if Transfer is Pursuant to Other Exemption** . (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred Book-Entry Interest or Definitive Note will not be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Global Notes or Restricted Definitive Notes and in the Indenture.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

_____
[Insert Name of Transferor]

By: _____
Name:
Title:

Dated: _____

ANNEX A TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

[CHECK ONE OF (a) OR (b)]

(a) ☐ a Book-Entry Interest held through Euroclear Account No. [ ] or Clearstream Banking Account No. [ ] in the:

(i) ☐ Rule 144A Global Note ([Common Code][ISIN] _____), or

(ii) ☐ Regulation S Global Note ([Common Code][ISIN] _____); or

(b) ☐ a Restricted Definitive Note.

2. After the Transfer the Transferee will hold:

[CHECK ONE]

(a) ☐ a Book-Entry Interest held through Euroclear Account No. [ ] or Clearstream Banking Account No. [ ] in the:

(i) ☐ Rule 144A Global Note ([Common Code][ISIN] _____), or

(ii) ☐ Regulation S Global Note ([Common Code][ISIN] _____), or

(iii) ☐ Unrestricted Global Note ([Common Code][ISIN] _____); or

(b) ☐ a Restricted Definitive Note; or

(c) ☐ an Unrestricted Definitive Note,

in accordance with the terms of the Indenture.

EXHIBIT C

FORM OF CERTIFICATE OF EXCHANGE

Nord Anglia Education Finance LLC
c/o Nord Anglia Education, Inc.
Level 12, St. George's Building
2 Ice House Street
Central, Hong Kong
Attention: Chief Financial Officer

Citicorp International Limited
39th Floor, Citibank Tower
Citibank Plaza
3 Garden Road
Central, Hong Kong

Citigroup Global Markets Deutschland AG
Reuterweg 16
60323 Frankfurt
Germany

Re: CHF200,000,000 5.750% Senior Secured Notes due 2022 of Nord Anglia Education Finance LLC

(ISIN _____; Common Code _____)

Reference is hereby made to the Indenture, dated as of June 18, 2015 (the " *Indenture* "), between Nord Anglia Education Finance LLC, a limited liability company organized under the laws of the State of Delaware (the " *Issuer* "), the Guarantors party thereto, Citicorp International Limited, as Trustee , HSBC Bank USA, N.A. as Primary Collateral Agent, HSBC Bank plc as Hungarian Collateral Agent, Citibank N.A., London Branch, as Paying Agent and Transfer Agent, and Citigroup Global Markets Deutschland AG, as Registrar. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

_____, (the " *Owner* ") owns and proposes to exchange the Note[s] or interest in such Note[s] specified herein, in the principal amount of CHF _____ in such Note[s] or interests (the " *Exchange* "). In connection with the Exchange, the Owner hereby certifies that:

1. **Exchange of Restricted Definitive Notes or Beneficial Interests in a Restricted Global Note for Unrestricted Definitive Notes or Beneficial Interests in an Unrestricted Global Note**

(a) ☐ **Check if Exchange is from Book-Entry Interest in a Restricted Global Note to Book-Entry Interest in an Unrestricted Global Note** . In connection with the Exchange of the Owner's Book-Entry Interest in a Restricted Global Note for a Book-Entry Interest in an Unrestricted Global Note in an equal principal amount, the Owner hereby certifies (i) the Book-Entry Interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Notes and pursuant to and in accordance with the Securities Act of 1933, as amended (the " *Securities Act* "), (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Book-Entry Interest in an Unrestricted Global Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(b) ☐ **Check if Exchange is from Book-Entry Interest in a Restricted Global Note to Unrestricted Definitive Note** . In connection with the Exchange of the Owner's Book-Entry Interest in a Restricted Global Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) ☐ **Check if Exchange is from Restricted Definitive Note to Book-Entry Interest in an Unrestricted Global Note** . In connection with the Owner's Exchange of a Restricted Definitive Note for a Book-Entry Interest in an Unrestricted Global Note, the Owner hereby certifies (i) the Book-Entry Interest is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Book-Entry Interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) ☐ **Check if Exchange is from Restricted Definitive Note to Unrestricted Definitive Note** . In connection with the Owner's Exchange of a Restricted Definitive Note for an Unrestricted Definitive Note, the Owner hereby certifies (i) the Unrestricted Definitive Note is being acquired for the Owner's own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Definitive Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the Private Placement Legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Definitive Note is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. **Exchange of Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes for Restricted Definitive Notes or Beneficial Interests in Restricted Global Notes**

(a) ☐ **Check if Exchange is from Book-Entry Interest in a Restricted Global Note to Restricted Definitive Note.** In connection with the Exchange of the Owner's Book-Entry Interest in a Restricted Global Note for a Restricted Definitive Note with an equal principal amount, the Owner hereby certifies that the Restricted Definitive Note is being acquired for the Owner's own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Definitive Note issued will continue to be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the Restricted Definitive Note and in the Indenture and the Securities Act.

(b) ☐ **Check if Exchange is from Restricted Definitive Note to Book-Entry Interest in a Restricted Global Note** . In connection with the Exchange of the Owner's Restricted Definitive Note for a Book-Entry Interest in the [CHECK ONE] ☐ Rule 144A Global Note, ☐ Regulation S Global Note with an equal principal amount, the Owner hereby certifies (i) the Book-Entry Interest is being acquired for the Owner's own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Notes and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Book-Entry Interest issued will be subject to the restrictions on transfer enumerated in the Private Placement Legend printed on the relevant Restricted Global Note and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Issuer.

_____

[Insert Name of Transferor]

By: _____

Name:

Title:

Dated: _____

EXHIBIT D

FORM OF NOTATION OF GUARANTEE

For value received, effective this _____, each Guarantor (which term includes any successor Person under the Indenture) has, jointly and severally, unconditionally guaranteed, to the extent and subject to the terms and limitations set forth in the Indenture, including but not limited to Sections 13.06 (Agent for Service; Submission to Jurisdiction; Waiver of Immunities) and 13.08 (Governing Law), dated as of June 25, 2015 (the " *Indenture* ") among Nord Anglia Education Finance LLC (the *"Issuer"*), the Guarantors party thereto, Citicorp International Limited, as Trustee, HSBC Bank USA, N.A. as Primary Collateral Agent, HSBC Bank plc as Hungarian Collateral Agent, Citibank N.A., London Branch, as Paying Agent and Transfer Agent, and Citigroup Global Markets Deutschland AG, as Registrar, (a) the due and punctual payment of the principal of, premium on, if any, interest and Additional Amounts, if any, on, the Notes, whether at maturity, by acceleration, redemption or otherwise, the due and punctual payment of interest on overdue principal of, premium on, if any, interest and Additional Amounts, if any, on, the Notes, if lawful, and the due and punctual performance of all other obligations of the Issuer to the Holders or the Trustee all in accordance with the terms of the Indenture and (b) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that the same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise. The obligations of the Guarantors to the Holders and to the Trustee pursuant to the Guarantee and the Indenture are expressly set forth in Article 11 of the Indenture and reference is hereby made to the Indenture for the precise terms of the Guarantee. Each Holder, by accepting the same, (a) agrees to and shall be bound by such provisions and (b) appoints the Trustee as attorney-in-fact of such Holder for such purpose.

Capitalized terms used but not defined herein have the meanings given to them in the Indenture.

[NAME OF GUARANTORS]

By: _____
Name:
Title:

EXHIBIT E

FORM OF SUPPLEMENTAL INDENTURE
TO BE DELIVERED BY SUBSEQUENT GUARANTORS

SUPPLEMENTAL INDENTURE (this " *Supplemental Indenture* "), dated as of _____, among Nord Anglia Education Finance LLC (the " *Issuer* "), _____, a company organized and existing under the laws of _____(the " *Subsequent Guarantor* ") and Citicorp International Limited, as Trustee.

W I T N E S S E T H

WHEREAS, the Issuer has heretofore executed and delivered to the Trustee an indenture (the " *Indenture"*), dated as of June 25, 2015, providing for the issuance of 5.750% Senior Secured Notes due 2022 (the " *Notes* "); and

WHEREAS, the Indenture provides that under certain circumstances the Subsequent Guarantor shall execute and deliver to the Trustee a supplemental indenture and notation of guarantee pursuant to which the Subsequent Guarantor shall unconditionally guarantee all of the Issuer's Obligations under the Notes and the Indenture on the terms and conditions set forth herein (the " *Guarantee* ").

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the Subsequent Guarantor and the Trustee mutually covenant and agree for the equal and ratable benefit of the Holders of the Notes as follows:

1. CAPITALIZED TERMS. Capitalized terms used herein without definition shall have the meanings assigned to them in the Indenture.

2. AGREEMENT TO GUARANTEE. The Subsequent Guarantor hereby agrees to provide an unconditional Guarantee on the terms and subject to the conditions and limitations set forth in the Guarantee and in the Indenture including but not limited to Article 11 thereof.

3. EXECUTION AND DELIVERY.

(a) To evidence its Guarantee, the Subsequent Guarantor hereby agrees that a notation of such Guarantee shall be endorsed by an Officer of the Subsequent Guarantor on each Note authenticated and delivered by or on behalf of the Trustee and that this Supplemental Indenture shall be executed on behalf of the Subsequent Guarantor by one of its Directors or Officers.

(b) The Subsequent Guarantor hereby agrees that its Guarantee shall remain in full force and effect notwithstanding any failure to endorse on each Note a notation of such Guarantee.

(c) If an Officer whose signature is on this Supplemental Indenture or on the Guarantee no longer holds that office at the time the Trustee procures the authentication of the Note on which a Guarantee is endorsed, the Guarantee shall be valid nevertheless.

(d) Upon execution of this Supplemental Indenture, the delivery of any Note by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of the Guarantee set forth in this Supplemental Indenture on behalf of the Subsequent Guarantor.

4. RELEASES. Each Guarantee shall be automatically and unconditionally released and discharged in accordance with Section 11.05 of the Indenture.

5. NO RECOURSE AGAINST OTHERS. No director, officer, employee, incorporator, controlling person or stockholder of any Subsequent Guarantor, as such, will have any liability for any obligations of the Issuer or any Subsequent Guarantor under the Notes, the Indenture, the Guarantees, the Intercreditor Agreement, the Security Documents or this Supplemental Indenture or for any claim based on, in respect of, or by reason of, such obligations or their creation. Each Holder by accepting a Note waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

6. INCORPORATION BY REFERENCE. Section 13.06 of the Indenture is incorporated by reference to this Supplemental Indenture as if more fully set out herein.

THIS SUPPLEMENTAL INDENTURE AND THE NOTES SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT GIVING EFFECT TO APPLICABLE PRINCIPLES OF CONFLICTS OF LAW TO THE EXTENT THAT THE APPLICATION OF THE LAWS OF ANOTHER JURISDICTION WOULD BE REQUIRED THEREBY.

7. COUNTERPARTS. The parties may sign any number of copies of this Supplemental Indenture. Each signed copy shall be an original, but all of them together represent the same agreement.

8. EFFECT OF HEADINGS. The Section headings herein are for convenience only and shall not affect the construction hereof.

9. THE TRUSTEE. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Subsequent Guarantor and the Issuer.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture to be duly executed and attested, all as of the date first above written.

Dated: _____,

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Name:
Title:

[SUBSEQUENT GUARANTOR]

By: _____
Name:
Title:

CITICORP INTERNATIONAL LIMITED, as Trustee

By: _____
Name:
Title:

EXHIBIT F

FORM OF SOLVENCY CERTIFICATE

This solvency certificate (this " *Certificate* ") is delivered by Nord Anglia Education Finance LLC (the " *Issuer* ") in connection with the Indenture dated as of June 25, 2015 (as amended, restated, supplemented or otherwise modified from time to time, the " *Indenture* ") (undefined capitalized terms used herein shall have the meanings set forth in the Indenture) among the Issuer, the Guarantors party thereto, Citicorp International Limited, as Trustee , HSBC Bank USA, N.A., as Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, Citibank N.A., London Branch, as Paying Agent and Transfer Agent, and Citigroup Global Markets Deutschland AG, as Registrar. I hereby certify as follows solely in my capacity as [Director]/[Financial Officer] of the Issuer, and not individually:

1. I am, and at all pertinent times mentioned herein, have been the duly qualified and acting [Director]/[Chief Financial Officer] of the Issuer. In such capacity I have responsibility for the overall management of the financial affairs of the Issuer and the preparation of the financial statements of the Issuer. I am familiar with the properties, business, assets and liabilities of the Issuer and its business plans for the foreseeable future. I am authorized to execute this Certificate on behalf of the Issuer.

2. In connection with the preparation of this Certificate, I have made such investigations and inquiries as I deem necessary and reasonably prudent therefor and to accurately make the certifications expressed herein. The assumptions that underlie and form the basis for the representations made in this Certificate were reasonable when made and continue to be reasonable as of the date hereof.

Based on the foregoing, on behalf of the Issuer, I have reached the following conclusions:

A. As of the date hereof, after the Incurrence of Permitted Collateral Liens:

(i) the fair value of the assets of the Issuer are in excess of the total amount of its liabilities (including, without limitation, contingent and prospective liabilities, computed as the amount that, in light of all the facts and circumstances now existing, represents the amount that can reasonably be expected to become an actual or matured liability);

(ii) the present fair saleable value of the assets of the Issuer is greater than its probable total liability on its existing debts as such debts become absolute and matured;

(iii) the Issuer is able to pay its debts as they fall due and has not (a) been deemed or declared to be unable to pay its debts under applicable law, (b) suspended or threatened to suspend making payments on any of its debts by reason of actual or anticipated financial difficulties or (c) commenced negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness due to actual or anticipated financial difficulties; and

(iv) the Issuer has capital that is not unreasonably small for its business and is sufficient to carry on its business as conducted and as proposed to be conducted.

B. The Issuer is not, on the date hereof, subject to bankruptcy, insolvency, voluntary or judicial liquidation, composition with creditors, compromise agreement or assignment with any creditor of the Issuer, reprieve from payment, controlled management, claims of fraudulent

conveyance that would reasonably be expected to result in a judgment that the Issuer would be unable to satisfy, general settlement with creditors, reorganization or similar laws affecting the rights of creditors generally.

C. The Issuer is not, on the date hereof and will, as a result of its Incurrence of Permitted Collateral Liens, not be in a state of cessation of payments.

D. No application has been made by the Issuer or, as far as the Issuer is aware, by any other person for the appointment of a liquidator, receiver, administrative receiver, administrator, compulsory manager, conciliador, sindico or similar officer pursuant to any insolvency or similar proceedings.

E. No application has been made by the Issuer for a voluntary winding-up or liquidation nor has any judicial winding-up or liquidation been commenced or initiated against the Issuer nor has any suspension of payments, moratorium of any indebtedness, winding-up, dissolution, administration or reorganization (by way of voluntary arrangement, scheme of arrangement or otherwise) of the Issuer been initiated against the Issuer.

F. No corporate action, legal proceedings or other procedure or step has been taken in relation to any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction that affects any asset or assets of the Issuer having an aggregate value of US$500,000 (or its equivalent in other currencies).

"Fair saleable value" means the amount that could be obtained for assets within a reasonable time, either through collection or through sale under ordinary selling conditions by a capable and diligent seller to an interested buyer who is willing (but under no compulsion) to purchase.

None of the Issuer, or any of its Subsidiaries intends, in Incurring Permitted Collateral Liens or in Incurring (by way of assumption or otherwise) any related obligations or liabilities (contingent or otherwise), to disturb, delay, hinder or defraud either present or future creditors or other Persons to which the Issuer or any of its Subsidiaries is or are intended to become, on or after the date hereon, indebted.

Exhibit 4.5

EXECUTION VERSION

AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT

dated as of June 25, 2015

among

NORD ANGLIA EDUCATION FINANCE LLC
as Borrower,

NORD ANGLIA EDUCATION, INC.
as Parent and as a Guarantor,

CERTAIN SUBSIDIARIES OF NORD ANGLIA EDUCATION, INC.
as Guarantors,

THE SEVERAL LENDERS
From Time to Time Parties Hereto,

GOLDMAN SACHS BANK USA,
CREDIT SUISSE SECURITIES (USA) LLC,
DEUTSCHE BANK SECURITIES INC.
and
HSBC SECURITIES (USA) INC.
as Joint Lead Arrangers, Joint Lead Bookrunners and Joint Syndication Agents,

HSBC BANK USA, N.A.
as Term Administrative Agent and Primary Collateral Agent,

HSBC BANK PLC
as Hungarian Collateral Agent,
and
THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED
as Revolving Facility Administrative Agent

$899,472,166.25 Term Loan and $125,000,000 Revolving Loan

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AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT

This **AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT** , dated as of June 25, 2015 is entered into by and among **NORD ANGLIA EDUCATION FINANCE LLC** , a Delaware limited liability company (" **Borrower** "), **NORD ANGLIA EDUCATION, INC.** , an exempted company incorporated with limited liability under the laws of the Cayman Islands and direct parent of Borrower and Nord Anglia UK (as defined below) (" **Parent** "), **CERTAIN SUBSIDIARIES OF PARENT** (as defined below), as Guarantors, the Lenders party hereto from time to time, **GOLDMAN SACHS BANK USA** (" **Goldman Sachs** "), as Syndication Agent (in such capacity, " **Syndication Agent** "), **HSBC BANK USA, N.A.** (" **HSBC USA** "), in its capacity as Administrative Agent to the Term Loan Lenders (together with its permitted successors in such capacity, " **Term Administrative Agent** ") and as Primary Collateral Agent (together with its permitted successors in such capacity, " **Primary Collateral Agent** "), **HSBC BANK PLC** (together with its permitted successors in such capacity, " **HSBC PLC** ") as Hungarian Collateral Agent, **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED ("HBAP")** , as Administrative Agent to the Revolving Lenders (together with its permitted successors in such capacity, " **Revolving Facility Administrative Agent** "), and **GOLDMAN SACHS, CREDIT SUISSE SECURITIES (USA) LLC, DEUTSCHE BANK SECURITIES INC. and HSBC SECURITIES (USA) INC.** , as Joint Lead Arrangers (in such capacity, each, an " **Arranger** ") and Joint Lead Bookrunners.

RECITALS:

WHEREAS , capitalized terms used in these recitals shall have the respective meanings set forth for such terms in Section 1.1 hereof;

WHEREAS , pursuant to the Amendment Agreement (as defined below), the parties thereto have agreed to amend and restate the Original Credit Agreement (as defined below) in the form of this Agreement.

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, the parties hereto agree as follows:

SECTION 1. DEFINITIONS AND INTERPRETATION

1.1. Definitions . The following terms used herein, including in the preamble, recitals, exhibits and schedules hereto, shall have the following meanings:

" **10-Non-Bank-Rule** " means the rule that the aggregate number of Lenders to which a Swiss Guarantor directly or indirectly owes borrowed money under this Agreement that are not Qualifying Banks must not at any time exceed ten, in each case in accordance with the Guidelines.

" **Accounting Principles** " means generally accepted accounting principles in the United Kingdom, including IFRS.

" **Acquired Debt** " means Debt of a Person:

(a) existing at the time such Person becomes a Restricted Subsidiary or is merged into or consolidated with Borrower or any Restricted Subsidiary pursuant to a Permitted Acquisition; or

(b) assumed in connection with a Permitted Acquisition, provided that such Debt is not incurred in contemplation of such Permitted Acquisition.

Acquired Debt will be deemed to be Incurred on the date the acquired Person becomes a Restricted Subsidiary (or is merged into or consolidated with Borrower or any Restricted Subsidiary, as the case may be) or the date of the related Permitted Acquisition.

" **Adjusted Eurodollar Rate** " means, for any Interest Rate Determination Date with respect to an Interest Period for:

(a) a Eurodollar Rate Loan that is a Revolving Loan, (i) the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for Dollars for such Interest Period displayed on page LIBOR01 of the Reuters Screen (or any replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters (provided that if such page or service ceases to be available, Revolving Facility Administrative Agent may specify another page or service displaying the relevant rate after consultation with Borrower), determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, (ii) in the event the rate referenced in the preceding clause (i) is available for Dollars but is not available for such Interest Period (provided that such rate referenced in the preceding clause (i) is available for both a period longer and a period shorter than the relevant Interest Period), the rate which results from interpolating on a linear basis between (A) the applicable rate as set forth in the preceding clause (i) but for the longest period for which such rate is available which is less than such Interest Period and (B) the applicable rate as set forth in the preceding clause (i) but for the shortest period for which such rate is available which exceeds such Interest Period, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, or (C) in the event the rates referenced in the preceding clauses (i) and (ii) are not available, the rate *per annum* equal to the Reference Bank Rate, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date; and

(b) a Eurodollar Rate Loan that is a Term Loan, the rate *per annum* obtained by dividing (i)(A) the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for Dollars for such Interest Period displayed on page LIBOR01 of the Reuters Screen (or any replacement Reuters page which displays that rate) or on the appropriate page of such other information service which publishes that rate from time to time in place of Reuters (provided that if such page or service ceases to be available, Term Loan Administrative Agent may specify another page or service displaying the relevant rate after consultation with Borrower), determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, (B) in the event the rate referenced in the preceding clause (A) does not appear on such page or service or if such page or service shall cease to be available, the rate *per annum* equal to the rate to first class banks in the London interbank market by the London affiliate of Term

Administrative Agent for deposits (for delivery on the first day of such Interest Period) in Dollars of amounts in same day funds comparable to the principal amount of the applicable Loan of Term Administrative Agent, in its capacity as a Lender, for which the Adjusted Eurodollar Rate is then being determined with maturities comparable to such Interest Period, determined as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, or (C) in the event the rates referenced in the preceding clauses (A) and (B) are not available, the rate *per annum* equal to the offered quotation rate to first class banks in the London interbank market by the Term Administrative Agent for deposits (for delivery on the first day of the relevant period) in Dollars of amounts in same day funds comparable to the principal amount of the applicable Term Loan of Term Administrative Agent, in its capacity as a Lender, for which the Adjusted Eurodollar Rate is then being determined with maturities comparable to such period as of approximately 11:00 a.m. (London, England time) on such Interest Rate Determination Date, by (ii) an amount equal to (A) one minus (B) the Applicable Reserve Requirement;

provided , however , that notwithstanding the foregoing, the Adjusted Eurodollar Rate for Term Loans and Revolving Loans shall at no time be less than 1.00% *per annum* .

" **Administrative Agent** " means Term Administrative Agent and Revolving Facility Administrative Agent, as the case may be.

" **Affected Lender** " as defined in Section 2.18(b).

" **Affected Loans** " as defined in Section 2.18(b).

" **Affiliate** " means, with respect to any specified Person:

(a) any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person;

(b) any other Person that owns, directly or indirectly, 10% or more of such specified Person 's Capital Stock or any officer or director of any such specified Person; or

(c) any other Person that owns 10% or more of the Voting Stock of which is beneficially owned or held, directly or indirectly by such specified Person.

For the purposes of this definiti on, "control," when used with respect to any specified Person, means the power to direct or cause the direction of the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

" **Affiliate Assignment Agreement** " means an Assignment and Assumption Agreement substantially in the form of Exhibit D-2, with such amendments or modifications as may be approved by the Term Administrative Agent.

" **Agent** " means each of (i) Term Administrative Agent, (ii) Revolving Facility Administrative Agent, (iii) Syndication Agent, (iv) Primary Collateral Agent, (v) Hungarian Collateral Agent, (vi) Bookrunner and (vii) any other Person appointed under the Credit

Documents to serve in an agent or similar capacity, including, without limitation, any Auction Manager.

" **Agent Affiliates** " as defined in Section 10.1(b)(iii).

" **Aggregate Amounts Due** " as defined in Section 2.17.

" **Aggregate Payments** " as defined in Section 7.2.

" **Agreed Security Principles** " means the Agreed Security Principles set forth in Schedule 2 hereto.

" **Agreement** " means this Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 as it may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

" **Amendment Agreement** " means the Amendment Agreement dated as of June 25, 2015 among the Borrower, Parent, the Term Administrative Agent, the Revolving Facility Administrative Agent, the financial institutions and the Guarantors listed on the signature pages thereto.

" **Amendment and Restatement Date** " means that date on which the Amendment Agreement shall have become effective in accordance with its terms.

" **Amendment and Restatement Date Transaction Costs** " means the fees, costs and expenses payable by the Restricted Group on or before the Amendment and Restatement Date in connection with the transactions contemplated by the Engagement Letter, the Amendment Agreement and the Meritas Transaction Agreement.

" **Anti-Corruption Laws** " as defined in Section 4.30.

" **Applicable Carve-Out Financials** " means (a) copies of the audited financial statements (consisting of a balance sheet, statement of operations, statement of changes in net invested capital and statement of cash flows as of and for the years referenced therein) for the Included Subsidiaries and Chengdu and its subsidiaries, on a combined basis, as of and for the Fiscal Years ended June 30, 2014 and June 30, 2013 and (b) copies of the unaudited reviewed financial statements (consisting of a balance sheet, statement of operations, statement of changes in net invested capital and statement of cash flows) for the Included Subsidiaries and Chengdu and its Subsidiaries, on a combined basis, as of and for the nine (9) month period ended March 31, 2015 (which will include a year-on-year comparison to the corresponding fiscal period for the prior year).

" **Applicable ECF Percentage** " means (i) 50% if, as of the last day of the most recently ended Fiscal Year, the Total Net Leverage Ratio (determined for any such period by reference to the Compliance Certificate delivered pursuant to Section 5.1(c) calculating the Total Net Leverage Ratio as of the last day of such Fiscal Year) shall be greater than 3.75:1.00, (ii) 25% if, as of the last day of the most recently ended Fiscal Year, the Total Net Leverage Ratio (determined for any such period by reference to the Compliance Certificate delivered pursuant to

Section 5.1(c) calculating the Total Net Leverage Ratio as of the last day of such Fiscal Year) shall be less than or equal to 3.75:1.00 and greater than 3.25:1.00 and (iii) 0% if, as of the last day of the most recently ended Fiscal Year, the Total Net Leverage Ratio (determined for any such period by reference to the Compliance Certificate delivered pursuant to Section 5.1(c) calculating the Total Net Leverage Ratio as of the last day of such Fiscal Year) shall be less than or equal to 3.25:1.00.

" **Applicable Margin** " and " **Applicable Revolving Commitment Fee Percentage** " means:

(i) with respect to Initial Term Loans, 4.00% for Eurodollar Rate Loans and 3.00% for Base Rate Loans; provided that after the date of delivery of the Compliance Certificate and the financial statements for the period ending November 30, 2015, so long as the Total Net Leverage Ratio for the immediately preceding four full Fiscal Quarters is less than, or equal to, 4.50:1.00, the Applicable Margin with respect to Initial Term Loans shall be 3.75% for Eurodollar Rate Loans and 2.75% for Base Rate Loans; and

(ii) with respect to Revolving Loans and the Applicable Revolving Commitment Fee Percentage, (a) from the Amendment and Restatement Date until the date of delivery of the Compliance Certificate and the financial statements for the period ending November 30, 2015 a percentage, *per annum* , determined by reference to the following table as if the Total Net Leverage Ratio then in effect were greater than 4.50:1.00; and (b) thereafter, a percentage, *per annum* , determined by reference to the Total Net Leverage Ratio in effect from time to time as set forth below:

Total Net Leverage Ratio	Applicable Margin for Eurodollar Rate Loans	Applicable Revolving Commitment Fee Percentage
> 4.50:1.00	3.75%	0.50%
≤ 4.50:1.00 > 3.50:1.00	3.50%	0.50%
≤ 3.50:1.00 > 3.00:1.00	3.25%	0.50%
≤ 3.00:1.00 > 2.50:1.00	3.00%	0.50%
≤ 2.50:1.00	2.75%	0.50%

No change in the Applicable Margin or the Applicable Revolving Commitment Fee Percentage shall be effective until the first day of the next Interest Period for any Loan following the receipt by Term Administrative Agent of the applicable financial statements and a Compliance Certificate pursuant to Section 5.1(c) calculating the Total Net Leverage Ratio. Within one Business Day of receipt of the applicable information under Section 5.1(c), the applicable Administrative Agent shall give each Lender telefacsimile or telephonic notice (confirmed in writing) of the Applicable Margin and the Applicable Revolving Commitment Fee Percentage in effect from such date. If, following receipt by Term Administrative Agent of the financial statements delivered pursuant to Section 5.1(b) and related Compliance Certificate, such financial statements and Compliance Certificate do not confirm the basis for a reduced

Applicable Margin, Borrower shall promptly pay to the applicable Administrative Agent the accrued additional interest owing as a result of such increased Applicable Margin for the relevant period. At any time Borrower has not submitted to Term Administrative Agent a Compliance Certificate as and when required under Section 5.1(c) and beyond the grace period provided therefor in Section 8.1, the Applicable Margin and the Applicable Revolving Commitment Fee Percentage shall be determined as if the Total Net Leverage Ratio were in excess of 4.50:1.00 as of the first Business Day after the date on which such Compliance Certificate was required to have been delivered and shall remain in effect until the date on which such Compliance Certificate is delivered. After an Event of Default has occurred and is continuing, the Applicable Margin shall be determined as if the Total Net Leverage Ratio then in effect were 4.50:1.00. Nothing in this paragraph shall limit the right of either Administrative Agent or any Lender under Section 2.10 or Section 8.

" **Applicable Reserve Requirement** " means, at any time, the maximum rate, expressed as a decimal, at which reserves (including any basic marginal, special, supplemental, emergency or other reserves) are required to be maintained with respect thereto against "Eurocurrency liabilities" (as such term is defined in Regulation D) under regulations issued from time to time by the Board of Governors or other applicable banking regulator. Without limiting the effect of the foregoing, the Applicable Reserve Requirement shall reflect any other reserves required to be maintained by such member banks with respect to (i) any category of liabilities which includes deposits by reference to which the applicable Adjusted Eurodollar Rate or any other interest rate of a Loan is to be determined, or (ii) any category of extensions of credit or other assets which include Eurodollar Rate Loans. A Eurodollar Rate Loan shall be deemed to constitute Eurocurrency liabilities and as such shall be deemed subject to reserve requirements without benefits of credit for proration, exceptions or offsets that may be available from time to time to the applicable Lender. The rate of interest on Eurodollar Rate Loans shall be adjusted automatically on and as of the effective date of any change in the Applicable Reserve Requirement.

" **Approved Electronic Communications** " means any notice, demand, communication, information, document or other material that any Credit Party provides to either Administrative Agent pursuant to any Credit Document or the transactions contemplated therein which is distributed to Agents, Lenders or Issuing Bank by means of electronic communications pursuant to Section 10.1(b).

" **Arranger** " as defined in the preamble hereto.

" **Asset Sale** " means any sale, issuance, conveyance, transfer, lease or other disposition (including, without limitation, by way of merger, consolidation, amalgamation or other combination or Sale and Leaseback Transaction) by the Restricted Group (collectively, a " **transfer** "), directly or indirectly, in one or a series of related transactions, of:

(a) any Capital Stock of any Subsidiary (other than directors ' qualifying shares or shares required by applicable law to be held by a Person other than Parent or a Subsidiary of Parent);

(b) all or substantially all of the properties and assets of any division or line of business of the Restricted Group; or

(c) any other of the Restricted Group 's properties or assets.

Notwithstanding the preceding, none of the following items will be deemed to be an Asset Sale:

(i) any single transaction or series of related transactions that involves assets or Capital Stock having, at the time of such transaction, a Fair Market Value of less than $5,000,000 (or the Dollar Equivalent thereof);

(ii) any transfer or disposition of assets (x) by Borrower to any Guarantor or (y) by any Guarantor to Borrower or any other Guarantor;

(iii) any transfer or disposition of assets (x) by Borrower or any Guarantor to any Non-Guarantor Subsidiary or (y) by any Non-Guarantor Subsidiary to Borrower, any Guarantor or any other Non-Guarantor Subsidiary, provided that any such transfer or disposition under clause (x) or (y) of this clause (iii) complies with Section 6.4(a)(i);

(iv) any transfer or disposition of obsolete, worn out, damaged or other equipment, facilities or assets that are no longer useful in the conduct of Parent 's, Borrower's and any Restricted Subsidiary's business and that are disposed of in the ordinary course of business;

(v) sales or dispositions of receivables in any factoring transaction in the ordinary course of business;

(vi) any transfer or disposition of assets that is governed by the provisions of Section 6.12;

(vii) for the purposes of Section 6.6 only, the making of a Permitted Investment or a Restricted Payment permitted under Section 6.2;

(viii) the sale, lease, sublease, assignment, transfer or other disposition of any equipment, inventory or receivables in the ordinary course of business;

(ix) an issuance of Capital Stock by a Restricted Subsidiary to Parent, Borrower or to another Restricted Subsidiary;

(x) any transfer, termination, unwinding or other disposition of Hedge Agreements in the ordinary cour se of business and not for speculative purposes (it being understood that hedging with respect to this Agreement and the CHF Notes Indenture shall be deemed "in the ordinary course of business" under this clause (x));

(xi) sales or transfers of assets received by Parent, Borrower or any Restricted Subsidiary upon the foreclosure on a Lien granted in favor of Parent, Borrower or any Restricted Subsidiary or any other transfer of title with respect to any secured investment in default;

(xii) the granting of Liens not prohibited by Section 6.5;

(xiii) the surrender or waiver of contract rights or the settlement, release or surrender of contract, tort or other claims, in the ordinary course of business;

(xiv) disposition or transfer of receivables in connection with the compromise, settlement or collection thereof in the ordinary course of business or in bankruptcy or similar proceedings and exclusive of factoring or similar arrangements; or

(xv) a disposition of cash or Cash Equivalents.

" **Assignment Agreement** " means an Assignment and Assumption Agreement substantially in the form of Exhibit D-1, with such amendments or modifications as may be approved by the applicable Administrative Agent.

" **Assignment Effective Date** " as defined in Section 10.6(b).

" **Attributable Debt** " means, with respect to any Sale and Leaseback Transaction at the time of determination, the present value (discounted at the interest rate implicit in the lease determined in accordance with IFRS or, if not known, at Borrower's incremental borrowing rate) of the total obligations of the lessee of the property subject to such lease for rental payments during the remaining term of the lease included in such Sale and Leaseback Transaction, including any period for which such lease has been extended or may, at the option of the lessor, be extended, or until the earliest date on which the lessee may terminate such lease without penalty or upon payment of penalty (in which case the rental payments will include such penalty), after excluding from such rental payments all amounts required to be paid on account of maintenance and repairs, insurance, taxes, assessments, water, utilities and similar charges.

" **Auction** " as defined in Section 10.6(i)(i).

" **Auction Manager** " means (a) either Term Administrative Agent or an Arranger, as determined by Borrower, or any of their respective Affiliates or (b) any other financial institution or advisor agreed by Borrower and Term Administrative Agent (whether or not an affiliate of Term Administrative Agent) to act as an arranger in connection with any repurchases pursuant to Section 10.6(i).

" **Auditors** " means one of PricewaterhouseCoopers, Ernst & Young, KPMG, Deloitte & Touche, Grant Thornton, BDO, Plusz Haszon Könyvvizsgáló Kft, Qianyi Certified Public Accountants Co., Ltd., Beijing HuaLongDingJia CPA Co., Ltd, Guangzhou Lingnan Certified Public Accountant's Co Ltd., Lo Hock Ling & Co or A&A Account Committee by Miss Pattamia Wongsiridate (or in each case its successors or any local Affiliate or amalgamation of any thereof) or any other firm approved in advance by the Administrative Agents (such approval not to be unreasonably withheld or delayed); provided that (i) the foregoing Auditors shall only be permitted with respect to the jurisdictions in which they audit members of the Restricted Group on the Amendment and Restatement Date and any other jurisdiction approved in advance by the Administrative Agents (such approval not to be unreasonably withheld or delayed) and (ii) the Auditors of Parent and Borrower shall be one of PricewaterhouseCoopers, Ernst & Young,

KPMG, Deloitte & Touche, Grant Thornton or BDO or another firm approved in advance by the Administrative Agents (such approval not to be unreasonably withheld or delayed).

" **Authorization** " means an authorization, waiver, consent, approval, resolution, license, permit, exemption, filing, notarization or registration.

" **Authorized Officer** " means, as applied to any Person, any individual holding the position of chairman of the board (if an officer), chief executive officer, manager (*gérant*), president, vice president (or the equivalent thereof), chief financial officer or treasurer of such Person; provided that the secretary or assistant secretary of such Person shall have delivered an incumbency certificate to Administrative Agents as to the authority of such Authorized Officer.

" **Bank Deposit Debt** " means Debt of any member of the Restricted Group that is subject to a Lien over one or more bank accounts of any member of the Restricted Group and is used by a member of the Restricted Group to, directly or indirectly, engage in foreign currency exchange transactions; provided , however , that the aggregate amount of deposits in all such pledged bank accounts will not at any time be less than 90% or exceed an amount equal to 110% of the aggregate outstanding principal amount of such Debt.

" **Bank Guarantee** " means any bank guarantee issued or to be issued by Issuing Bank pursuant to this Agreement.

" **Banking Services** " means each and any of the following bank services provided to any Credit Party (a) under any arrangement that is in effect on the Closing Date between any Credit Party, a counterparty that is (or is an Affiliate of) the Revolving Facility Administrative Agent, any Revolving Lender or any Arranger as of the Closing Date or (b) under any arrangement that is entered into after the Closing Date by any Credit Party with any counterparty that is (or is an Affiliate of) the Revolving Facility Administrative Agent, any Revolving Lender or any Arranger at the time such arrangement is entered into: (i) credit cards for commercial customers (including "commercial credit cards," procurement cards and purchasing cards), (ii) debit cards, (iii) credit card processing services, (iv) stored value cards, (v) treasury and other cash management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, overdrafts, short-term loan facilities, derivatives facilities, foreign exchange facilities and interstate depository network services) and (vi) other facilities or accommodations in connection with the business of the Restricted Group and which are agreed by the Borrower and such Person providing such bank services.

" **Bankruptcy Law** " means (i) the U.K. Insolvency Act 1986, as amended (together with the rules and regulations made pursuant thereto), (ii) Title 11 of the United States Code entitled "Bankruptcy," as now and hereafter in effect, or any successor statute (" **U.S. Bankruptcy Code** "), (iii) the Hungarian Act XLIX of 1991 on Bankruptcy and Liquidation Proceedings and Act V of 2006 on Private Company Information, Company Registration and Winding-up Proceedings and Act CLXXV of 2011 on the Right of Association, Charitable Status and the Operation of and Subsidies to Civil Organizations as amended from time to time or any successor statute, and (iv) the laws of any other jurisdiction or any political subdivision thereof (in addition to those set forth in clauses (i) through (iii) hereof) relating to bankruptcy, insolvency, *concurso mercantil* , receivership, winding up, liquidation, conservatorship,

reorganization, judicial management, the appointment of a receiver and manager or relief of debtors, in each case as now and hereafter in effect, or any successor statute.

" **Base Rate** " means, for any day, a rate *per annum* equal to the greatest of (i) the Prime Rate in effect on such day, (ii) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (iii) the sum of (a) the Adjusted Eurodollar Rate (after giving effect to any Adjusted Eurodollar Rate "floor") that would be payable on such day for a Eurodollar Rate Loan with a one-month interest period plus (b) 1.00%. Any change in the Base Rate due to a change in the Prime Rate or the Federal Funds Effective Rate shall be effective on the effective day of such change in the Prime Rate or the Federal Funds Effective Rate, respectively.

" **Base Rate Loan** " means a Loan bearing interest at a rate determined by reference to the Base Rate.

" **Board of Directors** " means:

(a) with respect to any corporation, the board of directors or managers of the corporation (which, in the case of any corporation having both a supervisory board and an executive or management board, will be the executive or management board) or any duly authorized committee thereof;

(b) with respect to any partnership, the board of directors of the general partner of the partnership or any duly authorized committee thereof;

(c) with respect to a limited liability company, the managing member or members (or analogous governing body) or any controlling committee of managing members thereof; and

(d) with respect to any other Person, the board or any duly authorized committee thereof or committee of such Person serving a similar function (in respect of the Hungarian Guarantor, the board of trustees).

" **Board of Governors** " means the Board of Governors of the United States Federal Reserve System, or any successor thereto.

" **Bookrunner** " means each Arranger, in its capacity as a joint lead arranger and joint bookrunner under the Engagement Letter.

" **Borrower** " as defined in the preamble hereto.

" **Borrower Retained Prepayment Amount** " as defined in Section 2.15(c).

" **Budget** " means (a) in relation to the period beginning on the Amendment and Restatement Date and ending on or about August 31, 2015, the Financial Model; and (b) in relation to any other period, any budget delivered by Borrower to Term Administrative Agent in respect of that period pursuant to Section 5.1(e).

" **Business Day** " means (i) any day excluding Saturday, Sunday on which banking institutions located in the State of New York or in London or Hong Kong are open for general

business and (ii) with respect to all notices, determinations, fundings and payments in connection with the Adjusted Eurodollar Rate or any Eurodollar Rate Loans, the term " **Business Day** " means any day which is a Business Day described in clause (i) and which is also a day for trading by and between banks in Dollar deposits in the London interbank market.

" **Capital Stock** " means, with respect to any Person, any and all shares, interests, partnership interests (whether general or limited), participations, rights in or other equivalents (however designated) of such Person's equity, any other interest or participation that confers the right to receive a share of the profits and losses, or distributions of assets of, such Person and any rights (other than debt securities convertible into or exchangeable for Capital Stock), warrants or options exchangeable for, or convertible into, such Capital Stock, whether now outstanding or issued after the date hereof. For the avoidance of doubt, in no event should any Subordinated Shareholder Funding or any instrument issued on similar terms constitute Capital Stock.

" **Capitalized Lease Obligation** " means, with respect to any Person, any obligation of such Person under a lease of (or other agreement conveying the right to use) any property (whether real, personal or mixed), which obligation is required to be classified and accounted for as a capital lease obligation under IFRS, and, for purposes of Section 6, the amount of such obligation at any date will be the capitalized amount thereof at such date, determined in accordance with IFRS and the Stated Maturity thereof will be the date of the last payment of rent or any other amount due under such lease prior to the first date such lease may be terminated without penalty. For the avoidance of doubt, an operating lease will not be deemed a Capitalized Lease Obligation, regardless of any reclassification or recharacterization under IFRS.

" **Cash** " means money, currency or a credit balance in any demand or Deposit Account.

" **Cash Collateralize** " means, in respect of an Obligation, to provide and pledge (as a first priority perfected security interest) cash collateral in Dollars, at a location and pursuant to documentation in form and substance satisfactory to Revolving Facility Administrative Agent and the Issuing Bank (and " **Cash Collateralization** " has a corresponding meaning). " **Cash Collateral** " shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

" **Cash Equivalents** " means any of the following:

(a) any evidence of Debt denominated in Euro, Sterling, Dollars or Swiss Francs with a maturity of 180 days or less from the date of acquisition, issued or directly and fully guaranteed or insured by a member state (an " **EU Member State** ") of the Pre-Expansion European Union whose sole lawful currency on the Closing Date is the Euro, the government of the United Kingdom of Great Britain and Northern Ireland, the Swiss Confederation, the United States of America, any state thereof or the District of Columbia, or any agency or instrumentality thereof;

(b) demand or time deposit accounts, certificates of deposit, money market deposits or bankers' acceptances denominated in Euro, Sterling, Dollars or Swiss Francs with a maturity of 180 days or less from the date of acquisition issued by a bank or trust company organized in an EU Member State, the United Kingdom of Great Britain, Northern Ireland and the Swiss Confederation or any commercial banking institution that is a member of the U.S. Federal

Reserve System, in each case having combined capital and surplus and undivided profits of not less than $500,000,000, whose long-term, unsecured, unsubordinated and unguaranteed debt has a rating, at the time any investment is made therein, of at least A or the equivalent thereof from S&P and at least A2 or the equivalent thereof from Moody ’s;

(c) commercial paper with a maturity of 180 days or less from the date of acquisition issued by a corporation that is not Parent’s or any Restricted Subsidiary’s Affiliate and which is incorporated under the laws of an EU Member State, United Kingdom of Great Britain and Northern Ireland, the Swiss Confederation, the United States of America or any state thereof and, at the time of acquisition, having a short-term credit rating of at least A-1 or the equivalent thereof from S&P or at least P-l or the equivalent thereof from Moody’s;

(d) repurchase obligations with a term of not more than seven days for underlying securities of the type described in clause (a) above, entered into with a financial institution meeting the qualifications described in clause (b) above;

(e) Investments in money market mutual funds at least 95% of the assets of which constitute Cash Equivalents of the kind described in clauses (a) through (d) above;

(f) direct obligations of the PRC and Hong Kong or any agency of any of the foregoing or obligations fully and unconditionally guaranteed by the PRC and Hong Kong or any agency of any of the foregoing, in each case maturing within one year;

(g) demand or time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with (i) Agricultural Bank of China, Bank of China, Bank of Communications, China CITIC Bank, China Merchants Bank, Industrial Commercial Bank of China, China Construction Bank, Bank of Shanghai, China Huaxia Bank or HSBC Bank (China) Company Limited or (ii) any other bank, trust company, financial institution or similar entity organized under the laws of the PRC whose long-term debt is rated as high or higher than any of those institutions described in clause (i) of this subsection (g);

(h) demand or time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with Ahli United Bank, Standard Chartered Bank, Standard Chartered Bank Malaysia Berhad, Standard Chartered Bank (Vietnam) Ltd., UOB Bank, Australia, and New Zealand Bank, National Bank of Abu Dhabi, Samba Financial Group, UBS AG, Fifth Third Bank, Bank of America, N.A., HSBC Bank USA, N.A. or its affiliates, Millennium Bank S A, Budapest Bank, Commercial Bank, Cambodian Public Bank, ANZ Royal Bank, Vietnam Export Import Commercial Joint Stock Bank (Eximbank) or VID Public Bank;

(i) demand or time deposit accounts, certificates of deposit, overnight or call deposits and money market deposits with any bank, trust company, financial institution or similar entity, not otherwise included under clause (b), (g) or (h) above which would rank, in terms of combined capital and surplus and undivided profits or the ratings on its long-term debt, among the top five such institutions in a jurisdiction in which Parent, Borrower or a Restricted Subsidiary conducts its business or is organized; or

(j) demand or time deposits, certificates of deposit, overnight or call deposits and money market deposits with any bank, trust company, financial institution or similar entity

organized under the laws of the PRC or Hong Kong, provided that such deposits do not exceed $10,000,000 (or the Dollar Equivalent thereof) with any single bank or $30,000,000 (or the Dollar Equivalent thereof) in the aggregate at any date of determination thereafter.

" **Certificate re Non-Bank Status** " means a certificate substantially in the form of Exhibit I.

" **Change in Law** " as defined in Section 2.19(a).

" **Change of Control** " means (i) any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Exchange Act), other than a Permitted Holder or the Permitted Holders, is or becomes the "beneficial owner," directly or indirectly, of more than 35% of the Voting Stock of Parent and the Permitted Holders do not beneficially own a larger percentage of the Voting Stock of Parent than such person or group (for the purposes of this clause (i), such other person or group will be deemed to beneficially own all the Voting Stock of a specified entity directly held by a parent entity, if such other person or group becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 35% of the Voting Stock of such parent entity and the Permitted Holders do not beneficially own more than 35% of the Voting Stock of such entity); (ii) Parent at any time ceases to own directly 100% of the Capital Stock of each of Borrower, Nord Anglia UK and NAE HK Holdings Limited; (iii) during any consecutive two-year period, the majority of the seats (other than vacant seats) on the board of directors (or similar governing body) of Parent cease to be occupied by Persons who either (a) were members of the board of directors of Parent on the first day of such period, provided that, for purposes of this clause (iii), any directors elected or appointed in connection with the Initial Public Offering shall be deemed to have been directors as of the Closing Date or (b) were nominated for election by the board of directors of Parent, a majority of whom were directors of the type described in clause (a) or whose election or nomination for election was previously approved by a majority of such directors (including, without limitation, each replacement for any such member resulting from (1) the death or incapacity of any such member and/or (2) the resignation or removal of any such member or any such member's refusal to stand or failure to be nominated for re-election to the board or other equivalent governing body); or (iv) any "change of control" or similar event under any Material Debt shall occur.

" **Chengdu** " means Sterling International Schools, a Cayman Islands exempted company.

" **CHF Notes** " means the notes issued pursuant to the CHF Notes Indenture.

" **CHF Notes Indenture** " means that certain indenture dated as of June 25, 2015 pursuant to which the CHF Notes are issued, as amended and supplemented from time to time, between Borrower, Parent, the Subsidiaries of Parent party thereto as guarantors, and Citicorp International Limited, as trustee and security agent.

" **CHF Notes Trustee** " means the trustee, administrative agent or similar representative for the holders, lenders or other creditors of the CHF Notes under the CHF Notes Indenture.

" **Class** " means (i) with respect to Lenders, each of the following classes of Lenders: (a) Lenders having Initial Term Loan Exposure, (b) Lenders having Revolving Exposure and (c)

Lenders having New Term Loan Exposure of each applicable Series, and (ii) with respect to Loans, each of the following classes of Loans: (a) Initial Term Loans, (b) Revolving Loans and (c) each Series of New Term Loans.

" **Clean Down Cross Default** " as defined in Section 8.1(c).

" **Clean Down Event of Default** " as defined in Section 8.1(c).

" **Clean Down Period** " as defined in Section 5.18.

" **Closing Date** " means March 31, 2014.

" **Closing Date Jurisdiction** " means any jurisdiction in which a Subsidiary of Parent exists on the Closing Date.

" **Closing Date Refinancing** " means the refinancing and repayment of certain outstanding Debt on the Closing Date and the transactions related thereto as contemplated by the Original Credit Agreement.

" **Collateral** " means, collectively, all of the real, personal and mixed property (including Capital Stock) in which Liens are purported to be granted pursuant to the Collateral Documents as security for the Obligations.

" **Collateral Agent** " means Primary Collateral Agent and Hungarian Collateral Agent, as the case may be.

" **Collateral Agent Claim** " as defined in Section 9.12(a).

" **Collateral Documents** " means all instruments, documents and agreements delivered by or on behalf of any Credit Party pursuant to this Agreement or any of the other Credit Documents in order to grant to, or perfect in favor of, Primary Collateral Agent or Hungarian Collateral Agent, as the case may be, for the benefit of Secured Parties, a Lien on any real, personal or mixed property of that Credit Party as security for the Obligations and shall initially be the documents listed on Schedule 1 hereto.

" **Collateral Questionnaire** " means a certificate in form satisfactory to Primary Collateral Agent that provides information with respect to the personal or mixed property of each Credit Party.

" **Commitment** " means any Revolving Commitment or Term Loan Commitment.

" **Commodity Exchange Act** " means the Commodity Exchange Act (7 U.S.C. § 1 et seq .), as amended from time to time, and any successor statute.

" **Compliance Certificate** " means a Compliance Certificate substantially in the form of Exhibit C.

" **Consolidated Capital Expenditures** " means, for any period, the aggregate of all expenditures of Parent and its Subsidiaries during such period determined on a consolidated basis that, in accordance with IFRS, are or should be included in "purchase of property and equipment" or similar items, or which should otherwise be capitalized, reflected in the consolidated statement of cash flows of Parent and its Subsidiaries; provided that Consolidated Capital Expenditures shall not include any expenditures (i) for replacements and substitutions for fixed assets, capital assets or equipment to the extent made with Net Insurance/Condemnation Proceeds invested pursuant to Section 2.14(b) or with Net Cash Proceeds invested pursuant to Section 2.14(a) or (ii) which constitute a Permitted Acquisition permitted under Section 6.15.

" **Consolidated Current Assets** " means, as at any date of determination, the total assets of a Person and its Subsidiaries on a consolidated basis that may properly be classified as current assets in conformity with IFRS, excluding Cash and Cash Equivalents.

" **Consolidated Current Liabilities** " means, as at any date of determination, the total liabilities of a Person and its Subsidiaries on a consolidated basis that may properly be classified as current liabilities in conformity with IFRS, excluding the current portion of long-term debt.

" **Consolidated EBITDA** " means, for any period, the sum of (A) Consolidated Net Income for such period plus (B) in each case to the extent deducted in computing Consolidated Net Income for such period:

(a) Consolidated Interest Expense;

(b) Consolidated Tax Expense;

(c) Consolidated Non-cash Charges, less all non-cash items increasing Consolidated Net Income for such period (other than, for the avoidance of doubt, the accrual of revenue in the ordinary course of business);

(d) any extraordinary, exceptional or non-recurring losses (minus any extraordinary, exceptional or non-recurring gains) of the Restricted Group;

(e) any losses (less gains) attributable to sales of assets of any member of the Restricted Group that are not sold in the ordinary course of business;

(f) any expenses, charges or fees relating to any Equity Issuance (including the Initial Public Offering and the Follow-On Public Offering), any Permitted Investment, acquisition or Debt permitted to be Incurred under Section 6, in each case, whether or not successful; and

(g) all expenses incurred by the Restricted Group directly in connection with any early extinguishment of Debt less any gain of the Restricted Group from any write off or forgiveness of Debt.

" **Consolidated Excess Cash Flow** " means, for any period, an amount (if positive) equal to:

(i) the sum, without duplication, of the amounts for such period of (a) Consolidated Net Income, plus , (b) to the extent reducing Consolidated Net Income, the sum, without duplication, of amounts for non-cash charges reducing Consolidated Net Income, including for depreciation and amortization (excluding any such non-cash charge to the extent that it represents an accrual or reserve for potential cash charge in any future period or amortization of a prepaid cash gain that was paid in a prior period), plus (c) the Consolidated Working Capital Adjustment, minus

(ii) the sum, without duplication, of (a) the amounts for such period paid from Internally Generated Cash of (1) scheduled repayments of Debt for borrowed money (excluding repayments of Revolving Loans except to the extent the Revolving Commitments are permanently reduced in connection with such repayments) and scheduled repayments of obligations under Capitalized Lease Obligations (excluding any interest expense portion thereof) during such period, (2) Consolidated Capital Expenditures and Permitted Acquisitions paid in cash during such period, (3) income taxes paid in cash during such period, and (4) Restricted Payments made pursuant to Section 6.2(c)(xvi) paid in cash during such period, plus (b) other non-cash gains increasing Consolidated Net Income for such period (excluding any such non-cash gain to the extent it represents the reversal of an accrual or reserve for potential cash gain in any prior period). As used in this clause (ii), "scheduled repayments of Debt" does not include (x) mandatory prepayments or voluntary prepayments, (y) repurchases of Term Loans pursuant to Section 10.6(i) and (z) repayments of Loans made with the cash proceeds of any Refinancing Indebtedness.

" **Consolidated First Lien Secured Debt** " means, as of any date of determination, the aggregate principal amount of Consolidated Total Debt outstanding on such date that is secured by a Lien on any asset or property of any member of the Restricted Group; provided that such Consolidated Total Debt (i) is not expressly subordinated in right of payment to the Obligations or (ii) is not secured by Liens on the Collateral that are expressly junior to the Liens securing the Obligations.

" **Consolidated Interest Expense** " means, for any period, without duplication and in each case determined on a consolidated basis in accordance with IFRS, the sum of:

(a) the Restricted Group's interest expense for such period (excluding (i) any capitalized interest on any Subordinated Shareholder Funding, (ii) amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses (including, without limitation, Transaction Costs and Amendment and Restatement Date Transaction Costs), (iii) any net interest on any Entrusted Loans and (iv) any paid in kind interest), plus , to the extent not otherwise included in interest expense:

(i) amortization of debt discount and original issue discount;

(ii) the net payments made or received pursuant to Currency Agreements or Interest Rate Agreements (including amortization of fees and discounts, but excluding any non-cash interest expense attributable to the movement in the mark-to-market

valuation of obligations under Currency Agreements or Interest Rate Agreements or other derivative instruments pursuant to IFRS);

(iii) realized commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and similar transactions; and

(iv) the interest portion of any deferred payment obligation and amortization of debt issuance costs; plus

(b) the interest component of the Restricted Group's Capitalized Lease Obligations accrued and/or scheduled to be paid or accrued during such period other than the interest component of Capitalized Lease Obligations between or among any members of the Restricted Group; plus

(c) the Restricted Group's non-cash interest expenses and interest that was capitalized during such period; plus

(d) the interest expense on Debt of another Person (other than a member of the Restricted Group) to the extent such Debt is guaranteed by a member of the Restricted Group or secured by a Lien on the assets of any member of the Restricted Group; plus

(e) cash and non-cash dividends due (whether or not declared) on Parent's Redeemable Capital Stock and Borrower's or any Restricted Subsidiary's Preferred Stock (to any Person other than any member of the Restricted Group and other than dividends payable solely in Capital Stock of Parent (other than Redeemable Capital Stock)), in each case for such period.

" **Consolidated Net Income** " means, for any period, the Restricted Group' s consolidated net income (or loss) for such period as determined in accordance with IFRS, adjusted by excluding (to the extent included in such consolidated net income or loss), without duplication:

(a) the portion of net income (and the loss to the extent such loss is funded in cash by a member of the Restricted Group) of any Person (other than a member of the Restricted Group), including Unrestricted Subsidiaries, in which a member of the Restricted Group has an interest, except that such member's interest in the net income of such Person for such period shall be included in such Consolidated Net Income to the extent of the aggregate amount of dividends or other distributions actually paid to a member of the Restricted Group in cash dividends or other distributions during such period;

(b) solely for the purpose of determining the amount available for Restricted Payments under Section 6.2, the net income (but not the loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary is not at the date of determination permitted, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary (other than (i) restrictions pursuant to the Credit Documents, (ii) restrictions in effect on the Amendment and Restatement Date with respect to a Restricted Subsidiary, and other restrictions with respect to such Restricted Subsidiary that, taken as a whole, are not materially less favorable to the Credit

Parties than such restrictions in effect on the Closing Date, (iii) restrictions specified in Section 6.10(b)(xiii) and (iv) restrictions permitted by Sections 6.10(b)(i) and (ii));

(c) net after-tax gains (or losses) attributable to the termination of any employee pension benefit plan (including any Pension Plan or Pension Scheme);

(d) any restoration to net income of any contingency reserve, except to the extent provision for such reserve was made out of income accrued;

(e) the net income (or losses) attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or not such operations were classified as discontinued);

(f) the cumulative effect of a change in accounting principles;

(g) any one-time non-cash charges or any amortization or depreciation or any impact of asset revaluation resulting from purchase accounting, in each case, in relation to any acquisition of, or merger or consolidation with, another Person or business or resulting from any reorganization or restructuring involving any member of the Restricted Group;

(h) any unrealized gains or losses in respect of Hedge Agreements;

(i) the impact of capitalized or accreting or pay-in-kind interest or principal in respect of Subordinated Shareholder Funding;

(j) any unrealized gains (or losses) due solely to fluctuations in currency values and related tax effects;

(k) any non-cash compensation charge or expenses arising from any grant of stock, stock options or other equity-based awards and any non-cash deemed finance charges in respect of any pension liabilities or other provisions;

(l) Transaction Costs and Amendment and Restatement Date Transaction Costs; and

(m) any goodwill or other intangible asset impairment charges.

" **Consolidated Non - cash Charges** " means, for any period, the aggregate depreciation, amortization and other non-cash expenses of the Restricted Group for such period, determined on a consolidated basis in accordance with IFRS (excluding any such non-cash charge that requires an accrual of or reserve for cash charges for any future period).

" **Consolidated Tax Expense** " means, for any period with respect to any relevant taxing jurisdiction, the provision for all national, local and foreign federal, state or other income taxes (including without limitation, withholding taxes) of the Restricted Group for such period as determined on a consolidated basis in accordance with IFRS.

" **Consolidated Total Debt** " means, as of any date of determination, (a) the aggregate stated balance sheet amount of all Debt of the Restricted Group (or, if higher, the par value or

stated face amount of all such Debt (other than zero coupon Debt) determined on a consolidated basis in accordance with IFRS), minus (b) the aggregate amount of Unrestricted Cash included in the consolidated balance sheet of the Restricted Group as of such date (other than the proceeds of any Debt being Incurred and giving rise to the need to calculate the Total Net Leverage Ratio or the First Lien Net Leverage Ratio).

" **Consolidated Working Capital** " means, as at any date of determination, the excess of Consolidated Current Assets of the Restricted Group over Consolidated Current Liabilities of the Restricted Group.

" **Consolidated Working Capital Adjustment** " means, for any period on a consolidated basis, the amount (which may be a negative number) by which Consolidated Working Capital as of the beginning of such period exceeds (or is less than) Consolidated Working Capital as of the end of such period. In calculating the Consolidated Working Capital Adjustment there shall be excluded the effect of reclassification during such period of current assets to long-term assets and current liabilities to long-term liabilities and the effect of any Permitted Acquisition, the designation of any Unrestricted Subsidiary as a Restricted Subsidiary or any Restricted Subsidiary as an Unrestricted Subsidiary during such period; provided that (i) there shall be included with respect to any Permitted Acquisition during such period an amount (which may be a negative number) by which the Consolidated Working Capital acquired in such Permitted Acquisition as at the time of such acquisition exceeds (or is less than) Consolidated Working Capital at the end of such period and (ii) there shall be included with respect to any Unrestricted Subsidiary that is designated as a Restricted Subsidiary during such period an amount (which may be a negative number) by which the Consolidated Working Capital gained in such designation as at the time of such designation exceeds (or is less than) Consolidated Working Capital at the end of such period.

" **Contributing Guarantors** " as defined in Section 7.2.

" **Contribution Notice** " means a contribution notice as that term is used for the purposes of sections 38 to 56 of the Pensions Act 2004.

" **Conversion/Continuation Date** " means the effective date of a continuation or conversion of a Term Loan, as the case may be, as set forth in the applicable Conversion/Continuation Notice.

" **Conversion/Continuation Notice** " means a Conversion/Continuation Notice substantially in the form of Exhibit A-2.

" **Coverage Test** " as defined in Section 5.15(a)(iii)(2).

" **Credit Date** " means the date of a Credit Extension.

" **Credit Agreement Obligations** " means all obligations of every nature of each Credit Party, including obligations from time to time owed to Agents (including former Agents), Lenders or any of them and Lender Counterparties, under any Credit Document or Hedge Agreement, whether for principal, interest (including interest which, but for the filing of a petition in bankruptcy with respect to such Credit Party, would have accrued on any Credit

Agreement Obligation, whether or not a claim is allowed against such Credit Party for such interest in the related bankruptcy proceeding), reimbursement of amounts drawn under Letters of Credit and Bank Guarantees, payments for early termination of Hedge Agreements, fees, expenses, indemnification or otherwise, excluding, with respect to any Guarantor, Excluded Swap Obligations with respect to such Guarantor.

" **Credit Document** " means any of this Agreement, the Notes, if any, the Collateral Documents, the Intercreditor Agreement, any documents or certificates executed by Borrower in favor of Issuing Bank relating to Letters of Credit or Bank Guarantees, the Amendment Agreement, the First Joinder Agreement and all other documents, certificates, instruments or agreements executed and delivered by or on behalf of a Credit Party for the benefit of any Agent, Issuing Bank or any Lender in connection herewith on or after the Closing Date.

" **Credit Extension** " means the making of a Loan, the issuing of a Letter of Credit or the issuing of a Bank Guarantee.

" **Credit Facilities** " means, one or more debt facilities or indentures, as the case may be, or commercial paper facilities providing for revolving credit loans, term loans, notes, letters of credit or other forms of Debt, guarantees and assurances or other credit facilities or extensions of credit, including overdrafts, in each case, as amended, restated, amended and restated, modified, renewed, refunded, replaced, refinanced, repaid, increased or extended in whole or in part from time to time.

" **Credit Parties** " means Borrower and the Guarantors.

" **Currency Agreement** " means any foreign exchange contract, currency swap agreement, futures contract, option contract, synthetic cap or other similar agreement or arrangement, each of which is for the purpose of hedging the foreign currency risk associated with any member of the Restricted Group's operations and not for speculative purposes.

" **Debt** " means, with respect to any Person, without duplication:

(a) all liabilities of such Person for borrowed money or for the deferred purchase price of property or services due more than six months after such property is acquired or services provided excluding trade payables incurred in the ordinary course of business;

(b) all obligations of such Person evidenced by bonds, notes, debentures or other similar instruments;

(c) the maximum amount (after giving effect to any prior drawings or reductions which may have been reimbursed) of any letters of credit, bankers' acceptances, receivables facilities or other similar facilities issued or created by or for the account of such Person, except to the extent relating to a trade payable arising in the ordinary course of business;

(d) all debt of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even if the rights and remedies of the seller or lender under such agreement in the event of default are limited to

repossession or sale of such property), which is due more than one year after its incurrence but excluding trade payables arising in the ordinary course of business;

(e) all Capitalized Lease Obligations of such Person;

(f) all obligations of such Person under or in respect of Hedge Agreements (the amount of any such obligation to be equal at any time to the termination value of such agreement or arrangement giving rise to such obligation that would be payable by such Person at such time);

(g) all Redeemable Capital Stock of such Person valued at the greater of its voluntary maximum fixed repurchase price and its involuntary maximum fixed repurchase price *plus* accrued and unpaid dividends; and

(h) Preferred Stock of any Restricted Subsidiary,

provided , however , that clauses (a) through (f) above (other than letters of credit, Attributable Debt and obligations of such Person under or in respect of Hedge Agreements) will be included in definition of "Debt" whether or not appearing as a liability on a balance sheet of the specified Person prepared in accordance with IFRS, provided further , that the term "Debt" will not include: (i) anything initially accounted for as an operating lease, regardless of any reclassification or recharacterization under IFRS; (ii) customer deposits and advance payments received in the ordinary course of business from customers for goods or services purchased in the ordinary course of business; (iii) any pension obligations of Parent, Borrower or a Restricted Subsidiary; (iv) other than for purposes of the definitions of "Subordinated Shareholder Funding" and "Subordinated Debt," Subordinated Shareholder Funding; (v) accrued liabilities Incurred in the ordinary course of business; and (vi) Entrusted Loans. In addition, the term "Debt" includes (x) all Debt of others secured by a Lien on any asset of the Person (whether or not such Debt is assumed by the Person) and, to the extent not otherwise included, the guarantee by such Person of any Debt of any other Person and (y) to the extent not otherwise included above, all guarantees of such Person in respect of any items described in clauses (a) through (h) above.

For purposes of this definition, the " **maximum fixed repurchase price** " of any Redeemable Capital Stock that does not have a fixed redemption, repayment or repurchase price will be calculated in accordance with the terms of such Redeemable Capital Stock as if such Redeemable Capital Stock were purchased on any date on which Debt will be required to be determined pursuant to Section 6, and if such price is based upon, or measured by, the Fair Market Value of such Redeemable Capital Stock, such Fair Market Value will be determined in good faith by the Board of Directors of Borrower of such Redeemable Capital Stock, provided that if such Redeemable Capital Stock is not then permitted to be redeemed, repaid or repurchased, the redemption, repayment or repurchase price will be the book value of such Redeemable Capital Stock as reflected in the most recent financial statements of such Person.

" **Default** " means a condition or event that, after notice or lapse of time or both, would constitute an Event of Default.

" **Defaulting Lender** " means subject to Section 2.22(b), any Lender that (a) has failed to (i) fund all or any portion of its Loans within two Business Days of the date such Loans were

required to be funded hereunder unless such Lender notifies the applicable Administrative Agent and Borrower in writing that such failure is the result of such Lender 's determination that one or more conditions precedent to funding (which conditions precedent, together with the applicable default, if any, shall be specifically identified in such writing) has not been satisfied, or (ii) pay to the applicable Administrative Agent, Issuing Bank or any other Lender any other amount required to be paid by it hereunder (including in respect of its participation in Letters of Credit or Bank Guarantee) within two Business Days of the date when due, (b) has notified Borrower, the applicable Administrative Agent or Issuing Bank in writing that it does not intend to comply with its funding obligations hereunder, or has made a public statement to that effect (unless such writing or public statement relates to such Lenders' obligation to fund a Loan hereunder and states that such position is based on such Lender's determination that a condition precedent to funding (which condition precedent, together with the applicable default, if any, shall be specifically identified in such writing or public statement) cannot be satisfied), (c) has failed, within three Business Days after written request by the applicable Administrative Agent or Borrower, to confirm in writing to such Administrative Agent and Borrower that it will comply with its prospective funding obligations hereunder (provided that such Lender shall cease to be a Defaulting Lender pursuant to this clause (c) upon receipt of such written confirmation by such Administrative Agent and Borrower), or (d) the applicable Administrative Agent has received notification that such Lender has, or has a direct or indirect parent company that is (i) insolvent, or is generally unable to pay its debts as they become due, or admits in writing its inability to pay its debts as they become due, or makes a general assignment for the benefit of its creditors or (ii) the subject of a bankruptcy, *concurso mercantil* , insolvency, reorganization, liquidation or similar proceeding, or a receiver, trustee, conservator, intervenor or sequestrator or similar Person charged with reorganization or liquidation of its business or assets, including the Federal Deposit Insurance Corporation or any other state or federal regulatory authority in such capacity has been appointed for such Lender or its direct or indirect parent company, or such Lender or its direct or indirect parent company has taken any action in furtherance of or indicating its consent to or acquiescence in any such proceeding or appointment; provided that a Lender shall not be a Defaulting Lender solely by virtue of the ownership or acquisition of any Capital Stock in that Lender or any direct or indirect parent company thereof by a Governmental Authority so long as such ownership interest does not result in or provide such Lender with immunity from the jurisdiction of courts within the United States or from the enforcement of judgments or writs of attachment on its assets or permit such Lender (or such Governmental Authority or instrumentality) to reject, repudiate, disavow or disaffirm any contracts or agreements made with such Lender. Any determination by the applicable Administrative Agent that a Lender is a Defaulting Lender under any one or more of clauses (a) through (d) above shall be conclusive and binding absent manifest error, and such Lender shall be deemed to be a Defaulting Lender (subject to Section 2.22(b)) upon delivery of written notice of such determination to Borrower, each Issuing Bank and each other Lender.

" **Deposit Account** " means a demand, time, savings, passbook or like account with a bank, savings and loan association, credit union or like organization, other than an account evidenced by a negotiable certificate of deposit.

" **Designated Non - cash Consideration** " means the Fair Market Value of non-cash consideration received by any member of the Restricted Group in connection with an Asset Sale that is designated as Designated Non-cash Consideration pursuant to an Officers' Certificate,

setting forth the basis of such valuation, less the amount of cash or Cash Equivalents received in connection with a subsequent sale of such Designated Non-cash Consideration.

" **Disinterested Member** " means, with respect to any transaction or series of related transactions, a member of Borrower's Board of Directors who does not have any material direct or indirect financial interest in or with respect to such transaction or series of related transactions or is not an Affiliate, or an officer, director, member of a supervisory, executive or management board or employee of any Person (other than Borrower or a Restricted Subsidiary) who has any direct or indirect financial interest in or with respect to such transaction or series of related transactions.

" **Disqualified Institutions** " means such Persons (a) that have been specified in writing to the Administrative Agents and the Arrangers prior to the date of the Engagement Letter as being "Disqualified Institutions", (b) who are competitors of Borrower, Parent, Nord Anglia UK and their respective Subsidiaries that are separately identified in writing by Borrower to the Administrative Agents and Arrangers from time to time, and (c) in the case of each of clauses (a) and (b), any of their Affiliates (other than, in the case of clause (b) only, any such Affiliate that is a bona fide debt fund) that is either (x) identified in writing by Borrower to the Administrative Agents from time to time or (y) reasonably identifiable as an Affiliate of such Person on the basis of such Affiliate's name; provided that any additional Disqualified Institutions identified from time to time shall not apply retroactively to disqualify any parties that have previously acquired an assignment or participation interest in the Loans or Commitments. Upon a reasonable request by any Lender to the applicable Administrative Agent, such Administrative Agent shall be permitted to disclose to such Lender the list of Disqualified Institutions; provided , further , that neither Administrative Agent shall be responsible for, nor have any liability in connection with, maintaining, updating, monitoring or enforcing the list of Disqualified Institutions unless caused by or the result of the gross negligence, bad faith or willful misconduct of such Administrative Agent. Notwithstanding anything herein to the contrary, no Person to whom any assignment or participation is made pursuant to Section 10.6 for which Borrower consent has been obtained to the extent required thereunder shall be a Disqualified Institution.

" **Dollar Equivalent** " means, with respect to any monetary amount in a currency other than Dollars, at any time for the determination thereof, the amount of Dollars obtained by converting such foreign currency involved in such computation into Dollars at the base rate for the purchase of Dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York using exchange rates prevailing using exchange rates prevailing on the date of determination.

" **Dollars** " and the sign " **$** " mean the lawful money of the United States of America.

" **Domestic Subsidiary** " means any Subsidiary organized under the laws of the United States of America, any State thereof or the District of Columbia.

" **Dormant Subsidiary** " means a member of the Restricted Group:

(a) which does not trade (for itself or as agent for any person) and does not own, legally or beneficially, assets (including, without limitation, indebtedness owed to it) which in aggregate have a value of:

(1) in the case of EduAction (Waltham Forest) Limited, $545,000 or more;

(2) in the case of any other member of the Restricted Group, $15,000 or more; or

(3) in the case of Nord Anglia Middle East Holding S.P.C. and Nord Anglia Middle East Holding S.P.C. —Abu Dhabi Branch Office, $15,000,000 or more, between them,

or, in each case, its equivalent in other currencies; or

(b) listed in Part I of Schedule 4 to the extent that such members of the Restricted Group do not own, legally or beneficially, calculated on a net basis as between the entities set forth in Part I of Schedule 4 (including, without limitation, indebtedness owed to them) which in aggregate have a value exceeding $1,500,000.

" **Eligible Assignee** " means any Person other than a natural Person that is (i) a Lender, an Affiliate of any Lender or a Related Fund of any Lender (any two or more Related Funds being treated as a single Eligible Assignee for all purposes hereof), or (ii) a commercial bank, insurance company, investment or mutual fund or other entity that is an "accredited investor" (as defined in Regulation D under the Securities Act) and which extends credit or buys loans in the ordinary course of business; provided that no Disqualified Institution, Defaulting Lender, Credit Party or Affiliate of a Credit Party shall be an Eligible Assignee (except assignments to Borrower pursuant to Section 10.6(i)).

" **Employee Benefit Plan** " means any "employee benefit plan" as defined in Section 3(3) of ERISA which is or was sponsored, maintained or contributed to by, or required to be contributed by, Parent, any of its Subsidiaries or any of their respective ERISA Affiliates.

" **Enforcement Event** " as defined in Schedule 2.

" **Engagement Letter** " means the Engagement Letter dated as of April 24, 2015 among the Borrower, Goldman Sachs, Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., HSBC Securities (USA) Inc., HSBC USA and HBAP.

" **Entrusted Loans** " means borrowings by Borrower or any Restricted Subsidiary from a bank, trust company or other financial institution that are subject to a Lien on deposits made by Borrower or another Restricted Subsidiary as security for such borrowings, provided that no assets other than such deposits secure such borrowings, the value of such borrowings does not exceed the value of such deposits and such borrowings are denominated in the same currency as such deposits.

" **Environmental Claim** " means any investigation, notice, notice of violation, claim, action, suit, proceeding, demand, abatement order or other order or directive (conditional or

otherwise), by any Governmental Authority or any other Person, arising (i) pursuant to or in connection with any actual or alleged violation of any Environmental Law; (ii) in connection with any Hazardous Material or any actual or alleged Hazardous Materials Activity; or (iii) in connection with any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

" **Environmental Laws** " means any and all current or future foreign or domestic, federal or state (or any subdivision of either of them), statutes, ordinances, orders, rules, regulations, judgments, Governmental Authorizations, or any other requirements of Governmental Authorities relating to (i) environmental matters, including those relating to any Hazardous Materials Activity; (ii) the generation, use, storage, transportation or disposal of Hazardous Materials; or (iii) occupational safety and health, industrial hygiene, land use or the protection of human, plant or animal health or welfare, in any manner applicable to Parent or any of its Subsidiaries or any Facility.

" **Equity Issuance** " means any public offering or private placement of the Capital Stock (which is Qualified Capital Stock) of Parent.

" **ERISA** " means the Employee Retirement Income Security Act of 1974, as amended from time to time, and any successor thereto.

" **ERISA Affiliate** " means, as applied to any Person, (i) any corporation which is a member of a controlled group of corporations within the meaning of Section 414(b) of the Internal Revenue Code of which that Person is a member; (ii) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Internal Revenue Code of which that Person is a member; and (iii) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Internal Revenue Code of which that Person, any corporation described in clause (i) above or any trade or business described in clause (ii) above is a member. Any former ERISA Affiliate of Parent or any of its Subsidiaries shall continue to be considered an ERISA Affiliate of Parent or any such Subsidiary within the meaning of this definition with respect to the period such entity was an ERISA Affiliate of Parent or such Subsidiary and with respect to liabilities arising after such period for which Parent or such Subsidiary could be liable under the Internal Revenue Code or ERISA.

" **ERISA Event** " means (i) a "reportable event" within the meaning of Section 4043 of ERISA and the regulations issued thereunder with respect to any Pension Plan (excluding those for which the provision for 30-day notice to the PBGC has been waived by regulation); (ii) the failure to meet the minimum funding standard of Section 412 of the Internal Revenue Code with respect to any Pension Plan (whether or not waived in accordance with Section 412(c) of the Internal Revenue Code or Section 302(c) of ERISA) or the failure to make by its due date a required installment under Section 430(j) of the Internal Revenue Code with respect to any Pension Plan or the failure to make any required contribution to a Multiemployer Plan; (iii) the provision by the administrator of any Pension Plan pursuant to Section 4041(a)(2) of ERISA of a notice of intent to terminate such plan in a distress termination described in Section 4041(c) of ERISA; (iv) the withdrawal by Parent, any of its Subsidiaries or any of their respective ERISA Affiliates from any Pension Plan with two or more contributing sponsors or the termination of

any such Pension Plan resulting in liability to Parent, any of its Subsidiaries or any of their respective Affiliates pursuant to Section 4063 or 4064 of ERISA; (v) the institution by the PBGC of proceedings to terminate any Pension Plan, or the occurrence of any event or condition which might constitute grounds under ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan; (vi) the imposition of liability on Parent, any of its Subsidiaries or any of their respective ERISA Affiliates pursuant to Section 4062(e) or 4069 of ERISA or by reason of the application of Section 4212(c) of ERISA; (vii) the withdrawal of Parent, any of its Subsidiaries or any of their respective ERISA Affiliates in a complete or partial withdrawal (within the meaning of Sections 4203 and 4205 of ERISA) from any Multiemployer Plan if there is any potential liability therefor, or the receipt by Parent, any of its Subsidiaries or any of their respective ERISA Affiliates of notice from any Multiemployer Plan that it is in reorganization or insolvency pursuant to Section 4241 or 4245 of ERISA, or that it intends to terminate or has terminated under Section 4041A or 4042 of ERISA; (viii) the occurrence of an act or omission which would reasonably be expected to give rise to the imposition on Parent, any of its Subsidiaries or any of their respective ERISA Affiliates of fines, penalties, taxes or related charges under Chapter 43 of the Internal Revenue Code or under Section 409, Section 502(c)(i) or (l), or Section 4071 of ERISA in respect of any Employee Benefit Plan; (ix) the assertion of a material claim (other than routine claims for benefits) against any Employee Benefit Plan other than a Multiemployer Plan or the assets thereof, or against Parent, any of its Subsidiaries or any of their respective ERISA Affiliates in connection with any Employee Benefit Plan; (x) receipt from the Internal Revenue Service of notice of the failure of any Pension Plan (or any other Employee Benefit Plan intended to be qualified under Section 401(a) of the Internal Revenue Code) to qualify under Section 401(a) of the Internal Revenue Code, or the failure of any trust forming part of any Pension Plan to qualify for exemption from taxation under Section 501(a) of the Internal Revenue Code; or (xi) the imposition of a Lien pursuant to Section 430(k) of the Internal Revenue Code or ERISA or a violation of Section 436 of the Internal Revenue Code.

" **Euro** " and the sign " **€** " means the lawful currency of the member states of the European Union that participate in the third stage of the European Economic and Monetary Union.

" **Eurodollar Rate Loan** " means a Loan bearing interest at a rate determined by reference to the Adjusted Eurodollar Rate.

" **Event of Default** " means each of the conditions or events set forth in Section 8.1.

" **Exchange Act** " means the U.S. Securities Exchange Act of 1934, as amended from time to time, and any successor statute and the rules and regulations promulgated thereunder.

" **Excluded Contributions** " means the net cash proceeds received by Parent and contributed to Borrower, Nord Anglia UK or NAE HK Holdings Limited after the Closing Date from the sale (other than to a Subsidiary of Parent) of Capital Stock (other than Redeemable Capital Stock and the net cash proceeds of the Follow-On Public Offering) of Parent, designated as "Excluded Contributions" pursuant to an Officers' Certificate of Parent (which will be designated no later than the date on which such Excluded Contribution has been received by Borrower, Nord Anglia UK or NAE HK Holdings Limited) to the extent such net cash proceeds are Not Otherwise Applied. Such Excluded Contributions will be excluded from the calculation set forth in Section 6.2(b)(iii)(B).

“ **Excluded Jurisdiction** ” means (i) the PRC, (ii) the Czech Republic, (iii) the Slovak Republic, (iv) the Kingdom of Thailand, (v) the Socialist Republic of Vietnam, (vi) any other jurisdiction that is not a Closing Date Jurisdiction that is agreed by Primary Collateral Agent and Borrower in their reasonable discretion or (vii) any other Closing Date Jurisdiction that is agreed by Primary Collateral Agent and Borrower in their reasonable discretion in connection with or as a result of a Change in Law in such jurisdiction.

“ **Excluded Swap Obligation** ” means, with respect to any Guarantor at any time, any obligation (a “ **Swap Obligation** ”) to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1a(47) of the Commodity Exchange Act, if, and to the extent that, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any guarantee thereof) is illegal at such time under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act at the time such guarantee or grant of a security interest becomes effective with respect to such related Swap Obligation.

“ **Excluded Taxes** ” means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) subject to Section 2.8(h), any withholding Taxes imposed on amounts payable to or for the account of such Recipient with respect to an applicable interest in a Loan or Commitment or otherwise under this Agreement pursuant to a law in effect on the date on which (i) such Recipient acquires such interest in the Loan or Commitment or this Agreement (other than pursuant to an assignment request by Borrower under Section 2.23) or (ii) if the Recipient is a Lender, such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.20, amounts with respect to such Taxes were payable either to such Recipient’s assignor immediately before such Recipient became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient’s failure to comply with Section 2.20(e) and (d) any Taxes imposed under FATCA.

“ **Existing Bank Guarantees** ” means the bank guarantees listed on Schedule 11.

“ **Existing Revolving Commitments** ” as defined in Section 2.25(c)(ii).

“ **Existing Term Loans** ” as defined in Section 2.25(c)(ii).

“ **Extended Maturity Date** ” as defined in Section 2.25(a).

“ **Extended Revolving Commitments** ” as defined in Section 2.25(c)(ii).

“ **Extended Term Loans** ” as defined in Section 2.25(c)(ii).

“ **Extension** ” as defined in Section 2.25(a).

“ **Extension Amendment** ” as defined in Section 2.25(f).

“ **Extension Offer** ” as defined in Section 2.25(a).

“ **Facility** ” means any real property (including all buildings, fixtures or other improvements located thereon) now, hereafter or heretofore owned, leased, operated or used by Parent or any of its Subsidiaries or any of their respective predecessors or Affiliates.

“ **Fair Market Value** ” means, with respect to any asset or property, the sale value that would be obtained in an arm’s-length transaction between an informed and willing seller under no compulsion to sell and an informed and willing buyer under no compulsion to buy, as determined in good faith by the Board of Directors of any applicable member of the Restricted Group.

“ **Fair Share** ” as defined in Section 7.2.

“ **Fair Share Contribution Amount** ” as defined in Section 7.2.

“ **FATCA** ” means Sections 1471 through 1474 of the Internal Revenue Code, as of the Closing Date (or any amended or successor version that is substantively comparable), any current or future regulations or official interpretations thereof, any agreements entered into pursuant to Section 1471(b)(1) of the Internal Revenue Code and any intergovernmental agreements with respect thereto (together with any law or other guidance implementing such agreements).

“ **Federal Funds Effective Rate** ” means for any day, the rate *per annum* equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided (i) if such day is not a Business Day, the Federal Funds Effective Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Effective Rate for such day shall be the average rate charged to the applicable Administrative Agent on such day on such transactions as determined by such Administrative Agent.

“ **Financial Covenant** ” means the covenant set forth in Section 6.18.

“ **Financial Covenant Cross Default** ” as defined in Section 8.1(c).

“ **Financial Covenant Cure** ” as defined in Section 8.2.

“ **Financial Covenant Event of Default** ” as defined in Section 8.1(c).

“ **Financial Model** ” means the combined base case model in the agreed form dated April 7, 2015.

“ **Financial Support Direction** ” means a financial support direction as that term is used for the purposes of sections 38 to 56 of the Pensions Act 2004.

“ **First Joinder Agreement** ” means that certain Joinder Agreement to Credit and Guaranty Agreement dated as of March 2, 2015 among the Borrower, Parent, the Term Administrative Agent, the Guarantors listed on the signature pages thereto and the financial institutions listed on the signature pages thereto as New Term Loan Lenders.

“ **First Lien Net Leverage Ratio** ” means the ratio as of the last day of any Test Period (i) Consolidated First Lien Secured Debt as of such day to (ii) Consolidated EBITDA for such Test Period.

“ **First Priority** ” means, with respect to any Lien purported to be created in any Collateral pursuant to any Collateral Document, that such Lien is the only Lien to which such Collateral is subject, other than any Permitted Lien.

“ **Fiscal Quarter** ” means a fiscal quarter of any Fiscal Year.

“ **Fiscal Year** ” means the fiscal year of each jurisdiction for the members of the Restricted Group which ends on or about the date set forth on Schedule 12.

“ **Follow-On Public Offering** ” means the public offering of the Capital Stock (which is Qualified Capital Stock) of Parent on or prior to the Amendment and Restatement Date pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act, which public offering will result in gross cash proceeds to Parent of at least $125,000,000.

“ **Foreign Subsidiary** ” means any Subsidiary that is not a Domestic Subsidiary.

“ **Fronting Exposure** ” means, at any time there is a Defaulting Lender, with respect to an Issuing Bank, such Defaulting Lender’s Pro Rata Share of the outstanding Credit Agreement Obligations with respect to Letters of Credit and Bank Guarantees issued by Issuing Bank other than such Credit Agreement Obligations as to which such Defaulting Lender’s participation obligation has been reallocated to other Lenders or Cash Collateralized in accordance with the terms hereof.

“ **Funding Guarantors** ” as defined in Section 7.2.

“ **Funding Notice** ” means a notice substantially in the form of Exhibit A-1.

“ **Goldman Sachs** ” as defined in the preamble hereto.

“ **Governmental Acts** ” means any act or omission, whether rightful or wrongful, of any present or future de jure or de facto government or Governmental Authority.

“ **Governmental Authority** ” means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity, officer or examiner exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any

government or any court, in each case whether associated with a state of the United States, the United States, or any foreign governmental entity or government.

" **Governmental Authorization** " means any permit, license, authorization, plan, directive, consent order or consent decree of or from any Governmental Authority.

" **Group** " means Parent, Borrower and Parent's Subsidiaries (other than Borrower).

" **Guarantee** " means any guarantee of the Obligations by any Restricted Subsidiary or any other Person in accordance with the provisions of this Agreement. When used as a verb, " **Guarantee** " will have a corresponding meaning.

" **Guaranteed Obligations** " as defined in Section 7.1.

" **Guarantor** " means (i) Parent, (ii) each Restricted Subsidiary that executes the Second Amendment (or otherwise accedes as a guarantor hereunder), and (iii) each Restricted Subsidiary that is otherwise required to become a Guarantor pursuant to Section 5.15(a).

" **Guaranty** " means the guaranty of each Guarantor set forth in Section 7.

" **Guidelines** " means guideline S-02.122.1 in relation to bonds of April 1999 (Merkblatt S-02.122.1 vom April 1999 betreffend Obligationen), guideline S-02.123 in relation to interbank loans of 22 September 1986 (Merkblatt S-02.123 vom 22. September 1986 betreffend Zinsen von Bankguthaben, deren Gläubiger Banken sind (Interbankguthaben)), guideline S-02.128 in relation to syndicated credit facilities of January 2000 (Merkblatt S-02.128 vom January 2000 Steuerliche Behandlung von Konsortialdarlehen, Schuldscheindarlehen, Wechseln und Unterbeteiligungen), guideline S-02.130.1 in relation to accounts receivables of Swiss debtors of April 1999 (Merkblatt S-02.130.1 vom April 1999 Geldmarktpapiere und Buchforderungen inländischer Schuldner), circular letter No. 34 of 26 July 2011 (1-034-V-2011) in relation to deposits (Kreisschreiben Nr. 34 "Kundenguthaben" vom 26. Juli 2011) and circular letter No. 15 in relation to bonds and derivative financial instruments of 7 February 2007 (Kreisschreiben Nr. 15 vom 7. February 2007 betreffend Obligationen und derivative Finanzinstrumente als Gegenstand der direkten Bundessteuer, der Verrechnungssteuer sowie der Stempelabgaben), in each case as issued, amended or replaced from time to time, by the Swiss Federal Tax Administration or as substituted or superseded and overruled by any law, statute, ordinance, court decision, regulation or the like as in force from time to time.

" **Hazardous Materials** " means any chemical, material or substance, exposure to which is prohibited, limited or regulated by any Governmental Authority or which may or could pose a hazard to the health and safety of the owners, occupants or any Persons in the vicinity of any Facility or to the indoor or outdoor environment.

" **Hazardous Materials Activity** " means any past, current, proposed or threatened activity, event or occurrence involving any Hazardous Materials, including the use, manufacture, possession, storage, holding, presence, existence, location, Release, threatened Release, discharge, placement, generation, transportation, processing, construction, treatment, abatement, removal, remediation, disposal, disposition or handling of any Hazardous Materials, and any corrective action or response action with respect to any of the foregoing.

“ **HBAP** ” as defined in the preamble hereto.

“ **Hedge Agreement** ” means Currency Agreements, Interest Rate Agreements and any other future or forward contracts, swaps, options or similar agreements or arrangements.

“ **Hedge Termination Value** ” means, in respect of any one or more Hedge Agreements, after taking into account the effect of any legally enforceable netting agreement relating to such Hedge Agreements, (a) for any date on or after the date such Hedge Agreements have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a) , the amount(s) determined as the mark to market value(s) for such Hedge Agreements, as determined by the Lender Counterparty and Borrower in accordance with the terms thereof and in accordance with customary methods for calculating mark-to-market values under similar arrangements by the Lender Counterparty and Borrower.

“ **Highest Lawful Rate** ” means the maximum lawful interest rate, if any, that at any time or from time to time may be contracted for, charged, or received under the laws applicable to any Lender which are presently in effect or, to the extent allowed by law, under such applicable laws which may hereafter be in effect and which allow a higher maximum nonusurious interest rate than applicable laws now allow.

“ **Historical Financial Statements** ” means as of the Amendment and Restatement Date, (i) the audited consolidated financial statements of the Group, consisting of balance sheets and consolidated statements of income, shareholders’ equity and cash flows for the three (3) years ended August 31, 2014 and (ii) unaudited consolidated balance sheets and related statements of income of the Parent for the Fiscal Quarter ending February 28, 2015 and for each Fiscal Quarter thereafter ended at least 50 calendar days prior to the Amendment and Restatement Date, in the case of clauses (i) and (ii), certified by the chief financial officer of Parent that they fairly present, in all material respects, the financial condition of Parent and its Subsidiaries and in each case as at the dates indicated and the results of their operations and cash flows for the periods indicated, subject to changes resulting from audit and normal year-end adjustments.

“ **Holding Company** ” of a Person means any other Person (other than a natural person) of which the first Person is a Subsidiary.

“ **Hong Kong** ” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“ **HSBC PLC** ” as defined in the preamble hereto.

“ **HSBC USA** ” as defined in the preamble hereto.

“ **Hungarian Collateral Agent** ” as defined in the preamble hereto.

“ **Hungarian Guarantor** ” means a Guarantor incorporated or established, as the case may be, in Hungary.

“ **ICC** ” as defined in the definition of “UCP”.

“ **IFRS** ” means International Financial Reporting Standards as adopted by the European Union as in effect from time to time.

“ **Included Subsidiaries** ” means (a) Collegiate Prep Realty, LLC, a Delaware limited liability company, (b) Village Real Estate LLC, a Texas limited liability company, (c) North Broward Preparatory Schools, LLC, a Florida limited liability company and (d) Meritas (Gibraltar) Holdings Limited, a Gibraltar corporation, and each of their direct and indirect respective Subsidiaries, if any.

“ **Increased Amount Date** ” as defined in Section 2.24.

“ **Increased-Cost Lenders** ” as defined in Section 2.23.

“ **Incremental Amount** ” as defined in Section 2.24.

“ **Incur** ” and “ **Incurrence** ” as defined in Section 6.1(a).

“ **Indemnified Liabilities** ” means, collectively, any and all liabilities, obligations, losses, damages (including natural resource damages), penalties, claims (including Environmental Claims), actions, judgments, suits, costs (including the costs of any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other response action necessary to remove, remediate, clean up or abate any Hazardous Materials Activity), expenses and disbursements of any kind or nature whatsoever (including the reasonable fees and disbursements of counsel for Indemnitees in connection with any investigative, administrative or judicial proceeding or hearing commenced or threatened by any Person, whether or not any such Indemnitee shall be designated as a party or a potential party thereto, and any fees or expenses incurred by Indemnitees in enforcing this indemnity), whether direct, indirect, special or consequential and whether based on any federal, state or foreign laws, statutes, rules or regulations (including securities and commercial laws, statutes, rules or regulations and Environmental Laws), on common law or equitable cause or on contract or otherwise, that may be imposed on, incurred by, or asserted against any such Indemnitee, in any manner relating to or arising out of (i) this Agreement or the other Credit Documents or the transactions contemplated hereby or thereby (including the Lenders’ agreement to make Credit Extensions, the syndication of the credit facilities provided for herein or the use or intended use of the proceeds thereof, any amendments, waivers or consents with respect to any provision of this Agreement or any of the other Credit Documents, or any enforcement of any of the Credit Documents (including any sale of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty)); (ii) the Engagement Letter (and any related fee letter and prior engagement letters) delivered by any Agent or any Lender to Borrower or Sponsor with respect to the transactions contemplated by this Agreement; or (iii) any Environmental Claim or any Hazardous Materials Activity relating to or arising from, directly or indirectly, any past or present activity, operation, land ownership, or practice of Parent or any of its Subsidiaries.

“ **Indemnified Taxes** ” means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of any Credit Party under any Credit Document and (b) to the extent not otherwise described in clause (a), Other Taxes.

“ **Indemnitee** ” as defined in Section 10.3(a).

“ **Independent Financial Advisor** ” means an investment banking firm, bank, accounting firm or third-party appraiser, in any such case, of international standing, provided that such firm is not an Affiliate of Borrower.

“ **Initial Agreement** ” as defined in Section 6.10(b)(xii).

“ **Initial Public Offering** ” means the initial public offering of the Capital Stock (which is Qualified Capital Stock) of Parent on the Closing Date pursuant to an effective registration statement filed with the SEC in accordance with the Securities Act, which initial public offering resulted in gross cash proceeds to Parent of at least $250,000,000 and the Capital Stock of Parent being listed on an internationally recognized exchange or traded on an internationally recognized market.

“ **Initial Term Loan** ” means an Initial Term Loan made by a Lender to Borrower pursuant to Section 2.1(a)(i). The aggregate amount of the Initial Term Loans as of the Amendment and Restatement Date is $899,472,166.25.

“ **Initial Term Loan Commitment** ” means the commitment of a Lender to make or otherwise fund an Initial Term Loan and “ **Initial Term Loan Commitments** ” means such commitments of all Lenders in the aggregate. The amount of each Lender’s Initial Term Loan Commitment on the Amendment and Restatement Date, if any, is set forth in the Register, or in the applicable Assignment Agreement or Joinder Agreement, subject to any adjustment or reduction pursuant to the terms and conditions hereof.

“ **Initial Term Loan Exposure** ” means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the Initial Term Loans of such Lender; provided at any time prior to the making of the Initial Term Loans, the Initial Term Loan Exposure of any Lender shall be equal to such Lender’s Initial Term Loan Commitment.

“ **Installment** ” as defined in Section 2.12.

“ **Intellectual Property** ” means:

(a) any patents, trademarks, service marks, designs, business names, copyrights, database rights, design rights, domain names, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests (which may now or in the future subsist), whether registered or unregistered; and

(b) the benefit of all applications and rights to use such assets of each member of the Restricted Group (which may now or in the future subsist).

“ **Intercompany Note** ” means a promissory note substantially in the form of Exhibit J evidencing Debt owed among Credit Parties and certain of their Subsidiaries that are party to any intercompany loan arrangements from time to time.

“ **Intercreditor Agreement** ” means the Intercreditor Agreement dated as of the Amendment and Restatement Date among the Borrower, Parent, the Guarantors, the Primary Collateral Agent, the Hungarian Collateral Agent, the Term Administrative Agent, the Revolving

Facility Administrative Agent, Citicorp International Limited, as the CHF Notes Trustee and the other agents, lenders and other parties from time to time party thereto, as amended, restated, amended and restated, supplemented or otherwise modified from time to time.

" **Interest Payment Date** " means with respect to (i) any Loan that is a Base Rate Loan, the last Business Day of February, May, August and November of each year, commencing on the first such date to occur after the Closing Date and the final maturity date of such Loan; and (ii) any Loan that is a Eurodollar Rate Loan, the last day of each Interest Period applicable to such Loan; provided in the case of each Interest Period of longer than three months, "Interest Payment Date" shall also include each date that is three months, or an integral multiple thereof, after the commencement of such Interest Period.

" **Interest Period** " means, in connection with a Eurodollar Rate Loan, an interest period of one, two, three or six-months, as selected by Borrower in the applicable Funding Notice or, in the case of Term Loans, Conversion/Continuation Notice, (or as otherwise agreed with respect to the Interest Period applicable to Initial Term Loans commencing on the Amendment and Restatement Date) (i) in the case of Term Loans, (a) initially, commencing on the Credit Date or Conversion/Continuation Date thereof, as the case may be; and (b) thereafter, commencing on the day on which the immediately preceding Interest Period expires; and (ii) in the case of Revolving Loans, commencing on the Credit Date; provided (w) if an Interest Period would otherwise expire on a day that is not a Business Day, such Interest Period shall expire on the next succeeding Business Day unless no further Business Day occurs in such month, in which case such Interest Period shall expire on the immediately preceding Business Day; (x) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall, subject to clauses (y) and (z) of this definition, end on the last Business Day of a calendar month; (y) no Interest Period with respect to any portion of any Class of Term Loans shall extend beyond such Class's Maturity Date; and (z) each Revolving Loan shall have one Interest Period only and shall not extend beyond the end of such Interest Period.

" **Interest Rate Agreement** " means any interest rate swap agreement, interest rate cap agreement, interest rate collar agreement, interest rate hedging agreement or other similar agreement or arrangement, each of which is for the purpose of hedging the interest rate exposure associated with any member of the Restricted Group's operations and not for speculative purposes.

" **Interest Rate Determination Date** " means, with respect to any Interest Period, the date that is two Business Days (determined solely by reference to clause (ii) of the definition thereof) prior to the first day of such Interest Period.

" **Internal Revenue Code** " means the Internal Revenue Code of 1986, as amended to the date hereof and from time to time hereafter, and any successor statute, unless otherwise indicated.

" **Internally Generated Cash** " means, with respect to any period, any cash of Parent or any Subsidiary of Parent generated during such period, excluding Net Cash Proceeds, Net

Insurance/Condemnation Proceeds and any cash that is generated from an incurrence of Debt, an issuance of Capital Stock or a capital contribution.

" **Investments** " means, with respect to any Person, all direct or indirect investments by such Person in other Persons (including Affiliates) in the forms of loans (including guarantees or other similar obligations), advances or capital contributions (excluding commission, travel and similar advances to officers and employees made in the ordinary course of business), purchases or other acquisitions in consideration of Debt, Capital Stock or other securities, together with all items that are or would be classified as investments on a balance sheet prepared in accordance with IFRS. The acquisition by Borrower of a Person that holds an Investment in a third Person will be deemed to be an Investment by Borrower in such third Person in an amount equal to the Fair Market Value of the Investments held by the acquired Person in such third Person in an amount determined as provided in Section 6.2(a). Except as otherwise provided in Section 6, the amount of an Investment will be determined at the time the Investment is made and without giving effect to subsequent changes in value.

" **Issuance Notice** " means, with respect to any Letter of Credit, the standard Letter of Credit application form of the Issuing Bank substantially in the form of Exhibit A-3, and, with respect to any Bank Guarantee, the standard Bank Guarantee application form of the Issuing Bank substantially in the form of Exhibit A-4, each of which may be made available by Issuing Bank via an online platform, or otherwise in form and substance reasonably acceptable to the Issuing Bank from time to time.

" **Issuing Bank** " means The Hongkong and Shanghai Banking Corporation Limited, as Issuing Bank hereunder, together with its permitted successors and assigns in such capacity.

" **Joinder Agreement** " means an agreement substantially in the form of Exhibit G.

" **Joint Venture** " means a joint venture, partnership or other similar arrangement, whether in corporate, partnership or other legal form; provided in no event shall any corporate Subsidiary of any Person be considered to be a Joint Venture to which such Person is a party.

" **Latest Maturity Date** " means, at any date of determination, the latest maturity or expiration date applicable to any Loan or Commitment hereunder at such time, including the latest maturity or expiration date of any New Revolving Loan Commitments, New Term Loan Commitments, New Revolving Loans or New Term Loans, in each case as extended in accordance with this Agreement from time to time.

" **Legal Reservations** " means:

(a) the principle that equitable remedies (or remedies that are analogous to equitable remedies in other jurisdictions) may be granted or refused at the discretion of a court, the limitation of enforcement by laws relating to bankruptcy, *concurso mercantil* , insolvency, liquidation, reorganization, court schemes, moratoria, administration, examinership, reorganization and other laws generally affecting the rights of creditors;

(b) the time barring of claims under the U.K. Limitation Act 1980 and the U.K. Foreign Limitation Periods Act 1984 and other applicable statutes of limitation, the possibility

that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void and defenses of set-off or counterclaim;

(c) similar principles, rights and defenses under the laws of any Relevant Jurisdiction; and

(d) any other matters which are set out as qualifications or reservations as to matters of law of general application in the opinions of counsels delivered under this Agreement.

" **Lender** " means each financial institution listed on the signature pages to the Original Credit Agreement or on the signature pages to the Amendment Agreement as a Lender, and any other Person that became a party hereto pursuant to the Original Credit Agreement or becomes a party hereto pursuant to an Assignment Agreement or a Joinder Agreement.

" **Lender Counterparty** " means each Lender, each Agent and each of their respective Affiliates counterparty to a Hedge Agreement (including any Person who is an Agent or a Lender (and any Affiliate thereof) at the time of entering into such Hedge Agreement but subsequently, whether before or after entering into a Hedge Agreement, ceases to be an Agent or a Lender, as the case may be); provided that, notwithstanding anything to the contrary herein or in any of the Credit Documents, each Lender Counterparty shall become a party to the Intercreditor Agreement.

" **Letter of Credit** " means a commercial or standby letter of credit issued or to be issued by Issuing Bank pursuant to this Agreement.

" **Letter of Credit/Bank Guarantee Sublimit** " means the lesser of (i) $30,000,000 and (ii) the aggregate unused amount of the Revolving Commitments then in effect.

" **Letter of Credit/Bank Guarantee Usage** " means, as at any date of determination, the sum of (i) the maximum aggregate amount which is, or at any time thereafter may become, available for drawing under all Letters of Credit and Bank Guarantees then outstanding, and (ii) the aggregate amount of all drawings under Letters of Credit and Bank Guarantees honored by Issuing Bank and not theretofore reimbursed by or on behalf of Borrower.

" **Lien** " means any mortgage or deed of trust, charge, pledge, lien (statutory or otherwise), privilege, security interest, hypothecation, assignment for or by way of security, claim, preference, priority or other encumbrance upon or with respect to any property of any kind, real or personal, movable or immovable, now owned or hereafter acquired. A Person will be deemed to own subject to a Lien any property which such Person has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement.

" **Loan** " means a Term Loan, a Revolving Loan or a New Term Loan.

"Luxembourg" means the Grand Duchy of Luxembourg

"Luxembourg Guarantor" means any Guarantor whose registered office or place of central administration is located in Luxembourg.

“ **Management Advances** ” means loans or advances made to, or guarantees with respect to loans or advances made to, directors, officers, employees or consultants of any member of the Restricted Group for purposes of funding any such person’s purchase of Capital Stock of Parent or any Holding Company of Parent with the approval of the Board of Directors in an aggregate amount outstanding not exceeding $2,000,000 (or the Dollar Equivalent thereof).

“ **Margin Stock** ” as defined in Regulation U.

“ **Material Adverse Effect** ” means a material adverse effect on (i) the business, operations, assets or financial condition of Parent and its Subsidiaries taken as a whole; (ii) the ability of the Credit Parties (taken as a whole) to fully and timely perform their Credit Agreement Obligations; or (iii) the rights, remedies and benefits available to, or conferred upon, any Agent and any Lender or any Secured Party under the Credit Documents which, individually or collectively, affects a significant portion of the Collateral. As used herein, the term “significant portion” means Collateral with a value equal to or greater than 10% of the total value of the Collateral or which is otherwise material to the operation of Borrower’s business.

“ **Material Company** ” means, at any time:

(a) a Credit Party;

(b) a wholly-owned member of the Restricted Group which is a Holding Company of a Credit Party; or

(c) a member of the Restricted Group:

(i) listed in Schedule 3; or

(ii) which has Consolidated EBITDA attributable to it representing 5% or more of Consolidated EBITDA.

Compliance with the conditions set out in clause (c)(ii) above shall be determined by reference to:

(1) the most recent annual financial statements of the Group, supplied under Section 5.1(b) and the Compliance Certificate relating thereto; and

(2) the latest annual financial statements of that Subsidiary (audited to the extent required by law). However, if a Subsidiary has been acquired or disposed of since the date to which the most recent such annual financial statements were prepared such financial statements shall be deemed to be adjusted in order to take into account such acquisition or disposal (that adjustment being certified by a director of Borrower as representing an accurate reflection of the revised Consolidated EBITDA).

A report by the Auditors of Parent that a Subsidiary is or is not a Material Company shall, in the absence of manifest error, be conclusive and binding on all parties hereto

“ **Material Debt** ” means Debt (other than the Credit Agreement Obligations) or obligations in respect of one or more Hedge Agreements, of any one or more of Parent, Borrower and the Restricted Subsidiaries in an aggregate principal amount exceeding $25,000,000. For purposes of determining Material Debt, the “principal amount” of the obligations in respect of any Hedge Agreement at any time shall be the maximum aggregate amount (giving effect to any netting agreements) that Parent, Borrower or such Restricted Subsidiary would be required to pay if such Hedge Agreement were terminated at such time.

“ **Maturity Date** ” means, except to the extent extended pursuant to Section 2.25, (i) with respect to the Term Loans, the earlier of (a) the seventh (7^{th}) anniversary of the Closing Date, and (b) the date on which all Term Loans shall become due and payable in full hereunder, whether by acceleration or otherwise, (ii) with respect to New Term Loans, the date on which New Term Loans of a Series shall become due and payable in full hereunder, as specified in the applicable Joinder Agreement, including by acceleration or otherwise and (iii) with respect to New Revolving Loans, the date on which New Revolving Loans of a Series shall become due and payable in full hereunder, as specified in the applicable Joinder Agreement, including by acceleration or otherwise.

“ **Meritas Acquisition** ” means the acquisition by Parent of a portfolio of six schools from Meritas, LLC and certain of its Affiliates pursuant to the Meritas Transaction Agreement.

“ **Meritas Transaction Agreement** ” means the Transaction Agreement, dated as of April 24, 2015, by and among Parent, Viking Holdco, Inc., Viking Merger Subsidiary, LLC, NAE HK Holdings Limited, Meritas, LLC, Viking Holding Company LLC, Sterling International Schools, Sterling International Schools C Corporation and the sellers listed on the schedule thereto (as amended by that certain letter agreement dated as of May 26, 2015 and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time).

“ **Minimum Collateral Amount** ” means, at any time, (i) with respect to Cash Collateral consisting of Cash or Deposit Account balances, an amount equal to 102% of the Fronting Exposure of Issuing Bank with respect to Letters of Credit and Bank Guarantees issued and outstanding at such time and (ii) otherwise, an amount determined by Revolving Facility Administrative Agent and Issuing Bank in their sole discretion.

“ **Moody’s** ” means Moody’s Investors Service, Inc. and its successors.

“ **Multiemployer Plan** ” means any Employee Benefit Plan which is a “multiemployer plan” as defined in Section 3(37) of ERISA.

“ **Net Cash Proceeds** ” means:

(a) with respect to any Asset Sale, the proceeds thereof in the form of cash or Cash Equivalents (except to the extent that such obligations are financed or sold with recourse to a member of the Restricted Group), net of:

(i) brokerage commissions and other fees and expenses (including, without limitation, fees and expenses of legal counsel, accountants, investment banks and other consultants) related to such Asset Sale;

(ii) provisions for all taxes paid or payable, or required to be accrued as a liability under IFRS as a result of such Asset Sale;

(iii) all distributions and other payments required to be made to any Person (other than a member of the Restricted Group) owning a beneficial interest in the assets subject to the Asset Sale; and

(iv) appropriate amounts required to be provided by any member of the Restricted Group, as the case may be, as a reserve in accordance with IFRS against any liabilities associated with such Asset Sale and retained by any member of the Restricted Group, as the case may be, after such Asset Sale, including, without limitation, pension and other post-employment benefit liabilities, liabilities related to environmental matters and liabilities under any indemnification obligations associated with such Asset Sale, all as reflected in an Officers ' Certificate delivered to Administrative Agents; and

(b) with respect to any capital contributions, issuance or sale of Capital Stock or options, warrants or rights to purchase Capital Stock, or debt securities or Capital Stock that have been converted into or exchanged for Capital Stock as referred to in Section 6.2, the proceeds of such issuance or sale in the form of cash or Cash Equivalents, payments in respect of deferred payment obligations when received in the form of, or stock or other assets when disposed of for, cash or Cash Equivalents (except to the extent that such obligations are financed or sold with recourse to any member of the Restricted Group), net of attorney 's fees, accountant's fees and brokerage, consultation, underwriting and other fees and expenses actually Incurred in connection with such issuance or sale and net of taxes paid or payable as a result of thereof.

" **Net Insurance/Condemnation Proceeds** " means an amount equal to: (i) any Cash payments or proceeds received by Parent or any of its Subsidiaries having, at the time of such transaction, a Fair Market Value of at least $5,000,000 (or the Dollar Equivalent thereof) with respect to any single transaction or series of related transactions (a) under any casualty insurance policy in respect of a covered loss thereunder or (b) as a result of the taking of any assets of Parent or any of its Subsidiaries by any Person pursuant to the power of eminent domain, condemnation or otherwise, or pursuant to a sale of any such assets to a purchaser with such power under threat of such a taking, minus (ii)(a) any actual and reasonable costs incurred by Parent or any of its Subsidiaries in connection with the adjustment or settlement of any claims of Parent or such Subsidiary in respect thereof, and (b) any bona fide direct costs incurred in connection with any sale of such assets as referred to in clause (i)(b) of this definition, including income taxes payable as a result of any gain recognized in connection therewith.

" **Net Mark-to-Market Exposure** " of a Person means, as of any date of determination, the excess (if any) of all unrealized losses over all unrealized profits of such Person arising from Hedge Agreements or other Debt of the type described in clause (f) of the definition thereof. As used in this definition, "unrealized losses" means the fair market value of the cost to such Person of replacing such Hedge Agreement or such other Debt as of the date of determination (assuming the Hedge Agreement or such other Debt were to be terminated as of that date), and "unrealized profits" means the fair market value of the gain to such Person of replacing such Hedge Agreement or such other Debt as of the date of determination (assuming such Hedge Agreement or such other Debt were to be terminated as of that date).

“ **New Revolving Loan Commitments** ” as defined in Section 2.24.

“ **New Revolving Loan Lender** ” as defined in Section 2.24.

“ **New Revolving Loans** ” as defined in Section 2.24.

“ **New Term Loan Commitments** ” as defined in Section 2.24.

“ **New Term Loan Exposure** ” means, with respect to any Lender, as of any date of determination, the outstanding principal amount of the New Term Loans of such Lender.

“ **New Term Loan Lender** ” as defined in Section 2.24.

“ **New Term Loans** ” as defined in Section 2.24.

“ **Non-Consenting Lender** ” as defined in Section 2.23.

“ **Non-Defaulting Lender** ” means, at any time, each Lender that is not a Defaulting Lender at such time.

“ **Non - Guarantor Debt** ” means, for any Non-Guarantor Subsidiary, Debt attributable to such Non-Guarantor Subsidiary.

“ **Non - Guarantor Shares** ” means shares of Capital Stock of a Non-Guarantor Subsidiary that are directly owned by a Person organized outside of the PRC.

“ **Non - Guarantor Subsidiary** ” means a Restricted Subsidiary that is not a Guarantor.

“ **Non-Public Information** ” means material non-public information (within the meaning of United States federal, state or any applicable foreign securities laws) with respect to Parent, Borrower or their respective Affiliates or their Capital Stock.

“ **Non-Public Lenders** ” means Lenders that wish to receive Non-Public Information with respect to Parent, its Subsidiaries or their Capital Stock.

“ **Non-U.S. Recipient** ” as defined in Section 2.20(e) (ii).

“ **Nord Anglia UK** ” means Nord Anglia Education (UK) Holdings PLC **,** a public limited company organized under the laws of England and Wales.

“Not Otherwise Applied” means, with reference to any Net Cash Proceeds described in clause (b) of the definition thereof, any issuance or sale of Capital Stock or options, warrants or rights to purchase Capital Stock, or debt securities or Capital Stock that have been converted into or exchanged for Capital Stock as referred to in Section 6.2 that is proposed to be applied to a particular use or transaction, that such amount was not previously applied in determining the permissibility of a transaction under the Credit Documents where such permissibility was (or may have been) contingent on the receipt or availability of such amount.

“ **Note** ” means a Term Loan Note or a Revolving Loan Note.

“ **Notice** ” means a Funding Notice, an Is suance Notice, or a Conversion/Continuation Notice.

“ **Obligations** ” means the Credit Agreement Obligations and the Pari Passu Debt Obligations.

“ **Obligee Guarantor** ” as defined in Section 7.7.

“ **Officers' Certificate** ” means a certificate signed by two officers of Borrower, a Guarantor or a Surviving Entity, as the case may be, who are authorized to represent the relevant Person and delivered to Administrative Agents.

“ **Original Credit Agreement** ” means the Credit and Guaranty Agreement dated as of the Closing Date among the Borrower, Parent, certain Subsidiaries of Parent party thereto, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent, and the lenders and other agents from time to time party thereto, as amended by the First Joinder Agreement and as further amended, restated, amended and restated, supplemented or otherwise modified from time to time prior to the Amendment and Restatement Date.

“ **Organizational Documents** ” means (i) with respect to any corporation or company, its certificate, memorandum or articles of incorporation, organization or association, as amended, and/or its by-laws, as amended, (ii) with respect to any limited partnership, its certificate or declaration of limited partnership, as amended, and its partnership agreement, as amended, (iii) with respect to any general partnership, its partnership agreement, as amended, (iv) with respect to any limited liability company, its articles of organization, as amended, and its operating agreement, as amended or with respect to a Guarantor incorporated in the State of Qatar or the United Arab Emirates or in Luxembourg, its articles of association and (v) with respect to the Hungarian Guarantor incorporated in the form of a foundation, its deed of foundation, as amended, and the registration orders issued by the relevant Hungarian court of registration of foundations, as amended. In the event any term or condition of this Agreement or any other Credit Document requires any Organizational Document to be certified by a secretary of state or similar governmental official, the reference to any such Organizational Document shall only be to a document of a type customarily certified by such governmental official.

“ **Other Applicable Indebtedness** ” as defined in Section 2.15(b).

“ **Other Connection Taxes** ” means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Credit Document, or sold or assigned an interest in any Loan or Credit Document).

“ **Other Taxes** ” means any and all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes arising from any payment made hereunder or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any

other Credit Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.23).

" **Parent** " as defined in the preamble hereto.

" **Pari Passu Creditor** " means a creditor in respect of Pari Passu Debt Obligations.

" **Pari Passu Debt Agreement** " means any agreement relating to Pari Passu Debt Obligations, including, for the avoidance of doubt, the CHF Notes Indenture (including the CHF Notes).

" **Pari Passu Debt Obligations** " means all obligations of each Credit Party in connection with Debt permitted to be incurred hereunder; provided that such Debt (i) is permitted to be secured on a *pari passu* basis with the Credit Agreement Obligations, (ii) is subject to the Intercreditor Agreement and (iii) has been designated to the Administrative Agents in writing by the Borrower as being a Pari Passu Debt Obligation for purposes of the Credit Documents, including, for the avoidance of doubt, Debt outstanding under the CHF Notes Indenture (including the CHF Notes).

"Pari Passu Intercreditor Agreement" means the Intercreditor Agreement.

" **Participant Register** " as defined in Section 10.6(g)(i).

" **PATRIOT Act** " means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56 (signed into law October 26, 2001)).

" **PBGC** " means the Pension Benefit Guaranty Corporation or any successor thereto.

" **Pension Plan** " means any Employee Benefit Plan, other than a Multiemployer Plan, which is subject to Title IV of ERISA or Section 412 or 430 of the Internal Revenue Code or Section 302 or 303 of ERISA (but excluding, for the avoidance of doubt, the Pension Schemes).

" **Pension Schemes** " means the Nord Anglia Joint Pension Scheme, the Wyburn School Limited Pension Life Assurance Scheme (1985) and the Lifetime Pension Scheme, and " **Pension Scheme** " means any one of them.

" **Pensions Act 2004** " means the Pensions Act 2004 of England and Wales and associated regulations.

" **Pensions Regulator** " means the body corporate called the Pensions Regulator established under Part I of the Pensions Act 2004.

" **Perfection Requirements** " means the making or procuring of appropriate registrations, filings, endorsements, recordings, stampings, intimation in accordance with local laws and/or notifications of the Collateral Documents and/or the Transaction Security created thereunder, pursuant to the terms and conditions set forth in such Collateral Documents.

" **Permitted Acquisition** " means any acquisition, directly or indirectly, by a member of the Restricted Group, whether by purchase, merger or otherwise, of all or substantially all of the assets of, all of the Capital Stock of (or less than all of the Capital Stock in the event of an acquisition involving any Capital Stock (x) of Léman Manhattan Preparatory School that is not acquired as part of the Meritas Acquisition, (y) consisting of director's qualifying shares and (z) issued to foreign nationals to the extent required by applicable Law to be held by a Person other than a member of the Restricted Group), or a business line or unit or a division of, any Person; provided that

(i) immediately prior to, and after giving effect thereto, no Default or Event of Default shall have occurred and be continuing or would result therefrom;

(ii) all transactions in connection therewith shall be consummated, in all material respects, in accordance with all applicable laws and in conformity with all applicable Governmental Authorizations;

(iii) in the case of the acquisition of Capital Stock, Borrower shall have taken, or caused to be taken, as of the date such Person becomes a Subsidiary of Borrower, each of the actions set forth in Sections 5.15 and/or 5.16, as applicable;

(iv) Borrower and the other members of the Restricted Group shall be in compliance with the Financial Covenant on a Pro Forma Basis (whether or not then in effect) after giving effect to such acquisition as of the last day of the Fiscal Quarter most recently ended, (as determined in accordance with Section 6.18);

(v) in the case of any acquisition the aggregate consideration of which is in excess of $10,000,000, Borrower shall have delivered to Term Administrative Agent (for delivery to Revolving Facility Administrative Agent and Lenders) a Compliance Certificate evidencing compliance with Section 6.18 as required under clause (iv) above; and

(vi) any Person or assets or division as acquired in accordance herewith shall be engaged in a Permitted Business.

" **Permitted Business** " means any business that is similar, related, ancillary or complementary to the business of the Parent and/or its Subsidiaries on the Amendment and Restatement Date or any reasonable extensions thereof.

" **Permitted Collateral Liens** " means any Lien on the Collateral:

(a) to secure:

(i) the Credit Agreement Obligations of the Credit Parties pursuant to the Credit Documents;

(ii) any obligations under Debt Incurred pursuant to Section 6.1(b)(xxiii), (xxiv) or (xxvii), in each case subject to the Intercreditor Agreement;

(iii) any obligations under Permitted First Priority Refinancing Debt and Permitted Second Priority Refinancing Debt, in each case subject to the Intercreditor Agreement;

(iv) any obligations under Currency Agreements or Interest Rate Agreements permitted under Section 6.1(b)(vii), as long as the related Debt is permitted to be incurred under this Agreement, in each case subject to the Intercreditor Agreement; or

(v) any Permitted Refinancing thereof;

(b) that is a statutory Lien arising by operation of law; or

(c) any Lien permitted by clauses (a), (d), (e), (f), (g), (h), (i), (j), (m), (n), (o), (s), (t), (u), (v), (w), (aa), (bb), (dd) or (ee) of the definition of "Permitted Liens", by clause (p) of such definition, only to the extent the Lien being extended, renewed or replaced was a Permitted Collateral Lien, and by clause (q) of such definition, only to the extent the Debt being refinanced was secured by a Permitted Collateral Lien;

provided in the case of clause (a) above, that such Lien either ranks: (A) pari passu to the Liens securing the Credit Agreement Obligations under the Credit Documents or (B) junior to the Liens securing the Credit Agreement Obligations under the Credit Documents, provided further that, in the case of clauses (a)(i), (a)(ii), (a)(iii), (a)(iv) (other than with respect to Interest Rate Agreements with respect to the Debt under the Credit Documents), and in the case of clauses (b) and (c) above, any Debt related to such Lien does not rank in priority to the Debt under the Credit Documents in any appropriation or distribution provisions in the Intercreditor Agreement (or any similar agreement among creditors).

" **Permitted Debt** " has the meaning given to such term under Section 6.1(b).

" **Permitted First Priority Refinancing Debt** " means any secured Debt (including any Registered Equivalent Notes) incurred by Borrower in the form of one or more series of senior secured notes; provided that (i) such Debt is secured by the Collateral on a *pari passu* basis (but without regard to the control of remedies) with the Credit Agreement Obligations and under security documents substantially similar to the Collateral Documents and is not secured by any property or assets of Parent, Borrower or any Subsidiary other than the Collateral, (ii) such Debt is not at any time guaranteed by any Person other than Parent and Subsidiaries that are Guarantors and the terms of such guarantee shall be no more favorable to the secured parties in respect of such Debt than the terms of the Guaranty, (iii) the holders of such Debt (or their representative) and Primary Collateral Agent shall be party to the Intercreditor Agreement and (iv) such Debt has no material terms (other than interest rate, fees, premiums, funding discounts or optional prepayment provisions) (including covenants, events of default, remedies and acceleration rights) that are, taken as a whole, materially more favorable to the refinancing lenders than the terms that are applicable under the instruments and documents governing the Debt being refinanced.

" **Permitted Holders** " means (i) Baring Private Equity Asia III Holding (5) Limited, Baring Private Equity Asia IV Holding (7) Limited, Premier Education Co-Investment Limited and Premier Education Co-Investment II Limited, (ii) any Affiliate of any Person named in

clause (i) of this definition (other than any portfolio companies) and/or (iii) any investment funds advised or managed by any Person described in clause (i) or (ii) of this definition.

" **Permitted Investments** " means any of the following:

(a) Investments in cash or Cash Equivalents;

(b) intercompany Debt to the extent permitted under Section 6.1(b)(iv);

(c) Investments in: (i) Borrower, (ii) a Guarantor, (iii) a Restricted Subsidiary that is not a Guarantor (provided that in the case of such Restricted Subsidiary, such Investment complies with Section 6.4(a)(i)) or (iv) another Person if as a result of a Permitted Acquisition;

(d) Investments made by a member of the Restricted Group as a result of or received in connection with an Asset Sale permitted under or made in compliance with Section 6.6 to the extent such Investments are non-cash proceeds permitted thereunder;

(e) expenses or advances to cover payroll, travel, entertainment, moving, other relocation and similar matters that are expected at the time of such advances to be treated as expenses in accordance with IFRS;

(f) Investments in the Loans or any other Senior Debt of any member of the Restricted Group;

(g) Investments existing, or made pursuant to legally binding commitments in existence, at the Closing Date, and any Investment that amends, extends, renews, replaces or refinances an Investment existing on the Closing Date, provided that such new Investment is on terms and conditions no less favorable to the Restricted Group than the Investment being amended, extended, renewed, replaced or refinanced;

(h) Investments in Hedge Agreements permitted under Section 6.1(b)(vii);

(i) Management Advances;

(j) Investments in a Person to the extent that the consideration therefor consists of Parent's Qualified Capital Stock or the Net Cash Proceeds of the substantially concurrent issue and sale (other than to any Subsidiary) of shares of Parent's Qualified Capital Stock (to the extent such Net Cash Proceeds are Not Otherwise Applied), provided that the net proceeds of such sale have been excluded from, and will not have been included in, the calculation of the amount determined under Section 6.2(b)(iii)(B);

(k) (i) stock, obligations or securities received in satisfaction of judgments, foreclosure of liens or settlement of debts and (ii) any Investments received in compromise of obligations, including pursuant to any plan of reorganization or similar arrangement upon the bankruptcy, *concurso mercantil* , or insolvency of any trade creditor, trade debtor or customer;

(l) advances made to contractors, vendors, distributors, manufacturers or suppliers, including advance payments for the acquisition of assets, equipment, machinery, consumables,

supplies or services, in each case in the ordinary course of business and dischargeable in accordance with customary trade terms;

(m) pledges or deposits with respect to leases or utilities provided to third parties in the ordinary course of business or Liens otherwise described in the definition of "Permitted Liens" or made in connection with Liens permitted under Section 6.5;

(n) receivables owing to any member of the Restricted Group created or acquired in the ordinary course of business and payable or dischargeable in accordance with customary trade terms, provided , however , that such trade terms may include such concessionary trade terms as Borrower or any such Restricted Subsidiary deems reasonable under the circumstances;

(o) deposits made to secure the performance of tenders, bids or trade or government contracts, or to secure statutory or regulatory obligations, surety or appeal bonds, performance bonds or other obligations of a like nature Incurred in the ordinary course of business;

(p) lease, utility and workers' compensation, performance and similar deposits or advances made in the ordinary course of business;

(q) deposits made in connection with the acquisition of real property or land use rights;

(r) an Investment of an Unrestricted Subsidiary consisting solely of an Investment in another Unrestricted Subsidiary; and

(s) other Investments in any Person having an aggregate Fair Market Value (measured on the date each such Investment was made and without giving effect to subsequent changes in value), when taken together with all other Investments made pursuant to this clause (s) that are at the time outstanding, not to exceed $30,000,000 (or the Dollar Equivalent thereof).

" **Permitted Junior Debt Conditions** " means that such applicable debt (i) is not scheduled to mature prior to the date that is 90 days after the Latest Maturity Date, (ii) does not mature or have scheduled amortization payments of principal or payments of principal and is not subject to mandatory redemption, repurchase, prepayment or sinking fund obligation (except customary asset sale or change of control provisions that provide for the prior repayment in full of the Loans and all other Credit Agreement Obligations), in each case prior to the date that is 90 days after the Latest Maturity Date at the time such Debt is incurred, (iii) is not at any time guaranteed by any Person other than Parent and Subsidiaries that are Guarantors and the terms of such guarantee shall be no more favorable to the secured parties in respect of such Debt than the terms of the Guaranty, (iv) has no financial maintenance covenants, other than in the case of any Debt secured by a Lien on the Collateral that is junior to the Liens securing the Credit Agreement Obligations (in which event the financial maintenance covenants in the documentation governing such Debt shall not be more restrictive than those set forth in this Agreement), and (v) material terms (other than interest rate, fees, premiums, funding discounts or optional prepayment provisions) (including covenants, events of default, remedies and acceleration rights) that are not, taken as a whole, materially more favorable to the refinancing

lenders than the terms that are applicable under the instruments and documents governing the Debt being refinanced.

" **Permitted Liens** " means the following types of Liens:

(a) Liens existing as of the Amendment and Restatement Date and set forth on Schedule 8;

(b) Liens on any property or assets of a member of the Restricted Group granted in favor of any other member of the Restricted Group;

(c) Liens securing the Credit Agreement Obligations and any Guarantee thereof on any property or assets of any member of the Restricted Group;

(d) any interest or title of a lessor under any Capitalized Lease Obligation and Liens to secure Debt (including Capitalized Lease Obligations) of the types permitted by Section 6.1(b)(v) covering only the equipment, property or assets acquired with such Debt and any improvements thereon, to the extent the related Debt may be incurred under this Agreement;

(e) Liens arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into by a member of the Restricted Group in the ordinary course of business in accordance with such member 's past practices prior to the Closing Date;

(f) statutory Liens of landlords and carriers, warehousemen, mechanics, suppliers, materialmen, repairmen, employees, pension plan administrators or other like Liens arising in the ordinary course of business of any member of the Restricted Group and with respect to amounts not yet delinquent or being contested in good faith by appropriate proceedings and for which a reserve or other appropriate provision, if any, as will be required in conformity with IFRS will have been made and Liens arising solely by virtue of any statutory or common law provisions relating to attorney 's liens or bankers' liens, rights of set-off or similar rights and remedies as to deposit accounts or other funds maintained with a creditor depositary institution;

(g) Liens for taxes, assessments, government charges or claims that are not yet delinquent or that are being contested in good faith by appropriate proceedings promptly instituted and diligently conducted and for which a reserve or other appropriate provision, if any, as will be required in conformity with IFRS will have been made;

(h) Liens Incurred or deposits made to secure the performance of tenders, bids or trade or government contracts, or to secure statutory or regulatory obligations, bankers ' acceptances (not issued to support Debt for borrowed money), surety or appeal bonds, performance bonds or other obligations of a like nature Incurred in the ordinary course of business;

(i) zoning restrictions, easements, licenses, reservations, title defects, rights-of-way, utilities, sewers, electrical lines, telephone lines, telegraph wires, restrictions, encroachments and other similar charges, encumbrances or title defects incurred in the ordinary course of business

that do not in the aggregate materially interfere with the ordinary conduct of the business of Borrower and the Restricted Subsidiaries on the properties subject thereto, taken as a whole;

(j) (i) Liens arising out of judgments or awards not constituting an Event of Default and (ii) Liens arising by reason of any judgment, decree or order of any court as long as such Lien is adequately bonded and any appropriate legal proceedings that may have been duly initiated for the review of such judgment, decree or order will not have been finally terminated or the period within which such proceedings may be initiated will not have expired;

(k) Liens on property of, or on shares of Capital Stock or Debt of, any Person existing at the time such Person is acquired by, merged with or into or consolidated with, any member of the Restricted Group (or at the time such member of the Restricted Group acquires such property, Capital Stock or Debt), provided that such Liens: (i) do not extend to or cover any property or assets of any member of the Restricted Group other than the property or assets acquired or than those of the Person merged into or consolidated with such member and (ii) were created prior to, and not in connection with or in contemplation of, such acquisition, merger, consolidation, amalgamation or other combination;

(l) **[** Reserved **]** ;

(m) Liens Incurred or deposits made in the ordinary course of business in connection with workers ' compensation, unemployment insurance and other types of social security or other insurance;

(n) Liens Incurred in connection with any cash or treasury management program, or cash pooling, netting or set off arrangements, in each case established in the ordinary course of business for the benefit of any member of the Restricted Group;

(o) Liens securing reimbursement obligations with respect to letters of credit that encumber documents and other property relating to such letters of credit and the products and proceeds thereof;

(p) any extension, renewal or replacement, in whole or in part, of any other Permitted Lien, provided that any such extension, renewal or replacement will be no more restrictive in any material respect than the Lien so extended, renewed or replaced and will not extend in any material respect to any additional property or assets;

(q) Liens securing Debt Incurred to refinance Debt that has been secured by a Lien permitted by this Agreement, provided that: (i) any such Lien will not extend to or cover any assets not securing the Debt so refinanced and (ii) the Debt so refinanced will have been permitted to be Incurred;

(r) Liens with respect to obligations (other than for the borrowing of money) that do not exceed $20,000,000 (or the Dollar Equivalent thereof) at any one time outstanding;

(s) Liens made to secure obligations arising from statutory, regulatory, contractual or warranty requirements of any member of the Restricted Group, including rights of offset and set-off;

(t) Liens resulting from escrow arrangements entered into in connection with the disposition of assets;

(u) any right of refusal, right of first offer, option or other arrangement to sell or otherwise dispose of an asset of any member of the Restricted Group arising in the ordinary course of such member 's business;

(v) any encumbrance or restriction (including put and call arrangements) with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(w) leases or subleases granted to others that in the aggregate do not materially interfere with the ordinary course of business of any member of the Restricted Group, taken as a whole;

(x) Liens incurred on one or more bank accounts to secure Bank Deposit Debt;

(y) Liens incurred or deposits made to secure Entrusted Loans;

(z) Liens on assets of a Non-Guarantor Subsidiary to secure Debt of such Non-Guarantor Subsidiary or any other Non-Guarantor Subsidiary;

(aa) Liens on deposits made in order to secure the performance of any member of the Restricted Group in connection with the acquisition of real property or land use rights and not securing Debt of any member of the Restricted Group;

(bb) Liens to secure Debt permitted by Section 6.1(b)(xvii);

(cc) Liens on assets of any member of the Restricted Group to secure Debt of such member that is permitted by Section 6.1(b)(xxii);

(dd) **[** Reserved **]** ; and

(ee) Liens to secure Debt permitted by Section 6.1(b)(xxvi).

provided that, notwithstanding the foregoing, Permitted Liens will not include Liens securing Non-Guarantor Debt in the form of, or represented by, bonds, debentures, notes or other investment securities which are, or are intended to be or capable of being, quoted, listed, ordinarily dealt in or traded on any stock exchange or over the counter or other securities market.

" **Permitted Liquidation** " as defined in clause (c) of the definition of "Permitted Transaction."

" **Permitted Ordinary Course Liens** " means Liens described in clauses (a), (g), (j), (k) and (v) of the definition of "Permitted Liens".

" **Permitted Refinancing** " means, as to any Debt, the incurrence of other Debt to refinance, extend, renew, defease, restructure, replace or refund (collectively, " **refinance** ") such

existing Debt; provided that, in the case of such other Debt, the following conditions are satisfied: (a) the weighted average life to maturity of such refinancing Debt shall be greater than or equal to the weighted average life to maturity of the Debt being refinanced; (b) the principal amount of such refinancing Debt shall be less than or equal to the principal amount (including any accreted or capitalized interest) then outstanding of the Debt being refinanced, plus any required premiums and other reasonable amounts paid, and fees and expenses reasonably incurred, in connection with such modification, refinancing, refunding, renewal or extension and by any amount equal to any existing commitments unutilized thereunder; (c) the respective obligor or obligors shall be the same on the refinancing Debt as on the Debt being refinanced; (d) the security, if any, for the refinancing Debt shall be the same as that for the Debt being refinanced (except to the extent that less security is granted to holders of refinancing Debt); (e) the refinancing Debt (any guarantee in support thereof) is subordinated to the Credit Agreement Obligations to the same degree, if any, or to a greater degree as the Debt (and the guarantees in support thereof) being refinanced; and (f) no material terms (other than interest rate, fees, premiums, funding discounts or optional prepayment provisions) applicable to such refinancing Debt or, if applicable, the related security or guarantees of such refinancing Debt (including covenants, events of default, remedies and acceleration rights) shall be, taken as a whole, materially more favorable to the refinancing lenders than the terms that are applicable under the instruments and documents governing the Debt being refinanced. Notwithstanding anything to the contrary herein, Refinancing Indebtedness will not include (i) Debt of a Non-Guarantor Subsidiary that refinances the Debt of a Guarantor or (ii) Debt of any Restricted Subsidiary that refinances Debt of an Unrestricted Subsidiary.

" **Permitted Reorganization** " means:

(a) any transaction between members of the Restricted Group; or

(b) any release of Liens, guarantees or claims against a member of the Restricted Group (other than Borrower) which, in each case, is permitted or not prohibited by the provisions of Section 6 and does not have a material adverse effect on the Collateral taken as a whole.

" **Permitted Second Priority Refinancing Debt** " means secured Debt (including any Registered Equivalent Notes) incurred by Borrower in the form of one or more series of second lien (or other junior lien) secured notes or second lien (or other junior lien) secured loans; provided that (i) such Debt is secured by the Collateral on a second priority (or other junior priority) basis to the Liens securing the Credit Agreement Obligations and under security documents substantially similar to the Collateral Documents and the obligations in respect of any Permitted First Priority Refinancing Debt and is not secured by any property or assets of Parent, Borrower or any Subsidiary other than the Collateral, (ii) the holders of such Debt (or their representative) and each Administrative Agent shall be party to the Intercreditor Agreement and (iii) such Debt meets the Permitted Junior Debt Conditions.

" **Permitted Transaction** " means:

(a) any Asset Sale required, Debt incurred, guarantee, indemnity or Liens or Quasi-Liens given, or other transaction arising, under the Credit Documents;

(b) the solvent liquidation, dissolution or reorganization of any member of the Restricted Group (other than Borrower) so long as any payments or assets distributed as a result of such liquidation, dissolution or reorganization are distributed to any of Borrower and the Restricted Subsidiaries;

(c) (i) the liquidation or dissolution of a Dormant Subsidiary or Proposed Dormant Subsidiary, (ii) any liquidation, dissolution or reorganization is not materially prejudicial to the interests of Lenders, Arrangers or Agents under the Credit Documents or (iii) the consolidation or merger of any Restricted Subsidiary permitted under Section 6.12 or Section 6.13 (any such liquidation or reorganization, a " **Permitted Liquidation** "); or

(d) any Permitted Reorganization.

For the avoidance of doubt, the transactions described on Schedule 9 hereto shall constitute Permitted Transactions.

" **Permitted Unsecured Refinancing Debt** " means unsecured Debt (including any Registered Equivalent Notes) incurred by Borrower in the form of one or more series of senior unsecured notes or loans; provided that such Debt meets the Permitted Junior Debt Conditions.

" **Person** " means and includes natural persons, corporations, limited partnerships, general partnerships, limited liability companies, limited liability partnerships, joint stock companies, Joint Ventures, associations, companies, trusts, banks, trust companies, land trusts, business trusts or other organizations, whether or not legal entities, and Governmental Authorities.

" **Platform** " as defined in Section 5.1(k).

" **Polish Bankruptcy Law** " as defined in Section 7.14(d)(i)(A).

" **Polish Guarantor** " as defined in Section 7.14(d)(i).

" **PRC** " means the People's Republic of China, excluding (solely for purposes of this definition) Hong Kong, the Macau Special Administrative Region and Taiwan.

" **Pre - Expansion European Union** " means Austria, Belgium, Denmark, Finland, France, Germany, Luxembourg, the Netherlands, Sweden and the United Kingdom. For the avoidance of doubt, such countries will not include (i) Greece, Ireland, Italy, Portugal and Spain or (ii) any country that became or becomes a member of the European Union after January 1, 2004.

" **Preferred Stock** " means, with respect to any Person, Capital Stock of any class or classes (however designated) of such Person that is preferred as to the payment of dividends or distributions, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such Person, over the Capital Stock of any other class of such Person, whether now outstanding or issued after the date hereof and including, without limitation, all classes and series of preferred or preference stock of such Person.

" **Primary Collateral Agent** " as defined in the preamble hereto.

“ **Prime Rate** ” means the rate of interest quoted in the print edition of *The Wall Street Journal* , Money Rates Section as the Prime Rate (currently defined as the base rate on corporate loans posted by at least 75% of the United States’ thirty (30) largest banks), as in effect from time to time. The Prime Rate is a reference rate and does not necessarily represent the lowest or best rate actually charged to any customer. Term Administrative Agent or any other Lender may make commercial loans or other loans at rates of interest at, above or below the Prime Rate.

“ **Principal Office** ” means, for each of Term Administrative Agent, Revolving Facility Administrative Agent and Issuing Bank, such Person’s “Principal Office” as set forth on Appendix B, or such other office or office of a third party or sub-agent, as appropriate, as such Person may from time to time designate in writing to Borrower, each Administrative Agent and each Lender.

“ **pro forma** ” means, with respect to any calculation made or required to be made pursuant to the terms of Section 6, a calculation made in good faith by Borrower.

“ **Pro Forma Basis** ”, “ **Pro Forma Compliance** ” and “ **Pro Forma Effect** ” mean, with respect to compliance with any test or covenant or calculation of any ratio hereunder, the determination or calculation of such test, covenant or ratio in accordance with Section 1.3.

“ **Pro Rata Share** ” means (i) with respect to all payments, computations and other matters relating to the Initial Term Loan of any Lender, the percentage obtained by dividing (a) the Initial Term Loan Exposure of that Lender by (b) the aggregate Initial Term Loan Exposure of all Lenders; (ii) with respect to all payments, computations and other matters relating to the Revolving Commitment or Revolving Loans of any Lender or any Letters of Credit or Bank Guarantees issued or participations purchased therein by any Lender, the percentage obtained by dividing (a) the Revolving Exposure of that Lender by (b) the aggregate Revolving Exposure of all Lenders; and (iii) with respect to all payments, computations, and other matters relating to New Term Loan Commitments or New Term Loans of a particular Series, the percentage obtained by dividing (a) the New Term Loan Exposure of that Lender with respect to that Series by (b) the aggregate New Term Loan Exposure of all Lenders with respect to that Series. For all other purposes with respect to each Lender, “Pro Rata Share” means the percentage obtained by dividing (A) an amount equal to the sum of the Initial Term Loan Exposure, the Revolving Exposure and the New Term Loan Exposure of that Lender, by (B) an amount equal to the sum of the aggregate Initial Term Loan Exposure, the aggregate Revolving Exposure and the aggregate New Term Loan Exposure of all Lenders.

“ **Projections** ” means the financial projections through the Fiscal Year ending August 31, 2018 contained in the Financial Model.

“ **Proposed Dormant Subsidiary** ” means each entity identified in writing as a “Proposed Dormant Subsidiary” on Part II of Schedule 4.

“ **Public Lenders** ” means Lenders that do not wish to receive Non-Public Information with respect to Parent, its Subsidiaries or their Capital Stock.

“ **Public-Side Information** ” means information that is either (i) available to all holders of Traded Securities of Parent and its Subsidiaries or (ii) not material (for purposes of United States

federal, state or applicable foreign securities laws) to make an investment decision with respect to securities of Parent or any of its Subsidiaries.

" **Qualified Capital Stock** " of any Person means any and all Capital Stock of such Person other than Redeemable Capital Stock.

" **Qualified ECP Guarantor** " means, in respect of any Swap Obligation, each Credit Party that has total assets exceeding $10,000,000 at the time such Swap Obligation is incurred.

" **Qualifying Bank** " means:

(a) any bank as defined in the Swiss Federal Code for Banks and Savings Banks (*Sparkassen*) dated 8 November 1934; or

(b) a person or entity which effectively conducts banking activities with its own infrastructure and staff as its principal purpose and which has a banking license in full force and effect issued in accordance with the banking laws in force in its jurisdiction of incorporation, or if acting through a branch, issued in accordance with the banking laws in the jurisdiction of such branch.

" **Quasi-Liens** " means any transaction in which a member of the Restricted Group agrees to:

(a) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-acquired by a Credit Party or any other member of the Restricted Group;

(b) sell, transfer or otherwise dispose of any of its receivables on recourse terms;

(c) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set off or made subject to a combination of accounts; or

(d) enter into any other preferential arrangement having a similar effect, in circumstances where the arrangement or transaction is entered into primarily as a method of raising Debt or of financing the acquisition of an asset.

" **Recipient** " means (a) any Agent, (b) any Lender and (c) any Issuing Bank, as applicable.

" **Redeemable Capital Stock** " means any class or series of Capital Stock that, either by its terms, by the terms of any security into which it is convertible or exchangeable or by contract or otherwise, is, or upon the happening of an event or passage of time would, provide for the scheduled payments or dividends in cash, be required to be redeemed prior to 90 days after Latest Maturity Date, is redeemable at the option of the holder thereof at any time prior to 90 days after the Latest Maturity Date (other than upon a change of control of Parent in circumstances in which the Credit Parties would have similar rights), or is convertible into or exchangeable for debt securities at any time prior to such final Stated Maturity or other securities (other than securities which are not otherwise Redeemable Capital Stock); provided that any Capital Stock that would constitute Qualified Capital Stock but for provisions thereof giving

holders thereof the right to require such Person to repurchase or redeem such Capital Stock upon the occurrence of any "asset sale" or "change of control" occurring prior to the Latest Maturity Date will not constitute Redeemable Capital Stock if the "asset sale" or "change of control" provisions applicable to such Capital Stock requires that the rights of the holders thereof upon the occurrence of such asset sale or change of control are subject to the prior payment in full of all Credit Agreement Obligations, the cancellation or expiration of all Letters of Credit and Bank Guarantees and the termination of the Commitments.

" **Reference Bank Rate** " means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to Revolving Facility Administrative Agent at its request by the Reference Banks as the rate at which the relevant Reference Bank could borrow funds in the London interbank market in the relevant currency and for the relevant Interest Period, were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in that currency and for that Interest Period.

" **Reference Banks** " means up to three banks as may be appointed by Revolving Facility Administrative Agent in consultation with Borrower.

" **refinance** " means to refinance, repay, prepay, replace, renew or refund.

" **Refinanced Revolving Commitments** " as defined in Section 10.5(d)(ii).

" **Refinanced Revolving Facility** " as defined in Section 10.5(d)(ii).

" **Refinanced Revolving Loans** " as defined in Section 10.5(d)(ii).

" **Refinanced Term Loans** " as defined in Section 10.5(d)(i).

" **Refinancing Indebtedness** " means (i) Permitted First Priority Refinancing Debt, (ii) Permitted Second Priority Refinancing Debt or (iii) Permitted Unsecured Refinancing Debt in each case, issued, incurred or otherwise obtained (including by means of the extension or renewal of existing Debt) in exchange for, or to extend, renew, replace or refinance, in whole or part, existing Term Loans or existing Revolving Loans (or unused Revolving Commitments), or any then-existing Refinancing Indebtedness (" **Refinanced Debt** "); provided that (a) such Debt has a later maturity and a weighted average life to maturity equal to or greater than the Refinanced Debt, (b) such Debt shall not have a greater principal amount than the principal amount of the Refinanced Debt plus accrued interest, fees and premiums (if any) thereon and reasonable fees and expenses associated with the refinancing (provided that the principal amount of such Debt shall not include any principal constituting interest paid in kind), (c) such Refinanced Debt shall be repaid, defeased or satisfied and discharged on a dollar-for-dollar basis, and all accrued interest, fees and premiums (if any) in connection therewith shall be paid, substantially concurrently with the incurrence of such Refinancing Indebtedness in accordance with the provisions of Section 2.13 and (d) the aggregate unused revolving commitments under such Refinancing Indebtedness shall not exceed the unused Revolving Commitments being replaced.

" **Register** " as defined in Section 2.7(b).

“ **Registered Equivalent Notes** ” means, with respect to any notes originally issued in a Rule 144A or other private placement transaction under the Securities Act, substantially identical notes (having the same Guarantees) issued in a dollar-for-dollar exchange therefor pursuant to an exchange offer registered with the SEC.

“ **Regulation D** ” means Regulation D of the Board of Governors, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“ **Regulation T** ” means Regulation T of the Board of Governors, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“ **Regulation U** ” means Regulation U of the Board of Governors, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“ **Regulation X** ” means Regulation X of the Board of Governors, as in effect from time to time and all official rulings and interpretations thereunder or thereof.

“ **Reimbursement Date** ” as defined in Section 2.4(d).

“ **Related Fund** ” means, with respect to any Lender that is an investment fund, any other investment fund that invests in commercial loans and that is managed or advised by the same investment advisor as such Lender or by an Affiliate of such investment advisor.

“ **Release** ” means any release, spill, emission, leaking, pumping, pouring, injection, escaping, deposit, disposal, discharge, dispersal, dumping, leaching or migration of any Hazardous Material into the indoor or outdoor environment (including the abandonment or disposal of any barrels, containers or other closed receptacles containing any Hazardous Material), including the movement of any Hazardous Material through the air, soil, surface water or groundwater.

“ **Relevant Jurisdiction** ” means, in relation to a Credit Party:

(a) its jurisdiction of incorporation;

(b) any jurisdiction where any asset subject to or intended to be subject to the Transaction Security to be created by it is situated; and

(c) the jurisdiction whose laws govern the perfection of any of the Collateral Documents entered into by it.

“ **Replacement Assets** ” means, on any date, property or assets (other than current assets) of a nature or type that are used in a Permitted Business, including the Capital Stock of any Person holding such property or assets that is primarily engaged in a Permitted Business and is, or will, upon the acquisition by Borrower or any of the Restricted Subsidiaries of such Capital Stock, become, a Restricted Subsidiary.

“ **Replacement Lender** ” as defined in Section 2.23.

“ **Replacement Revolving Commitments** ” as defined in Section 10.5(d)(ii).

“ **Replacement Revolving Facility** ” as defined in Section 10.5(d)(ii).

“ **Replacement Revolving Loans** ” as defined in Section 10.5(d)(ii).

“ **Replacement Term Loans** ” as defined in Section 10.5(d)(i).

“ **Repricing Transaction** ” as defined in Section 2.13(c).

“ **Required Prepayment Date** ” as defined in Section 2.15(c).

“ **Requisite Lenders** ” means one or more Lenders having or holding Initial Term Loan Exposure, New Term Loan Exposure and/or Revolving Exposure and representing more than 50% of the aggregate Voting Power Determinants of all Lenders; provided that amount of Voting Power Determinants shall be determined with respect to any Defaulting Lender, by disregarding the Voting Power Determinants of such Defaulting Lender.

“ **Requisite Revolving Lenders** ” means, one or more Revolving Lenders having or holding Revolving Exposure and representing more than 50% of the aggregate Voting Power Determinants of all Revolving Lenders; provided that amount of Voting Power Determinants shall be determined with respect to any Defaulting Lender, by disregarding the Voting Power Determinants of such Defaulting Lender.

“ **Requisite Term Loan Lenders** ” means one or more Lenders having or holding Initial Term Loan Exposure and/or New Term Loan Exposure and representing more than 50% of the aggregate Voting Power Determinants of all Term Loan Lenders; provided that amount of Voting Power Determinants shall be determined with respect to any Defaulting Lender, by disregarding the Voting Power Determinants of such Defaulting Lender.

“ **Restricted Group** ” means Parent, Borrower and each Restricted Subsidiary.

“ **Restricted Investment** ” means any Investment other than a Permitted Investment.

“ **Restricted Obligations** ” as defined in Section 7.14(f)(i).

“ **Restricted Payments** ” as defined in Section 6.2(a).

“ **Restricted Subsidiary** ” means any Subsidiary of Parent other than Borrower and any Unrestricted Subsidiary; provided that upon the occurrence of any Unrestricted Subsidiary ceasing to be an Unrestricted Subsidiary, such Subsidiary shall be included in the definition of “Restricted Subsidiary”.

“ **Revolving Commitment** ” means the commitment of a Lender to make or otherwise fund any Revolving Loan and to acquire participations in Letters of Credit and Bank Guarantees hereunder and “ **Revolving Commitments** ” means such commitments of all Lenders in the aggregate. The amount of each Lender’s Revolving Commitment, if any, is set forth on Appendix A-2 or in the applicable Assignment Agreement or Joinder Agreement, as applicable,

subject to any adjustment or reduction pursuant to the terms and conditions hereof. The aggregate amount of the Revolving Commitments as of the Amendment and Restatement Date is $125,000,000.

" **Revolving Commitment Period** " means the period from the Closing Date to but excluding the Revolving Commitment Termination Date.

" **Revolving Commitment Termination Date** " means the earliest to occur of (i) the fifth (5 th) anniversary of the Closing Date, (ii) the date the Revolving Commitments are permanently reduced to zero pursuant to Section 2.13(b), and (iii) the date of the termination of the Revolving Commitments pursuant to Section 8.1.

" **Revolving Exposure** " means, with respect to any Lender as of any date of determination, (i) prior to the Revolving Commitment Termination Date, that Lender's Revolving Commitment; and (ii) after the Revolving Commitment Termination Date, the sum of (a) the aggregate outstanding principal amount of the Revolving Loans of that Lender, (b) in the case of Issuing Bank, the aggregate Letter of Credit/Bank Guarantee Usage in respect of all Letters of Credit and Bank Guarantees issued by that Lender (net of any participations by Lenders in such Letters of Credit and Bank Guarantees), and (c) the aggregate amount of all participations by that Lender in any outstanding Letters of Credit and Bank Guarantees or any unreimbursed drawing under any Letter of Credit or Bank Guarantee.

" **Revolving Facility Administrative Agent** " as defined in the preamble hereto.

" **Revolving Lender** " means a Lender having a Revolving Commitment.

" **Revolving Loan** " means a Loan made by a Lender to Borrower pursuant to Section 2.2(a) and/or Section 2.24.

" **Revolving Loan Note** " means a promissory note in the form of Exhibit B-2, as it may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

" **Rule 144A** " means Rule 144A promulgated under the Securities Act.

" **S&P** " means Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc., and any successor thereto.

" **Sale and Leaseback Transaction** " means any direct or indirect arrangement relating to property (whether real, personal or mixed), now owned or hereafter acquired whereby Borrower or any Restricted Subsidiary transfers such property to another Person and Borrower or any Restricted Subsidiary leases it from such Person.

" **Sanctions** " as defined in Section 4.30.

" **Sanctions Authorities** " means the United States, the United Nations, the European Union, the United Kingdom, Hong Kong and any other applicable sanctions authority and the respective Governmental Authorities of any of the foregoing, including, without limitation, the

U.S. Department of State, the U.S. Department of the Treasury (including the Office of Foreign Assets Control, pursuant to 31 CFR, Subtitle B, Chapter V, as amended) and Her Majesty's Treasury.

" **SEC** " means the U.S. Securities and Exchange Commission or any Governmental Authority succeeding to any of its principal functions.

" **Second Amendment** " means that certain Second Amendment and Joinder Agreement to Credit and Guaranty Agreement dated as of the date hereof, among the Borrower, Parent, the Term Administrative Agent, the Revolving Facility Administrative Agent, the Primary Collateral Agent, the Hungarian Collateral Agent, the Guarantors listed on the signature pages thereto and the financial institutions listed on the signature pages thereto.

" **Secured Creditor Claim** " means any amount which a Credit Party owes to a Secured Party under or in connection with the Credit Documents, the Pari Passu Debt Agreements or the Hedge Agreements.

" **Secured Documents** " as defined in Schedule 2.

" **Secured Parties** " means, collectively, each Administrative Agent, each Collateral Agent, Lender Counterparty, Pari Passu Creditor, Lenders, the CHF Notes Trustee, each other Agent and each successor and permitted assign of the foregoing.

" **Securities** " means any stock, shares, partnership interests, voting trust certificates, certificates of interest or participation in any profit-sharing agreement or arrangement, options, warrants, bonds, debentures, notes, or other evidences of indebtedness, secured or unsecured, convertible, subordinated or otherwise, or in general any instruments commonly known as "securities" or any certificates of interest, shares or participations in temporary or interim certificates for the purchase or acquisition of, or any right to subscribe to, purchase or acquire, any of the foregoing.

" **Securities Act** " means the Securities Act of 1933, as amended from time to time, and any successor statute.

" **Senior Debt** " means (i) any Debt of Borrower or any Guarantor that is either secured or not Subordinated Debt and (ii) any Non-Guarantor Debt other than Non-Guarantor Debt Incurred pursuant to Section 6.1(b)(iv).

" **Series** " as defined in Section 2.24.

" **Solvency Certificate** " means a Solvency Certificate of the chief financial officer of Parent substantially in the form of Exhibit E-2.

" **Solvent** " means, with respect to any Credit Party, that as of the date of determination, (a) the sum of such Credit Party's debt (including contingent liabilities), as such debt and other liabilities become absolute and matured in the ordinary course of business, does not exceed the present fair saleable value of such Credit Party's present assets (which may be calculated on a going concern basis); (b) such Credit Party's capital is not unreasonably small in relation to its

business as contemplated on the Amendment and Restatement Date and reflected in the Projections or with respect to any transaction contemplated to be undertaken after the Amendment and Restatement Date; and (c) such Person has not incurred and does not intend to incur, or believe that it will incur, debts beyond its ability to pay such debts as they become due (whether at maturity or otherwise). For purposes of this definition, the amount of any contingent liability at any time shall be computed as the amount that, in light of all of the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

" **Spanish Commercial Code** " as defined in Section 7.14(e)(ii).

" **Spanish Companies Act** " as defined in Section 7.14(e)(i)(B).

" **Spanish Guarantor** " as defined in Section 7.14(e).

" **Specified Transaction** " means (i) any Investment that results in a Person becoming a Restricted Subsidiary, (ii) any designation of a Subsidiary as a Restricted Subsidiary or an Unrestricted Subsidiary, (iii) any Permitted Acquisition, (iv) any disposition that results in a Restricted Subsidiary ceasing to be a Subsidiary of Parent, (v) any Investment constituting an acquisition of assets constituting a business unit, line of business or division of, or all or substantially all of the Capital Stock of, another Person, (vi) any disposition of a business unit, line of business or division of Borrower or a Restricted Subsidiary, in each case whether by merger, consolidation, amalgamation or otherwise or (vii) any incurrence or repayment of Debt (other than Debt incurred or repaid under any revolving credit facility or line of credit, unless such Debt (x) has been permanently repaid and has not been replaced or (y) the proceeds therefrom are used for other than working capital purposes or general corporate purposes in the ordinary course of business).

" **Sponsor** " means, collectively, Baring Private Equity Asia Limited and its affiliated funds.

" **Stated Maturity** " means, with respect to any debt, the date specified in the instrument governing such debt as the fixed date on which the principal of such debt, or any installment of interest thereon, is due and payable.

" **Sterling** " and the sign " **£** " means the lawful currency of the United Kingdom of Great Britain and Northern Ireland.

" **Subordinated Debt** " means Debt of Borrower or any of the Guarantors that is subordinated in right of payment to the Loans or the Guarantees in respect of the Loans of such Guarantors, as the case may be, including any Subordinated Shareholder Funding.

" **Subordinated Shareholder Funding** " means, collectively, any Debt provided to Borrower by any direct or indirect Holding Company of Borrower, any Permitted Holder or any of their respective Affiliates, provided that such Subordinated Shareholder Funding:

(a) does not (including upon the happening of any event) mature or require any amortization or other payment of principal prior to the first anniversary of the Latest Maturity

Date (other than through conversion or exchange for Capital Stock of Parent (other than Redeemable Capital Stock) or for any other security or instrument meeting the requirements of this definition);

(b) does not (including upon the happening of any event) require the payment of cash interest prior to the first anniversary of the Latest Maturity Date;

(c) does not (including upon the happening of any event) provide for the acceleration of its maturity nor confers on its holders any right (including upon the happening of any event) to declare a default or event of default or take any enforcement action, in each case, prior to the first anniversary of the Latest Maturity Date;

(d) is not secured by a Lien on any assets of any member of the Restricted Group and is not guaranteed by any member of the Restricted Group (except a guarantee that otherwise meets the terms of this definition);

(e) is subordinated in right of payment to the prior payment in full in cash of Debt under the Credit Documents in the event of any default, bankruptcy, reorganization, liquidation, winding up or other disposition of assets of Borrower at least in right of payment to the Debt under the Credit Documents;

(f) does not (including upon the happening of any event) restrict the payment of amounts due in respect of the Loans or compliance by Borrower with its obligations under the Credit Documents;

(g) does not (including upon the happening of an event) constitute Voting Stock; and

(h) is not (including upon the happening of any event) mandatorily convertible or exchangeable, or convertible or exchangeable at the option of the holder, in whole or in part, prior to the Stated Maturity of the Loans other than into or for Capital Stock (other than Redeemable Capital Stock) of Borrower,

provided , however , that upon any event or circumstance that results in such Debt ceasing to qualify as Subordinated Shareholder Funding, such Debt will constitute an incurrence of such Debt by Borrower.

" **Subsidiary** " means, with respect to any Person, any corporation, association or other business entity:

(a) a majority of whose Voting Stock is at the time, directly or indirectly, owned by such Person, by one or more Subsidiaries of such Person or by such Person and one or more Subsidiaries of such Person;

(b) whose financial statements are consolidated with those of such Person in accordance with IFRS; or

(c) in which such Person, one or more Subsidiaries of such Person or such Person and one or more Subsidiaries thereof, directly or indirectly, at the date of determination thereof, has

at least a majority interest entitled to vote in the election of directors, managers or trustees thereof (or other Person performing similar functions).

" **Surviving Entity** " as defin ed in Section 6.12(a)(i).

" **Swap Obligation** " as defined in "Excluded Swap Obligation".

" **Swiss Anticipatory Tax** " means the tax imposed based on the Swiss Federal Act on withholding tax of 13 October 1965.

" **Swiss Francs** " and the sign " **CHF** " means the lawful currency of the Swiss Confederation.

" **Swiss Guarantor** " means a Credit Party incorporated in the Swiss Confederation.

" **Syndication Agent** " as defined in the preamble hereto.

" **Tax** " means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding (including backup withholding) of any nature imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

" **Tax Deduction** " means a deduction or withholding for or on account of Tax from a payment under a Credit Document.

" **Term Administrative Agent** " as defined in the preamble hereto.

" **Term Loan** " means (i) an Initial Term Loan and (ii) a New Term Loan.

" **Term Loan Commitment** " means an Initial Term Loan Commitment or a New Term Loan Commitment.

" **Term Loan Lender** " means any Lender having a Term Loan Commitment or holding Term Loans.

" **Term Loan Note** " means a promissory note in the form of Exhibit B-1, as it may be amended, restated, amended and restated, supplemented or otherwise modified from time to time.

" **Terminated Lender** " as defined in Section 2.23.

" **Termination Date** " means the date upon which all Obligations (other than obligations in respect of any Hedge Agreement) have been paid in full, all Commitments have terminated or expired and no Letter of Credit or Bank Guarantee shall be outstanding.

" **Test Date** " as defined in Section 6.18.

" **Test Period** " in effect at any time means the most recent period of four consecutive Fiscal Quarters of Parent ended on or prior to such time (taken as one accounting period) in

respect of which financial statements for each Fiscal Quarter or Fiscal Year in such period have been or are required to be delivered pursuant to Section 5.1(a) or (b), as applicable.

" **Total Assets** " means the consolidated total assets of the Restricted Group as shown on the most recent balance sheet (excluding the notes thereto) of the Restricted Group prepared in accordance with IFRS and delivered pursuant to Sections 5.1(a) and 5.1(b), provided that, for purposes of Section 6.1(b)(v), " **Total Assets** " will be calculated after giving effect on a Pro Forma Basis to include the cumulative value of all of the assets, property or equipment the acquisition, construction, improvement or development of which involves the calculation of Total Assets, as measured by the purchase price or cost therefor or budgeted cost determined in good faith by the Restricted Group.

" **Total Net Leverage Ratio** " means the ratio as of the last day of any Test Period (i) Consolidated Total Debt as of such day to (ii) Consolidated EBITDA for such Test Period.

" **Total Utilization of Revolving Commitments** " means, as at any date of determination, the sum of (i) the aggregate principal amount of all outstanding Revolving Loans (other than Revolving Loans made for the purpose of reimbursing Issuing Bank for any amount drawn under any Letter of Credit or Bank Guarantee, but not yet so applied) and (ii) the Letter of Credit/Bank Guarantee Usage.

" **Traded Securities** " means any debt or equity Securities issued pursuant to a public offering or Rule 144A offering or other similar private placement.

" **Transaction Costs** " means the fees, costs and expenses payable by the Restricted Group on or before the Closing Date in connection with the transactions contemplated by the Credit Documents.

" **Transaction Security** " means the Liens created or expressed to be created in favor of the applicable Collateral Agent over the Collateral pursuant to the Collateral Documents.

" **Transformative Acquisition** " means any acquisition by a member of the Restricted Group that (a) is not a Permitted Acquisition immediately prior to the consummation of such acquisition or (b) if a Permitted Acquisition immediately prior to the consummation of such acquisition, would not provide the Restricted Group with adequate flexibility under this Agreement for the continuation and/or expansion of their combined operations following such consummation, as determined in good faith by Borrower.

" **Treasury Transactions** " means any derivative transaction (including, for the avoidance of doubt, a foreign exchange transaction) entered into in connection with protection against or benefit from fluctuation in any rate or price.

" **Type of Loan** " means a Base Rate Loan or a Eurodollar Rate Loan.

" **UCC** " means the Uniform Commercial Code (or any similar or equivalent legislation) as in effect from time to time in any applicable jurisdiction.

“ **UCP** ” means, with respect to any Letter of Credit, the Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce (“ICC”) Publication No. 600 (or such later version thereof as may be in effect at the time of issuance).

“ **Unrestricted Cash** ” means the aggregate amount of cash and Cash Equivalents held in accounts on the consolidated balance sheet of the Restricted Group to the extent that such cash is and Cash Equivalents are free and clear of all Liens (other than (i) Liens in favor of either Collateral Agent, (ii) Liens securing Refinancing Indebtedness, (iii) Liens securing Debt Incurred pursuant to Section 6.1(b)(xxiii) or (xxiv) and (iv) Liens of the type described in clauses (b), (f), (g), (h), (m), (n), (s), (x) and (aa) of the definition of “Permitted Liens”).

“ **Unrestricted Subsidiary** ” means:

(a) any Subsidiary of Parent that at the time of determination is an Unrestricted Subsidiary (as designated by Borrower ’s Board of Directors pursuant to Section 6.11); and

(b) any Subsidiary of an Unrestricted Subsidiary.

“ **U.S. Bankruptcy Code** ” as defined in the definition of “Bankruptcy Law”.

“ **U.S. Person** ” means any Person that is a “United States person” as defined in Section 7701(a)(30) of the Internal Revenue Code.

“ **Voting Power Determinants** ” means, collectively, Initial Term Loan Exposure, New Term Loan Exposure and/or Revolving Exposure.

“ **Voting Stock** ” means any class or classes of Capital Stock pursuant to which the holders thereof have the general voting power under ordinary circumstances to elect at least a majority of the Board of Directors, managers or trustees (or Persons performing similar functions) of any Person (irrespective of whether or not, at the time, stock of any other class or classes shall have, or might have, voting power by reason of the happening of any contingency).

“ **Waivable Mandatory Prepayment** ” as defined in Section 2.15(c).

“ **Weighted Average Yield** ” means with respect to any Loan, on any date of determination, the weighted average yield to maturity, in each case, based on the interest rate applicable to such Loan on such date and giving effect to all upfront or similar fees or original issue discount payable with respect to such Loan (other than customary arrangement, structuring, underwriting, amendment, commitment fees or other fees paid to the Arrangers (or their respective Affiliates) or any other arranger or agent (or their respective Affiliates) with any such original issue discount being equated to interest based on an assumed four-year life to maturity).

“ **Withholding Agent** ” means any Credit Party and the applicable Administrative Agent.

1.2. [Reserved] .

1.3. Interpretation, Pro Forma and Other Calculations, Etc.

(a) Any of the terms defined herein may, unless the context otherwise requires, be used in the singular or the plural, depending on the reference. References herein to any Section, Appendix, Schedule or Exhibit shall be to a Section, an Appendix, a Schedule or an Exhibit, as the case may be, hereof unless otherwise specifically provided. The use herein of the word "include" or "including", when following any general statement, term or matter, shall not be construed to limit such statement, term or matter to the specific items or matters set forth immediately following such word or to similar items or matters, whether or not non-limiting language (such as "without limitation" or "but not limited to" or words of similar import) is used with reference thereto, but rather shall be deemed to refer to all other items or matters that fall within the broadest possible scope of such general statement, term or matter. The terms lease and license shall include sublease and sub-license, as applicable. Unless otherwise specifically indicated, the term "consolidated" with respect to any Person refers to such Person consolidated with its Restricted Subsidiaries, and excludes from such consolidation any Unrestricted Subsidiary as if such Unrestricted Subsidiary were not an Affiliate of such Person.

(b) Notwithstanding anything to the contrary herein, financial ratios and tests, including the Total Net Leverage Ratio and First Lien Net Leverage Ratio and compliance with covenants (determined by reference to Consolidated EBITDA, Total Assets or an incurrence based financial test) shall be calculated in the manner prescribed by this Section 1.3; provided that notwithstanding anything to the contrary in clause (c), (d), (e) or (f) of this Section 1.3, when calculating the Total Net Leverage Ratio and First Lien Net Leverage Ratio for purposes of the definition of "Applicable Margin", for purposes of Section 2.14(c) and Section 6.18 (other than for the purpose of determining pro forma compliance with the Financial Covenant), the events described in this Section 1.3 that occurred subsequent to the end of the applicable Test Period shall not be given pro forma effect. In addition, whenever a financial ratio or test, including the Total Net Leverage Ratio and First Lien Net Leverage Ratio and compliance with covenants (determined by reference to Consolidated EBITDA, Total Assets or an incurrence based financial test) is to be calculated on a pro forma basis, the reference to "Test Period" for purposes of calculating such financial ratio or test shall be deemed to be a reference to, and shall be based on, the most recently ended Test Period for which internal financial statements of Parent are available (as determined in good faith by Borrower). For purposes of determining pro forma compliance with the Financial Covenant at a time when the threshold for the aggregate amount of Revolving Commitments and Letter of Credit/Bank Guarantee Usage set forth in Section 6.18 hereto has not been met or exceeded at such time, such determination shall be made as though the Financial Covenant is in effect at the relevant time.

(c) For purposes of calculating any financial ratio or test or compliance with any covenant determined by reference to Consolidated EBITDA or Total Assets, Specified Transactions (with any incurrence or repayment of any Debt in connection therewith to be subject to clause (f) of this Section 1.3) that have been made (i) during the applicable Test Period or (ii) if applicable as described in clause (a) above, subsequent to such Test Period and prior to or simultaneously with the event for which the calculation of any such ratio is made shall be calculated on a pro forma basis assuming that all such Specified Transactions (and any increase or decrease in Consolidated EBITDA and the component financial definitions used therein attributable to any Specified Transaction) had occurred on the first day of the applicable Test Period (or, in the case of Total Assets, on the last day of the applicable Test Period). If since the beginning of any applicable Test Period any Person that subsequently became a Restricted

Subsidiary or was merged, amalgamated or consolidated with or into Parent, Borrower or any of the Restricted Subsidiaries since the beginning of such Test Period shall have made any Specified Transaction that would have required adjustment pursuant to this Section 1.3, then such financial ratio or test (or Total Assets) shall be calculated to give pro forma effect thereto in accordance with this Section 1.3.

(d) Whenever pro forma effect is to be given to a Specified Transaction, the pro forma calculations shall be made in good faith by a responsible financial or accounting officer of Parent and may include, for the avoidance of doubt, the amount of "run-rate" cost savings, operating expense reductions and synergies projected by Borrower in good faith to be realized as a result of specified actions taken, committed to be taken or expected to be taken (calculated on a pro forma basis as though such cost savings, operating expense reductions and synergies had been realized on the first day of such period and as if such cost savings, operating expense reductions and synergies were realized during the entirety of such period and "run rate" means the full recurring benefit for a period that is associated with any action taken, committed to be taken or expected to be taken (including any savings expected to result from the elimination of a public target's compliance costs with public company requirements) net of the amount of actual benefits realized during such period from such actions, and any such adjustments shall be included in the initial pro forma calculations of such financial ratios or tests (and in respect of any subsequent pro forma calculations in which such Specified Transaction or cost savings, operating expense reductions and synergies are given pro forma effect) and during any applicable subsequent Test Period) relating to such Specified Transaction; provided that (A) such amounts are reasonably identifiable and factually supportable in the good faith judgment of Borrower, (B) such actions are taken, committed to be taken or with respect to which substantial steps have been taken or are expected in good faith to be taken no later than twelve (12) months after the date of such Specified Transaction and (C) no amounts shall be added to the extent duplicative of any amounts that are otherwise added back in computing Consolidated EBITDA (or any other components thereof), whether through a pro forma adjustment or otherwise, with respect to such period. Notwithstanding the foregoing, it is understood and agreed that the aggregate amount added to Consolidated EBITDA for any period for "run-rate" cost savings, operating expense reductions and synergies shall not exceed 20.0% of Consolidated EBITDA for such period (before giving pro forma effect to any applicable Specified Transaction) prior to giving effect to any addition to Consolidated EBITDA pursuant to the definition thereof.

(e) **[** Reserved **]** .

(f) If any Debt bears a floating rate of interest and is being given pro forma effect, the interest on such Debt shall be calculated as if the rate in effect on the date of the event for which the calculation of the applicable ratio is made had been the applicable rate for the entire period. Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate reasonably determined by an Authorized Officer of Borrower to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with IFRS. Interest on Debt that may optionally be determined at an interest rate based upon a factor of a prime or similar rate, a Eurocurrency interbank offered rate, or other rate, shall be determined to have been based upon the rate actually chosen, or if none, then based upon such optional rate chosen as Borrower or Restricted Subsidiary may designate.

1.4. Polish Terms .

In this Agreement, where it relates to a Polish Guarantor, a reference to:

(a) (i) a composition or similar arrangement with any creditor includes a postępowanie upadłościowe z możliwością zawarcia układu, postępowanie naprawcze and postępowanie restrukturyzacyjne; (ii) a compulsory manager, receiver or administrator includes a sędzia komisarz, nadzorca sądowy, nadzorca układu, syndyk, zarządca or zarządca przymusowy established under Article 27 of the Polish Act on Registered Pledges and the Pledge Register dated 6 December 1996, as amended (J.L. 1996, No. 149, item 703) or Article 931 or Article 10641 of the Polish Code of Civil Procedure dated 17 November 1964, as amended (J.L. 1964, No. 43, item 296); (iii) a winding up includes a declaration of bankruptcy; and (iv) reorganization includes postępowanie restrukturyzacyjne;

(b) an "administration" means (i) administration (zarząd) established under Article 1064' of the Polish Code of Civil Procedure of 17 November 1964 (the " **Polish Code of Civil Procedure** ") or (ii) administration of seized property (zarząd zajętą nieruchomością) established under Article 931 of the Polish Code of Civil Procedure;

(c) a "disposal" (rozporządzenie) means a sale (sprzedaż), transfer (przewłaszczenie), assignment (przelew), grant (darowizna), lease (oddanie w najem lub dzierżawę), licence (udzielenie licencji), declaration of trust (ustanowienie stosunku powiernictwa) or other disposal, whether voluntary or involuntary;

(d) "Security" includes any mortgage (hipoteka), pledge (zastaw), security assignment (przelew na zabezpieczenie), security transfer of title (przewłaszczenie na zabezpieczenie), retention right (prawo zatrzymania), right to reclaim sold goods (zastrzeżenie własności rzeczy sprzedanej), Polish law submission to execution (oświadczenie o dobrowolnym poddaniu się egzekucji), any right in rem (prawo rzeczowe), power of attorney granted for security purposes and any other obligation (zobowiązanie) created for the purpose of granting security;

(e) an "indemnity" means any obligation to (i) compensate loss incurred by any person (zobowiązanie do naprawienia szkody), (ii) assume debt of any person (zobowiązanie do przejęcia długu) and (iii) release any person from an obligation to perform (zobowiązanie do zwolnienia z obowiązku świadczenia);

(f) an "attachment" and "sequestration" means injunction over the property (zajęcie);

(g) an "execution" means action undertaken in the enforcement proceedings (czynność egzekucyjna); and

(h) a "certified copy" in relation to the documents required to be submitted by the Guarantor with its registered office in Poland means a copy which is certified as a true and complete copy by a notary public, Polish legal adviser (*radca prawny*), Polish advocate (*adwokat*), the management board members of that Obligor authorized to act in the name of such;

1.5. Luxembourg Terms

Without prejudice to the generality of any provision of this Agreement, to the extent this Agreement relates to a Luxembourg Guarantor, a reference to: (a) a winding-up, administration or dissolution includes, without limitation, bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*), reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), , general settlement with creditors, reorganisation or similar laws affecting the rights of creditors generally; (b) a receiver, administrative receiver, administrator, trustee, custodian, sequestrator, conservator or similar officer appointed for the reorganization or liquidation of the business of a person includes, without limitation, a *juge délégué* , *commissaire* , *juge-commissaire* , *mandataire ad hoc* , *administrateur provisoire* , *liquidateur* or *curateur* ; (c) a lien or security interest includes any *hypothèque, nantissement, gage, privilège, sûreté réelle, droit de rétention* and any type of security in rem (*sûreté réelle*) or agreement or arrangement having a similar effect and any transfer of title by way of security; (d) a person being unable to pay its debts includes that person being in a state of *cessation de paiements* ; (e) creditors process means an executory attachment (*saisie exécutoire*) or conservatory attachment (*saisie conservatoire*); (f) by-laws or constitutional documents includes its up-to-date (restated) articles of association (*statuts coordonnés*); and (g) a director includes an *administrateur* or a *gérant* .

1.6. Legal Form of the Hungarian Guarantor .

The Hungarian Guarantor operates under the legal form of a foundation registered in Hungary. The parties hereto acknowledge that no shares are held in the Hungarian Guarantor and the Hungarian Guarantor has no shareholders.

SECTION 2. LOANS AND LETTERS OF CREDIT

2.1. Initial Term Loans .

(a) Loan Commitments .

(i) Subject to the terms and conditions in the Original Credit Agreement, the Term Loan Lenders made Initial Term Loans to the Borrower on the Closing Date in the original aggregate principal amount of $515,000,000. Subject to the terms and conditions set forth in the Original Credit Agreement and in the First Joinder Agreement, certain Term Loan Lenders made New Term Loans (as defined in the Original Credit Agreement) to the Borrower on the Increased Amount Date (as defined in the First Joinder Agreement). Subject to the terms and conditions set forth herein and in the Amendment Agreement, each New Term Loan Lender party to the Amendment Agreement severally agrees to make, on the Amendment and Restatement Date, a New Term Loan to the Borrower in an amount equal to such Lender ’s New Term Loan Commitment as set forth in the Amendment Agreement. For the avoidance of doubt, as of the Amendment and Restatement Date, all New Term Loans made to the Borrower as described in this Section 2.1(a) (i) shall be deemed to be Initial Term Loans under this Agreement.

(ii) Any amount borrowed under this Section 2.1(a) and subsequently repaid or prepaid may not be reborrowed. Subject to Sections 2.13(a) and 2.14, all amounts owed hereunder with respect to the Initial Term Loans shall be paid in full no later than the Maturity Date applicable to such Initial Term Loans. The Initial Term Loan Commitments of the Lenders under the Original Credit Agreement terminated on the Closing Date. Each New Term Loan Lender 's New Term Loan Commitment shall terminate immediately and without further action on the Amendment and Restatement Date after giving effect to the funding of such New Term Loan Lender's New Term Loan Commitment on such date.

(b) Borrowing Mechanics for Initial Term Loans .

(i) Borrower shall deliver to Term Administrative Agent a fully executed Funding Notice no later than (x) the Amendment and Restatement Date with respect to Base Rate Loans and (y) three days prior to the Amendment and Restatement Date with respect to Eurodollar Rate Loans (or such shorter period as may be acceptable to Term Administrative Agent). Promptly upon receipt by Term Administrative Agent of such Funding Notice, Term Administrative Agent shall notify each Lender of the proposed borrowing.

(ii) Upon satisfaction or waiver of the conditions precedent specified herein, each Lender with a New Term Loan Commitment pursuant to the Amendment Agreement shall make its New Term Loan available to Borrower not later than 12:00 p.m. (New York City time) on the Amendment and Restatement Date, by wire transfer of same day funds in Dollars.

2.2. Revolving Loans .

(a) Revolving Commitments . During the Revolving Commitment Period, subject to the terms and conditions hereof, each Lender severally agrees to make Revolving Loans to Borrower in an aggregate amount up to but not exceeding such Lender's Revolving Commitment; provided that after giving effect to the making of any Revolving Loans in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect. Amounts borrowed pursuant to this Section 2.2(a) may be repaid and reborrowed during the Revolving Commitment Period. Each Lender's Revolving Commitment shall expire on the Revolving Commitment Termination Date and all Revolving Loans and all other amounts owed hereunder with respect to the Revolving Loans and the Revolving Commitments shall be paid in full no later than such date.

(b) Borrowing Mechanics for Revolving Loans .

(i) Except pursuant to Section 2.4(d), Revolving Loans shall be made in an aggregate minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount.

(ii) Subject to Section 3.2, whenever Borrower desires that Lenders make Revolving Loans, Borrower shall deliver to Revolving Facility Administrative Agent a fully executed and delivered Funding Notice no later than 10:00 a.m. (Hong

Kong time) at least three Business Days in advance of the proposed Credit Date. Except as otherwise provided herein, a Funding Notice for a Revolving Loan shall be irrevocable, and Borrower shall be bound to make a borrowing in accordance therewith.

(iii) Notice of receipt of each Funding Notice in respect of Revolving Loans, together with the amount of each Lender 's Pro Rata Share thereof, if any, together with the applicable interest rate, shall be provided by Revolving Facility Administrative Agent to each applicable Lender by telefacsimile with reasonable promptness, but (provided Revolving Facility Administrative Agent shall have received such notice by 10:00 a.m. (Hong Kong time)) on the same day as Revolving Facility Administrative Agent's receipt of such Funding Notice from Borrower.

(iv) Each Lender shall make the amount of its Revolving Loan available to Revolving Facility Administrative Agent not later than 12:00 p.m. (Hong Kong time) on the applicable Credit Date by wire transfer of same day funds in Dollars, at the Principal Office of Revolving Facility Administrative Agent. Except as provided herein, upon satisfaction or waiver of the conditions precedent specified herein, Revolving Facility Administrative Agent shall make the proceeds of such Revolving Loans available to Borrower on the applicable Credit Date by causing an amount of same day funds in Dollars equal to the proceeds of all such Revolving Loans received by Revolving Facility Administrative Agent from Lenders to be credited to the account of Borrower at the Principal Office designated by Revolving Facility Administrative Agent or such other account as may be designated in writing to Revolving Facility Administrative Agent by Borrower.

2.3. [Reserved] .

2.4. Issuance of Letters of Credit and Bank Guarantees and Purchase of Participations Therein .

(a) Letters of Credit and Bank Guarantees . During the Revolving Commitment Period, subject to the terms and conditions hereof, Issuing Bank agrees to issue Letters of Credit and Bank Guarantees for the account of Borrower in the aggregate amount up to but not exceeding the Letter of Credit/Bank Guarantee Sublimit; provided (i) each Letter of Credit shall be denominated in Dollars; (ii) the stated amount of each Letter of Credit shall not be less than $250,000 or such lesser amount as is acceptable to Issuing Bank; (iii) after giving effect to such issuance of a Letter of Credit or Bank Guarantee, in no event shall the Total Utilization of Revolving Commitments exceed the Revolving Commitments then in effect; (iv) after giving effect to such issuance of a Letter of Credit or Bank Guarantee, in no event shall the Letter of Credit/Bank Guarantee Usage exceed the Letter of Credit/Bank Guarantee Sublimit then in effect; (v) in no event shall any standby Letter of Credit have an expiration date later than the earlier of (1) five days prior to the Revolving Commitment Termination Date and (2) the date which is one year from the date of issuance of such standby Letter of Credit; (vi) in no event shall any commercial Letter of Credit (x) have an expiration date later than the earlier of (1) the Revolving Commitment Termination Date and (2) the date which is 180 days from the date of issuance of such commercial Letter of Credit or (y) be issued if such commercial Letter of Credit is otherwise unacceptable to Issuing Bank in its reasonable discretion; and (vii) in no event shall

any Bank Guarantee have an expiration date later than the Revolving Commitment Termination Date. Subject to the foregoing, a standby Letter of Credit may be extended for one or more successive periods not to exceed one year each, upon request by Borrower to Issuing Bank; provided Issuing Bank shall not extend any such Letter of Credit if it has received written notice that an Event of Default has occurred and is continuing at the time Issuing Bank must elect to allow such extension; provided further , if any Lender is a Defaulting Lender, Issuing Bank shall not be required to issue any Letter of Credit or Bank Guarantee unless Issuing Bank has entered into arrangements satisfactory to it and Borrower to eliminate Issuing Bank's risk with respect to the participation in Letters of Credit or Bank Guarantees of the Defaulting Lender.

(b) Notice of Issuance . Subject to Section 3.2, whenever Borrower desires the issuance of a Letter of Credit or Bank Guarantee, it shall deliver to Revolving Facility Administrative Agent an Issuance Notice no later than 12:00 p.m. (Hong Kong time) at least three Business Days (in the case of standby letters of credit or Bank Guarantees) or five Business Days (in the case of commercial letters of credit), or in each case such shorter period as may be agreed to by Issuing Bank in any particular instance, in advance of the proposed date of issuance, and Revolving Facility Administrative Agent shall promptly deliver such Issuance Notice to Issuing Bank. Upon satisfaction or waiver of the conditions set forth in Section 3.2, Issuing Bank shall issue the requested Letter of Credit or Bank Guarantee only in accordance with Issuing Bank's standard operating procedures. Upon the issuance of any Letter of Credit or Bank Guarantee or amendment or modification to a Letter of Credit or Bank Guarantee, Issuing Bank shall promptly notify each Revolving Lender of such issuance, which notice shall be accompanied by a copy of such Letter of Credit or Bank Guarantee or amendment or modification to a Letter of Credit or Bank Guarantee and the amount of such Lender's respective participation in such Letter of Credit or Bank Guarantee pursuant to Section 2.4(e).

(c) Responsibility of Issuing Bank With Respect to Requests for Drawings and Payments . In determining whether to honor any drawing under any Letter of Credit or Bank Guarantee by the beneficiary thereof, Issuing Bank shall be responsible only to examine the documents delivered under such Letter of Credit or Bank Guarantee with reasonable care so as to ascertain whether they appear on their face to be in accordance with the terms and conditions of such Letter of Credit or Bank Guarantee. As between Borrower and Issuing Bank, Borrower assumes all risks of the acts and omissions of, or misuse of the Letters of Credit or Bank Guarantees issued by Issuing Bank, by the respective beneficiaries of such Letters of Credit or Bank Guarantees. In furtherance and not in limitation of the foregoing, Issuing Bank shall not be responsible for: (i) the form, validity, sufficiency, accuracy, genuineness or legal effect of any document submitted by any party in connection with the application for and issuance of any such Letter of Credit or Bank Guarantee, even if it should in fact prove to be in any or all respects invalid, insufficient, inaccurate, fraudulent or forged; (ii) the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign any such Letter of Credit or Bank Guarantee or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason; (iii) failure of the beneficiary of any such Letter of Credit or Bank Guarantee to comply fully with any conditions required in order to draw upon such Letter of Credit or Bank Guarantee; (iv) errors, omissions, interruptions or delays in transmission or delivery of any messages, by mail, cable, telegraph, telex or otherwise, whether or not they be in cipher; (v) errors in interpretation of technical terms; (vi) any loss or delay in the transmission or otherwise of any document required in order to make a drawing

under any such Letter of Credit or Bank Guarantee or of the proceeds thereof; (vii) the misapplication by the beneficiary of any such Letter of Credit or Bank Guarantee of the proceeds of any drawing under such Letter of Credit or Bank Guarantee; or (viii) any consequences arising from causes beyond the control of Issuing Bank, including any Governmental Acts; none of the above shall affect or impair, or prevent the vesting of, any of Issuing Bank's rights or powers hereunder. Without limiting the foregoing and in furtherance thereof, any action taken or omitted by Issuing Bank under or in connection with the Letters of Credit or Bank Guarantees or any documents and certificates delivered thereunder, if taken or omitted in good faith, shall not give rise to any liability on the part of Issuing Bank to Borrower. Notwithstanding anything to the contrary contained in this Section 2.4(c), Borrower shall retain any and all rights it may have against Issuing Bank for any liability arising solely out of the gross negligence or willful misconduct of Issuing Bank as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(d) Reimbursement by Borrower of Amounts Drawn or Paid Under Letters of Credit and Bank Guarantees . In the event Issuing Bank has determined to honor a drawing under a Letter of Credit or a Bank Guarantee, it shall immediately notify Borrower and Revolving Facility Administrative Agent, and Borrower shall reimburse Issuing Bank on or before the Business Day immediately following the date on which such drawing is honored (the " **Reimbursement Date** ") in an amount in Dollars and in same day funds equal to the amount of such honored drawing; provided anything contained herein to the contrary notwithstanding, (i) unless Borrower shall have notified Revolving Facility Administrative Agent and Issuing Bank prior to 10:00 a.m. (Hong Kong time) on the date such drawing is honored that Borrower intends to reimburse Issuing Bank for the amount of such honored drawing with funds other than the proceeds of Revolving Loans, Borrower shall be deemed to have given a timely Funding Notice to Revolving Facility Administrative Agent requesting Lenders with Revolving Commitments to make Revolving Loans that are Base Rate Loans on the Reimbursement Date in an amount in Dollars equal to the amount of such honored drawing, and (ii) subject to satisfaction or waiver of the conditions specified in Section 3.2, Lenders with Revolving Commitments shall, on the Reimbursement Date, make Revolving Loans that are Base Rate Loans in the amount of such honored drawing, the proceeds of which shall be applied directly by Revolving Facility Administrative Agent to reimburse Issuing Bank for the amount of such honored drawing; and provided further , if for any reason proceeds of Revolving Loans are not received by Issuing Bank on the Reimbursement Date in an amount equal to the amount of such honored drawing, Borrower shall reimburse Issuing Bank, as soon as reasonably practicable after demand, in an amount in same day funds equal to the excess of the amount of such honored drawing over the aggregate amount of such Revolving Loans, if any, which are so received. Nothing in this Section 2.4(d) shall be deemed to relieve any Revolving Lender from its obligation to make Revolving Loans on the terms and conditions set forth herein, and Borrower shall retain any and all rights it may have against any such Lender resulting from the failure of such Lender to make such Revolving Loans under this Section 2.4(d).

(e) Lenders' Purchase of Participations in Letters of Credit and Bank Guarantees . Immediately upon the issuance of each Letter of Credit and Bank Guarantee, each Revolving Lender shall be deemed to have purchased, and hereby agrees to irrevocably purchase, from Issuing Bank a participation in such Letter of Credit or Bank Guarantee and any drawings honored thereunder in an amount equal to such Lender's Pro Rata Share (with respect

to the Revolving Commitments) of the maximum amount which is or at any time may become available to be drawn thereunder. In the event that Borrower shall fail for any reason to reimburse Issuing Bank as provided in Section 2.4(d), Issuing Bank shall promptly notify Revolving Facility Administrative Agent and Revolving Facility Administrative Agent shall promptly notify each Revolving Lender of the unreimbursed amount of such honored drawing and of such Lender's respective participation therein based on such Lender's Pro Rata Share of the Revolving Commitments. Each Revolving Lender shall make available to Issuing Bank an amount equal to its respective participation, in Dollars and in same day funds, at the office of Issuing Bank specified in such notice, not later than 12:00 p.m. (Hong Kong time) on the first business day (under the laws of the jurisdiction in which such office of Issuing Bank is located) after the date notified by Issuing Bank. In the event that any Revolving Lender fails to make available to Issuing Bank on such business day the amount of such Lender's participation in such Letter of Credit or Bank Guarantee as provided in this Section 2.4(e), Issuing Bank shall be entitled to recover such amount on demand from such Lender at the cost of funds of Issuing Bank. Nothing in this Section 2.4(e) shall be deemed to prejudice the right of any Revolving Lender to recover from Issuing Bank any amounts made available by such Lender to Issuing Bank pursuant to this Section 2.4(e) in the event that the payment with respect to a Letter of Credit or Bank Guarantee in respect of which payment was made by such Lender constituted gross negligence or willful misconduct on the part of Issuing Bank. In the event Issuing Bank shall have been reimbursed by other Lenders pursuant to this Section 2.4(e) for all or any portion of any drawing honored by Issuing Bank under a Letter of Credit or Bank Guarantee, such Issuing Bank shall distribute to each Lender which has paid all amounts payable by it under this Section 2.4(e) with respect to such honored drawing such Lender's Pro Rata Share of all payments subsequently received by Issuing Bank from Borrower in reimbursement of such honored drawing when such payments are received. Any such distribution shall be made to a Lender at its primary address set forth below its name on Appendix B or at such other address as such Lender may request.

(f) Obligations Absolute. The obligation of Borrower to reimburse Issuing Bank for drawings honored under the Letters of Credit and Bank Guarantees issued by it and to repay any Revolving Loans made by Lenders pursuant to Section 2.4(d) and the obligations of Lenders under Section 2.4(e) shall be unconditional and irrevocable and shall be paid strictly in accordance with the terms hereof under all circumstances including any of the following circumstances: (i) any lack of validity or enforceability of any Letter of Credit or Bank Guarantee; (ii) the existence of any claim, set-off, defense or other right which Borrower or any Lender may have at any time against a beneficiary or any transferee of any Letter of Credit or Bank Guarantee (or any Persons for whom any such transferee may be acting), Issuing Bank, Lender or any other Person or, in the case of a Lender, against Borrower, whether in connection herewith, the transactions contemplated herein or any unrelated transaction (including any underlying transaction between Borrower or one of its Subsidiaries and the beneficiary for which any Letter of Credit or Bank Guarantee was procured); (iii) any draft or other document presented under any Letter of Credit or Bank Guarantee proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; (iv) payment by Issuing Bank under any Letter of Credit or Bank Guarantee against presentation of a draft or other document which does not substantially comply with the terms of such Letter of Credit or Bank Guarantee; (v) any adverse change in the business, operations, properties, assets, condition (financial or otherwise) or prospects of Parent or any of its Subsidiaries; (vi) any

breach hereof or any other Credit Document by any party thereto; (vii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; or (viii) the fact that an Event of Default or a Default shall have occurred and be continuing; provided in each case, that payment by Issuing Bank under the applicable Letter of Credit or Bank Guarantee shall not have constituted gross negligence or willful misconduct of Issuing Bank under the circumstances in question as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(g) Indemnification. Without duplication of any obligation of Borrower under Section 10.2 or 10.3, in addition to amounts payable as provided herein, Borrower hereby agrees to protect, indemnify, pay and save harmless Issuing Bank from and against any and all claims, demands, liabilities, damages, losses, costs, charges and expenses (including reasonable fees, expenses and disbursements of counsel) which Issuing Bank may incur or be subject to as a consequence, direct or indirect, of (i) the issuance of any Letter of Credit or Bank Guarantee by Issuing Bank, other than as a result of (1) the gross negligence or willful misconduct of Issuing Bank as determined by a final, non-appealable judgment of a court of competent jurisdiction or (2) the wrongful dishonor by Issuing Bank of a proper demand for payment made under any Letter of Credit or Bank Guarantee issued by it, or (ii) the failure of Issuing Bank to honor a drawing under any such Letter of Credit or Bank Guarantee as a result of any Governmental Act.

(h) Resignation and Removal of Issuing Bank. An Issuing Bank may resign as Issuing Bank upon 60 days prior written notice to Revolving Facility Administrative Agent, Lenders and Borrower. An Issuing Bank may be replaced at any time by written agreement among Borrower, Revolving Facility Administrative Agent, the replaced Issuing Bank (provided that no consent will be required if the replaced Issuing Bank has no Letters of Credit, Bank Guarantees or reimbursement obligations with respect thereto outstanding) and the successor Issuing Bank. Revolving Facility Administrative Agent shall notify the Lenders of any such replacement of such Issuing Bank. At the time any such replacement or resignation shall become effective, Borrower shall pay all unpaid fees accrued for the account of the replaced Issuing Bank. From and after the effective date of any such replacement or resignation, (i) any successor Issuing Bank shall have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit and Bank Guarantees 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 or resignation of an Issuing Bank hereunder, the replaced Issuing Bank shall remain a party hereto to the extent that Letters of Credit and Bank Guarantees issued by it remain outstanding and shall continue to have all the rights and obligations of an Issuing Bank under this Agreement with respect to Letters of Credit and Bank Guarantees issued by it prior to such replacement or resignation, but shall not be required to issue additional Letters of Credit or Bank Guarantees.

(i) UCP. Unless otherwise expressly agreed by Issuing Bank and Borrower when a Letter of Credit is issued, the rules of the UCP shall apply to each Letter of Credit. Notwithstanding the foregoing, Issuing Bank shall not be responsible to Borrower for, and Issuing Bank's rights and remedies against Borrower shall not be impaired by, any action or inaction of Issuing Bank required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the law or any order of a jurisdiction where Issuing Bank or the beneficiary is located, or in the decisions,

opinions, practice statements, or official commentary of the ICC, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

2.5. Pro Rata Shares; Availability of Funds .

(a) Pro Rata Shares . All Loans shall be made, and all participations purchased, by Lenders simultaneously and proportionately to their respective Pro Rata Shares, it being understood that no Lender shall be responsible for any default by any other Lender in such other Lender's obligation to make a Loan requested hereunder or purchase a participation required hereby nor shall any Term Loan Commitment or any Revolving Commitment of any Lender be increased or decreased as a result of a default by any other Lender in such other Lender's obligation to make a Loan requested hereunder or purchase a participation required hereby.

(b) Availability of Funds . Unless the applicable Administrative Agent shall have been notified by any Lender prior to the applicable Credit Date that such Lender does not intend to make available to such Administrative Agent the amount of such Lender's Loan requested on such Credit Date, such Administrative Agent may assume that such Lender has made such amount available to such Administrative Agent on such Credit Date and such Administrative Agent may, in its sole discretion, but shall not be obligated to, make available to Borrower a corresponding amount on such Credit Date. If such corresponding amount is not in fact made available to such Administrative Agent by such Lender, such Administrative Agent shall be entitled to recover such corresponding amount on demand from such Lender for each day from such Credit Date until the date such amount is paid to such Administrative Agent, at the cost of funds of such Administrative Agent. In the event that (i) an Administrative Agent declines to make a requested amount available to Borrower until such time as all applicable Lenders have made payment to such Administrative Agent, (ii) a Lender fails to fund to such Administrative Agent all or any portion of the Loans required to be funded by such Lender hereunder prior to the time specified in this Agreement and (iii) such Lender's failure results in such Administrative Agent failing to make a corresponding amount available to Borrower on the Credit Date, at such Administrative Agent's option, such Lender shall not receive interest hereunder with respect to the requested amount of such Lender's Loans for the period commencing with the time specified in this Agreement for receipt of payment by Borrower through and including the time such Administrative Agent has paid Borrower. If such Lender does not pay such corresponding amount forthwith upon such Administrative Agent's demand therefor, such Administrative Agent shall promptly notify Borrower and Borrower shall immediately pay such corresponding amount to such Administrative Agent for each day from such Credit Date until the date such amount is paid to such Administrative Agent, at the cost of funds of such Administrative Agent. Nothing in this Section 2.5(b) shall be deemed to relieve any Lender from its obligation to fulfill its Term Loan Commitments and Revolving Commitments hereunder or to prejudice any rights that Borrower may have against any Lender as a result of any default by such Lender hereunder.

2.6. Use of Proceeds . The proceeds of the Initial Term Loans and the Revolving Loans, if any, made on the Closing Date was applied on the Closing Date, together with the

proceeds of the Initial Public Offering and available cash, for the Closing Date Refinancing and to pay fees and expenses in connection with such refinancing. The proceeds of additional Initial Term Loans pursuant to the First Joinder Agreement were used on March 2, 2015, (i) to consummate the acquisition of all of the equity interests of BIS Ltd., a company incorporated under the laws of the British Virgin Islands; (ii) to pay or reimburse reasonable transaction fees and expenses in connection with the closing of such acquisition; and (iii) for general corporate purposes. The proceeds of the New Term Loans and the Revolving Loans, if any, made on the Amendment and Restatement Date shall be applied on the Amendment and Restatement Date, together with the proceeds of the CHF Notes, the Follow-On Public Offering and available cash, for the Meritas Acquisition and to pay fees and expenses in connection therewith. Bank Guarantees shall be issued under the Letter of Credit/Bank Guarantee Sublimit on the Closing Date to support the Existing Bank Guarantees. The proceeds of the Revolving Loans, Letters of Credit and Bank Guarantees made after the Closing Date shall be applied by Borrower for working capital and general corporate purposes of Parent and its Subsidiaries.

2.7. Evidence of Debt; Register; Lenders ' Books and Records; Notes .

(a) Lenders' Evidence of Debt . Each Lender shall maintain on its internal records an account or accounts evidencing the Credit Agreement Obligations of Borrower to such Lender, including the amounts of the Loans made by it and each repayment and prepayment in respect thereof. Any such recordation shall be conclusive and binding on Borrower, absent manifest error; provided that the failure to make any such recordation, or any error in such recordation, shall not affect any Lender's Revolving Commitments or Borrower's Credit Agreement Obligations in respect of any applicable Loans; and provided further , in the event of any inconsistency between the Register and any Lender's records, the recordations in the Register shall govern.

(b) Register . Each Administrative Agent (or its agent or sub-agent appointed by it) shall maintain at its Principal Office a register for the recordation of the names and addresses of Lenders in respect of the applicable facility, the repayment or prepayment in respect of the principal amount of Loans and, with respect to the Revolving Facility Administrative Agent, the Revolving Commitments and Revolving Loans of each Revolving Lender from time to time (each such register referred to herein as a " **Register** "). Each Register shall be available for inspection by Borrower or any Term Loan Lender or Revolving Lender, as the case may be (with respect to (i) any entry relating to such Lender's Loans and (ii) the identity of the other Lenders (but not any information with respect to such other Lenders' Loans)), at any reasonable time and from time to time upon reasonable prior notice. The Term Administrative Agent shall record, or shall cause to be recorded, in the applicable Register the Term Loans in accordance with the provisions of Section 10.6, and each repayment or prepayment in respect of the principal amount of the Term Loans, and any such recordation shall be conclusive and binding on Borrower. Each Revolving Lender and the Revolving Facility Administrative Agent shall record, or shall cause to be recorded, in the applicable Register the Revolving Commitments and the Revolving Loans in accordance with the provisions of Section 10.6, and each repayment or prepayment in respect of the principal amount of the Revolving Loans, and any such recordation shall be conclusive and binding on Borrower and each Revolving Lender, absent manifest error. Notwithstanding the two preceding sentences, the failure to make any such recordation, or any error in such recordation, shall not affect any Lender's Term Loans or Revolving Loans and

Revolving Commitments, as the case maybe, or Borrower 's Credit Agreement Obligations in respect of any Term Loans or Revolving Loans and Revolving Commitments. Borrower hereby designates each Administrative Agent to serve as Borrower's agent solely for purposes of maintaining the applicable Register as provided in this Section 2.7, and Borrower hereby agrees that, to the extent any Administrative Agent serves in such capacity, such Administrative Agent and its officers, directors, employees, agents, sub-agents and affiliates shall constitute "Indemnitees."

(c) Notes . If so requested by any Lender by written notice to Borrower (with a copy to the Term Administrative Agent or the Revolving Facility Administrative Agent, as applicable) at least two Business Days prior to the Closing Date, or at any time thereafter, Borrower shall execute and deliver to such Lender (and/or, if applicable and if so specified in such notice, to any Person who is an assignee of such Lender pursuant to Section 10.6) on the Closing Date (or, if such notice is delivered after the Closing Date, promptly after Borrower's receipt of such notice) a Note or Notes to evidence such Lender's Initial Term Loan, New Term Loan or Revolving Loan, as the case may be.

2.8. Interest on Loans .

(a) Except as otherwise set forth herein, each Class of Loan shall bear interest on the unpaid principal amount thereof from the date made through repayment (whether by acceleration or otherwise) thereof as follows:

(i) in the case of Revolving Loans, at the Adjusted Eurodollar Rate plus the Applicable Margin; and

(ii) in the case of Initial Term Loans:

(A) if a Base Rate Loan, at the Base Rate plus the Applicable Margin; or

(B) if a Eurodollar Rate Loan, at the Adjusted Eurodollar Rate plus the Applicable Margin.

(b) The basis for determining the rate of interest with respect to any Term Loan, and the Interest Period with respect to any Eurodollar Rate Loan, shall be selected by Borrower and notified to the applicable Administrative Agent and Lenders pursuant to the applicable Funding Notice or Conversion/Continuation Notice, as the case may be.

(c) In connection with Eurodollar Rate Loans there shall be no more than ten (10) Interest Periods outstanding at any time. With respect to Term Loans, in the event Borrower fails to specify between a Base Rate Loan or a Eurodollar Rate Loan in the applicable Funding Notice or Conversion/Continuation Notice, such Term Loan (if outstanding as a Eurodollar Rate Loan) will be automatically converted into a Base Rate Loan on the last day of the then-current Interest Period for such Term Loan (or if outstanding as a Base Rate Loan will remain as, or (if not then outstanding) will be made as, a Base Rate Loan). In the event Borrower fails to specify an Interest Period for any Eurodollar Rate Loan in the applicable Funding Notice or, the case of Term Loans, Conversion/Continuation Notice, Borrower shall be deemed to have selected an

Interest Period of one month. As soon as practicable after 11:00 a.m. (London, England time) on each Interest Rate Determination Date, the applicable Administrative Agent shall determine (which determination shall, absent manifest error, be final, conclusive and binding upon all parties) the interest rate that shall apply to the Eurodollar Rate Loans for which an interest rate is then being determined for the applicable Interest Period and shall promptly give notice thereof (in writing or by telephone confirmed in writing) to Borrower and each Lender.

(d) Interest payable pursuant to Section 2.8(a) shall be computed (i) in the case of Base Rate Loans on the basis of a 360-day year (or, in the case of Base Rate Loans determined by reference to the "Prime Rate", a 365-day or 366-day year, as applicable), as the case may be, and (ii) in the case of Eurodollar Rate Loans, on the basis of a 360-day year, in each case for the actual number of days elapsed in the period during which it accrues. In computing interest on any Loan, the date of the making of such Loan or the first day of an Interest Period applicable to such Loan or, with respect to a Term Loan, the last Interest Payment Date with respect to such Term Loan or, with respect to a Base Rate Loan that is a Term Loan being converted from a Eurodollar Rate Loan that is a Term Loan, the date of conversion of such Eurodollar Rate Loan to such Base Rate Loan, as the case may be, shall be included, and the date of payment of such Loan or the expiration date of an Interest Period applicable to such Loan or, with respect to a Base Rate Loan that is a Term Loan being converted to a Eurodollar Rate Loan that is a Term Loan, the date of conversion of such Base Rate Loan to such Eurodollar Rate Loan, as the case may be, shall be excluded; provided if a Loan is repaid on the same day on which it is made, one day's interest shall be paid on that Loan.

(e) Except as otherwise set forth herein, interest on each Loan (i) shall accrue on a daily basis and shall be payable in arrears on each Interest Payment Date with respect to interest accrued on and to each such payment date; (ii) shall accrue on a daily basis and shall be payable in arrears upon any prepayment of that Loan, whether voluntary or mandatory, to the extent accrued on the amount being prepaid; and (iii) shall accrue on a daily basis and shall be payable in arrears at maturity of the Loans, including final maturity of the Loans; provided , however , with respect to any voluntary prepayment of a Base Rate Loan, accrued interest shall instead be payable on the applicable Interest Payment Date.

(f) Borrower agrees to pay to Issuing Bank, with respect to drawings honored under any Letter of Credit or Bank Guarantee, interest on the amount paid by Issuing Bank in respect of each such honored drawing from the date such drawing is honored to but excluding the date such amount is reimbursed by or on behalf of Borrower at a rate equal to a rate which is 2% *per annum* in excess of the rate of interest otherwise payable hereunder with respect to Revolving Loans.

(g) Interest payable pursuant to Section 2.8(f) shall be computed on the basis of a 365/366-day year for the actual number of days elapsed in the period during which it accrues, and shall be payable on demand or, if no demand is made, on the date on which the related drawing under a Letter of Credit or Bank Guarantee is reimbursed in full. In the event Issuing Bank shall have been reimbursed by Lenders for all or any portion of such honored drawing, Issuing Bank shall distribute to each Lender which has paid all amounts payable by it under Section 2.4(e) with respect to such honored drawing such Lender's Pro Rata Share of any interest received by Issuing Bank in respect of that portion of such honored drawing so

reimbursed by Lenders for the period from the date on which Issuing Bank was so reimbursed by Lenders to but excluding the date on which such portion of such honored drawing is reimbursed by Borrower.

(h) If a Tax Deduction is required by Swiss law to be made by a Swiss Guarantor in respect of any interest payable by it under this Agreement and should clause (b) of Section 2.20 be unenforceable for any reason the applicable interest rate in relation to that interest payment shall be (i) the interest rate which would have applied to that interest payment (as provided for in this Section 2.8) in the absence of this clause (h) divided by (ii) 1 minus the rate at which the relevant Tax Deduction is required to be made (where the rate at which the relevant Tax Deduction is required to be made is for this purpose expressed as a fraction of 1 rather than as a percentage) and (x) that the Swiss Guarantor shall be obliged to pay the relevant interest at the adjusted rate in accordance with this clause (h) and (y) all references to a rate of interest in this Section 2.8 shall be construed accordingly.

2.9. Conversion/Continuation .

(a) Subject to Section 2.18 and so long as no Default or Event of Default shall have occurred and then be continuing, Borrower shall have the option with respect to Term Loans:

(i) to convert at any time all or any part of any Term Loan equal to $5,000,000 and integral multiples of $1,000,000 in excess of that amount from one Type of Loan to another Type of Loan; provided a Eurodollar Rate Loan may only be converted on the expiration of the Interest Period applicable to such Eurodollar Rate Loan unless Borrower shall pay all amounts due under Section 2.18 in connection with any such conversion; or

(ii) upon the expiration of any Interest Period applicable to any Eurodollar Rate Loan that is a Term Loan, to continue all or any portion of such Loan equal to $5,000,000 and integral multiples of $1,000,000 in excess of that amount as a Eurodollar Rate Loan.

(b) Subject to Section 3.2, Borrower shall deliver a Conversion/Continuation Notice to Term Administrative Agent no later than 10:00 a.m. (New York City time) at least one Business Day in advance of the proposed conversion date (in the case of a conversion of a Term Loan to a Base Rate Loan) and at least three Business Days in advance of the proposed conversion/continuation date (in the case of a conversion of a Term Loan to, or a continuation of a Term Loan that is, a Eurodollar Rate Loan). Except as otherwise provided herein, a Conversion/Continuation Notice for conversion to, or continuation of, any Eurodollar Rate Loans shall be irrevocable on and after the related Interest Rate Determination Date, and Borrower shall be bound to effect a conversion or continuation in accordance therewith. If on any day a Term Loan is outstanding with respect to which a Funding Notice or Conversion/Continuation Notice has not been delivered to Term Administrative Agent in accordance with the terms hereof specifying the applicable basis for determining the rate of interest, then for that day such Term Loan shall be a Base Rate Loan.

2.10. Default Interest .

(a) If any principal of or interest on any Term Loan or any fee or other amount payable to the Term Loan Lenders or in respect of the Term Loans hereunder is not paid when and as due (whether at maturity, by reason of acceleration or otherwise), such overdue amount shall thereafter bear interest (including post-petition interest in any proceeding under Bankruptcy Laws) payable on demand at a rate that is 2% *per annum* in excess of the interest rate otherwise payable hereunder with respect to the applicable Term Loans (or, in the case of any such fees and other amounts, at a rate which is 2% *per annum* in excess of the interest rate otherwise payable hereunder for Base Rate Loans); provided in the case of Eurodollar Rate Loans that are Term Loans, upon the expiration of the Interest Period in effect at the time any such increase in interest rate is effective such Eurodollar Rate Loans shall thereupon become Base Rate Loans and shall thereafter bear interest payable upon demand at a rate which is 2% *per annum* in excess of the interest rate otherwise payable hereunder for Base Rate Loans.

(b) If any principal of or interest on any Revolving Loan or any fee or other amount payable to the Revolving Lenders or in respect of the Revolving Loans hereunder is not paid when and as due (whether at maturity, by reason of acceleration or otherwise), such overdue amount shall thereafter bear interest (including post-petition interest in any proceeding under Bankruptcy Laws) payable on demand at a rate that is 1% *per annum* in excess of the rate at which it would have accrued if such amount had, during the period of non—payment, constituted a Revolving Loan for successive Interest Periods, each of a duration selected by Revolving Facility Administrative Agent (acting reasonably).

(c) Payment or acceptance of the increased rates of interest provided for in this Section 2.10 is not a permitted alternative to timely payment and shall not constitute a waiver of any Event of Default or otherwise prejudice or limit any rights or remedies of either Administrative Agent or any Lender. Notwithstanding the foregoing, the interest rate determined pursuant to this Section 2.10 with respect to any Polish Guarantor is subject to mandatory limitations imposed by Article 359 of the Polish Act on the Civil Code of 23 April 1964 (Journal of Laws No. 16, item 93, as amended).

2.11. Fees .

(a) Borrower agrees to pay to Lenders having Revolving Exposure:

(i) commitment fees equal to (1) the average of the daily difference between (A) the Revolving Commitments and (B) the aggregate principal amount of (x) all outstanding Revolving Loans plus (y) the Letter of Credit/Bank Guarantee Usage, times (2) the Applicable Revolving Commitment Fee Percentage; and

(ii) letter of credit fees equal to (1) the Applicable Margin for Revolving Loans that are Eurodollar Rate Loans, times (2) the average aggregate daily maximum amount available to be drawn under all such Letters of Credit and Bank Guarantees (regardless of whether any conditions for drawing could then be met and determined as of the close of business on any date of determination).

All fees referred to in this Section 2.11(a) shall be paid to Revolving Facility Administrative Agent at its Principal Office and upon receipt, Revolving Facility Administrative Agent shall promptly distribute to each Lender its Pro Rata Share thereof.

(b) Borrower agrees to pay directly to Issuing Bank, for its own account, such documentary and processing charges for any issuance, amendment, transfer or payment of a Letter of Credit or Bank Guarantee as are in accordance with Issuing Bank's standard schedule for such charges and as in effect at the time of such issuance, amendment, transfer or payment, as the case may be.

(c) All fees referred to in Section 2.11(a) and 2.11(b) shall be calculated on the basis of a 360-day year and the actual number of days elapsed and shall be payable quarterly in arrears on the last Business Day of February, May, August and November of each year during the Revolving Commitment Period, commencing on the first such date to occur after the Closing Date, and on the Revolving Commitment Termination Date.

(d) Borrower agrees to pay on the Closing Date to each Term Loan Lender party to this Agreement as a Lender on the Closing Date, as fee compensation for the funding of such Lender's Term Loan, a closing fee in an amount equal to 0.50% of the stated principal amount of such Lender's Term Loan, payable to such Term Loan Lender from the proceeds of its Term Loan as and when funded on the Closing Date. Such closing fee will be in all respects fully earned, due and payable on the Closing Date and non-refundable and non-creditable thereafter.

(e) In addition to any of the foregoing fees, Borrower agrees to pay to Agents such other fees in the amounts and at the times separately agreed upon.

2.12. Scheduled Payments . The principal amounts of the Initial Term Loans shall be repaid in consecutive quarterly installments on the last Business Day of each November, February, May and August, commencing August 31, 2015, each equal to $2,271,394.35, and at final maturity (each such payment, an " **Installment** "); provided in the event any New Term Loans are made, such New Term Loans shall be repaid on each Interest Payment Date occurring on or after the applicable Increased Amount Date in the manner specified in the Joinder Agreement. Notwithstanding the foregoing, (x) such Installments shall be reduced in connection with any voluntary or mandatory prepayments of the Term Loans, as the case may be, in accordance with Sections 2.13, 2.14 and 2.15, as applicable; and (y) the Term Loans, together with all other amounts owed hereunder with respect thereto, shall, in any event, be paid in full no later than the Maturity Date applicable to such Term Loans.

2.13. Voluntary Prepayments/Commitment Reductions .

(a) Voluntary Prepayments .

(i) Any time and from time to time:

(A) with respect to Base Rate Loans, Borrower may prepay any such Loans on any Business Day in whole or in part, other than with respect to any prepayment made pursuant to Section 8.2, in an aggregate

minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount; and

(B) with respect to Eurodollar Rate Loans, Borrower may prepay any such Loans on any Business Day in whole or in part, other than with respect to any prepayment made pursuant to Section 8.2, in an aggregate minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount.

(ii) All such prepayments shall be made:

(A) upon not less than one Business Day's prior written or telephonic notice in the case of Base Rate Loans; and

(B) upon not less than three Business Days' prior written or telephonic notice in the case of Eurodollar Rate Loans.

in each case given by Borrower to the applicable Administrative Agent by, in the case of Term Loans, 12:00 p.m. (New York City time) and, in the case of Revolving Loans, 12:00 p.m. (Hong Kong time), in each case, on the date required and, if given by telephone, promptly confirmed by delivery of written notice thereof to such Administrative Agent (and such Administrative Agent will promptly transmit a copy of the notice for Term Loans or Revolving Loans, as the case may be, by telefacsimile or telephone to each Lender). Upon the giving of any such notice, the principal amount of the Loans specified in such notice shall become due and payable on the prepayment date specified therein (provided , that any such prepayment may be conditioned upon the closing of a transaction or refinancing, in which case, upon the failure of such transaction or refinancing to close, such notice of prepayment may be withdrawn). Any such voluntary prepayment shall be applied as specified in Section 2.15(a).

(b) Voluntary Commitment Reductions .

(i) Borrower may, upon not less than three Business Days' prior written or telephonic notice from Borrower promptly confirmed by delivery of written notice thereof to the Revolving Facility Administrative Agent (a copy of which written notice the Revolving Facility Administrative Agent will promptly transmit by telefacsimile or telephone to each applicable Lender), at any time and from time to time terminate in whole or permanently reduce in part, without premium or penalty, the Revolving Commitments in an amount up to the amount by which the Revolving Commitments exceed the Total Utilization of Revolving Commitments at the time of such proposed termination or reduction; provided any such partial reduction of the Revolving Commitments shall be in an aggregate minimum amount of $5,000,000 and integral multiples of $1,000,000 in excess of that amount.

(ii) Borrower's notice to the Revolving Facility Administrative Agent shall designate the date (which shall be a Business Day) of such termination or reduction and the amount of any partial reduction, and such termination or reduction of the Revolving Commitments shall be effective on the date specified in Borrower's notice and shall reduce the Revolving Commitment of each Lender proportionately to its Pro Rata

Share thereof (provided , that any such termination or reduction may be conditioned upon the closing of a transaction or refinancing, in which case upon the failure of such transaction or refinancing to close, such notice of termination or reduction may be cancelled).

(c) Term Loan Call Protection . In the event that all or any portion of the Initial Term Loans is (i) repriced or effectively refinanced through any waiver, consent or amendment the primary purpose of which is directed at, or the result of which would be, the lowering of the effective interest cost or the Weighted Average Yield (assuming a four-year life to maturity for calculation of interest rates for closing fees or original issue discount) of the Initial Term Loans or (ii) repaid, prepaid, refinanced or replaced through the incurrence of any debt financing the primary purpose of which is to decrease the effective interest cost or Weighted Average Yield (assuming a four-year life to maturity for calculation of interest rates for closing fees or original issue discount) that is less than the effective interest cost or Weighted Average Yield of the Initial Term Loans (or portion thereof) so repaid, prepaid, refinanced, replaced or repriced, in each case of the foregoing clauses (i) and (ii), other than in connection with a change of control (including a Change of Control) or a Transformative Acquisition (a " **Repricing Transaction** "), occurring on or prior to the date that is six months after the Amendment and Restatement Date (and including, for avoidance of doubt, any prepayment made pursuant to Section 2.14(c) that constitutes a Repricing Transaction), such repayment, prepayment, refinancing, replacement or repricing will be made at 101.0% of the principal amount so repaid, prepaid, refinanced, replaced or repriced. If all or any portion of the Initial Term Loans held by any Lender is repaid, prepaid, refinanced or replaced on or prior to the date that is six months after the Amendment and Restatement Date pursuant to Section 2.23 as a result of, or in connection with, such Lender being a Non-Consenting Lender with respect to any waiver, consent or amendment referred to in clause (i) above (or otherwise in connection with a Repricing Transaction), such repayment, prepayment, refinancing or replacement will be made at 101.0% of the principal amount so repaid, prepaid, refinanced or replaced.

2.14. Mandatory Prepayments .

(a) Asset Sales . No later than the fifth Business Day following the date of receipt by any member of the Restricted Group of any Net Cash Proceeds from an Asset Sale, Borrower shall prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to such Net Cash Proceeds from such Asset Sale; provided that (i) notwithstanding the forgoing, Borrower shall only be required to prepay the Loans pursuant to this Section 2.14(a) to the extent the Net Cash Proceeds received from Asset Sales exceeds $2,500,000 in any Fiscal Year and (ii) Borrower shall have the option, directly or through any member of the Restricted Group, to invest Net Cash Proceeds within 365 days of receipt thereof (or an additional 365 days if any member of the Restricted Group enters into a legally binding commitment to invest such Net Cash Proceeds within 365 days of receipt thereof) in assets useful in the business of the Restricted Group.

(b) Insurance/Condemnation Proceeds . No later than the fifth Business Day following the date of receipt by any member of the Restricted Group, or either Collateral Agent as loss payee, of any Net Insurance/Condemnation Proceeds, Borrower shall prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to such Net Insurance/Condemnation

Proceeds; provided that (i) notwithstanding the forgoing, Borrower shall only be required to prepay the Loans pursuant to this Section 2.14(b) to the extent the Net Insurance/Condemnation Proceeds received by any member of the Restricted Group exceeds $2,500,000 in any Fiscal Year and (ii) Borrower shall have the option, directly or through any member of the Restricted Group, to invest such Net Insurance/Condemnation Proceeds within 365 days of receipt thereof (or an additional 365 days if any member of the Restricted Group enters into a legally binding commitment to invest such Net Insurance/Condemnation Proceeds within 365 days of receipt thereof) in long term productive assets of the general type used in the business of the Restricted Group, which investment may include the repair, restoration or replacement of the applicable assets thereof.

(c) Issuance of Debt. On the date of receipt by any member of the Restricted Group of any cash proceeds from the incurrence of any Debt of any member of the Restricted Group (including any Debt incurred pursuant to a Permitted Refinancing incurred pursuant to Section 6.1(b) but excluding other Debt permitted to be incurred pursuant to Section 6.1(a) or 6.1(b)), Borrower shall prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to 100% of such proceeds, net of taxes, underwriting discounts and commissions and other reasonable costs and expenses associated therewith, including reasonable legal fees and expenses.

(d) Consolidated Excess Cash Flow. In the event that there shall be Consolidated Excess Cash Flow for any Fiscal Year (commencing with the Fiscal Year ending August 31, 2016), Borrower shall, no later than 120 days after the end of such Fiscal Year, prepay the Loans as set forth in Section 2.15(b) in an aggregate amount equal to the Applicable ECF Percentage of such Consolidated Excess Cash Flow minus voluntary repayments of the Loans (including, for the avoidance of doubt, repurchases of Term Loans pursuant to Section 10.6(i) (based on the actual cash purchase price and not the par value of Term Loans so purchased)), any Debt Incurred pursuant to Section 6.1(b)(xxiii) or (xxiv) and any Refinancing Indebtedness the net proceeds of which are used to replace or refinance Term Loans and Revolving Loans (with a corresponding reduction of revolving commitments), in each case, to the extent made with Internally Generated Cash (excluding, for the avoidance of doubt, repayments of Loans made with the cash proceeds of any Refinancing Indebtedness).

(e) Revolving Loans.

(i) Borrower shall from time to time prepay the Revolving Loans to the extent necessary so that the Total Utilization of Revolving Commitments shall not at any time exceed the Revolving Commitments then in effect.

(ii) Last Day of Interest Period.

(A) Borrower shall repay each Revolving Loan on the last day of its Interest Period.

(B) Notwithstanding Borrower's obligation under clause (A) above, if (x) one or more new Revolving Loans are to be made available to Borrower (I) on the same day that a maturity Revolving Loan is due to be repaid

by Borrower and (II) in whole or in part for the purpose of refinancing the maturing Revolving Loan; and (y) each Lender's Pro Rata Share of such maturing Revolving Loan(s) is the same as such Lender's Pro Rata Share in such new Revolving Loans, then the aggregate amount of the new Revolving Loans shall, unless Borrower notifies Revolving Facility Administrative Agent to the contrary in the relevant Funding Notice, be treated as if applied in or towards repayment of the maturing Revolving Facility so that:

(1) if the amount of maturing Revolving Loans exceeds the aggregate amount of the new Revolving Loans, (X) Borrower will only be required to repay an amount equal to such excess; and (Y) each Revolving Lender's Pro Rata Share in the new Revolving Loans shall be treated as having been made available and applied by Borrower in or towards repayment of such Lender's Pro Rata Share in the maturity Revolving Loans and such Lender will not be required to make funds available to Revolving Facility Administrative Agent pursuant to Section 2.2(b)(iv) in respect of its Pro Rata Share of the new Revolving Loans; and

(2) if the amount of maturing Revolving Loans is equal to or less than the aggregate amount of new Revolving Loans, (X) Borrower will not be required to repay such maturing Revolving Loans; and (Y) each Revolving Lender will be required to make funds available to Revolving Facility Administrative Agent pursuant to Section 2.2(b)(iv) in respect of its Pro Rata Share of new Revolving Loans only to the extent that its Pro Rata Share in new Revolving Loans exceeds such Revolving Lender's Pro Rata Share in the maturing Revolving Loans and the remainder of such Revolving Lender's participation in the new Revolving Loans shall be treated as having been made available and applied by Borrower in or toward repayment of such Lender's participation the maturing Revolving Loans.

(f) Prepayment Certificate . Concurrently with any prepayment of the Loans pursuant to Sections 2.14(a) through 2.14(e), Borrower shall deliver to Administrative Agents a certificate of an Authorized Officer demonstrating the calculation of the amount of the applicable net proceeds or Consolidated Excess Cash Flow, as the case may be. In the event that Borrower shall subsequently determine that the actual amount received exceeded the amount set forth in such certificate, Borrower shall promptly make an additional prepayment of the Loans in an amount equal to such excess, and Borrower shall concurrently therewith deliver to Administrative Agents a certificate of an Authorized Officer demonstrating the derivation of such excess.

(g) Notwithstanding any other provisions of this Section 2.14 or Section 2.15, (i) to the extent that any of or all the Net Cash Proceeds of any Asset Sale by a Foreign Subsidiary of Parent, any Net Insurance/Condemnation Proceeds attributable to property of a Foreign Subsidiary of Parent or Consolidated Excess Cash Flow attributable to Foreign

Subsidiaries of Parent are prohibited or delayed by applicable local law from being repatriated, the portion of such Net Cash Proceeds, Net Insurance/Condemnation Proceeds or Consolidated Excess Cash Flow so affected will not be required to be applied to repay Term Loans at the times provided in this Section 2.14 but may be retained by the applicable Foreign Subsidiary so long, but only so long, as the applicable local law will not permit repatriation to the United States (Borrower hereby agreeing to use commercially reasonable efforts to cause the applicable Foreign Subsidiary to promptly take all actions reasonably required by the applicable local law to permit such repatriation), and (ii) to the extent that Borrower has determined in good faith that repatriation of any of or all the Net Cash Proceeds, Net Insurance/Condemnation Proceeds or Consolidated Excess Cash Flow attributable to Foreign Subsidiaries would have material adverse tax consequences with respect to such Net Cash Proceeds, Net Insurance/Condemnation Proceeds or Consolidated Excess Cash Flow, such Net Cash Proceeds, Net Insurance/Condemnation Proceeds or Consolidated Excess Cash Flow so affected will not be required to be applied to repay Term Loans at the times provided in this Section 2.14 but may be retained by the applicable Foreign Subsidiary; provided that in the case of each of clauses (i) and (ii), (x) such nonpayment prior to the time such amounts must be repatriated shall not constitute an Event of Default, and such amounts shall be available (A) to repay local foreign indebtedness, if any, and (B) for working capital purposes of Borrower and the Restricted Subsidiaries, in each case, subject to the prepayment provisions in this Section 2.14(g) in the event such amounts are repatriated, and (y) if within one year following the date on which the respective prepayment would otherwise have been required such repatriation of any of such affected Net Cash Proceeds, Net Insurance/Condemnation Proceeds or Consolidated Excess Cash Flow is permitted under the applicable local law, or the repatriation of such amounts will not have material adverse tax consequences, then repatriation will be promptly effected and an amount equal to the amount of Net Cash Proceeds, Net Insurance/Condemnation Proceeds or Consolidated Excess Cash Flow that could be repatriated will be promptly (and in any event not later than five (5) Business Days after such repatriation) applied (net of additional taxes payable or reserved against as a result thereof) to the repayment of the Term Loans pursuant to this Section 2.14 to the extent provided herein.

2.15. Application of Prepayments/Reductions .

(a) Application of Voluntary Prepayments by Type of Loans . Any prepayment of any Loan pursuant to Section 2.13(a) shall be applied as specified by Borrower in the applicable notice of prepayment; provided in the event Borrower fails to specify the Loans to which any such prepayment shall be applied, such prepayment shall be applied as follows:

first , to repay outstanding Revolving Loans to the full extent thereof; and

second , to prepay the Term Loans on a pro rata basis (in accordance with the respective outstanding principal amounts thereof); and further applied in direct order of maturity.

(b) Application of Mandatory Prepayments by Type of Loans . All prepayments made pursuant to Section 2.13(d) shall be applied solely to the outstanding Initial Term Loans (and any New Term Loans or Extended Term Loans to the extent provided for in the applicable Joinder Agreement or Extension Amendment; provided that the Initial Term Loans

receive not less than the pro rata portion of such prepayment unless otherwise agreed by the Borrower and the applicable holders of Initial Term Loans). Subject to the preceding sentence, any amount required to be paid pursuant to Sections 2.14(a) through 2.14(e) shall be applied as follows:

first , to prepay Term Loans on a pro rata basis (in accordance with the respective outstanding principal amounts thereof) and further applied on a pro rata basis to the remaining scheduled Installments of principal of the Term Loans; provided that if at the time any amount is required to be paid pursuant to Section 2.14(a) or (b), Borrower is required to offer to repurchase Permitted First Priority Refinancing Debt pursuant to the terms of the documentation governing such Debt with any Net Cash Proceeds or Net Insurance/Condemnation Proceeds (such Permitted First Priority Refinancing Debt required to be offered to be so repurchased, " **Other Applicable Indebtedness** "), then Borrower may apply such Net Cash Proceeds or Net Insurance/Condemnation Proceeds, as applicable, on a pro rata basis (determined on the basis of the aggregate outstanding principal amount of the Term Loans and Other Applicable Indebtedness at such time; provided that the portion of such cash proceeds allocated to Other Applicable Indebtedness shall not exceed the amount of such cash proceeds required to be allocated to the Other Applicable Indebtedness pursuant to the terms thereof, and the remaining amount, if any, of such cash proceeds shall be allocated to the Term Loans in accordance with the terms hereof) to the prepayment of the Term Loans and to the repurchase of Other Applicable Indebtedness, and the amount of prepayment of the Term Loans that would have otherwise been required pursuant to Section 2.14(a) or (b), as applicable, shall be reduced accordingly; provided further that to the extent the holders of Other Applicable Indebtedness decline to have such Debt purchased, the declined amount shall promptly (and in any event within 10 Business Days after the date of such rejection) be applied to prepay the Term Loans in accordance with the terms hereof;

second , to prepay the Revolving Loans to the full extent thereof;

third , to prepay outstanding reimbursement obligations with respect to Letters of Credit and Bank Guarantees; and

fourth , to Cash Collateralize Letters of Credit and Bank Guarantees.

(c) Waivable Mandatory Prepayment . Anything contained herein to the contrary notwithstanding, so long as any Term Loans are outstanding, in the event Borrower is required to make any mandatory prepayment (a " **Waivable Mandatory Prepayment** ") of the Term Loans, not less than five Business Days prior to the date (the " **Required Prepayment Date** ") on which Borrower is required to make such Waivable Mandatory Prepayment, Borrower shall notify Term Administrative Agent of the amount of such prepayment, and Term Administrative Agent will promptly thereafter notify each Lender holding an outstanding Term Loan of the amount of such Lender's Pro Rata Share of such Waivable Mandatory Prepayment and such Lender's option to refuse such amount. Each such Lender may exercise such option by giving written notice to Borrower and Term Administrative Agent of its election to do so on or before the third Business Day prior to the Required Prepayment Date (it being understood that any Lender which does not notify Borrower and Term Administrative Agent of its election to

exercise such option on or before the third Business Day prior to the Required Prepayment Date shall be deemed to have elected, as of such date, not to exercise such option). On the Required Prepayment Date, Borrower shall pay to Term Administrative Agent the amount of the Waivable Mandatory Prepayment, which amount shall be applied in an amount equal to that portion of the Waivable Mandatory Prepayment payable to those Lenders that have elected not to exercise such option, to prepay the Term Loans of such Lenders (which prepayment shall be applied to the scheduled Installments of principal of the Term Loans in accordance with Section 2.15(b)). To the extent any Lender has elected to refuse its Pro Rata Share of such Waivable Mandatory Prepayment, such amount shall be retained by Borrower (such amount, the " **Borrower Retained Prepayment Amount** ").

(d) Application of Prepayments of Loans to Base Rate Loans and Eurodollar Rate Loans . Considering each Class of Loans being prepaid separately, any prepayment thereof shall be applied first to Base Rate Loans to the full extent thereof before application to Eurodollar Rate Loans, in each case in a manner which minimizes the amount of any payments required to be made by Borrower pursuant to Section 2.18(c).

2.16. General Provisions Regarding Payments .

(a) All payments by Borrower of principal, interest, fees and other Credit Agreement Obligations shall be made in Dollars in same day funds, without defense, recoupment, setoff or counterclaim, free of any restriction or condition, and delivered to the applicable Administrative Agent not later than, in the case of Term Loans, 12:00 p.m. (New York City time) and in the case of Revolving Loans, 12:00 p.m. (Hong Kong time), in each case, on the date due at the Principal Office of such Administrative Agent for the account of Lenders; for purposes of computing interest and fees, funds received by such Administrative Agent after that time on such due date shall be deemed to have been paid by Borrower on the next succeeding Business Day.

(b) All payments in respect of the principal amount of any Loan (other than voluntary prepayments of Revolving Loans) shall be accompanied by payment of accrued interest on the principal amount being repaid or prepaid, and all such payments (and, in any event, any payments in respect of any Loan on a date when interest is due and payable with respect to such Loan) shall be applied to the payment of interest then due and payable before application to principal.

(c) The applicable Administrative Agent (or its agent or sub-agent appointed by it) shall promptly distribute to each Lender at such address as such Lender shall indicate in writing, such Lender's applicable Pro Rata Share of all payments and prepayments of principal and interest due hereunder, together with all other amounts due thereto, including all fees payable with respect thereto, to the extent received by such Administrative Agent.

(d) Notwithstanding the foregoing provisions hereof, if any Conversion/ Continuation Notice is withdrawn as to any Affected Lender or if any Affected Lender makes Base Rate Loans in lieu of its Pro Rata Share of any Eurodollar Rate Loans, Term Administrative Agent shall give effect thereto in apportioning payments received thereafter.

(e) Subject to the provisos set forth in the definition of "Interest Period" as they may apply to Revolving Loans, whenever any payment to be made hereunder with respect to any Loan shall be stated to be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and, with respect to Revolving Loans only, such extension of time shall be included in the computation of the payment of interest hereunder or of the Revolving Commitment fees hereunder.

(f) Each Administrative Agent shall deem any payment by or on behalf of Borrower hereunder that is not made in same day funds prior to, in the case of Term Loans, 12:00 p.m. (New York City time) and, in the case of Revolving Loans, 12:00 p.m. (Hong Kong time), in each case, to be a non-conforming payment. Any such payment shall not be deemed to have been received by such Administrative Agent until the later of (i) the time such funds become available funds, and (ii) the applicable next Business Day. The applicable Administrative Agent shall give prompt telephonic notice to Borrower and each applicable Lender (confirmed in writing) if any payment is non-conforming. Any non-conforming payment may constitute or become a Default or Event of Default in accordance with the terms of Section 8.1(a). Interest shall continue to accrue on any principal as to which a non-conforming payment is made until such funds become available funds (but in no event less than the period from the date of such payment to the next succeeding applicable Business Day) at the rate determined pursuant to Section 2.10 from the date such amount was due and payable until the date such amount is paid in full.

(g) If an Enforcement Event shall have occurred and not otherwise been waived, all proceeds received by Agents pursuant to any sale of, any collection from, or other realization upon all or any part of the Collateral, or all payments or proceeds received by Agents in respect of any of the Credit Agreement Obligations, shall be applied as follows (subject to the Intercreditor Agreement):

(i) *first* , to payment of that portion of the Credit Agreement Obligations constituting fees, indemnities, expenses and other amounts (other than principal and interest) payable to each Agent and each Issuing Bank in its capacity as such;

(ii) *second* , to payment of that portion of the Credit Agreement Obligations constituting fees, indemnities and other amounts (other than principal and interest) payable to the Secured Parties, ratably among them in proportion to the amounts described in this clause (ii) payable to them;

(iii) *third* , to payment of that portion of the Credit Agreement Obligations constituting accrued and unpaid interest (including, but not limited to, post-petition interest), ratably among the Secured Parties in proportion to the respective amounts described in this clause (iii) payable to them;

(iv) *fourth* , to payment of that portion of the Credit Agreement Obligations constituting unpaid principal, unreimbursed drawings under Letters of Credit or Bank Guarantees honored by Issuing Bank and not theretofore reimbursed by or on behalf of Borrower or face amounts of the Loans, and Hedge Termination Value owed to Lender Counterparties under Hedge Agreements and for the account of the Issuing Bank,

to Cash Collateralize that portion of Credit Agreement Obligations comprised of the aggregate undrawn amount of Letters of Credit or Bank Guarantees, ratably among the Secured Parties in proportion to the respective amounts described in this clause (iv) held by them;

(v) *fifth* , to the payment of all other Credit Agreement Obligations of the Credit Parties that are due and payable to Agents and the other Secured Parties on such date, ratably based upon the respective aggregate amounts of all such Credit Agreement Obligations owing to Agents and the other Secured Parties on such date; and

(vi) *sixth* , the balance, if any, after all of the Credit Agreement Obligations have been paid in full, to Borrower or as otherwise required by law.

Subject to Section 2.4(a)(vi) and the last sentence of Section 2.4(a), amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause (iv) above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Credit Agreement Obligations, if any, in the order set forth above and, if no Credit Agreement Obligations remain outstanding, to Borrower.

(h) Clawback .

(i) Where a sum is to be paid to either Administrative Agent under the Credit Documents for another Person, such Administrative Agent is not obligated to pay such sum to such other Person (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received such sum.

(ii) If such Administrative Agent pays an amount to another Person and it proves to be the case that such Administrative Agent had not actually received such amount, then such Person to whom such amount (or the proceeds of any related exchange contract) was paid by such Administrative Agent shall on demand refund the same to such Administrative Agent together with interest on such amount from the date of payment to the date of receipt by such Administrative Agent, calculated by such Administrative Agent to reflect its cost of funds.

2.17. Ratable Sharing . Lenders hereby agree among themselves that if any of them shall, whether by voluntary payment (other than a voluntary prepayment of Loans made and applied in accordance with the terms hereof), through the exercise of any right of set-off or banker's lien, by counterclaim or cross action or by the enforcement of any right under the Credit Documents or otherwise, or as adequate protection of a deposit treated as Cash Collateral under any Bankruptcy Law, receive payment or reduction of a proportion of the aggregate amount of principal, interest, amounts payable in respect of Letters of Credit and Bank Guarantees, fees and other amounts then due and owing to such Lender hereunder or under the other Credit Documents (collectively, the " **Aggregate Amounts Due** " to such Lender) which is greater than the proportion received by any other Lender in respect of the Aggregate Amounts Due to such other Lender, then the Lender receiving such proportionately greater payment shall (a) notify the

applicable Administrative Agent and each other Lender of the receipt of such payment and (b) apply a portion of such payment to purchase participations (which it shall be deemed to have purchased from each seller of a participation simultaneously upon the receipt by such seller of its portion of such payment) in the Aggregate Amounts Due to the other Lenders so that all such recoveries of Aggregate Amounts Due shall be shared by all Lenders in proportion to the Aggregate Amounts Due to them; provided if all or part of such proportionately greater payment received by such purchasing Lender is thereafter recovered from such Lender upon the bankruptcy or reorganization of Borrower or otherwise, those purchases shall be rescinded and the purchase prices paid for such participations shall be returned to such purchasing Lender ratably to the extent of such recovery, but without interest. Borrower expressly consents to the foregoing arrangement and agrees that any holder of a participation so purchased may exercise any and all rights of banker's lien, consolidation, set-off or counterclaim with respect to any and all monies owing by Borrower to that holder with respect thereto as fully as if that holder were owed the amount of the participation held by that holder. The provisions of this Section 2.17 shall not be construed to apply to (i) any payment made by Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender) or (ii) any payment obtained by any Lender as consideration for the assignment or sale of a participation in any of its Loans or other Credit Agreement Obligations owed to it.

2.18. Making or Maintaining Eurodollar Rate Loans .

(a) Inability to Determine Applicable Interest Rate . In the event that the applicable Administrative Agent shall have determined (which determination shall be final and conclusive and binding upon all parties hereto), on any Interest Rate Determination Date with respect to any Eurodollar Rate Loans, that by reason of circumstances affecting the London interbank market adequate and fair means do not exist for ascertaining the interest rate applicable to such Loans on the basis provided for in the definition of "Adjusted Eurodollar Rate", or, in the case of Eurodollar Loans that are Revolving Loans, only one Reference Bank supplies a rate to Revolving Facility Administrative Agent to determine such rate for the applicable Interest Period (i) in the case of Term Loans, Term Administrative Agent shall on such date give notice (by telefacsimile or by telephone confirmed in writing) to Borrower and each Term Loan Lender of such determination, whereupon (A) no Term Loans may be made as, or converted to, Eurodollar Rate Loans until such time as Term Administrative Agent notifies Borrower and Term Loan Lenders that the circumstances giving rise to such notice no longer exist, and (B) any Funding Notice or Conversion/Continuation Notice given by Borrower with respect to the Term Loans in respect of which such determination was made shall be deemed to be rescinded by Borrower and (ii) in the case of Revolving Loans, Revolving Facility Administrative Agent shall promptly notify the Revolving Lenders and Borrower thereof and the interest rate applicable to any such Revolving Lender's Pro Rata Share of such affected Revolving Loans shall be equal to the sum of the Applicable Margin and the percentage rate *per annum* notified to Revolving Facility Administrative Agent by such Revolving Lender, as soon as practicable and in any event not later than five Business Days before interest is due to be paid in respect of such Interest Period (or such later date as may be acceptable to Revolving Facility Administrative Agent), as the cost to such Revolving Lender of funding its participation in such Revolving Loan from whatever source(s) it may reasonably select.

(b) Illegality or Impracticability of Eurodollar Rate Loans . In the event that on any date (i) any Lender shall have determined (which determination shall be final and conclusive and binding upon all parties hereto) that the making, maintaining, converting to or continuation of its Eurodollar Rate Loans has become unlawful as a result of compliance by such Lender in good faith with any law, treaty, governmental rule, regulation, guideline or order (or would conflict with any such treaty, governmental rule, regulation, guideline or order not having the force of law even though the failure to comply therewith would not be unlawful), or (ii) the applicable Administrative Agent is advised by the Requisite Term Loan Lenders or Requisite Revolving Lenders, as the case may be (which determination shall be final and conclusive and binding upon all parties hereto), that the making, maintaining, converting to or continuation of its Eurodollar Rate Loans has become impracticable, as a result of contingencies occurring after the date hereof which materially and adversely affect the London interbank market or the position of the Lenders in that market, then, and in any such event, such Lenders (or in the case of the preceding clause (i), such Lender) shall be an " **Affected Lender** " and such Affected Lender shall on that day give notice (by e-mail or by telephone confirmed in writing) to Borrower and the applicable Administrative Agent of such determination (which notice such Administrative Agent shall promptly transmit to each other Lender). In the case of Term Loans, if Term Administrative Agent receives a notice from (x) any Term Loan Lender pursuant to clause (i) of the preceding sentence or (y) Term Loan Lenders constituting Requisite Term Loan Lenders pursuant to clause (ii) of the preceding sentence, then (1) the obligation of the Term Loan Lenders (or, in the case of any notice pursuant to clause (i) of the preceding sentence, such Term Loan Lender) to make Term Loans as, or to convert Term Loans to, Eurodollar Rate Loans shall be suspended until such notice shall be withdrawn by each Affected Lender, (2) to the extent such determination by the Affected Lender relates to a Eurodollar Rate Loan then being requested by Borrower pursuant to a Funding Notice or a Conversion/Continuation Notice, the Term Loan Lenders (or in the case of any notice pursuant to clause (i) of the preceding sentence, such Term Loan Lender) shall make such Term Loan as (or continue such Term Loan as or convert such Loan to, as the case may be) a Base Rate Loan, (3) the Term Loan Lenders' (or in the case of any notice pursuant to clause (i) of the preceding sentence, such Term Loan Lender's) obligations to maintain their respective outstanding Eurodollar Rate Loans (the " **Affected Loans** ") shall be terminated at the earlier to occur of the expiration of the Interest Period then in effect with respect to the Affected Loans or when required by law, and (4) the Affected Loans shall automatically convert into Base Rate Loans on the date of such termination. In the case of Revolving Loans, if Revolving Facility Administrative Agent receives a notice from (x) any Revolving Lender pursuant to clause (i) of the second preceding sentence or (y) Revolving Lenders constituting Requisite Revolving Lenders pursuant to clause (ii) of the second preceding sentence, Revolving Facility Administrative Agent shall promptly notify the Revolving Lenders and Borrower thereof and the interest rate applicable to any such Revolving Lender's Pro Rata Share of such affected Revolving Loans shall be equal to the sum of the Applicable Margin and the percentage rate *per annum* notified to Revolving Facility Administrative Agent by such Revolving Lender, as soon as practicable and in any event not later than five Business Days before interest is due to be paid in respect of such Interest Period (or such later date as may be acceptable to Revolving Facility Administrative Agent), as the cost to such Revolving Lender of funding its participation in such Revolving Loan from whatever source(s) it may reasonably select. Notwithstanding the foregoing, to the extent a determination by an Affected Lender as described above relates to a Eurodollar Rate Loan then being requested by Borrower pursuant to

a Funding Notice or a Conversion/Continuation Notice, Borrower shall have the option, subject to the provisions of Section 2.18(c), to rescind such Funding Notice or Conversion/Continuation Notice as to all Lenders by giving written or telephonic notice (promptly confirmed by delivery of written notice thereof) to the applicable Administrative Agent of such rescission on the date on which the Affected Lender gives notice of its determination as described above (which notice of rescission such Administrative Agent shall promptly transmit to each other Lender).

(c) Compensation for Breakage or Non-Commencement of Interest Periods . Borrower shall compensate each Lender, upon written request by such Lender (which request shall set forth the basis for requesting such amounts), for all reasonable losses, expenses and liabilities (including any interest paid or payable by such Lender to Lenders of funds borrowed by it to make or carry its Eurodollar Rate Loans and any loss, expense or liability sustained by such Lender in connection with the liquidation or re-employment of such funds but excluding loss of anticipated profits) which such Lender may sustain: (i) if for any reason (other than a default by such Lender) a borrowing of any Eurodollar Rate Loan does not occur on a date specified therefor in a Funding Notice or a telephonic request for borrowing, or a conversion to or continuation of any Eurodollar Rate Loan does not occur on a date specified therefor in a Conversion/Continuation Notice or a telephonic request for conversion or continuation; (ii) if any prepayment or other principal payment of, or any conversion of, any of its Eurodollar Rate Loans occurs on a date prior to the last day of an Interest Period applicable to that Loan; or (iii) if any prepayment of any of its Eurodollar Rate Loans is not made on any date specified in a notice of prepayment given by Borrower. With respect to any Lender's claim for compensation under this Section 2.18, Borrower shall not be required to compensate such Lender for any amount incurred more than 180 calendar days prior to the date that such Lender notifies Borrower of the event that gives rise to such claim.

(d) Booking of Eurodollar Rate Loans . Any Lender may make, carry or transfer Eurodollar Rate Loans at, to, or for the account of any of its branch offices or the office of an Affiliate of such Lender.

(e) Assumptions Concerning Funding of Eurodollar Rate Loans . Calculation of all amounts payable to a Lender under this Section 2.18 and under Section 2.19 shall be made as though such Lender had actually funded each of its relevant Eurodollar Rate Loans through the purchase of a Eurodollar deposit bearing interest at the rate obtained pursuant to clause (i) of the definition of "Adjusted Eurodollar Rate" in an amount equal to the amount of such Eurodollar Rate Loan and having a maturity comparable to the relevant Interest Period and through the transfer of such Eurodollar deposit from an offshore office of such Lender to a domestic office of such Lender in the United States of America; provided , however , each Lender may fund each of its Eurodollar Rate Loans in any manner it sees fit and the foregoing assumptions shall be utilized only for the purposes of calculating amounts payable under this Section 2.18 and under Section 2.19.

2.19. Increased Costs; Capital Adequacy .

(a) Compensation For Increased Costs and Taxes . Subject to the provisions of Section 2.20 (which shall be controlling with respect to the matters covered thereby), in the event that any Lender (which term shall include Issuing Bank for purposes of this Section

2.19(a)) shall determine (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto) that (A) any law, treaty or governmental rule, regulation or order, or any change therein or in the interpretation, administration or application thereof (regardless of whether the underlying law, treaty or governmental rule, regulation or order was issued or enacted prior to the date hereof), including the introduction of any new law, treaty or governmental rule, regulation or order but excluding solely proposals thereof, or any determination of a court or Governmental Authority, in each case that becomes effective after the date hereof, or (B) any guideline, request or directive by any central bank or other governmental or quasi-governmental authority (whether or not having the force of law) or any implementation rules or interpretations of previously issued guidelines, requests or directives, in each case that is issued or made after the date hereof (clauses (A) and (B), collectively, a " **Change in Law** "): (i) subjects such Lender (or its applicable lending office) to any additional Tax (other than any Indemnified Taxes or Excluded Taxes) with respect to this Agreement or any of the other Credit Documents or any of its obligations hereunder or thereunder or any payments to such Lender (or its applicable lending office) of principal, interest, fees or any other amount payable hereunder; (ii) imposes, modifies or holds applicable any reserve (including any marginal, emergency, supplemental, special or other reserve), special deposit, liquidity, compulsory loan, FDIC insurance or similar requirement against assets held by, or deposits or other liabilities in or for the account of, or advances or loans by, or other credit extended by, or any other acquisition of funds by, any office of such Lender (other than any such reserve or other requirements with respect to Eurodollar Rate Loans that are reflected in the definition of "Adjusted Eurodollar Rate"); or (iii) imposes any other condition (other than with respect to a Tax matter) on or affecting such Lender (or its applicable lending office) or such Lender's obligations hereunder or the London interbank market; and the result of any of the foregoing is to increase the cost to such Lender of agreeing to make, making or maintaining Loans hereunder or to reduce any amount received or receivable by such Lender (or its applicable lending office) with respect thereto; then, in any such case, Borrower shall promptly pay to such Lender, upon receipt of the statement referred to in the next sentence, such additional amount or amounts (in the form of an increased rate of, or a different method of calculating, interest or in a lump sum or otherwise as such Lender in its sole discretion shall determine) as may be necessary to compensate such Lender for any such increased cost or reduction in amounts received or receivable hereunder. Such Lender shall deliver to Borrower (with a copy to the applicable Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to such Lender under this Section 2.19(a), which statement shall be conclusive and binding upon all parties hereto absent manifest error.

(b) Capital Adequacy Adjustment . In the event that any Lender (which term shall include Issuing Bank for purposes of this Section 2.19(b)) shall have determined (which determination shall, absent manifest error, be final and conclusive and binding upon all parties hereto) that (A) the adoption, effectiveness, phase-in or applicability of any law, rule or regulation (or any provision thereof) regarding capital adequacy, or any change therein or in the interpretation or administration thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation or administration thereof, or (B) compliance by any Lender (or its applicable lending office) or any company controlling such Lender with any guideline, request or directive regarding capital adequacy or liquidity (whether or not having the force of law) of any such Governmental Authority, central bank or comparable agency, in each case after the date hereof, has or would have the effect of reducing the rate of return on the

capital of such Lender or any company controlling such Lender as a consequence of, or with reference to, such Lender's Loans or Revolving Commitments, Letters of Credit or Bank Guarantees, or participations therein or other obligations hereunder with respect to the Loans, the Letters of Credit or the Bank Guarantees to a level below that which such Lender or such controlling company could have achieved but for such adoption, effectiveness, phase-in, applicability, change or compliance (taking into consideration the policies of such Lender or such controlling company with regard to capital adequacy), then from time to time, within five Business Days after receipt by Borrower from such Lender of the statement referred to in the next sentence, Borrower shall pay to such Lender such additional amount or amounts as will compensate such Lender or such controlling company on an after-tax basis for such reduction. Such Lender shall deliver to Borrower (with a copy to the applicable Administrative Agent) a written statement, setting forth in reasonable detail the basis for calculating the additional amounts owed to Lender under this Section 2.19(b), which statement shall be conclusive and binding upon all parties hereto absent manifest error. For the avoidance of doubt, subsections (a) and (b) of this Section 2.19 shall apply to all requests, rules, guidelines or directives concerning liquidity and capital adequacy issued by any United States regulatory authority (i) under or in connection with the implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act and (ii) in connection with the implementation of the recommendations of the Bank for International Settlements or the Basel Committee on Banking Regulations and Supervisory Practices (or any successor or similar authority), regardless of the date adopted, issued, promulgated or implemented.

2.20. Taxes; Withholding, Etc .

(a) Payments to Be Free and Clear . All sums payable by or on behalf of any Credit Party hereunder and under the other Credit Documents shall (except to the extent required by law) be paid free and clear of, and without any deduction or withholding on account of, any Tax imposed, levied, collected, withheld or assessed by any Governmental Authority.

(b) Withholding of Taxes . If any Withholding Agent is (in such Withholding Agent's reasonable good faith discretion) required by law to make any deduction or withholding on account of any Tax from any sum paid or payable by any Credit Party to either Administrative Agent or any Lender (which term shall include Issuing Bank for purposes of this Section 2.20(b)) under any of the Credit Documents: (i) the applicable Withholding Agent shall timely pay, or cause to be paid, any such Tax to the relevant Governmental Authority in accordance with applicable law; (ii) if such Tax is an Indemnified Tax, unless otherwise provided on this Section 2.20, the sum payable by such Credit Party in respect of which the relevant deduction, withholding or payment of such Indemnified Tax is required shall be increased to the extent necessary to ensure that, after the making of that deduction, withholding or payment of such Indemnified Tax, such Administrative Agent or such Lender, as the case may be, receives on the due date a net sum equal to what it would have received had no such deduction, withholding or payment of such Indemnified Tax been required or made; and (iii) within thirty (30) days after the due date of payment of any Tax which is required by clause (i) above to be paid, the relevant Withholding Agent shall deliver to the applicable Administrative Agent evidence satisfactory to the other affected parties of such deduction, withholding or payment and of the remittance thereof to the relevant taxing or other authority.

(c) Other Taxes. Without limiting the provisions of Section 2.20(b), Borrower shall timely pay all Other Taxes to the relevant Governmental Authorities in accordance with applicable law. Borrower shall deliver to Administrative Agents official receipts or other evidence of such payment reasonably satisfactory to Administrative Agents in respect of any Other Taxes payable hereunder promptly after payment of such Other Taxes.

(d) Borrower shall indemnify each Administrative Agent and any Lender for the full amount of Indemnified Taxes for which additional amounts are required to be paid pursuant to Section 2.20(b) arising in connection with payments made under this Agreement or any other Credit Document and Other Taxes (including any such Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 2.20) paid by either Administrative Agent or Lender or any of their respective Affiliates and any 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. Such Administrative Agent or Lender, as the case may be, shall, at Borrower's request, provide the Borrower with a written statement thereof setting forth the basis and calculation of such amounts (including any proposed indemnifiable expenses), which written statement shall be conclusive absent manifest error with respect to any Indemnified Taxes and Other Taxes and shall make commercially reasonable efforts to provide other documentation or cooperation reasonably necessary for such Borrower to contest in good faith the imposition of such Indemnified Taxes or Other Taxes. Such payment shall be due within thirty (30) days of such Credit Party's receipt of such certificate. Notwithstanding anything to the contrary, Borrower shall not be required to indemnify the applicable Administrative Agent or Lender for any penalties or interest resulting from willful misconduct or gross negligence of such applicable Administrative Agent or Lender.

(e) Status of Recipients.

(i) Any Recipient that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Credit Document shall deliver to the applicable Credit Party and the applicable Administrative Agent, at the time or times reasonably requested by the applicable Credit Party or the applicable Administrative Agent, such properly completed and executed documentation reasonably requested by the applicable Credit Party or the applicable Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Recipient, if reasonably requested by the applicable Credit Party or the applicable Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the applicable Credit Party or the Administrative Agent as will enable the applicable Credit Party or the applicable Administrative Agent to determine whether or not such Recipient is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 2.20(e)(ii)) shall not be required if in the Recipient 's reasonable judgment such completion, execution or submission would subject such Recipient to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Recipient.

(ii) Without limiting the generality of the foregoing (A) each Recipient that is not a U.S. Person (a " **Non-U.S. Recipient** ") shall, to the extent such Recipient is legally able to do so, deliver to the applicable Administrative Agent for transmission to Borrower, on or prior to the Closing Date (in the case of each Recipient listed on the signature pages hereof on the Closing Date) or on or prior to the date of the Assignment Agreement pursuant to which it becomes a Recipient (in the case of each other Recipient), and at such other times as may be necessary in the determination of Borrower or such Administrative Agent (each in the reasonable exercise of its discretion), (i) two original copies of Internal Revenue Service Form W-8BEN, W-8ECI, W-8EXP and/or W-8IMY (or, in each case, any successor forms), properly completed and duly executed by such Recipient, and such other documentation required under the Internal Revenue Code and reasonably requested by Borrower to establish that such Recipient is not subject to (or is subject to a reduced rate of) deduction or withholding of United States federal income tax (including backup withholding) with respect to any payments to such Recipient of principal, interest, fees or other amounts payable under any of the Credit Documents, or (ii) in the case of a Non-U.S. Recipient that is a Lender receiving payments of interest, if such Lender is not a "bank" or other Person described in Section 881(c)(3) of the Internal Revenue Code, a Certificate re Non-Bank Status together with two original copies of Internal Revenue Service Form W-8BEN (or any successor form), properly completed and duly executed by such Lender, and such other documentation required under the Internal Revenue Code and reasonably requested by Borrower to establish that such Lender is not subject to (or is subject to a reduced rate of) deduction or withholding of United States federal income tax with respect to any payments to such Lender of interest payable under any of the Credit Documents, and (B) each Recipient that is a U.S. Person (a " **U.S. Recipient** ") and is not an exempt recipient within the meaning of Treasury Regulation Section 1.6049-4(c) shall deliver to the applicable Administrative Agent and Borrower on or prior to the Closing Date (or, if later, on or prior to the date on which such Recipient becomes a party to this Agreement) two original copies of Internal Revenue Service Form W-9 (or any successor form), properly completed and duly executed by such Recipient, certifying that such U.S. Recipient is entitled to an exemption from United States backup withholding tax, or otherwise prove that it is entitled to such an exemption. Each Recipient required to deliver any forms, certificates or other evidence with respect to United States federal income tax withholding matters pursuant to this Section 2.20(e) hereby agrees, from time to time after the initial delivery by such Recipient of such forms, certificates or other evidence, whenever a lapse in time or change in circumstances renders such forms, certificates or other evidence obsolete or inaccurate in any material respect, that such Recipient shall promptly deliver to the applicable Administrative Agent for transmission to Borrower two new original copies of Internal Revenue Service Form W-8BEN, W-8ECI, W-8EXP, W-8IMY and/or W-9 (or, in each case, any successor form), or a Certificate re Non-Bank Status and two original copies of Internal Revenue Service Form W-8BEN (or any successor form), as the case may be, properly completed and duly executed by such Recipient, and such other documentation required under the Internal Revenue Code and reasonably requested by Borrower to confirm or establish that such Recipient is not subject to deduction or withholding of United States federal income tax with respect to payments to such Recipient under the Credit Documents, or notify such Administrative

Agent and Borrower of its inability to deliver any such forms, certificates or other evidence.

(iii) Without limiting the generality of the foregoing, in relation to a Guarantor resident for tax purposes in Spain (for purposes of this clause 2.20(e)(iii), a " **Spanish Guarantor** "), before the first day upon which such Spanish Guarantor is to make a payment (or thereafter as required by the applicable tax laws and regulations of Spain), any Recipient that is not resident for tax purposes in Spain shall deliver to such Spanish Guarantor, at such Spanish Guarantor's timely request and through Term Administrative Agent (i) a tax residence certificate duly issued by the tax authorities of such Recipient's jurisdiction of tax residence accrediting that such Recipient is resident for tax purposes therein or (ii) if such Recipient is resident in a jurisdiction that has entered into a double tax treaty with Spain, a tax residence certificate duly issued by the tax authorities of its jurisdiction of residence accrediting that such Lender is a resident for tax purposes therein for the purposes of the applicable double tax treaty. The tax residence certificates referred to in (i) and (ii) above in this clause 2.20(e)(iii) must have an issue date not earlier than one year preceding the date on which a Spanish Guarantor should make a payment. If additional payments are required to be made by a Spanish Guarantor, at a time where tax residence certificates previously supplied by a Recipient pursuant to (i) and (ii) above of this clause 2.20(e)(iii), are deemed to have expired from a Spanish tax perspective, such Spanish Guarantor may request from such Recipients the supply of renewed tax residence certificates with the same content as stated above.

(f) If a payment made to a Recipient under any Credit Document would be subject to Tax imposed by FATCA if such Recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Internal Revenue Code, as applicable), such Recipient shall deliver to Borrower and the applicable Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by Borrower or the applicable Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Internal Revenue Code) and such additional documentation reasonably requested by Borrower or the applicable Administrative Agent as may be necessary for Borrower and the applicable Administrative Agent to comply with their obligations under FATCA and to determine that such Recipient has complied with such Recipient's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (f), "FATCA" shall include any amendments made to FATCA after the Closing Date.

(g) Refunds . If any party determines, in its sole discretion exercised in good faith, that it has received a refund of any Taxes as to which it has been indemnified pursuant to this Section 2.20 (including additional amounts pursuant to this Section 2.20), it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section 2.20 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) of such indemnified party and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund). Such indemnifying party, upon the request of such indemnified party, shall repay to such indemnified party the amount paid over pursuant to this clause (g) (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) in the event

that such indemnified party is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this clause (g), in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this clause (g) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This clause (g) shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(h) Each party's obligations under this Section 2.20 shall survive the resignation or replacement of the Administrative Agents or any assignment of rights, by or the replacement of, a Lender, the termination of the Commitments and the repayment, satisfaction or discharge of all obligations under any Credit Document.

2.21. Obligation to Mitigate . Each Lender (which term shall include Issuing Bank for purposes of this Section 2.21) agrees that, as promptly as practicable after the officer of such Lender responsible for administering its Loans, Letters of Credit or Bank Guarantees, as the case may be, becomes aware of the occurrence of an event or the existence of a condition that would cause such Lender to become an Affected Lender or that would entitle such Lender to receive payments under Section 2.18, 2.19 or 2.20, it will, to the extent not inconsistent with the internal policies of such Lender and any applicable legal or regulatory restrictions, use reasonable efforts to (a) make, issue, fund or maintain its Credit Extensions, including any Affected Loans, through another office of such Lender, or (b) take such other measures as such Lender may deem reasonable, if as a result thereof the circumstances which would cause such Lender to be an Affected Lender would cease to exist or the additional amounts which would otherwise be required to be paid to such Lender pursuant to Section 2.18, 2.19 or 2.20 would be materially reduced and if, as determined by such Lender in its sole discretion, the making, issuing, funding or maintaining of such Revolving Commitments, Loans, Letters of Credit or Bank Guarantees through such other office or in accordance with such other measures, as the case may be, would not otherwise adversely affect such Revolving Commitments, Loans, Letters of Credit or Bank Guarantees or the interests of such Lender; provided such Lender will not be obligated to utilize such other office pursuant to this Section 2.21 unless Borrower agrees to pay all incremental expenses incurred by such Lender as a result of utilizing such other office as described above. A certificate as to the amount of any such expenses payable by Borrower pursuant to this Section 2.21 (setting forth in reasonable detail the basis for requesting such amount) submitted by such Lender to Borrower (with a copy to the applicable Administrative Agent) shall be conclusive absent manifest error.

2.22. Defaulting Lenders .

(a) Defaulting Lender Adjustments . Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as such Lender is no longer a Defaulting Lender, to the extent permitted by applicable law:

(i) Defaulting Lender Waterfall . Any payment of principal, interest, fees or other amounts received by either Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Section 8 or

otherwise) or received by either Administrative Agent from a Defaulting Lender pursuant to Section 10.4 shall be applied at such time or times as may be determined by the applicable Administrative Agent as follows: *first* , to the payment of any amounts owing by such Defaulting Lender to such Administrative Agent hereunder; *second* , to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to Issuing Bank; *third* , to Cash Collateralize Issuing Bank's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.22(d); *fourth* , as Borrower may request (so long as no Default or Event of Default shall have occurred and be continuing), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by such Administrative Agent; *fifth* , if so determined by such Administrative Agent and Borrower, to be held in a Deposit Account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize Issuing Bank's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit and Bank Guarantees issued under this Agreement, in accordance with Section 2.22(d); *sixth* , to the payment of any amounts owing to the Lenders or Issuing Bank as a result of any judgment of a court of competent jurisdiction obtained by any Lender or Issuing Bank against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; *seventh* , so long as no Default or Event of Default shall have occurred and be continuing, to the payment of any amounts owing to Borrower as a result of any judgment of a court of competent jurisdiction obtained by Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and *eighth* , to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or reimbursement obligations with respect to Letters of Credit or Bank Guarantees in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit or Bank Guarantees were issued at a time when the conditions set forth in Section 3.2 were satisfied and waived, such payment shall be applied solely to pay the Loans of, and reimbursement obligations with respect to Letters of Credit and Bank Guarantees owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or reimbursement obligations with respect to Letters of Credit and Bank Guarantees owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in Letters of Credit and Bank Guarantees are held by the Lenders pro rata in accordance with the applicable Commitments without giving effect to Section 2.22(a)(iii). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.22(a)(i) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(ii) Certain Fees .

(A) No Defaulting Lender shall be entitled to receive any fee pursuant to Section 2.11(a) for any period during which that Lender is a Defaulting Lender (and Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that

Defaulting Lender); provided such Defaulting Lender shall be entitled to receive fees pursuant to Section 2.11(a)(ii) for any period during which that Lender is a Defaulting Lender only to the extent allocable to its Pro Rata Share of the stated amount of Letters of Credit and Bank Guarantees for which it has provided Cash Collateral pursuant to Section 2.22(d).

(B) With respect to any fees not required to be paid to any Defaulting Lender pursuant to clause (A) above, Borrower shall (x) pay to each Non-Defaulting Lender that portion of any such fee otherwise payable to such Defaulting Lender with respect to such Defaulting Lender's participation in Letters of Credit and Bank Guarantees that has been reallocated to such Non-Defaulting Lender pursuant to clause (iii) below, (y) pay to Issuing Bank the amount of any such fee otherwise payable to such Defaulting Lender to the extent allocable to Issuing Bank's Fronting Exposure to such Defaulting Lender, and (z) not be required to pay the remaining amount of any such fee.

(iii) Reallocation of Participations to Reduce Fronting Exposure . All or any part of such Defaulting Lender's participation in Letters of Credit and Bank Guarantees shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Pro Rata Shares (calculated without regard to such Defaulting Lender's Commitment) but only to the extent that (x) the conditions set forth in Section 3.2 are satisfied at the time of such reallocation, and (y) such reallocation does not cause the aggregate Revolving Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(iv) Cash Collateral . If the reallocation described in clause (iii) above cannot, or can only partially, be effected, Borrower shall, without prejudice to any right or remedy available to it hereunder or under law, Cash Collateralize Issuing Bank's Fronting Exposure in accordance with the procedures set forth in Section 2.22(d).

(b) Defaulting Lender Cure . If Borrower, the applicable Administrative Agent and Issuing Bank agree in writing that a Lender is no longer a Defaulting Lender, such Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase at par that portion of outstanding Loans of the other Lenders or take such other actions as such Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit and Bank Guarantees to be held pro rata by the Lenders in accordance with the applicable Commitments (without giving effect to Section 2.22(a)(iii)), whereupon such Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of Borrower while that Lender was a Defaulting Lender; and provided further , that except

to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender having been a Defaulting Lender.

(c) New Letters of Credit and Bank Guarantees. So long as any Lender is a Defaulting Lender, no Issuing Bank shall be required to issue, extend, renew or increase any Letter of Credit or Bank Guarantee unless it is satisfied that it will have no Fronting Exposure after giving effect thereto.

(d) Cash Collateral. At any time that there shall exist a Defaulting Lender, within one Business Day following the written request of Revolving Facility Administrative Agent or Issuing Bank (with a copy to Revolving Facility Administrative Agent) Borrower shall Cash Collateralize Issuing Bank's Fronting Exposure with respect to such Defaulting Lender (determined after giving effect to Section 2.22(a)(iii) and any Cash Collateral provided by such Defaulting Lender) in an amount not less than the Minimum Collateral Amount.

(i) Grant of Security Interest. Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grant to Revolving Facility Administrative Agent, for the benefit of Issuing Bank, a first priority security interest in all such Cash Collateral as security for the Defaulting Lenders' obligation to fund participations in respect of Letters of Credit and Bank Guarantees, to be applied pursuant to clause (ii) below. If at any time Revolving Facility Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than Revolving Facility Administrative Agent and Issuing Bank as herein provided or that the total amount of such Cash Collateral is less than the Minimum Collateral Amount, Borrower will, promptly upon demand by Revolving Facility Administrative Agent, pay or provide to Revolving Facility Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency (after giving effect to any Cash Collateral provided by the Defaulting Lender).

(ii) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under this Section 2.22 in respect of Letters of Credit and Bank Guarantees shall be applied to the satisfaction of the Defaulting Lender's obligation to fund participations in respect of Letters of Credit and Bank Guarantees (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) for which the Cash Collateral was so provided prior to any other application of such property as may otherwise be provided for herein.

(iii) Termination of Requirement. Cash Collateral (or the appropriate portion thereof) provided to reduce Issuing Bank's Fronting Exposure shall no longer be required to be held as Cash Collateral pursuant to this Section 2.22 following (A) the elimination of the applicable Fronting Exposure (including by the termination of Defaulting Lender status of the applicable Lender) or (B) the determination by Revolving Facility Administrative Agent and Issuing Bank that there exists excess Cash Collateral; provided that, subject to the other provisions of this Section 2.22, the Person providing Cash Collateral and Issuing Bank may agree that Cash Collateral shall be held to support future anticipated Fronting Exposure or other obligations; provided further that to the

extent that such Cash Collateral was provided by Borrower, such Cash Collateral shall remain subject to the security interest granted pursuant to the Credit Documents.

2.23. Removal or Replacement of a Lender . Anything contained herein to the contrary notwithstanding, in the event that: (a)(i) any Lender (an " **Increased-Cost Lender** ") shall give notice to Borrower that such Lender is an Affected Lender or that such Lender is entitled to receive payments under Section 2.18, 2.19 or 2.20, (ii) the circumstances which have caused such Lender to be an Affected Lender or which entitle such Lender to receive such payments shall remain in effect, and (iii) such Lender shall fail to withdraw such notice within five Business Days after Borrower's request for such withdrawal; (b)(i) any Lender shall become and continues to be a Defaulting Lender, and (ii) such Defaulting Lender shall fail to cure the default pursuant to Section 2.22(b) within five Business Days after Borrower's request that it cure such default; or (c) in connection with any proposed amendment, modification, termination, waiver or consent with respect to any of the provisions hereof as contemplated by Section 10.5(b), the consent of Requisite Lenders shall have been obtained but the consent of one or more of such other Lenders (each, a " **Non-Consenting Lender** ") whose consent is required shall not have been obtained; then, with respect to each such Increased-Cost Lender, Defaulting Lender or Non-Consenting Lender (the " **Terminated Lender** "), Borrower may, by giving written notice to the applicable Administrative Agent and any Terminated Lender of its election to do so, elect to cause such Terminated Lender (and such Terminated Lender hereby irrevocably agrees) to assign its outstanding Loans and its Revolving Commitments, if any, in full to one or more Eligible Assignees (each, a " **Replacement Lender** ") in accordance with the provisions of Section 10.6 and Borrower shall pay the fees, if any, payable thereunder in connection with any such assignment from an Increased-Cost Lender, a Non-Consenting Lender or a Defaulting Lender; provided (1) on the date of such assignment, the Replacement Lender shall pay to Terminated Lender an amount equal to the sum of (A) an amount equal to the principal of, and all accrued but unpaid interest on, all outstanding Loans of the Terminated Lender, (B) an amount equal to all unreimbursed drawings that have been funded by such Terminated Lender, together with all then unpaid interest with respect thereto at such time and (C) an amount equal to all accrued, but theretofore unpaid fees owing to such Terminated Lender pursuant to Section 2.11; (2) on the date of such assignment, Borrower shall pay any amounts payable to such Terminated Lender pursuant to Section 2.18(c), 2.19 or 2.20 (and in the case of a Non-Consenting Lender in connection with a Repricing Transaction, Section 2.13(c)) or otherwise as if it were a prepayment; and (3) in the event such Terminated Lender is a Non-Consenting Lender, each Replacement Lender shall consent, at the time of such assignment, to each matter in respect of which such Terminated Lender was a Non-Consenting Lender; provided Borrower may not make such election with respect to any Terminated Lender that is also an Issuing Bank unless, prior to the effectiveness of such election, Borrower shall have caused each outstanding Letter of Credit and Bank Guarantee issued thereby to be cancelled. Upon the prepayment of all amounts owing to any Terminated Lender and the termination of such Terminated Lender's Revolving Commitments, if any, such Terminated Lender shall no longer constitute a "Lender" for purposes hereof; provided any rights of such Terminated Lender to indemnification hereunder shall survive as to such Terminated Lender. Each Lender agrees that if Borrower exercises its option hereunder to cause an assignment by such Lender as a Non-Consenting Lender or Terminated Lender, such Lender shall, promptly after receipt of written notice of such election, execute and deliver all documentation necessary to effectuate such assignment in accordance with Section 10.6. In the event that a Lender does not comply with the requirements

of the immediately preceding sentence within one Business Day after receipt of such notice, each Lender hereby authorizes and directs the applicable Administrative Agent to execute and deliver such documentation as may be required to give effect to an assignment in accordance with Section 10.6 on behalf of a Non-Consenting Lender or Terminated Lender and any such documentation so executed by such Administrative Agent shall be effective for purposes of documenting an assignment pursuant to Section 10.6. Any removal of HBAP or any of its successors as a Defaulting Lender pursuant to this Section 2.23 shall also constitute the removal of HBAP or its successors as Revolving Facility Administrative Agent pursuant to Section 9.7.

2.24. Incremental Facilities . Borrower may (a) by written notice from Borrower to Revolving Facility Administrative Agent **,** elect to request prior to the Revolving Commitment Termination Date, an increase to the existing Revolving Commitments (any such increase, the " **New Revolving Loan Commitments** ") and/or (b) by written notice from Borrower to the Term Administrative Agent elect to request prior to the Maturity Date, the establishment of one or more new term loan commitments (the " **New Term Loan Commitments** "), in an aggregate principal amount of (i) the New Term Loan Commitments and the New Revolving Loan Commitments, (ii) the aggregate principal amount of Debt Incurred pursuant to Sections 6.1(b)(xxiii) and (xxiv) not in excess of (A) the aggregate principal amount of (x) New Term Loan Commitments incurred pursuant to the First Joinder Agreement and (y) New Term Loan Commitments and the New Revolving Loan Commitments incurred on the Amendment and Restatement Date pursuant to the Amendment Agreement, plus (B) $100,000,000 in the aggregate pursuant to this clause (B) prior to date of determination plus (C) at Borrower's option, an unlimited amount of New Term Loan Commitments and/or the New Revolving Loan Commitments so long as the First Lien Net Leverage Ratio is no more than 4.50:1.00 as of the last day of the Fiscal Quarter most recently ended for which a Compliance Certificate required under Section 5.1(c) has been delivered, after giving effect to any such incurrence on a Pro Forma Basis (and excluding the proceeds of any New Revolving Loans and/or New Term Loans from Unrestricted Cash in clause (b) of the definition of Consolidated Total Debt in calculating the First Lien Net Leverage Ratio for purposes of this Section 2.24 and, in the case of unsecured or junior lien Debt Incurred pursuant to Section 6.1(b)(xxiii), calculated assuming such debt is Consolidated First Lien Secured Debt), and, in each case, with respect to any New Revolving Loan Commitment, assuming a borrowing of the maximum amount of Loans available thereunder (such aggregate amount, the " **Incremental Amount** "). Each New Term Loan Commitment or New Revolving Loan Commitment shall be in a principal amount that is not less than $5,000,000 (or such lesser amount which shall be approved by the applicable Administrative Agent or such lesser amount that shall constitute the difference between $5,000,000 and all such New Revolving Loan Commitments and New Term Loan Commitments obtained prior to such date), and integral multiples of $1,000,000 in excess of that amount. Each such notice shall specify the date (each, an " **Increased Amount Date** ") on which Borrower proposes that the New Revolving Loan Commitments or New Term Loan Commitments, as applicable, shall be effective, which shall be a date not less than 10 Business Days after the date on which such notice is delivered to the Term Administrative Agent or such shorter period of time as consented to by the Term Administrative Agent. Borrower may invite any Lender or other Person that is an Eligible Assignee (each, a " **New Revolving Loan Lender** " or " **New Term Loan Lender** " **,** as applicable) to provide a New Revolving Loan Commitment or New Term Loan Commitment, as applicable; provided that any Lender approached to provide all or a portion of the New Revolving Loan Commitments or New Term Loan Commitments may elect

or decline, in its sole discretion, to provide a New Revolving Loan Commitment or a New Term Loan Commitment. Such New Revolving Loan Commitments or New Term Loan Commitments shall become effective as of such Increased Amount Date; provided that (1) no Default or Event of Default shall exist on such Increased Amount Date before or after giving effect to such New Revolving Loan Commitments or New Term Loan Commitments, as applicable; provided that in the case of New Revolving Loan Commitments or New Term Loan Commitments the purpose of which is to finance a Permitted Acquisition or other similar Investment, no Event of Default pursuant to clauses (a), (f) or (g) of Section 8.1 shall exist on such Increased Amount Date before or after giving effect to such New Revolving Loan Commitments or New Term Loan Commitments, as applicable; (2) both before and after giving effect to the making of any Series of New Term Loans, each of the conditions set forth in Section 3.2(a)(iii) shall be satisfied; provided that in the case of New Revolving Loan Commitments or New Term Loan Commitments the purpose of which is to finance a Permitted Acquisition or other similar Investment, the representations and warranties required under this clause (2) shall be limited only to representations set forth in Sections 4.1, 4.2, 4.3, 4.4, 4.6, 4.7, 4.28, 4.29 and 4.30) if so agreed to by the New Revolving Loan Lenders or New Term Loan Lenders, as applicable, providing such New Revolving Loan Commitments or New Term Loans Commitments, as applicable; (3) the New Revolving Loan Commitments or New Term Loan Commitments, as applicable, shall be effected pursuant to one or more Joinder Agreements executed and delivered by Borrower, the New Revolving Loan Lender or New Term Loan Lender, as applicable, and applicable Administrative Agent, and each of which shall be recorded in the Register and each New Revolving Loan Lender and New Term Loan Lender shall be subject to the requirements set forth in Section 2.20(e); (4) Borrower shall make any payments required pursuant to Section 2.18(c) in connection with the New Revolving Loan Commitments or New Term Loan Commitments, as applicable; and (5) Borrower shall deliver or cause to be delivered any legal opinions or other documents reasonably requested by the applicable Administrative Agent in connection with any such transaction. Any New Term Loans made on an Increased Amount Date shall be designated a separate series (a " **Series** ") of New Term Loans for all purposes of this Agreement. The proceeds of the New Revolving Loan Commitments and New Term Loan Commitments may be applied by Borrower for working capital and general corporate purposes of Parent and its Subsidiaries and any other use not prohibited by this Agreement including, without limitation, the financing of any Permitted Acquisition or similar Investment; provided that the New Revolving Loan Commitments and New Term Loan Commitments shall be not used to prepay any Subordinated Debt.

Each of the parties hereto hereby agrees that, unless any New Term Loans constitutes a separate Class of Loans hereunder, Term Administrative Agent may take any and all action as may be reasonably necessary to ensure that all such New Term Loans, when originally made, are Term Loans for all purposes under the Credit Documents and are included in each borrowing of outstanding Term Loans on a pro rata basis. This may be accomplished at the discretion of Term Administrative Agent by allocating a portion of each such New Term Loans to each outstanding Eurodollar Rate Loan of the same Class on a pro rata basis, even though as a result thereof such New Term Loans may effectively have a shorter Interest Period than the Term Loans included in the borrowing of which they are a part (and notwithstanding any other provision of this Agreement that would prohibit such an initial Interest Period). If any such New Term Loan is to be allocated to an existing Interest Period for a Eurodollar Rate Loan, then the interest rate

thereon for such Interest Period and the other economic consequences thereof shall be as set forth in the applicable Joinder Agreement.

On any Increased Amount Date on which New Revolving Loan Commitments are effected, subject to the satisfaction of the foregoing terms and conditions, (a) each of the Revolving Lenders shall assign to each of the New Revolving Loan Lenders, and each of the New Revolving Loan Lenders shall purchase from each of the Revolving Lenders, at the principal amount thereof (together with accrued interest), such interests in the Revolving Loans outstanding on such Increased Amount Date as shall be necessary in order that, after giving effect to all such assignments and purchases, such Revolving Loans will be held by existing Revolving Lenders and New Revolving Loan Lenders ratably in accordance with their Revolving Commitments after giving effect to the addition of such New Revolving Loan Commitments to the Revolving Commitments, (b) each New Revolving Loan Commitment shall be deemed for all purposes a Revolving Commitment and each Loan made thereunder (a " **New Revolving Loan** ") shall be deemed, for all purposes, a Revolving Loan and (c) each New Revolving Loan Lender shall become a Lender with respect to the New Revolving Loan Commitment and all matters relating thereto.

On any Increased Amount Date on which any New Term Loan Commitments of any Series are effective, subject to the satisfaction of the foregoing terms and conditions, (i) each New Term Loan Lender of any Series shall make a Loan to Borrower (a " **New Term Loan** ") in an amount equal to its New Term Loan Commitment of such Series, and (ii) each New Term Loan Lender of any Series shall become a Lender hereunder with respect to the New Term Loan Commitment of such Series and the New Term Loans of such Series made pursuant thereto.

The applicable Administrative Agent shall notify Lenders promptly upon receipt of Borrower's notice of each Increased Amount Date and in respect thereof (y) the New Revolving Loan Commitments and the New Revolving Loan Lenders or the Series of New Term Loan Commitments and the New Term Loan Lenders of such Series, as applicable, and (z) in the case of each notice to any Revolving Lender, the respective interests in such Revolving Lender's Revolving Loans, in each case subject to the assignments contemplated by this Section 2.24.

The terms and provisions of the New Revolving Loans shall be identical to the Revolving Loans. The terms and provisions of the New Term Loans and New Term Loan Commitments of any Series shall be as set forth herein or in the applicable Joinder Agreement. In any event (i) the weighted average life to maturity of all New Term Loans of any Series shall be no shorter than the weighted average life to maturity of the Revolving Loans or the Initial Term Loans (whichever is longest), (ii) the applicable Maturity Date of each Series shall be no shorter than the latest of the final maturity of the Revolving Loans and the Term Loans, (iii) the Weighted Average Yield applicable to the New Term Loans of each Series shall be determined by Borrower and the applicable new Lenders and shall be set forth in each applicable Joinder Agreement; provided , however , the Weighted Average Yield applicable to the New Term Loans shall not be greater than the applicable Weighted Average Yield payable pursuant to the terms of this Agreement as amended through the date of such calculation with respect to the Initial Term Loans plus 0.50% *per annum* unless the interest rate with respect to the Initial Term Loan is increased so as to cause the then applicable Weighted Average Yield under this Agreement on the Initial Term Loans to equal the Weighted Average Yield then applicable to the New Term

Loans less 0.50% and (iv) all other terms of the New Term Loans and New Term Loan Commitments, if not consistent with the terms of the Initial Term Loans, as applicable must be reasonably acceptable to the Term Administrative Agent. Each Joinder Agreement may, without the consent of any other Lenders, effect such amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the applicable Administrative Agent to effect the provision of this Section 2.24.

2.25. Extensions of Loans .

(a) Borrower may from time to time, pursuant to the provisions of this Section 2.25, agree with one or more Lenders holding Loans and Commitments of any Class to extend the maturity date and to provide for other terms consistent with this Section 2.25 (each such modification, an " **Extension** ") pursuant to one or more written offers (each, an " **Extension Offer** ") made from time to time by Borrower to all Lenders under any Class that is proposed to be extended under this Section 2.25, in each case on a pro rata basis (based on the relative principal amounts of the outstanding Loans of each Lender in such Class) and on the same terms to each such Lender. In connection with each Extension, Borrower will provide notification to the applicable Administrative Agent (for distribution to the Lenders of the applicable Class), no later than 30 days prior to the maturity of the applicable Class or Classes to be extended, which notification will set forth (x) the requested new maturity date for the extended Loans of each such Class (each, an " **Extended Maturity Date** ") and (y) the due date for Lender responses. In connection with any Extension, each Lender of the applicable Class wishing to participate in such Extension shall, prior to such due date, provide the applicable Administrative Agent with a written notice thereof in a form reasonably satisfactory to such Administrative Agent. Any Lender that does not respond to an Extension Offer by the applicable due date shall be deemed to have rejected such Extension. In connection with any Extension, Borrower shall agree to such procedures, if any, as may be reasonably established by, or acceptable to, the applicable Administrative Agent to accomplish the purposes of this Section 2.25.

(b) After giving effect to any Extension, the Term Loans or Revolving Commitments so extended shall cease to be a part of the Class that they were a part of immediately prior to the Extension and shall be a new Class hereunder; provided that at no time shall there be more than three (3) different Classes of Term Loans and three (3) different classes of Revolving Commitments; provided further , that, in the case of any Extension Amendment relating to Revolving Commitments or Revolving Loans, (i) all borrowings and all prepayments of Revolving Loans shall continue to be made on a ratable basis among all Revolving Lenders, based on the relative amounts of their Revolving Commitments, until the repayment of the Revolving Loans attributable to the non-extended Revolving Commitments on the relevant Maturity Date, (ii) the allocation of the participation exposure with respect to any then-existing or subsequently issued or made Letter of Credit or Bank Guarantee as between the Revolving Commitments of such new "Class" and the remaining Revolving Commitments shall be made on a ratable basis in accordance with the relative amounts thereof until the Maturity Date relating to such non-extended Revolving Commitments has occurred, (iii) no termination of Extended Revolving Commitments and no repayment of Revolving Loans thereunder accompanied by a corresponding permanent reduction in Extended Revolving Commitments shall be permitted unless such termination or repayment (and corresponding reduction) is accompanied by at least a pro rata termination or permanent repayment (and corresponding pro rata permanent reduction),

as applicable, of the existing Revolving Loans and Existing Revolving Commitments (or all Existing Revolving Commitments of such Class and related existing Revolving Loans shall have otherwise been terminated and repaid in full) and (iv) with respect to Letters of Credit and Bank Guarantees, the Maturity Date with respect to the Revolving Commitments may not be extended without the prior written consent of the Issuing Bank. If the Total Utilization of Revolving Commitments exceeds the Revolving Commitment as a result of the occurrence of the Maturity Date with respect to any Class of Revolving Commitments while an extended Class of Revolving Commitments remains outstanding, Borrower shall make such payments as are necessary in order to eliminate such excess on such Maturity Date.

(c) The consummation and effectiveness of each Extension shall be subject to the following:

(i) no Default or Event of Default shall have occurred and be continuing at the time any Extension Offer is delivered to the Lenders or at the time of such Extension;

(ii) the Term Loans or Revolving Commitments, as applicable, of any Lender extended pursuant to any Extension (as applicable, " **Extended Term Loans** " or " **Extended Revolving Commitments** ") shall have the same terms as the Class of Term Loans or Revolving Commitments, as applicable, subject to the related Extension Amendment (as applicable, " **Existing Term Loans** " or " **Existing Revolving Commitments** "); except (A) the final maturity date of any Extended Term Loans or Extended Revolving Commitments of a Class to be extended pursuant to an Extension shall be later than the Latest Maturity Date at the time of such Extension, and the weighted average life to maturity of any Extended Term Loans or Extended Revolving Commitments of a Class to be extended pursuant to an Extension shall be no shorter than the weighted average life to maturity of the Class of Existing Term Loans or Existing Revolving Commitments, as applicable, subject to the Latest Maturity Date at the time of such Extension; (B) the all-in pricing (including, without limitation, margins, fees and premiums) with respect to the Extended Term Loans or Extended Revolving Commitments, as applicable, may be higher or lower than the all-in pricing (including, without limitation, margins, fees and premiums) for the Existing Term Loans or Existing Revolving Commitments, as applicable; (C) the revolving credit commitment fee rate with respect to the Extended Revolving Commitments may be higher or lower than the revolving credit commitment fee rate for Existing Revolving Commitments, in each case, to the extent provided in the applicable Extension Amendment; (D) no repayment of any Extended Term Loans or Extended Revolving Commitments, as applicable, shall be permitted unless such repayment is accompanied by an at least pro rata repayment of all earlier maturing Loans (including previously extended Loans) (or all earlier maturing Loans (including previously extended Loans) shall otherwise be or have been terminated and repaid in full); (E) the Extended Term Loans and/or Extended Revolving Commitments may contain a "most favored nation" provision for the benefit of Lenders holding Extended Term Loans or Extended Revolving Commitments, as applicable; and (F) the other terms and conditions applicable to Extended Term Loans and/or Extended Revolving Commitments may be terms different than those with respect to the Existing Term Loans or Existing Revolving Commitments, as applicable, so long as such terms

and conditions only apply after the Latest Maturity Date; provided further , each Extension Amendment may, without the consent of any Lender other than the applicable extending Lenders, effect such amendments to this Agreement and the other Credit Documents as may be necessary or appropriate, in the opinion of the applicable Administrative Agent and Borrower, to give effect to the provisions of this Section 2.25, including any amendments necessary to treat the applicable Loans and/or Commitments of the extending Lenders as a new "Class" of loans and/or commitments hereunder; provided , however , no Extension Amendment may provide for any Class of Extended Term Loans or Extended Revolving Commitments to be secured by any Collateral or other assets of any Credit Party that does not also secure the Existing Term Loans or Existing Revolving Commitments;

(iii) all documentation in respect of such Extension shall be consistent with the foregoing, and all written communications by Borrower generally directed to the applicable Lenders under the applicable Class in connection therewith shall be in form and substance consistent with the foregoing and otherwise reasonably satisfactory to the applicable Administrative Agent;

(iv) a minimum amount in respect of such Extension (to be determined in Borrower 's discretion and specified in the relevant Extension Offer) shall be satisfied; and

(v) no Extension shall become effective unless, on the proposed effective date of such Extension, the conditions set forth in Section 3.2 shall be satisfied (with all references in such Section to a Credit Date being deemed to be references to the Extension on the applicable date of such Extension), and applicable Administrative Agent shall have received a certificate to that effect dated the applicable date of such Extension and executed by an Authorized Officer of Borrower.

(d) For the avoidance of doubt, it is understood and agreed that the provisions of Section 2.17 and Section 10.5 will not apply to Extensions of Term Loans or Revolving Commitments, as applicable, pursuant to Extension Offers made pursuant to and in accordance with the provisions of this Section 2.25, including to any payment of interest or fees in respect of any Extended Term Loans or Extended Revolving Commitments, as applicable, that have been extended pursuant to an Extension at a rate or rates different from those paid or payable in respect of Loans of any other Class, in each case as is set forth in the relevant Extension Offer.

(e) No Lender who rejects any request for an Extension shall be deemed a Non-Consenting Lender for purposes of Section 2.23.

(f) The Lenders hereby irrevocably authorize the applicable Administrative Agent to enter into amendments (collectively, " **Extension Amendments** ") to this Agreement and the other Credit Documents as may be necessary in order to establish new Classes of Term Loans or Revolving Commitments, as applicable, created pursuant to an Extension, in each case on terms consistent with this Section 2.25. Without limiting the foregoing, in connection with any Extension, (i) the appropriate Credit Parties shall (at their expense) amend (and each Collateral Agent is hereby directed to amend) any applicable Credit Document that such

Collateral Agent reasonably requests to be amended to reflect an Extension and (ii) Borrower shall deliver board resolutions, secretary 's certificates, officer's certificates and other documents as shall reasonably be requested by the applicable Administrative Agent in connection therewith and if requested by the relevant Lenders, a legal opinion of counsel reasonably acceptable to such Administrative Agent as to the enforceability of such Extension Amendment, this Agreement as amended thereby, and such of the other Credit Documents (if any) as may be amended thereby.

(g) Promptly following the consummation and effectiveness of any Extension, Borrower will furnish to the applicable Administrative Agent (who shall promptly furnish to each Lender) written notice setting forth the Extended Maturity Date and material economic terms of the Extension and the aggregate principal amount of each class of Loans and Commitments after giving effect to the Extension and attaching a copy of the fully executed Extension Amendment.

SECTION 3. CONDITIONS PRECEDENT

3.1. [Reserved] .

3.2. Conditions to Each Credit Extension .

(a) Conditions Precedent . The obligation of each Lender to make any Loan, or Issuing Bank to issue any Letter of Credit or Bank Guarantee, on any Credit Date (other than, for the avoidance of doubt, (i) the Amendment and Restatement Date (except with respect to any borrowing of Revolving Loans (if any) made on the Amendment and Restatement Date) and (ii) as otherwise provided in Section 2.24), are subject to the satisfaction, or waiver in accordance with Section 10.5, of the following conditions precedent:

(i) The applicable Administrative Agent shall have received a fully executed and delivered Funding Notice or Issuance Notice, as the case may be;

(ii) after making the Credit Extensions requested on such Credit Date, the Total Utilization of Revolving Commitments shall not exceed the Revolving Commitments then in effect;

(iii) as of such Credit Date, the representations and warranties contained herein and in the other Credit Documents shall be true and correct in all material respects on and as of that Credit Date to the same extent as though made on and as of that date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties shall have been true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof;

(iv) as of such Credit Date, no event shall have occurred and be continuing or would result from the consummation of the applicable Credit Extension that would constitute an Event of Default or a Default; and

(v) on or before the date of issuance of any Letter of Credit or Bank Guarantee, Revolving Facility Administrative Agent shall have received all other information required by the applicable Issuance Notice and Borrower shall have opened and maintained a trade account with Issuing Bank, including the execution of a trade financing general agreement if required by Issuing Bank.

(b) Notices . Any Notice shall be executed by an Authorized Officer of Borrower in a writing delivered to the applicable Administrative Agent. In lieu of delivering a Notice, Borrower may give the applicable Administrative Agent telephonic notice by the required time of any proposed borrowing, conversion/continuation or issuance of a Letter of Credit or Bank Guarantee, as the case may be; provided each such notice shall be promptly confirmed in writing by delivery of the applicable Notice to such Administrative Agent on or before the close of business on the date that the telephonic notice is given. In the event of a discrepancy between the telephonic notice and the written Notice, the written Notice shall govern. In the case of any Notice that is irrevocable once given, if Borrower provides telephonic notice in lieu thereof, such telephonic notice shall also be irrevocable once given. Neither Administrative Agents nor any Lender shall incur any liability to Borrower in acting upon any telephonic notice referred to above that such Administrative Agent believes in good faith to have been given by a duly authorized officer or other person authorized on behalf of Borrower or for otherwise acting in good faith.

SECTION 4. REPRESENTATIONS AND WARRANTIES

In order to induce Agents, Lenders and Issuing Bank to enter into this Agreement and to make each Credit Extension to be made thereby, each Credit Party represents and warrants to each Agent, Lender and Issuing Bank, on the Amendment and Restatement Date and on each Credit Date, that the following statements are true and correct:

4.1. Status .

(a) It and each member of the Restricted Group is duly organized or formed, validly existing and in good standing (to the extent such concept exists under applicable law) under the laws of the jurisdiction of their respective incorporation or organization and, as applicable, are a limited liability corporation (or in respect of the Hungarian Guarantor, a foundation).

(b) It and each member of the Restricted Group has the power to own their respective material assets and carry on its business as it is being conducted and as proposed to be conducted.

4.2. Binding Obligations . Subject to the Legal Reservations:

(a) the obligations expressed to be assumed by it in each Credit Document to which it is a party are legal, valid, binding and enforceable obligations; and

(b) (without limiting the generality of clause (a) above), each Collateral Document to which it is or will be a party creates or will create the security interests that such

Collateral Document purports to create and those security interests are or will be valid and effective.

4.3. Non-conflict with Other Obligations . The entry into and performance by it of, and the transactions contemplated by, the Credit Documents and the granting of the security interest over the Collateral contemplated hereby or thereby do not and will not (a) conflict with (i) any law, regulation, order, judgment, arbitral award or decree of any court or other agency of government applicable to it; (ii) the constitutional documents of any member of the Restricted Group; or (iii) any agreement or instrument binding upon it or any member of the Restricted Group or any of its or any member of the Restricted Group's assets or constitute (with due notice or lapse of time or both) a default or termination event (however described) under any such agreement or instrument, save to the extent such conflict, default or termination event does not and is not reasonably likely to have, either individually or in the aggregate, a Material Adverse Effect or (b) result in or require the creation or imposition of any Lien upon any of the properties or assets of Parent or any of its Subsidiaries (other than any Liens created under any of the Credit Documents in favor of either Collateral Agent, for the benefit of the Secured Parties).

4.4. Power and Authority .

(a) It has the power to enter into, perform and deliver, and has taken all necessary action to authorize its entry into, performance and delivery of the Credit Documents to which it is or will be a party and the transactions contemplated by those Credit Documents.

(b) No limit on its powers will be exceeded as a result of the borrowing, grant of security or giving of guarantees or indemnities contemplated by the Credit Documents to which it is a party.

(c) It is qualified to do business and in good standing (to the extent such concept exists under applicable law) in every jurisdiction where its material assets are located and wherever necessary to carry out its business and operations, except in jurisdictions where the failure to be so qualified or in good standing has not had, and could not be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect.

4.5. Validity and Admissibility in Evidence .

(a) All Authorizations required:

(i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Credit Documents to which it is a party; and

(ii) to make the Credit Documents to which it is a party admissible in evidence in its Relevant Jurisdictions (save for translation into the Arabic language in order to make this Agreement admissible as evidence in the State of Qatar and the United Arab Emirates, save for sworn translation into the Spanish language in order to make this Agreement admissible as evidence in the Kingdom of Spain, save for the translation by an official approved translator in Mexico into the Spanish language in order to make this Agreement admissable as evidence in Mexico and save for a translation into German or

French in order to make this Agreement or any Credit Document admissible as evidence in Luxembourg if so requested by the relevant court or authority),

have been obtained or effected and are in full force and effect except for those necessary to satisfy the Perfection Requirements which will be satisfied promptly after execution of the relevant documents and in any event within the time periods required under Section 5.17.

(b) All Authorizations necessary for the conduct of the business, trade and ordinary activities of members of the Restricted Group have been obtained or effected and are in full force and effect if the failure to obtain or effect those Authorizations has or is reasonably likely to have, either individually or in the aggregate, a Material Adverse Effect.

4.6. Governing Law and Enforcement . Subject to the Legal Reservations:

(a) the choice of governing law of the Credit Documents (to which it is a party) will be recognized and enforced in its Relevant Jurisdictions; and

(b) any judgment obtained in relation to a Credit Document (to which it is a party) in the jurisdiction of the governing law of that Credit Document will be recognized and enforced in its Relevant Jurisdictions.

4.7. Insolvency . No corporate action, legal proceeding, creditor's process or other procedure or step described in Section 8.1(f), 8.1(g) or 8.1(i) has been taken or, to the knowledge of such Credit Party, threatened in relation to a member of the Restricted Group, except in respect of any Dormant Subsidiary or Proposed Dormant Subsidiary which has not become an additional Guarantor in accordance with Section 5.6, where falling within the definition of "Permitted Liquidation." The Credit Parties are and, upon the incurrence of any Obligation by any Credit Party on any date on which this representation and warranty is made, will be, on a consolidated basis, Solvent.

4.8. No Filing or Stamp Taxes . Under the laws of its Relevant Jurisdiction it is not necessary that the Credit Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration, notarial or similar Taxes or fees be paid on or in relation to the Credit Documents or the transactions contemplated by the Credit Documents except for the Perfection Requirements and payment of associated fees which shall be completed and paid promptly (and in any event within the periods required under Section 5.17 prescribed by law) after the date of the relevant Credit Document. In the case of court proceedings in a Luxembourg court or the presentation of the Credit Documents — either directly or by way of reference — to an *autorité constituée* , such court or *autorité constituée* may require registration of all or part of the Credit Documents with the *Administration de l'Enregistrement et des Domaines* in Luxembourg, which may result in registration duties, at a fixed rate of EUR 12 or an *ad valorem* rate which depends on the nature of the registered document, becoming due and payable.

4.9. No Default .

(a) No Event of Default and, on the Amendment and Restatement Date, no Default is continuing or is reasonably likely to result from the making of any Loan or the entry into, the performance of, or any transaction contemplated by, any Credit Document.

(b) No other event or circumstance is outstanding which constitutes (or, with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing, would constitute) a default or termination event (however described) under any other agreement or instrument which is binding on it or any member of the Restricted Group or to which its assets (or those assets of any member of the Restricted Group) are subject which has or is reasonably likely to have, either individually or in the aggregate, a Material Adverse Effect.

4.10. No Misleading Information .

(a) Any factual information contained in the Financial Model was true and accurate in all material respects as at the date (if any) ascribed thereto or (as the case may be), the date the information is expressed to be given.

(b) The Financial Model has been prepared in accordance with the IFRS and the financial projections contained in the Financial Model have been prepared on the basis of recent historical information and based on reasonable assumptions and have been approved by the Board of Directors of Borrower.

(c) No event or circumstance has occurred or arisen and no information has been omitted from the Financial Model and no information has been given or withheld that results in the information, opinions, intentions, forecasts or projections contained in the Financial Model being untrue or misleading in any material respect.

(d) Any financial projection or forecast contained in the Financial Model has been prepared in good faith on the basis of recent historical information and on the basis of reasonable assumptions and was fair (as of the date of the Financial Model) and arrived at after careful consideration.

(e) The expressions of opinion or intention provided by or on behalf of a Credit Party for the purpose of the Financial Model were made after careful consideration and (at the date of the Financial Model) were fair and based on reasonable grounds.

(f) No report, financial statement, certificate or other written information furnished by or on behalf of any Credit Party to any Agent or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or any other Credit Document (as modified or supplemented by other information so furnished) when taken as a whole contains 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 materially misleading.

4.11. Financial Statements

(a) The Historical Financial Statements of the Group were prepared in accordance with IFRS consistently applied and give a true and fair view of the consolidated financial condition of the entities described therein and the Group as at the end of, and the consolidated results of operations of the Group for, the Fiscal Year to which they relate.

(b) The most recent financial statements of the Group delivered pursuant to Section 5.1 have been prepared in accordance with the IFRS consistently applied and give a true and fair view of (if audited), or fairly present (if unaudited), the consolidated financial condition of the entities described therein and the Group as at the end of, and consolidated results of operations of the entities described therein and the Group for, the period to which they relate.

(c) The Budgets supplied under this Agreement were arrived at after careful consideration and have been prepared in good faith on the basis of recent historical information and on the basis of assumptions which were reasonable as at the date they were prepared and supplied. As of the Amendment and Restatement Date, management of Borrower believed that the Budgets were reasonable and attainable.

(d) Since August 31, 2013, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

4.12. No Proceedings Pending or Threatened . No litigation, arbitration or administrative proceedings or investigations of, or before, any court, arbitral body or agency, which is reasonably likely to be adversely determined and, if so determined, would have or is reasonably likely to have, individually or in the aggregate, a Material Adverse Effect have (to the best of its knowledge and belief (having made due and careful enquiry)) been started or threatened against it or any member of the Restricted Group.

4.13. No Breach of Laws .

(a) It has not (and no Credit Party or any of its Subsidiaries has) breached any law or regulation which breach has or is reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect.

(b) No labor disputes are current or, to the best of its knowledge and belief (having made due and careful enquiry) threatened against any Credit Party or its Subsidiaries which have or are reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect. No Credit Party or its Subsidiaries are engaged in any unfair labor practice that could reasonably be expected to have a Material Adverse Effect. There is (i) no unfair labor practice complaint pending against any Credit Party or any of its Subsidiaries, or to the best knowledge of such Credit Party, threatened in writing and no grievance or arbitration proceeding arising out of or under any collective bargaining agreement that is so pending against any Credit Party or its Subsidiaries or to the best knowledge of such Credit Party, threatened against any of them or (ii) no strike or work stoppage in existence or threatened involving any member of the Restricted Group.

4.14. Environmental Laws .

(a) To the best of its knowledge and belief (having made due and careful enquiry) no circumstances have occurred which would prevent compliance with Environmental Law in a manner or to an extent which has or is reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect.

(b) No Environmental Claim has been commenced or (to the best of its knowledge and belief (having made due and careful enquiry)) is threatened against any member of the Restricted Group where that claim is reasonably likely to be adversely determined and, if so determined against that member of the Restricted Group, would have or is reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect.

4.15. Taxation .

(a) Except as otherwise permitted in Section 5.4(a), it is not (and no member of the Restricted Group is) materially overdue in the filing of any Tax returns and it is not (and no member of the Restricted Group is) overdue in the payment of any amount in respect of Tax (other than where such payment or the Tax to which it relates is being contested in good faith by appropriate proceedings or will not or is reasonably likely, either individually or in the aggregate, to not have a Material Adverse Effect).

(b) To the best of its knowledge and belief, no claims or investigations are being, or are reasonably likely to be, made or conducted against it (or against any member of the Restricted Group) with respect to Taxes such that a liability of or claim against it or any member of the Restricted Group could arise which has or is reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect.

(c) For U.S. federal income tax purposes, Borrower is, and since its inception has been treated as an entity disregarded from its owner and is not engaged in a U.S. trade or business.

4.16. Liens and Debt . As at the Amendment and Restatement Date after giving effect to the making of the New Term Loans and the entering into of the New Revolving Commitments on the Amendment and Restatement Date:

(a) no Liens or Quasi-Liens exists over all or any of the present or future assets of any member of the Restricted Group other than as not prohibited under this Agreement; and

(b) no member of the Restricted Group has any Debt outstanding other than as not prohibited under this Agreement.

4.17. [Reserved . **]**

4.18. Ranking . Subject to the Legal Reservations and the Perfection Requirements, the Transaction Security has or will have the ranking in priority which it is expressed to have in the Collateral Documents and (a) when financing statements and other filings in appropriate form are filed or registered in the offices of the Secretary of State (or a comparable office in any applicable non-U.S. jurisdiction or pursuant to such other system of registration as may exist in

any applicable non-U.S. jurisdiction) of the jurisdiction of organization of each Credit Party, as applicable, and are filed and recorded in the United States Patent and Trademark Office and United States Copyright Office (or a comparable office in any applicable non-U.S. jurisdiction), as applicable, (b) upon the taking of possession or control by the applicable Collateral Agent of such Collateral with respect to which a security interest may be perfected only by possession or control (which possession or control shall be given to such Collateral Agent to the extent possession or control by such Collateral Agent is required by any Collateral Document), or (c) in the case of Foreign Subsidiaries such actions as are set forth in the applicable foreign Collateral Documents, the Liens created by the Collateral Documents shall constitute fully perfected (or equivalent under applicable non-U.S. law) First Priority Liens so far as possible under relevant law on, and security interests in (to the extent intended to be created thereby and required to be perfected under the Credit Documents), all right, title and interest of the grantors in such Collateral in each case free and clear of any Liens other than Liens permitted hereunder.

4.19. Good Title to Assets . Each member of the Restricted Group has a good, valid and marketable title to, or valid leases or licenses of, and all appropriate Authorizations to use, the assets and real property necessary to carry on its business as presently conducted where failure to do so has or is reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect.

4.20. Legal and Beneficial Ownership .

(a) Each member of the Restricted Group is the sole legal and beneficial owner of (and the Luxembourg Guarantor validly owns) the respective shares and other assets over which it purports to grant Transaction Security.

(b) Each of Borrower and Nord Anglia UK is legally and beneficially 100% owned by Parent free from any claims, third party rights or competing interests other than any Permitted Liens. As of the Amendment and Restatement Date, (i) Parent has no Subsidiaries other than Borrower, NAE HK Holdings Limited, Nord Anglia UK and their respective Subsidiaries, (ii) Borrower has no Subsidiaries and (iii) Nord Anglia UK has no Subsidiaries that are Material Companies other than those specifically disclosed in Schedule 3. Schedule 3 correctly sets forth the ownership interest of Parent and each of its Subsidiaries in their respective Subsidiaries that are Material Companies as of the Amendment and Restatement Date.

4.21. Shares .

(a) The shares of any member of the Restricted Group which are subject to the Transaction Security are fully paid, validly issued and (other than with respect to the shares of any member of the Restricted Group organized under the laws of Hong Kong) nonassessable (to the extent such concepts exist under applicable law) and not subject to any option to purchase or similar rights.

(b) The constitutional documents of companies whose shares are subject to the Transaction Security do not and could not restrict or inhibit any transfer of those shares on creation or enforcement of the Transaction Security (other than to the extent of restrictions or inhibitions required by applicable law).

(c) There are no agreements in force or corporate resolutions passed which provide for the issue or allotment of, or grant any person the right (whether conditional or otherwise) to call for the issue or allotment of, any share or loan capital of any member of the Restricted Group (including any option or right of pre-emption or conversion).

4.22. Intellectual Property . Each member of the Restricted Group:

(a) is the beneficial owner of or has licensed to it all the Intellectual Property which is required by it in order to carry on its business as it is being conducted where the absence of the same has or is reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect; and

(b) does not, in carrying on its business, infringe any Intellectual Property of any third party in any respect which has or is reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect.

4.23. Intellectual Property Licenses . In respect of any licenses of Intellectual Property to or by any member of the Restricted Group:

(a) each license is in full force and effect and binding on the parties to it; and

(b) the terms of the licenses have been complied with by the parties, no disputes have arisen and no notice of termination has been received or served by such member of the Restricted Group and there are no grounds on which they might be terminated,

where failure to have a valid and binding license or to comply with the terms of the license, or where a dispute or service or receipt of a notice of termination, as set out in clauses (a) and (b) above, has or is reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect.

4.24. [Reserved] .

4.25. Credit Parties . Subject to the Agreed Security Principles, all Material Companies (other than those incorporated in the PRC, the Czech Republic, the Slovak Republic, the Kingdom of Thailand and the Socialist Republic of Vietnam and other than Brighton Education Learning Services Sdn Bhd which are members of the Restricted Group) are Guarantors. The aggregate of earnings before interest, tax, depreciation and amortization (calculated on the same basis as Consolidated EBITDA) of the Guarantors (calculated on an unconsolidated basis and excluding all intra-Restricted Group items and investments in Restricted Subsidiaries of any member of the Restricted Group) is equal to or exceeds on the Amendment and Restatement Date, 90% of Consolidated EBITDA of the Restricted Group (calculated without taking into account the contribution of any Dormant Subsidiary (other than any Dormant Subsidiary that is a Guarantor) or any Subsidiary of Parent incorporated in an Excluded Jurisdiction).

4.26. Dormant Subsidiaries .

Each of the entities listed in Part I of Schedule 4 is a Dormant Subsidiary.

4.27. Fiscal Year . The Fiscal Year of each member of the Restricted Group ends on or about the date set forth on Schedule 12.

4.28. Investment Company Act . It is not an "investment company" or company "controlled" by an "investment company" within the meaning of the United States Investment Company Act of 1940 (15 U.S.C. §§ 80a-l et seq .). Neither any Credit Extension nor the use of proceeds thereof will violate the provisions of any of the foregoing acts or any rule, regulation or order under the SEC promulgated thereunder.

4.29. Federal Reserve Margin Regulations .

(a) No member of the Restricted Group is engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying any Margin Stock.

(b) No portion of the proceeds of any Credit Extension will be used in any manner, whether directly or indirectly, that causes or could reasonably be expected to cause, such Credit Extension or the application of such proceeds to violate Regulation T, Regulation U or Regulation X of the Board of Governors or any other regulation thereof or to violate the Exchange Act.

(c) Neither any Credit Extension nor the use of the proceeds thereof will violate or be inconsistent with the provisions of Regulation T, U or X.

(d) Borrower hereby confirms to each Lender that all drawdowns under this Agreement will be made solely for their own accounts or for the account of the Restricted Group.

4.30. Sanctioned Persons; Anti-Corruption Laws; PATRIOT Act . None of any Credit Party or its Subsidiaries nor, to the knowledge of any Credit Party, any such Credit Party's directors, officers, employees, agents or advisors is subject to any sanctions, rules, regulations or orders promulgated by any Sanctions Authority or embargoes or restrictive measures administered, enacted or enforced by any Sanctions Authority (collectively, " **Sanctions** "). Each Credit Party and its Subsidiaries, and, to the knowledge of any Credit Party, any such Credit Party's respective directors, officers, employees, agents and advisors is in compliance, in all material respects, with (i) all Sanctions, (ii) the United States Foreign Corrupt Practices Act of 1977, as amended, and any other applicable domestic or foreign anti-bribery or anti-corruption laws, rules, regulations and orders (collectively, " **Anti-Corruption Laws** ") and (iii) the PATRIOT Act and any other applicable terrorism and money laundering laws, rules, regulations and orders. No part of the proceeds of the Loans will be used, directly or, to the knowledge of any Credit Party, indirectly by any Credit Party or its Subsidiaries or, to the knowledge of any Credit Party, their respective directors, officers, employees, agents or advisors, (A) for the purpose of financing any activities or business of or with any Person or in any country or territory that at such time is the subject of any Sanctions or (B) for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage, in violation of any Anti-Corruption Laws.

4.31. Use of Proceeds . Borrower shall use the proceeds from the Loans in accordance with the uses described in Section 2.6 of this Agreement.

4.32. Employee Benefit Plan .

(a) Except as is not reasonably likely, either individually or in the aggregate, to have a Material Adverse Effect (i) each member of the Restricted Group and each of its ERISA Affiliates are in compliance with all applicable provisions and requirements of ERISA and the Internal Revenue Code and the regulations and published interpretations thereunder with respect to each Employee Benefit Plan, and have performed all their obligations under each Employee Benefit Plan; (ii) each Employee Benefit Plan which is intended to qualify under Section 401(a) of the Internal Revenue Code has received a favorable determination letter from the Internal Revenue Service indicating that such Employee Benefit Plan is so qualified and, to the knowledge of Borrower, nothing has occurred subsequent to the issuance of such determination letter which would cause such Employee Benefit Plan to lose its qualified status; (iii) no liability to the PBGC (other than required premium payments), the Internal Revenue Service, any Employee Benefit Plan or any trust established under Title IV of ERISA has been or is expected to be incurred by any member of the Restricted Group or any of its ERISA Affiliates; (iv) no ERISA Event has occurred or is reasonably expected to occur; (v) except to the extent required under Section 4980B of the Internal Revenue Code or similar state laws, no Employee Benefit Plan provides health or welfare benefits (through the purchase of insurance or otherwise) for any retired or former employee of any member of the Restricted Group or any of its ERISA Affiliates; and (vi) each member of the Restricted Group and each of its ERISA Affiliates have complied with the requirements of Section 515 of ERISA with respect to each Multiemployer Plan and are not in material "default" (as defined in Section 4219(c)(5) of ERISA) with respect to payments to a Multiemployer Plan. The present value of the aggregate benefit liabilities under each Pension Plan and Pension Scheme sponsored, maintained or contributed to by each member of the Restricted Group or any of its Affiliates (determined as of the end of the most recent plan or scheme year on the basis of the actuarial assumptions specified for funding purposes in the most recent actuarial valuation for such Pension Plan or Pension Scheme), did not exceed the aggregate current value of the assets of such Pension Plan or Pension Scheme. As of the most recent valuation date for each Multiemployer Plan available, the potential liability of each member of the Restricted Group and its ERISA Affiliates for a complete withdrawal from such Multiemployer Plan (within the meaning of Section 4203 of ERISA), when aggregated with such potential liability for a complete withdrawal from all Multiemployer Plans, based on information available pursuant to Section 4221(e) of ERISA is zero.

(b) Except in respect of the Pension Schemes, no member of the Restricted Group is or has at any time been an employer (for the purposes of sections 38 to 56 of the Pensions Act 2004), or, except as is not reasonably likely to have a Material Adverse Effect, "connected" with or an "associate" of (as those terms are used in sections 38 to 56 of the Pensions Act 2004) an employer, of an occupational pension scheme which is not a money purchase scheme (both terms as defined in the Pension Schemes Act 1993); and the Pensions Regulator has not issued a Financial Support Direction or a Contribution Notice to any member of the Restricted Group and so far as such Credit Party is aware there are no circumstances which are reasonably likely to lead to the issue of either.

SECTION 5. AFFIRMATIVE COVENANTS

Each Credit Party covenants and agrees that, so long as any Commitment is in effect and until payment in full of all Credit Agreement Obligations and cancellation or expiration of all Letters of Credit and Bank Guarantees, each Credit Party shall perform, and shall cause each of its Subsidiaries to perform, all covenants in this Section 5.

5.1. Financial Statements and Other Reports . Parent will deliver to Term Administrative Agent (for delivery to Revolving Facility Administrative Agent and Lenders):

(a) Quarterly Financial Statements . As soon as available, and in any event within 60 days after the end of each Fiscal Quarter of each Fiscal Year of the Parent, commencing with the Fiscal Quarter in which the Closing Date occurs, consolidated financial statements of the Group for that Fiscal Quarter;

(b) Annual Financial Statements . As soon as available, and in any event within 120 days after the end of each Fiscal Year of the Parent, commencing with the Fiscal Year in which the Closing Date occurs, audited consolidated financial statements of the Group for that Fiscal Year;

(c) Compliance Certificate . Together with each delivery of financial statements of the Group pursuant to Sections 5.1(a) and 5.1(b), a duly executed and completed Compliance Certificate. Each Compliance Certificate shall (i) identify which members of the Restricted Group are Material Companies and confirm compliance with Section 8, and (ii) be signed by two directors of Parent.

(d) Requirements as to Financial Statements .

(i) Parent shall procure that each set of the financial statements delivered pursuant to Sections 5.1(a) and 5.1(b) includes a balance sheet, income statement and (in the case of consolidated Group accounts) a cash flow statement. In addition, Parent shall procure that:

(A) each set of annual financial statements shall be audited by the Auditors (which report shall be unqualified as to going concern and scope of audit);

(B) each set of quarterly financial statements includes a cash flow forecast in respect of the Group relating to the 12-month period at the end of the relevant Fiscal Quarter or Fiscal Quarters; and

(C) each set of quarterly financial statements is accompanied by a statement by the directors of Parent commenting on the performance of the Group for the Fiscal Quarter to which the financial statements relate and the performance compared to the annual budget for such period and any material developments or proposals affecting the Group or its business.

(ii) Each set of financial statements delivered pursuant to Sections 5.1(a) and 5.1(b):

(A) shall be certified by an Authorized Officer of Parent as giving a true and fair view of (in the case of annual financial statements for any Fiscal Year), or fairly representing (in other cases), its financial condition and operations as of the dates and for the periods to which they relate and, in the case of the audited annual financial statements, and a copy of any "letter to management" addressed to the management of the relevant company by the Auditors in relation to those audited annual financial statements shall also be provided to Term Administrative Agent in sufficient copies for Revolving Facility Administrative Agent and Lenders, when received by such company;

(B) in the case of the consolidated quarterly financial statements or annual financial statements of the Group, shall be in comparative form setting forth actual performance for the period to which the financial statements relate, to the actual performance for the corresponding period in the preceding Fiscal Year of the Group:

(C) shall be prepared in accordance with the Accounting Principles unless, in relation to any set of financial statements, Parent notifies Term Administrative Agent that there has been a material change in the Accounting Principles or the accounting practices and delivers to Term Administrative Agent (for delivery to Revolving Facility Administrative Agent and Lenders):

(1) a description of any change necessary for those financial statements to reflect the Accounting Principles or accounting practices upon which the Financial Model or, as the case may be, that Credit Party 's Historical Financial Statements were prepared; and

(2) sufficient information, in form and substance as may be reasonably required by Term Administrative Agent, to enable the Lenders to make an accurate comparison between the financial position indicated in those financial statements and the Financial Model (in the case of Borrower) or that Credit Party 's Historical Financial Statements (in the case of a Credit Party other than Borrower).

Parent shall, at the request of Term Administrative Agent, authorize the Auditors (at the expense of Parent) to prepare a report addressed to Borrower confirming that Parent (or any other Credit Party) has appropriately reflected the material change in the Accounting Principles or the accounting practices in those financial statements and shall provide copies of such report to Term Administrative Agent (for delivery to

Revolving Facility Administrative Agent and Lenders) on a "hold harmless" basis with the consent of the Auditors and where so required by the Auditors, subject to Term Administrative Agent entering into an engagement with the Auditors.

Any reference in this Agreement to any financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which the Financial Model or, as the case may be, the Historical Financial Statements were prepared.

(iii) If Parent notifies Term Administrative Agent of a change in accordance with clause (ii)(C) above, Parent, Term Administrative Agent (acting on the instructions of the Requisite Term Loan Lenders) and Revolving Facility Administrative Agent (acting on the instructions of the Requisite Revolving Lenders) shall enter into negotiations in good faith with a view to agreeing any amendments to this Agreement which are necessary as a result of the change. These amendments will be such as to ensure that the change does not result in any material alteration in the commercial effect of the obligations contained in this Agreement. If any amendments are agreed, they shall take effect and be binding on each of the parties hereto in accordance with their terms.

(iv) **[** Reserved **]** .

(v) Notwithstanding the foregoing, the obligations in Section 5.1(b) may be satisfied with respect to financial information of the Group by furnishing Parent 's Form 20-F filed with the SEC.

(e) Budget .

(i) Borrower shall supply to Term Administrative Agent, in sufficient copies for Revolving Facility Administrative Agent and all Lenders, as soon as the same become available but in any event within 30 days after the start of each of its Fiscal Years, an annual Budget for that Fiscal Year. Borrower shall ensure that each Budget:

(A) includes a projected consolidated profit and loss account, balance sheet and cash flow statement for the Group, projected financial covenant calculations, relevant key performance indicators and a capital expenditure plan together with commentary;

(B) is prepared in accordance with the Accounting Principles and the accounting practices and financial reference periods applied to financial statements delivered pursuant to Sections 5.1(a) and 5.1(b) and is broken down on a monthly basis; and

(C) has been approved by the board of directors of Parent.

(ii) If Borrower updates or changes the Budget in any material respect, it shall promptly (and in any event within ten (10) Business Days of the update or change being made) deliver to Term Administrative Agent, in sufficient copies for Revolving

Facility Administrative Agent and each of Lenders, such updated or changed Budget together with a written explanation of the main changes in that Budget.

(f) Lender Meetings. Not more than once in every Fiscal Year, the chief financial officer (or if the chief financial officer is not available, another member of senior management of the Group nominated by Borrower) shall, as soon as reasonably practicable following a request to do so (at such time and at such location as may be agreed by the Administrative Agents and Borrower), participate in a meeting (which may be, at the election of Borrower, by teleconference) of the Administrative Agents and the Lenders regarding the on-going business and financial performance of the Group.

(g) Unrestricted Subsidiaries. If any Subsidiaries of Parent have been designated as Unrestricted Subsidiaries, the information delivered under Sections 5.1(a) and 5.1(b) will include reasonably detailed information as to the financial condition of the Restricted Group separate from that of the Unrestricted Subsidiaries.

(h) Information — miscellaneous. Borrower shall supply to Term Administrative Agent (in sufficient copies for Revolving Facility Administrative Agent and all Lenders, if either Administrative Agent, or in the case of clause (C) the Primary Collateral Agent, so requests):

(i) as soon as reasonably practicable after they are dispatched, copies of all documents required by law to be dispatched by Parent to its shareholders generally (or any class of them) or dispatched by Parent or any other Credit Party to their respective creditors generally (or any class of them);

(ii) promptly upon becoming aware of them, the details of any material litigation, arbitration or administrative proceedings which are current, threatened in writing or pending against any member of the Restricted Group and which, if adversely determined, would have or is reasonably likely to have a Material Adverse Effect;

(iii) promptly, such information as the Primary Collateral Agent may reasonably require about the Collateral and compliance of the Credit Parties with the terms of any Collateral Documents; and

(iv) promptly on request, such further information regarding the financial condition, assets and operations of the Restricted Group and/or any member of the Restricted Group (including any requested amplification or explanation of any item in the financial statements or budgets provided by any Credit Party under this Agreement or any changes to senior management of the Group) as any Lender through the applicable Administrative Agent may reasonably request.

(i) Notification of default.

(i) Each Credit Party shall notify Term Administrative Agent (which shall notify Revolving Facility Administrative Agent) of any Default which is continuing (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its

occurrence (unless that Credit Party is aware that a notification has already been provided by another Credit Party).

(ii) Promptly upon a request by either Administrative Agent, Borrower shall supply to Term Administrative Agent (for delivery to Revolving Facility Administrative Agent and Lenders) a certificate signed by a director or senior officer on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

(j) "Know your customer" checks

(i) If:

(A) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the Closing Date;

(B) any change in the status of a Credit Party or the composition of the shareholders of a Credit Party after the Closing Date; or

(C) a proposed assignment or transfer by a Lender of any of its rights and/or obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges either Administrative Agent or any Lender (or, in the case of clause (C) above, any prospective new Lender) to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Credit Party shall promptly upon the request of either Administrative Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by such Administrative Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in clause (C) above, on behalf of any prospective new Lender) in order for such Administrative Agent, such Lender or, in the case of the event described in clause (C) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Credit Documents.

(ii) Each Lender shall promptly upon the request of the applicable Administrative Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by such Administrative Agent (for itself) in order for such Administrative Agent to carry out and be satisfied (acting reasonably) it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Credit Documents.

(iii) Borrower shall, by not less than five (5) Business Days ' prior written notice to Administrative Agents, notify Administrative Agents (which shall

promptly notify Lenders) of its intention to request that one of the Restricted Subsidiaries becomes an additional Credit Party pursuant to Section 5.15.

(iv) Following the giving of any no tice pursuant to clause (iii) above, if the accession of such additional Credit Party obliges either Administrative Agent or any Lender to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, Borrower shall promptly upon the request of such Administrative Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by such Administrative Agent (for itself or on behalf of any Lender) or any Lender (for itself or on behalf of any prospective new Lender) in order for such Administrative Agent or such Lender or any prospective new Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the accession of such Restricted Subsidiary to this Agreement as an additional Credit Party.

(v) In relation to each Credit Party other than Borrower, each such Credit Party shall promptly upon the request of either Administrative Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by such Administrative Agent (for itself or on behalf of any Lender) or an y Lender in order for such Administrative Agent or such Lender to carry out and be satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Credit Documents.

(k) Certification of Public Information . Each Credit Party and each Lender acknowledge that certain Lenders may be Public Lenders and, if documents or notices required to be delivered pursuant to this Section 5.1 or otherwise are being distributed through IntraLinks/IntraAgency, SyndTrak, Debtdomain or another relevant website or other information platform (the " **Platform** "), any document or notice that each Credit Party has indicated contains Non-Public Information shall not be posted on that portion of the Platform designated for such Public Lenders. Each Credit Party agrees (i) the financial statements required pursuant to Section 5.1(a) and (b) may be distributed to all Lenders (including Public Lenders) and (ii) to clearly designate all information provided to either Administrative Agent by or on behalf of such Credit Party which contains only Public-Side Information, and by doing so shall be deemed to have represented that such information contains only Public-Side Information. If a Credit Party has not indicated whether a document or notice delivered pursuant to this Section 5.1 contains Non-Public Information, Term Administrative Agent reserves the right to post such document or notice solely on that portion of the Platform designated for Non-Public Lenders.

5.2. Authorizations . Each Credit Party shall (and Parent shall ensure that each member of the Restricted Group will) promptly:

(a) do all such things as are necessary to maintain its status as a legal entity;

(b) obtain, comply with and do all that is necessary to maintain in full force and effect any Authorization required under any law or regulation:

(i) of a Relevant Jurisdiction to enable it to perform its obligations under the Credit Documents to which it is a party except to the extent that failure to so do does not have and is not reasonably likely to have a Material Adverse Effect;

(ii) of a Relevant Jurisdiction to ensure (subject to the Perfection Requirements and Legal Reservations) the legality, validity, enforceability or admissibility in evidence of any Credit Document to which it is a party except to the extent that failure to so do does not have and is not reasonably likely to have a Material Adverse Effect; and

(iii) of a Relevant Jurisdiction or any jurisdiction where it conducts its business to carry on its business except to the extent that failure to so do does not have and is not reasonably likely to have a Material Adverse Effect.

5.3. Compliance with Laws . Each Credit Party shall (and Parent shall ensure that each member of the Restricted Group will) comply in all respects with all laws to which it may be subject, if failure to so comply has or is reasonably likely to have a Material Adverse Effect.

5.4. Taxation .

(a) Each Credit Party shall (and Parent shall ensure that each member of the Restricted Group will) pay and discharge all Taxes imposed upon it or its assets (including any Taxes imposed on an Unrestricted Subsidiary or its assets where the relevant member of the Restricted Group would be or reasonably could be made liable for payment of such Taxes) within the time period allowed without incurring penalties unless and only to the extent that such payment can be lawfully withheld and failure to pay those Taxes does not and is not reasonably likely to have a Material Adverse Effect.

(b) For U.S. federal income tax purposes, the (i) Borrower will not be engaged in a U.S. trade or business and (ii) Borrower will maintain its status as an entity disregarded from its owner for U.S. federal income tax purposes.

5.5. [Reserved] .

5.6. Dormant Subsidiaries .

(a) To the extent that any Proposed Dormant Subsidiary is not a Dormant Subsidiary or has not been liquidated pursuant to a Permitted Liquidation on the date being 18 months from the Closing Date, Parent shall ensure that such Proposed Dormant Subsidiary:

(i) grants such Transaction Security as the Primary Collateral Agent may require (acting reasonably); and

(ii) becomes an additional Guarantor in accordance with Section 5.15,

in each case subject to the Agreed Security Principles and if and to the extent required to ensure the Coverage Test is complied with.

(b) No Credit Party shall (and Parent shall ensure no member of the Restricted Group will) cause or permit any member of the Restricted Group which is a Dormant Subsidiary to commence trading or cease to satisfy the criteria for a Dormant Subsidiary unless, subject to the Agreed Security Principles, such Dormant Subsidiary becomes an additional Guarantor if and to the extent required pursuant to Section 5.15.

(c) No Proposed Dormant Subsidiary shall trade, carry on any business or acquire any assets or incur any liability except as required to give effect to such Proposed Dormant Subsidiary becoming a Dormant Subsidiary in accordance with Section 5.6(a).

5.7. Change of Business . Borrower shall procure that no substantial change is made to the general nature of the business of the Restricted Group taken as a whole from that carried on by the Restricted Group at the Amendment and Restatement Date or any business or any other activities that are reasonably similar, ancillary, incidental, complementary or related to, or a reasonable extension, development or expansion of, the businesses conducted or proposed to be conducted by the Restricted Group on the Amendment and Restatement Date.

5.8. Preservation of Assets . Each Credit Party shall (and Parent shall ensure that each member of the Restricted Group will) maintain in good working order and condition (ordinary wear and tear excepted) all of its assets necessary in the conduct of its business where failure to do so has or is reasonably likely to have a Material Adverse Effect.

5.9. [Reserved] .

5.10. Insurance . Each Credit Party shall (and Parent shall ensure that each member of the Restricted Group will) maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

5.11. Pensions .

(a) Borrower shall comply and shall procure that each of the Restricted Subsidiaries complies with all applicable law and regulation in respect of the pension schemes and arrangements operated by or maintained or required to be operated by or maintained for the benefit of any member of the Restricted Group and/or any of their employees where failure to do so has or is reasonably likely to have a Material Adverse Effect. Without limitation to the foregoing, each member of the Restricted Group and each of its ERISA Affiliates shall be in material compliance with all applicable provisions and requirements of ERISA and the Internal Revenue Code and the regulations and published interpretations thereunder with respect to each Employee Benefit Plan, and shall perform all their material obligations under each Employee Benefit Plan. No ERISA Event will occur that, when taken together with all other such ERISA Events, would reasonably be expected to result in a Material Adverse Effect.

(b) Parent shall ensure that neither it nor any of the Restricted Subsidiaries becomes an employer (for the purposes of sections 38 to 56 of the Pensions Act 2004), or, so far as within Borrower's control, becomes connected or associated with the employer (as those terms are used in sections 38 to 56 of the Pensions Act 2004), of an occupational pension scheme

which is not a money purchase scheme (both terms as defined in the Pension Schemes Act 1993), other than the Pension Schemes.

(c) Borrower shall (and Parent shall ensure that each member of the Restricted Group will) promptly notify Administrative Agents of any material change in the rate of contributions to any pension schemes or arrangements mentioned in clause (a) above paid or recommended to be paid (whether by the scheme actuary or otherwise) or required (by law or otherwise).

(d) Each Credit Party shall (and Parent shall ensure that each member of the Restricted Group will) promptly notify Administrative Agents of any investigation or proposed investigation by the Pensions Regulator which is likely to lead to the issue of a Financial Support Direction or a Contribution Notice to it.

(e) Each Credit Party shall (and Parent shall ensure that each member of the Restricted Group will) promptly notify Administrative Agents if it receives a Financial Support Direction or a Contribution Notice from the Pensions Regulator.

(f) (i) Promptly upon becoming aware of the occurrence of or forthcoming occurrence of any ERISA Event, each Credit Party shall immediately deliver a written notice to Administrative Agents, specifying the nature thereof, what action such Credit Party, any of its Subsidiaries or any of their respective ERISA Affiliates has taken, is taking or proposes to take with respect thereto and, when known, any action taken or threatened by the Internal Revenue Service, the Department of Labor or the PBGC with respect thereto; and (ii) with reasonable promptness, copies of (1) if requested by either Administrative Agent, each Schedule B (Actuarial Information) to the annual report (Form 5500 Series) filed by such Credit Party, any of its Subsidiaries or any of their respective ERISA Affiliates with the Internal Revenue Service with respect to each Pension Plan, and (2) all notices received by such Credit Party, any of its Subsidiaries or any of their respective ERISA Affiliates from a Multiemployer Plan sponsor concerning an ERISA Event.

5.12. Access .

Each Credit Party shall (and Parent shall ensure that each member of the Restricted Group will) permit either representatives and independent contractors of the Administrative Agents and the Requisite Lenders access at all reasonable times and on reasonable notice at the risk and cost of the Credit Parties to:

(i) inspect the headquarters of Borrower or any Facility of any Credit Party; provided that in the case of any such Facility that is operated as a school, access shall be limited to non-school hours when parents and students will not generally be present at such Facility;

(ii) inspect the assets, books, accounts and records of each member of the Restricted Group and to take copies and extracts from such books, accounts and records subject to the proviso in clause (i) above; and

(iii) meet and discuss matters with senior management;

provided that, excluding any such visits and inspections during the continuation of an Event of Default, only the Administrative Agents on behalf of the Requisite Lenders may exercise rights of the Administrative Agents and the Requisite Lenders under this Section 5.12 and the Administrative Agents shall not exercise such rights more often than two times during any calendar year and only one (1) such time shall be at Borrower's expense; provided , further , that when an Event of Default exists, the Administrative Agents or other representative on behalf of the Requisite Lenders (or any of their respective representatives or independent contractors) may do any of the foregoing at the expense of Borrower at any time during normal business hours and upon reasonable advance notice. Notwithstanding anything to the contrary in this Section 5.12, neither Borrower nor any Restricted Subsidiary shall be required to disclose, permit the inspection, examination or making copies or abstracts of, or discussion of, any document, information or other matter that (i) constitutes non-financial trade secrets or nonfinancial proprietary information, (ii) in respect of which disclosure to the Administrative Agents or any Lender (or their respective representatives or contractors) is prohibited by applicable law or (iii) is subject to attorney-client or similar privilege or constitutes attorney work-product. The Administrative Agents and the Lenders shall give Borrower the opportunity to participate in any discussions with Borrower's Auditors.

5.13. Intellectual Property . Each Credit Party shall (and Parent shall procure that each member of the Restricted Group will) preserve and maintain the subsistence and validity of its material Intellectual Property necessary for the business of the relevant Restricted Group member where failure to do has or is reasonably likely to have a Material Adverse Effect.

5.14. Treasury Transactions . No Credit Party shall (and Parent will procure that no member of the Restricted Group will) enter into any Treasury Transaction, other than for the purpose of hedging interest rate and/or foreign exchange risks in the ordinary course of business and for non-speculative purposes.

5.15. Guarantors .

(a) Parent shall ensure that:

(i) **[** Reserved **]** ;

(ii) except to the extent a later date is consented to by the applicable Collateral Agent (such consent not to be unreasonably withheld or delayed), on the earlier of (x) the date of delivery of the Compliance Certificate in respect of each of the annual financial statements and (y) the due date for delivery of the Compliance Certificate in respect of each of the annual financial statements, subject to the Agreed Security Principles;

(iii) on or prior to the date that is 60 days after a disposal described under clause (i) of the carve-out in the definition of Asset Sale or such later date consented to by the applicable Collateral Agent (such consent not to be unreasonably withheld or delayed), subject to the Agreed Security Principles; and

(iv) on or prior to the date that is 60 days after (or such later date consented to by the applicable Collateral Agent (such consent not to be unreasonably withheld or delayed) after the acquisition of any Person that becomes a Subsidiary of Parent, subject to the Agreed Security Principles:

(1) all Material Companies which are members of the Restricted Group, all Holding Companies of Material Companies (other than Parent and any Holding Company of Parent) and any Person that is a guarantor of any Debt Incurred pursuant to Sections 6.1(a), 6.1(b)(x) or 6.1(b)(xxiii) (other than, in each case, any such Debt Incurred pursuant to such Sections in connection with local lines of credit or financings Incurred by Subsidiaries of Parent) are Guarantors, provided that (i) no member of the Restricted Group incorporated in an Excluded Jurisdiction shall be required to become a Guarantor and (ii) no Dormant Subsidiary shall be required to become a Guarantor; and

(2) the portion of Consolidated EBITDA attributable to the Guarantors, represents not less than 90% of the Consolidated EBITDA of the Restricted Group (tested annually and calculated by reference to the most recent annual financial statements of the members of the Restricted Group (but in each case Consolidated EBITDA shall be calculated (a) without taking into account the contribution to Consolidated EBITDA of (i) any Dormant Subsidiary (other than any Dormant Subsidiary that is a Guarantor) or (ii) any Subsidiary of Parent incorporated in an Excluded Jurisdiction and (b) taking into account the contribution to Consolidated EBITDA of any Non-Guarantor Subsidiary that is a not-for-profit entity so long as the Holding Company of such not-for-profit entity is a Guarantor)) (the test referred to in this Section 5.15(a)(iii)(2) being the " **Coverage Test** "). For the purpose of determining whether the Coverage Test has been complied with, the annual financial statements shall be adjusted to give effect to any acquisitions on a Pro Forma Basis (including through mergers or consolidations) and Asset Sales of companies, undertakings and businesses which have taken place prior to the last day of the period covered by such financial statements and, where this test has to be satisfied in order for an Asset Sale or resignation of a Credit Party to be permitted hereunder, to give effect to the relevant Asset Sale or resignation on a Pro Forma Basis.

(b) Subject to the Agreed Security Principles, any Person that is required to become a Guarantor pursuant to clause (a) above shall grant Liens as the Primary Collateral Agent may require (acting reasonably) and shall accede to the Intercreditor Agreement pursuant to a written undertaking in form and substance reasonably satisfactory to the Primary Collateral Agent as soon as practicable and in any event within 60 days of delivery of any annual financial statements delivered under Section 5.1(b) or within 60 days of its acquisition, as the case may be (or such later date consented to by the applicable Collateral Agent (such consent not to be unreasonably withheld or delayed)).

(c) Subject to the Agreed Security Principles, Parent shall ensure that each member of the Restricted Group which is required to become an additional Guarantor pursuant to clause (a) above shall become an additional Guarantor and in connection therewith ensure that the applicable Collateral Agent receives such legal opinions and other documentation as may be reasonably and customarily requested by such Collateral Agent, or such later date consented to by the applicable Collateral Agent (such consent not to be unreasonably withheld or delayed).

(d) A Credit Party which is a Guarantor on the Amendment and Restatement Date may not resign as a Guarantor under this Agreement unless (i) it is being disposed of, merged, consolidated, amalgamated, combined into another Person or liquidated in connection with a Permitted Transaction or otherwise in accordance with the terms of this Agreement or (ii) as otherwise agreed by the Requisite Lenders.

5.16. Further Assurance .

Subject to the Agreed Security Principles, each Credit Party shall (and Parent shall procure that each member of the Restricted Group will) promptly do all such acts or execute all such documents (including assignments, transfers, mortgages, charges, notices and instructions) as the Primary Collateral Agent may reasonably specify (and in such form as the applicable Collateral Agent may reasonably require in favor of the applicable Collateral Agent or its nominee(s)):

(i) to perfect the Transaction Security created or intended to be created under or evidenced by the Collateral Documents (which may include the execution of a mortgage, pledge, charge, assignment or other security over all or any of the assets which are, or are intended to be, the subject of the Transaction Security) or for the exercise of any rights, powers and remedies of the applicable Collateral Agent or the Secured Parties provided by or pursuant to the Credit Documents or by law; and/or

(ii) to confer on the applicable Collateral Agent or confer on Lenders and Administrative Agents Liens over any property and assets of that Credit Party located in any jurisdiction equivalent or similar to the Transaction Security intended to be conferred by or pursuant to the Collateral Documents; and/or

(iii) following the occurrence of an Event of Default that is continuing and in respect of which notice has been given under Section 8.1, to facilitate the realization of the assets which are, or are intended to be, the subject of the Transaction Security.

(iv) Subject to the Agreed Security Principles, each Credit Party shall (and Parent shall procure that each member of the Restricted Group shall) take all such action as is available to it (including making all filings and registrations) as may be necessary for the purpose of the creation, perfection, protection or maintenance of any Liens conferred or intended to be conferred on the applicable Collateral Agent or the Secured Parties by or pursuant to the Credit Documents.

5.17. Conditions Subsequent . Parent and Borrower shall ensure that, as soon as reasonably practicable but in no event later than the time periods specified on Schedule 10 (or, if

no such time period is specified for any action set forth on Schedule 10, sixty (60) days following the Amendment and Restatement Date or such later date consented to by Primary Collateral Agent (such consent not to be unreasonably withheld or delayed)), the Transaction Security required to be granted for the benefit of the Secured Parties pursuant to this Agreement (which Transaction Security shall include but not be limited to, Transaction Security granted by Subsidiaries which are required to grant such Transaction Security in accordance with Section 5.16) shall be granted and perfected in accordance with this Agreement and the Agreed Security Principles, and, in connection therewith, Parent and Borrower shall ensure that the applicable Collateral Agent receives originally executed copies of the written opinions of counsel and such other documentation as may reasonably and customarily be requested by such Collateral Agent pursuant to the steps set forth on Schedule 10.

5.18. Clean-Down . Borrower shall ensure that, for a period of not less than five (5) consecutive calendar days (each, a " **Clean Down Period** ") during each Fiscal Year, the aggregate amount of Unrestricted Cash is no less than the aggregate principal amount of the outstanding Revolving Loans; provided that (x) no one Clean Down Period may begin in one Fiscal Year and end in the subsequent Fiscal Year and (y) if any Clean Down Period occurs during the last fifteen (15) calendar days of any Fiscal Year, the Clean Down Period for the following Fiscal Year may not occur during the first fifteen (15) calendar days of such following Fiscal Year.

5.19. Real Estate Mortgages. In the event that the sale-leaseback for the real property listed in Schedule 10, Part II hereto (each, a " **Mortgaged Property** ") has not been contracted for by December 25, 2016 (the " **Springing Mortgage Date** "), no later than ninety (90) days or such later date consented to by the Primary Collateral Agent (which consent shall not be unreasonably withheld or delayed) following the Springing Mortgage Date, the applicable Credit Party shall take all such actions and execute and deliver, or cause to be executed and delivered, the documents listed in Schedule 10, Part II hereto.

SECTION 6. NEGATIVE COVENANTS

6.1. Limitation on Debt .

(a) Each Credit Party will not, and will not cause or permit any other member of the Restricted Group to, create, issue, incur, assume, guarantee or in any manner become directly or indirectly liable with respect to or otherwise become responsible for, contingently or otherwise, the payment of (individually and collectively, to " **Incur** " or, as appropriate, an " **Incurrence** "), any Debt (including any Acquired Debt) and Permitted Refinancings thereof, provided that (i) any such Debt shall not be subject to any guarantee by any Person other than a Credit Party (other than as provided in Section 5.15(a)(iv)(1) with respect to local lines of credit or financing Incurred by Subsidiaries of Parent) and (ii) Borrower and any Guarantor will be permitted to Incur Debt (including Acquired Debt) if at the time of such Incurrence and after giving effect to the Incurrence of such Debt and the application of the proceeds thereof (and excluding the proceeds of any such incurrence from Unrestricted Cash in clause (b) of the definition of Consolidated Total Debt in calculating the Total Net Leverage Ratio), on a Pro Forma Basis, the Total Net Leverage Ratio for the four full Fiscal Quarters for which internal

financial statements are available immediately preceding the Incurrence of such Debt, taken as one period, would be greater than 4.50:1.00.

(b) Section 6.1(a) will not, however, prohibit the following (collectively, " **Permitted Debt** "):

(i) the Credit Agreement Obligations of the Credit Parties pursuant to the Credit Documents;

(ii) Refinancing Indebtedness;

(iii) any Debt of any member of the Restricted Group outstanding on the Amendment and Restatement Date and listed on Schedule 6 and Permitted Refinancing in respect thereof;

(iv) the Incurrence by any member of the Restricted Group of intercompany Debt between any other member of the Restricted Group, provided that:

(A) if Borrower or a Guarantor is the obligor on any such Debt and the lender is not Borrower or a Guarantor, it is unsecured;

(B) such Debt is evidenced by an Intercompany Note subject to the Agreed Security Principles; and

(C) (x) any disposition, pledge or transfer of any such Debt to any Person (other than a disposition, pledge or transfer to a member of the Restricted Group) and (y) any transaction pursuant to which any Restricted Subsidiary that has Debt owing from Borrower or another Restricted Subsidiary ceases to be a Restricted Subsidiary, will, in each case, be deemed to be an Incurrence of such Debt not permitted by this clause (iv);

(v) the Incurrence by any member of the Restricted Group of (A) Debt represented by Capitalized Lease Obligations, mortgage financings, purchase money obligations or other Debt Incurred or assumed in connection with the acquisition, construction, improvement or development of real or personal, movable or immovable equipment, property or assets (including the lease or other purchase of land use rights), in each case, Incurred for the purpose of financing or refinancing all or any part of the purchase price, lease expense or cost of construction, improvement or development of property, plant or equipment used in the business of any member of the Restricted Group (including any related fees or expenses reasonably incurred in connection with such acquisition, construction, improvement or development), including any such purchase through the acquisition of Capital Stock of any Person that owns such real or personal, movable or immovable equipment, property or assets which will, upon acquisition, become a Restricted Subsidiary and (B) Permitted Refinancing in respect thereof, provided that the principal amount of such Debt so Incurred when aggregated with other Debt previously Incurred in reliance on this clause (v) (together with any refinancings thereof) and still outstanding will not in the aggregate exceed the greater of $50,000,000 (or the Dollar Equivalent thereof) or 3% of Total Assets;

(vi) the Incurrence by any member of the Restricted Group of Debt arising from agreements providing for guarantees, indemnities or obligations in respect of earnouts, purchase price adjustments or similar obligations in connection with the disposition of assets, including, without limitation, shares of Capital Stock, other than guarantees or similar credit support given by a member of the Restricted Group of Debt Incurred by any Person acquiring all or any portion of such assets for the purpose of financing such acquisition, provided that the maximum aggregate liability in respect of all such Debt permitted pursuant to this clause (vi) will at no time exceed the gross proceeds, including non-cash proceeds (the Fair Market Value of such non-cash proceeds being measured at the time received and without giving effect to any subsequent changes in value), actually received from the sale of such assets;

(vii) the Incurrence by any member of the Restricted Group of Debt under Currency Agreements or Interest Rate Agreements entered into in the ordinary course of business and not for speculative purposes (it being understood that hedging in respect of the Loans or the CHF Notes Indenture (including any CHF Notes) using Currency Ag reements and Interest Rate Agreements shall be deemed "in the ordinary course of business" under this clause (vii));

(viii) the Incurrence by any member of the Restricted Group of Debt in respect of workers ' compensation and claims arising under similar legislation, or pursuant to self-insurance obligations, in each case of the foregoing arising in the ordinary course of business and not in connection with the borrowing of money or the obtaining of advances or credit;

(ix) the Incurrence of Debt by any member of the Restricted Group arising from (A) 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, provided that such Debt is extinguished within five Business Days of Incurrence, (B) bankers' acceptances, advance payments, payments of customs duties, the accounting for value added tax to a relevant taxing authority, performance, surety, judgment, appeal or similar bonds, instruments or obligations and (C) completion guarantees provided letters of credit or similar instruments in respect of self-insurance and workers compensation obligations obtained by any member of the Restricted Group, in each case in the ordinary course of business;

(x) the Incurrence by any member of the Restricted Group of Debt pursuant to a Permitted Refinancing in exchange for or the net proceeds of which are used to refund, replace or refinance Debt Incurred by such member of the Restricted Group pursuant to, or described in, Sections 6.1(a) and 6.1(b)(i), (x), (xv) or (xvii), as the case may be, provided , however , that any Permitted Refinancing of Acquired Debt Incurred pursuant to clause (xv) below, if guaranteed or in the form of a guarantee from such member of the Restricted Group, shall not be deemed to be permitted under this clause (x); provided that any such Debt incurred under this clause (x), with respect to Section 6.1(b)(x) and (xi) only, by a Restricted Subsidiary that is not Borrower or Guarantor, together with any Debt incurred by a Restricted Subsidiary that is not

Borrower or Guarantor pursuant to clauses (xv) or (xxii), does not exceed $50,000,000 in the aggregate at any time outstanding;

(xi) Debt Incurred by any member of the Restricted Group constituting reimbursement obligations with respect to letters of credit, trade guarantees or similar instruments issued in the ordinary course of business to the extent that such letters of credit, trade guarantees or similar instruments are not drawn upon or, if drawn upon, to the extent such drawing is reimbursed no later than 30 days following receipt by such member of the Restricted Group of a demand for reimbursement;

(xii) Management Advances;

(xiii) any customary cash or treasury management, cash pooling or netting or setting off arrangements in the ordinary course of business;

(xiv) without limiting Section 6.5, Debt arising by reason of any Lien granted by or applicable to such Person securing Debt of any member of the Restricted Group as long as the Incurrence of such Debt was permitted under the terms of the Credit Documents;

(xv) Acquired Debt of any member of the Restricted Group (other than Debt Incurred (A) to provide all or any portion of the funds utilized to consummate the transaction or series of related transactions pursuant to which a Person becomes a Restricted Subsidiary or was otherwise acquired by a member of the Restricted Group or (B) otherwise in connection with or in contemplation of such acquisition), provided that, after giving effect to such acquisition on a Pro Forma Basis, the Total Net Leverage Ratio for the four full Fiscal Quarters for which internal financial statements are available immediately preceding the Incurrence of such Debt, taken as one period, would be less than or equal to 4.50:1.00 if at the time of such Incurrence and after giving effect to the Incurrence of such Debt and the application of the proceeds thereof, on a Pro Forma Basis (calculated excluding the proceeds of any such incurrence from Unrestricted Cash in clause (b) of the definition of Consolidated Total Debt in calculating the Total Net Leverage Ratio); and provided further that (1) if such Acquired Debt is guaranteed by a member of the Restricted Group, such guarantee will not be deemed to be permitted by this clause (xv), and (2) any such Debt incurred under this clause (xv) by a Restricted Subsidiary that is not Borrower or Guarantor, together with any Debt incurred by a Restricted Subsidiary that is not Borrower or Guarantor pursuant to clauses (x) or (xxii), does not exceed $50,000,000 in the aggregate at any time outstanding;

(xvi) (A) the guarantee by Borrower or any Guarantor of Debt of Borrower or any Guarantor or (B) the guarantee by a Non-Guarantor Subsidiary of Debt of any other Non-Guarantor Subsidiary, in each case to the extent that the guaranteed Debt was permitted to be Incurred by another provision of this Section 6.1 and provided that if the Debt being guaranteed is subordinated to the Loans or is unsecured, then such guarantee will be subordinated or unsecured to the same extent as the Debt guaranteed;

(xvii) Debt of any Restricted Subsidiary incurred as a result of (A) any governmental or regulatory restrictions, limitations or penalties in the nature of capital controls, exchange controls or similar restrictions affecting the incurrence or repayment of intercompany Debt by any Restricted Subsidiary or (B) any ordinary course country risk management policies of any member of the Restricted Group restricting or limiting transfers or distributions from such member of the Restricted Group to another member of the Restricted Group;

(xviii) the Incurrence of any Subordinated Shareholder Funding;

(xix) **[** Reserved **]** ;

(xx) Bank Deposit Debt Incurred by any member of the Restricted Group and Permitted Refinancings in respect thereof, provided that, on the date of the Incurrence of such Debt and after giving effect thereto, the aggregate principal amount of all such Debt Incurred pursuant to this clause (xx) (together with any refinancings thereof) does not exceed an amount equal to $35,000,000 (or the Dollar Equivalent thereof);

(xxi) unsecured Debt of any Credit Party consisting of deferred consideration in connection with the acquisition of assets, including shares of Capital Stock, by any member of the Restricted Group;

(xxii) the Incurrence of Debt by any member of the Restricted Group (other than and in addition to Debt permitted under clauses (i) through (xxi) above) in an aggregate principal amount at any one time outstanding not to exceed $30,000,000 (or the Dollar Equivalent thereof); provided that any such Debt incurred under this clause (xxii) by a Restricted Subsidiary that is not Borrower or Guarantor, together with any Debt incurred by a Restricted Subsidiary that is not Borrower or a Guarantor pursuant to clauses (x) or (xv), does not exceed $50,000,000 in the aggregate at any time outstanding;

(xxiii) (A) Debt of any Credit Party (which Debt (I) in the form of notes may rank *pari passu* or junior in right of security with the Credit Agreement Obligations or, if in the form of loans, may rank junior in right of security with the Credit Agreement Obligations or be unsecured and (II) shall be *pari passu* or junior in right of payment to the Credit Agreement Obligations) that is Incurred or issued or made in lieu of New Term Loan Commitments; provided that (1) the aggregate principal amount of all Debt Incurred pursuant to this clause (xxiii) shall not, together with any New Term Loan Commitments, New Revolving Loan Commitments and Debt Incurred pursuant to Section 6.1(b)(xxiv), exceed the Incremental Amount, (2) no Event of Default shall have occurred and be continuing or would exist immediately after giving effect to such incurrence, (3) as of the date of determination, any Debt Incurred pursuant to this clause (xxiii) shall not mature earlier than the Latest Maturity Date with respect to the Term Loans at the time of incurrence of such Debt, (4) the documentation with respect to any Debt Incurred pursuant to this clause (xxiii) in the form of notes contains no mandatory prepayment, repurchase or redemption provisions prior to the Latest Maturity Date with respect to Term Loans at the time of incurrence of such Debt, except with respect to

change of control, asset sale and event of loss mandatory offers to purchase or mandatory prepayments and customary acceleration rights after an event of default, (5) Debt Incurred pursuant to this clause (xxiii) shall not be subject to any guarantee by any Person other than a Credit Party, (6) Debt Incurred pursuant to this clause (xxiii) shall not be secured by any Lien on any asset of Parent, Borrower or any Restricted Subsidiary other than any asset constituting Collateral, (7) except as otherwise contemplated by the Intercreditor Agreement, the security agreements relating to Debt Incurred pursuant to this clause (xxiii) shall be substantially the same as the Collateral Documents (with such differences as are reasonably satisfactory to the applicable Collateral Agent), (8) if Debt Incurred pursuant to this clause (xxiii) is secured on a *pari passu* or junior basis with the Credit Agreement Obligations, then such Debt shall be subject to the Intercreditor Agreement, and (9) the documentation with respect to any Debt Incurred pursuant to this clause (xxiii) shall contain terms and conditions (other than with respect to pricing, fees, premiums and optional prepayment or redemption terms) not materially more restrictive (taken as a whole) in respect of the Restricted Group than those set forth in this Agreement (except for covenants or other provisions applicable only to periods after the Latest Maturity Date at the time of incurrence of such Debt); and (B) any Permitted Refinancing of any of the foregoing;

(xxiv) (A) Debt of any Credit Party in the form of loans that are *pari passu* in right of payment and security with the Credit Agreement Obligations in an aggregate principal amount not to exceed $50,000,000 prior to the date of determination that is Incurred or made in lieu of New Term Loan Commitments; provided that (1) the aggregate principal amount of all Debt Incurred pursuant to this clause (xxiv) shall not, together with any New Term Loan Commitments, New Revolving Loan Commitments and Debt Incurred pursuant to Section 6.1(b)(xxiii), exceed the Incremental Amount, (2) no Event of Default shall have occurred and be continuing or would exist immediately after giving effect to such incurrence, (3) Debt Incurred pursuant to this clause (xxiv) shall not be subject to any guarantee by any Person other than a Credit Party, (4) Debt Incurred pursuant to this clause (xxiv) shall not be secured by any Lien on any asset of Parent, Borrower or any Restricted Subsidiary other than any asset constituting Collateral, (5) the security agreements relating to Debt Incurred pursuant to this clause (xxiv) shall be substantially the same as the Collateral Documents (with such differences as are reasonably satisfactory to the applicable Collateral Agent), (6) Debt Incurred pursuant to this clause (xxiv) shall be subject to the Intercreditor Agreement and (7) Debt Incurred pursuant to this clause (xxiv) is not widely syndicated in the United States; and (B) any Permitted Refinancing of any of the foregoing;

(xxv) **[** Reserved **]** ;

(xxvi) Debt of any Credit Party Incurred with respect to Banking Services; provided that if such Debt ranks *pari passu* in right of payment or security with the Credit Agreement Obligations, such Debt shall be subject to the Intercreditor Agreement; and

(xxvii) Debt outstanding under the CHF Notes Indenture in an aggregate principal amount not to exceed CHF 200,000,000.

(c) For purposes of determining compliance with this Section 6.1, in the event that an item of Debt meets the criteria of more than one of the categories of Permitted Debt described in Sections 6.1(b)(i) through (xxvii), or is entitled to be Incurred pursuant to Section 6.1(a) above, Borrower in its sole discretion will be permitted to classify (and divide) such item of Debt on the date of its Incurrence in any manner that complies with this Section 6.1. In addition, any item of Debt initially classified as Incurred pursuant to one of the categories of Permitted Debt described in Sections 6.1(b)(ii) through (xxvii), or entitled to be Incurred pursuant to Section 6.1(a) above, may later be reclassified (and divided) by Borrower in its sole discretion such that it will be deemed as having been Incurred pursuant to such new clause or clauses or Section 6.1(a) above to the extent that such reclassified Debt could be Incurred pursuant to such new clause or clauses or Section 6.1(a) above at the time of such reclassification. Notwithstanding the foregoing, Debt Incurred (I) under the Credit Documents, any New Term Loan Commitments, New Term Loans, New Revolving Loan Commitments and New Revolving Loans shall only be classified as incurred under Section 6.1(b)(i) and (II) as Refinancing Indebtedness shall only be classified as incurred under Section 6.1(b)(ii).

(d) Notwithstanding any other provision of this Section 6.1, the maximum amount of Debt that Borrower or any other member of the Restricted Group may Incur pursuant to this Section 6.1 shall not be deemed to be exceeded solely as a result of fluctuations in the exchange rates of currencies.

(e)

(i) Credit Agreement Obligations in the form of letters of credit, guarantees or Liens, in each case supporting Debt otherwise included in the determination of such particular amount; and

(ii) accrual of interest or preferred stock dividends, the accretion or amortization of original issue discount, the payment of interest on any Debt in the form of additional Debt with substantially equivalent terms, the reclassification of Preferred Stock as Debt due to a change in accounting principles, and the payment of dividends on Preferred Stock or Redeemable Capital Stock in the form of additional shares of the same class of Preferred Stock or Redeemable Capital Stock,

will not, in any case, be treated as Debt that is subject to this Section 6.1, provided in each such case and except with respect to Subordinated Shareholder Funding, that the amount of any such accrual, accretion, amortization, payment or reclassification is included in the Consolidated Interest Expense of Borrower as accrued, and provided further , that with respect to clause (ii) above (except with respect to accrual of interest and preferred stock dividends), the amount of any such accrual, accretion, amortization, payment or reclassification will be included as Debt for purposes of determining the amount of Debt outstanding for the Incurrence of additional Debt.

(f) For purposes of determining compliance with this Section 6.1, the principal amount of Debt issued at a price that is less than the principal amount thereof will be equal to the amount of the liability in respect thereof determined in conformity with IFRS.

(g) Borrower will not Incur any Debt (including Permitted Debt) that is subordinated in right of payment to any other Debt of Borrower unless such Debt is also contractually subordinated in right of payment to the Loans on substantially identical terms, provided , however , that no Debt will be deemed to be subordinated in right of payment to any other Debt of Borrower solely by virtue of being unsecured or by virtue of being secured on a junior Lien basis.

(h) The Guarantors will not Incur any Debt (including Permitted Debt) that is subordinated in right of payment to any Debt of the Guarantors unless such Debt is also contractually subordinated in right of payment to the Guarantees on substantially identical terms, provided , however , that no Debt will be deemed to be subordinated in right of payment to any other Debt of a Guarantor solely by virtue of being unsecured or by virtue of being secured on a junior Lien basis.

6.2. Limitation on Restricted Payments .

(a) Each Credit Party will not, and will not cause or permit any other member of the Restricted Group to, directly or indirectly, take any of the following actions (each of which is a " **Restricted Payment** " and which are collectively referred to as " **Restricted Payments** "):

(i) declare or pay any dividend on or make any distribution, directly or indirectly (whether made in cash, securities or other property), with respect to any Capital Stock of any member of the Restricted Group (including, without limitation, any payment in connection with any merger, consolidation, amalgamation or other combination involving any member of the Restricted Group) (other than to any member of the Restricted Group), except for dividends or distributions to the extent payable in (A) shares of Parent 's Qualified Capital Stock, (B) options, warrants or other rights to acquire such shares of Qualified Capital Stock or (C) Subordinated Shareholder Funding;

(ii) purchase, redeem or otherwise acquire or retire for value (including, without limitation, in connection with any merger, consolidation, amalgamation or other combination), directly or indirectly (A) any shares of Parent 's Capital Stock or any Capital Stock of any Affiliate of Borrower held by persons other than a member of the Restricted Group (other than Capital Stock of any Restricted Subsidiary or any entity that becomes a Restricted Subsidiary as a result thereof), (B) any options, warrants or other rights to acquire such shares of Capital Stock or (C) any Subordinated Shareholder Funding held by any Person;

(iii) make any principal payment on, or repurchase, redeem, defease or otherwise acquire or retire for value, prior to any scheduled principal payment, sinking fund payment or Stated Maturity, any Subordinated Debt (other than intercompany Debt between any member of the Restricted Group and any other member of the Restricted Group);

(iv) make any Investment (other than any Permitted Investment) in any Person; or

(v) pay any interest on any Subordinated Shareholder Funding (other than by capitalization to principal or through the issuance of additional Subordinated Shareholder Funding).

If any Restricted Payment described above is not made in cash, the amount of the proposed Restricted Payment will be the Fair Market Value of the asset to be transferred as of the date of transfer.

(b) Notwithstanding Section 6.2(a) above, any member of the Restricted Group may make a Restricted Payment if, at the time of and after giving effect to such proposed Restricted Payment and the application of the proceeds thereof on a Pro Forma Basis:

(i) no Default or Event of Default has occurred and is continuing;

(ii) the Total Net Leverage Ratio for the four full Fiscal Quarters for which internal financial statements are available immediately preceding the making of the Restricted Payment, taken as one period, would be less than or equal to 4.50:1.00; and

(iii) the aggregate amount of all Restricted Payments declared or made after the Closing Date, and after giving effect to any reductions required by Section 6.2(d), does not exceed the sum of:

(A) 50% of aggregate Consolidated Net Income on a cumulative basis during the period beginning on the first day of the Fiscal Quarter in which the Closing Date occurred and ending on the last day of Parent 's last Fiscal Quarter ending prior to the date of such proposed Restricted Payment for which internal financial statements are available (or, if such aggregate cumulative Consolidated Net Income will be a negative number, minus 100% of such negative amount); *plus*

(B) the aggregate Net Cash Proceeds (other than proceeds designated as Excluded Contributions and the Net Cash Proceeds of the Follow-On Public Offering) and the Fair Market Value of marketable securities and non-cash property or assets (provided that only Restricted Investments may be made with such non-cash property or assets) actually received by Borrower after the Closing Date as equity capital contributions or from the issuance or sale (other than to any Subsidiary) of (I) shares of Parent's Qualified Capital Stock (including upon the exercise of options, warrants or rights), (II) options, warrants or rights to purchase shares of Parent's Qualified Capital Stock or (III) Subordinated Shareholder Funding (except, in each case to the extent such proceeds are used to purchase, redeem or otherwise retire Capital Stock, Subordinated Debt or Subordinated Shareholder Funding as set forth in Sections 6.2(c)(iv) or (v)), excluding the Net Cash Proceeds received from the issuance of Parent's Qualified Capital Stock, options, warrants or rights to purchase shares of Parent's Qualified Capital Stock or Subordinated Shareholder Funding financed,

directly or indirectly, using funds borrowed from Borrower or any Subsidiary until and to the extent such borrowing is repaid; ***plus***

(C) (I) the amount by which Borrower 's Senior Debt or Senior Debt of any Restricted Subsidiary is reduced on Parent's consolidated balance sheet after the Closing Date upon the conversion or exchange (other than by a Subsidiary) of such Senior Debt into Parent's Qualified Capital Stock and (II) the aggregate Net Cash Proceeds received after the Closing Date by Borrower from the issuance or sale (other than to any Subsidiary) of Debt or Redeemable Capital Stock that has been converted into or exchanged for Parent's Qualified Capital Stock or Subordinated Shareholder Funding (other than Subordinated Shareholder Funding the proceeds of which are included in clause (iii)(B) above), to the extent such Debt or Redeemable Capital Stock was originally sold for cash or Cash Equivalents, together with, in the case of both clauses (I) and (II), the aggregate Net Cash Proceeds received by Borrower at the time of such conversion or exchange, excluding the Net Cash Proceeds received from the issuance of Parent's Qualified Capital Stock or Subordinated Shareholder Funding financed, directly or indirectly, using funds borrowed from Borrower or any Subsidiary until and to the extent such borrowing is repaid; ***plus***

(D) (I) if a Restricted Investment constituted a guarantee, an amount equal to the amount of such guarantee upon the full and unconditional release of such guarantee and (II) in the case of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary (as long as the designation of such Subsidiary as an Unrestricted Subsidiary was deemed a Restricted Payment), up to the lesser of (1) the Fair Market Value of Borrower 's or such Restricted Subsidiary's interest in such Subsidiary at the time of such redesignation and (2) the Fair Market Value of Borrower's or such Restricted Subsidiary's existing interest in such Person that was previously treated as a Restricted Payment; ***plus***

(E) any Borrower Retained Prepayment Amount.

(c) Notwithstanding Sections 6.2(a) and (b) above, any member of the Restricted Group may take the following actions as long as (x) with respect to clauses (ix) and (xiii) below, no Default or Event of Default has occurred and is continuing and (y) with respect to clause (xvi) below, no Event of Default has occurred and is continuing:

(i) the payment of any dividend within 120 days after the date of its declaration if at such date of its declaration such payment would have been permitted by the provisions of this Section 6.2;

(ii) cash payments in lieu of issuing fractional shares pursuant to the exchange or conversion of any exchangeable or convertible securities;

(iii) the repurchase, redemption or other acquisition or retirement for value of any Capital Stock of any member of the Restricted Group held by any employee benefit plan of any member of the Restricted Group, any current or former officer,

director, consultant or employee of any member of the Restricted Group (or permitted transferees, estates or heirs of any of the foregoing) pursuant to any equity subscription agreement, stock option agreement, shareholders ' agreement or similar agreement (or, in each case, Restricted Payments to any Holding Company of Borrower to enable such a repurchase, redemption or other acquisition or retirement of Capital Stock of such Holding Company), provided that the aggregate price paid (or Restricted Payments made) for all such repurchased, redeemed, acquired or retired Capital Stock may not exceed $2,000,000 (or the Dollar Equivalent thereof) in any 12-month period;

(iv) the repurchase, redemption or other acquisition or retirement for value of any shares of Parent 's Capital Stock, options, warrants or other rights to acquire such Capital Stock or Subordinated Shareholder Funding in exchange for (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares or scrip), or out of the Net Cash Proceeds to Borrower of a substantially concurrent issuance and sale (other than to a Subsidiary) of, shares of Parent's Qualified Capital Stock, options, warrants or other rights to acquire such Capital Stock or Subordinated Shareholder Funding (to the extent such Net Cash Proceeds are Not Otherwise Applied); provided in each case, that any such Net Cash Proceeds that constitute Excluded Contributions may not be utilized for any such Restricted Payment;

(v) the prepayment, repayment, purchase, repurchase, redemption, defeasance or other acquisition or retirement for value or payment of principal of any Subordinated Debt in exchange for, or out of the Net Cash Proceeds to Parent of a substantially concurrent issuance and sale (other than to a Subsidiary) of, shares of Parent 's Qualified Capital Stock (to the extent such Net Cash Proceeds are Not Otherwise Applied); provided in each case, that any such Net Cash Proceeds that constitute Excluded Contributions may not be utilized for any such Restricted Payment;

(vi) the prepayment, repayment, purchase, repurchase, redemption, defeasance or other acquisition or retirement for value of Subordinated Debt (other than Redeemable Capital Stock and Subordinated Shareholder Funding) in exchange for, or out of the Net Cash Proceeds of a substantially concurrent Incurrence (other than to a Subsidiary) of, Debt Incurred pursuant to a Permitted Refinancing;

(vii) the declaration or payment of any dividend to all holders of Capital Stock of a Restricted Subsidiary on a *pro rata* basis or on a basis that results in the receipt by any member of the Restricted Group of dividends or distributions of greater value than such member of the Restricted Group would receive on a *pro rata* basis;

(viii) the repurchase of Capital Stock deemed to occur upon the exercise of stock options with respect to which payment of the cash exercise price has been forgiven if the cumulative aggregate value of such deemed repurchases does not exceed the cumulative aggregate amount of the exercise price of such options received;

(ix) the declaration and payment of dividends to holders of any class or series of Redeemable Capital Stock issued in accordance with Section 6.1;

(x) any Restricted Payments in connection with the consummation of the Initial Public Offering;

(xi) the purchase, repurchase, redemption, retirement or other acquisition for value of Capital Stock deemed to occur upon the exercise of stock options, warrants or other securities, if such Capital Stock represents a portion of the exercise price of such options, warrants or other securities;

(xii) **[** Reserved **]** ;

(xiii) Restricted Payments that are made with Excluded Contributions ;

(xiv) **[** Reserved **]** ;

(xv) any Restricted Payment by Borrower, Nord Anglia UK, NAE HK Holdings Limited or any other direct or indirect parent of Borrower to pay listing fees and other costs and expenses attributable to being a publicly traded company which are reasonable and customary; and

(xvi) any other Restricted Payment, provided that the total aggregate amount of Restricted Payments made under this clause (xvi) does not exceed $20,000,000 (or the Dollar Equivalent thereof).

(d) The actions described in Sections 6.2(c)(i), (iii) and (xvi) are Restricted Payments that will be permitted to be made in accordance with Section 6.2(c) above but that will reduce the amount that would otherwise be available for Restricted Payments under Section 6.2(b)(iii) above.

6.3. Limitation on Issuances and Sales of Capital Stock of Restricted Subsidiaries .

(a) Each Credit Party will not sell or otherwise dispose of, and will not permit any other member of the Restricted Group (other than as permitted under Section 6.5), directly or indirectly, to issue or sell, any shares of Capital Stock of a Restricted Subsidiary (including options, warrants or other rights to purchase shares of such Capital Stock).

(b) The foregoing Section 6.3(a), however, will not apply to:

(i) any issuance or sale of shares of Capital Stock of a Restricted Subsidiary to another member of the Restricted Group;

(ii) any issuance or sale to directors of directors ' qualifying shares or issuances or sales of shares of Capital Stock of a Restricted Subsidiary to be held by third parties, in each case to the extent required by applicable law;

(iii) any issuance or sale of shares of Capital Stock of a Restricted Subsidiary made in compliance with Section 6.6;

(iv) any issuance or sale of shares of Capital Stock of a Restricted Subsidiary if, immediately after giving effect to such issuance or sale, such Restricted Subsidiary would no longer constitute a Restricted Subsidiary and any remaining Investment in such Person would have been permitted to be made under Section 6.2 if made on the date of such issuance or sale; or

(v) Capital Stock issued by a Person prior to the time:

(A) such Person becomes a Restricted Subsidiary;

(B) such Person consolidates or merges with or into a Restricted Subsidiary; or

(C) a Restricted Subsidiary consolidates or merges with or into such Person;

but only if such Capital Stock was not issued or Incurred by such Person in anticipation of it becoming a Restricted Subsidiary.

6.4. Limitation on Transactions with Affiliates .

(a) Each Credit Party will not, and will not cause or permit any other member of the Restricted Group to, directly or indirectly, enter into or suffer to exist any transaction or series of related transactions (including, without limitation, the sale, purchase, exchange or lease of assets or property or the rendering of any service), with, or for the benefit of, any Affiliate of Borrower having a value greater than $2,000,000 (or the Dollar Equivalent thereof), unless such transaction or series of transactions is entered into in good faith and:

(i) such transaction or series of transactions is on terms that, taken as a whole, are not materially less favorable to such member of the Restricted Group than those that could have been obtained in a comparable arm's-length transaction with third parties that are not Affiliates of Borrower;

(ii) with respect to any transaction or series of related transactions involving aggregate payments or the transfer of assets or the provision of services having a value greater than $5,000,000 (or the Dollar Equivalent thereof), Borrower will deliver a resolution of its Board of Directors (attached to an Officers' Certificate to Administrative Agents) resolving that such transaction complies with clause (i) above and that the fairness of such transaction has been approved by a majority of the Disinterested Members, if any, of the Board of Directors; and

(iii) with respect to any transaction or series of related transactions involving aggregate payments or the transfer of assets or the provision of services having a value greater than $10,000,000 (or the Dollar Equivalent thereof), Borrower will deliver to Administrative Agents a written opinion of an Independent Financial Advisor stating that the transaction or series of transactions is fair to Borrower or such Restricted Subsidiary from a financial point of view or that the terms are not materially less favorable to such member of the Restricted Group than those that would have been

obtained in a comparable transaction by such member of the Restricted Group with a Person that is not an Affiliate of Borrower.

(b) The restrictions set forth in Section 6.4(a) above will not apply to:

(i) customary directors' fees, indemnities and similar arrangements (including the payment of directors' and officers' insurance premiums), consulting fees, employee compensation, employee and director bonuses, employment agreements and arrangements or employee benefit arrangements, including stock options or legal fees, in each case as long as Borrower's Board of Directors has approved the terms thereof and deemed the services performed or thereafter to be performed for such amounts to be fair consideration therefor;

(ii) any Restricted Payment (other than a Permitted Investment) not prohibited by Section 6.2;

(iii) loans and advances (or guarantees to third-party loans, but not any forgiveness of such loans or advances) to directors, officers or employees of any member of the Restricted Group made in the ordinary course of business in an amount outstanding not to exceed at any one time $2,000,000 (or the Dollar Equivalent thereof);

(iv) agreements and arrangements existing on the Closing Date and any amendment, extension, renewal, refinancing, modification or supplement thereto, provided that any such amendment, extension, renewal, refinancing, modification or supplement to the terms thereof is not more disadvantageous, taken as a whole, to the Credit Parties and to the Restricted Group, as applicable, in any material respect than the original agreement or arrangement as in effect on the Closing Date;

(v) the issuance of securities or other payments, awards or grants in cash, securities or similar transfers pursuant to, or for the purpose of the funding of, employment arrangements, stock options, stock ownership plans and other similar arrangements, as long as the terms thereof are or have been previously approved by Borrower's Board of Directors and deemed the services performed or thereafter to be performed for such amounts to be fair consideration therefor;

(vi) transactions between or among Borrower and the Restricted Subsidiaries or between or among Restricted Subsidiaries;

(vii) any issuance of Capital Stock (other than Redeemable Capital Stock) of Borrower, options, warrants or other rights to acquire such Capital Stock or any issuance of Subordinated Shareholder Funding, provided that the interest rate and other financial terms of such Subordinated Shareholder Funding are approved by a majority of the members of the Board of Directors in their reasonable determination;

(viii) the existence of, or the performance by any member of the Restricted Group of its obligations under the terms of, any stockholders agreement, joint venture agreement or restructuring term sheets (including any registration rights agreement or purchase agreement relating thereto) to which it was a party as of the

Closing Date, provided , however , that the existence of, or the performance by any member of the Restricted Group of, obligations under any future amendment to any such existing agreement entered into after the Closing Date shall only be permitted by this clause (viii) to the extent that the terms of any such amendment or new agreement are not more disadvantageous to the Credit Parties when taken as a whole in any material respect than the original agreement as in effect on the Closing Date;

(ix) any transaction with a Person that is an Affiliate of Borrower, solely because such member of the Restricted Group owns Capital Stock in or otherwise controls such Person or has the right to designate one or more members of the Board of Directors or similar governing body of such Person;

(x) transactions with customers, clients, suppliers, or purchasers or sellers of goods or services or providers of employees or other labor, in each case in the ordinary course of business and otherwise in compliance with the terms of the Credit Documents that are fair to the Restricted Group, in the reasonable determination of the members of the Board of Directors of Borrower or the senior management thereof, or are on terms at least as favorable as might reasonably have been obtained at such time from an unaffiliated Person;

(xi) Management Advances;

(xii) **[** Reserved **]** ; and

(xiii) any Permitted Investment (other than a Permitted Investment as defined in clause (c)(iv) or (s) of the definition of "Permitted Investments" herein).

6.5. Limitation on Liens . Each Credit Party will not, and will not cause or permit any other member of the Restricted Group to, directly or indirectly, create, incur, assume, affirm or suffer to exist any Lien of any kind upon any property or assets of the Restricted Group, including any shares of stock or intercompany notes or other Debt of any Restricted Subsidiary, owned on the Closing Date or acquired after the Closing Date, or any income, profits or proceeds therefrom, except:

(a) in the case of any property or asset that does not constitute Collateral, Permitted Liens, provided , however , that such member of the Restricted Group may only place Permitted Ordinary Course Liens on Non-Guarantor Shares. Notwithstanding the foregoing sentence, any member of the Restricted Group may place a Lien on any property or asset that does not constitute Collateral (i) even if such Lien is not a Permitted Lien or (ii) in the case of Non-Guarantor Shares, even if such Lien is not a Permitted Ordinary Course Lien, if the Credit Agreement Obligations (or a Guarantee in the case of Liens of a Guarantor) are directly secured equally and ratably or on a prior basis with the obligation or liability secured by such Lien; and

(b) in the case of any property or asset that constitutes Collateral, Permitted Collateral Liens, provided that no such Permitted Collateral Lien (except for Liens permitted under clause (b) or (c) of the definition thereof) will be granted unless such assets or property also secure the Credit Agreement Obligations.

6.6. Limitation on Asset Sales .

(a) Each Credit Party will not, and will not cause or permit any other member of the Restricted Group to, consummate any Asset Sale unless:

(i) the consideration such member of the Restricted Group receives for such Asset Sale is not less than the Fair Market Value of the assets sold (as reasonably determined in good faith by Borrower's Board of Directors);

(ii) with respect to any Asset Sale (or series of related Asset Sales) for a purchase price in excess of $5,000,000, at least 75% of the consideration such member of the Restricted Group receives in respect of such Asset Sale consists of:

(A) cash (including any Net Cash Proceeds received from the conversion to cash within 180 days of such Asset Sale of securities, notes or other obligations received in consideration of such Asset Sale);

(B) Cash Equivalents (including any Net Cash Proceeds received from the conversion to cash within 90 days of such Asset Sale of securities, notes or other obligations received in consideration of such Asset Sale);

(C) the assumption by the purchaser of (x) Debt of any member of the Restricted Group (other than Subordinated Debt) as a result of which no member of the Restricted Group remains obliged in respect of such Debt or (y) Debt of a Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Sale, if each member of the Restricted Group is released from any guarantee of such Debt as a result of such Asset Sale;

(D) Replacement Assets;

(E) any Designated Non-cash Consideration received by any member of the Restricted Group in such Asset Sale, provided that the aggregate Fair Market Value of such Designated Non-cash Consideration, taken together with the Fair Market Value at the time of receipt of all other Designated Non-cash Consideration received pursuant to this clause (E), does not exceed (with the Fair Market Value of each item of Designated Non-cash Consideration being measured at the time received and without giving effect to subsequent changes in value) $25,000,000 (or the Dollar Equivalent thereof); or

(F) any combination of the consideration specified in the foregoing clauses (A) through (E); and

(iii) Borrower delivers an Officers' Certificate to Administrative Agents certifying that such Asset Sale complies with the provisions described in the foregoing clauses (i) and (ii).

6.7. Impairment of Security Interest . Each Credit Party will not, and will not cause or permit any other member of the Restricted Group to, take or knowingly omit to take, any

action, which action of omission would have the result of materially impairing any security interest over any of the assets comprising the Collateral (it being understood that the incurrence of Liens on the Collateral permitted by the definition of Permitted Collateral Liens will not be deemed to materially impair the security interest with respect to any Collateral) for the benefit of the Secured Parties (including the priority thereof).

6.8. Limitation on Sale and Leaseback Transactions .

(a) Each Credit Party will not, and will not cause or permit any other member of the Restricted Group to, enter into any Sale and Leaseback Transaction with respect to any property or assets (whether now owned or hereafter acquired), unless:

(i) Section 6.6 is complied with and such Net Cash Proceeds have been applied in accordance with Section 2.14(a);

(ii) To the extent such member of the Restricted Group would incur Debt as a result of such Sale and Leaseback Transaction, it would be permitted to Incur Debt under Section 6.1 in the amount of the Attributable Debt Incurred in respect of such Sale and Leaseback Transaction; and

(iii) To the extent such member of the Restricted Group would incur Debt as a result of such Sale and Leaseback Transaction, it would be permitted to grant a Lien to secure Debt under Section 6.5 in the amount of the Attributable Debt in respect of such Sale and Leaseback Transaction.

(b) Notwithstanding the foregoing, nothing will prevent any member of the Restricted Group from engaging in a Sale and Leaseback Transaction solely between members of the Restricted Group so long as such Sale and Leaseback Transaction is permitted by Section 6.4.

6.9. Limitation on Guarantees of Debt by Restricted Subsidiaries .

(a) Each Credit Party will not permit any Restricted Subsidiary that is not a Guarantor, directly or indirectly, to guarantee, assume or in any other manner become liable for the payment of any Debt of Borrower or any Guarantor (other than the Debt under the Credit Documents), unless:

(i) (A) such Restricted Subsidiary simultaneously accedes to this Agreement as a Guarantor; and (B) with respect to any guarantee of Subordinated Debt by such Restricted Subsidiary, any such guarantee will be subordinated to such Restricted Subsidiary 's Guarantee with respect to the Debt under the Credit Documents at least to the same extent as such Subordinated Debt is subordinated to the Debt under the Credit Documents; and

(ii) to the maximum extent permitted by law, such Restricted Subsidiary waives and will not in any manner whatsoever claim or take the benefit or advantage of any rights of reimbursement, indemnity or subrogation or any other rights

against Borrower or any other Restricted Subsidiary as a result of any payment by such Restricted Subsidiary under its Guarantee of the Loans.

(b) Section 6.9(a) will not be applicable to any guarantee of any Restricted Subsidiary:

(i) guaranteeing Debt existing on the Closing Date;

(ii) that existed at the time such Person became a Restricted Subsidiary if the guarantee was not Incurred in connection with, or in contemplation of, such Person becoming a Restricted Subsidiary;

(iii) arising solely due to the granting of a Permitted Lien that would not otherwise constitute a guarantee of Debt of Borrower or any Guarantor; or

(iv) given to a bank or trust company incorporated in any member state of the Pre-Expansion European Union or any commercial banking institution (or any branch, Subsidiary or Affiliate thereof) in each case having combined capital and surplus and undivided profits of not less than $500,000,000, whose debt has a rating, at the time such guarantee was given, of at least A or the equivalent thereof by S&P and at least A2 or the equivalent thereof by Moody ’s, in connection with the operation of cash management programs established in the ordinary course of business for Borrower’s benefit or that of any Restricted Subsidiary.

6.10. Limitation on Dividends and Other Payment Restrictions Affecting Restricted Subsidiaries .

(a) Each Credit Party will not, and will not cause or permit any other member of the Restricted Group to, directly or indirectly, create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of any member of the Restricted Group to:

(i) pay dividends, in cash or otherwise, or make any other distributions on or in respect of its Capital Stock or any other interest or participation in, or measured by, its profits;

(ii) pay any Debt owed to any other member of the Restricted Group;

(iii) make loans or advances to any other member of the Restricted Group; or

(iv) transfer any of its properties or assets to any other member of the Restricted Group,

provided that (A) the priority of any Preferred Stock in receiving dividends or liquidating distributions prior to dividends or liquidating distributions being paid on common stock and (B) the subordination of (including the application of any standstill requirements to) loans or

advances made to any member of the Restricted Group to other Debt Incurred by such member of the Restricted Group shall not be deemed to constitute such an encumbrance or restriction.

(b) The provisions of Section 6.10(a) above will not apply to:

(i) encumbrances and restrictions imposed by the Credit Documents;

(ii) encumbrances or restrictions contained in any agreement in effect on the Amendment and Restatement Date and (to the extent not otherwise permitted by this Section 6.10(b)) listed on Schedule 7;

(iii) encumbrances or restrictions imposed by Debt permitted to be Incurred under Credit Facilities or any guarantee thereof in accordance with Section 6.1(b), provided that in the case of any such encumbrances or restrictions imposed under any Credit Facilities, such encumbrances or restrictions are not materially more restrictive taken as a whole than those imposed by this Agreement as of the Closing Date;

(iv) with respect to restrictions or encumbrances referred to in Section 6.10(a)(iv) above, encumbrances and restrictions: (A) that restrict in a customary manner the subletting, assignment or transfer of any properties or assets that are subject to a lease, license, conveyance or other similar agreement to which any member of the Restricted Group is a party or (B) contained in operating leases for real property and restricting the transfer of such real property upon the occurrence and during the continuance of a default in the payment of rent;

(v) encumbrances or restrictions contained in any agreement or other instrument of a Person or relating to assets acquired by any member of the Restricted Group in effect at the time of such acquisition (but not created in contemplation thereof), which encumbrance or restriction is not applicable to any Person, or the properties or assets of any Person, other than the Person, or the property or assets of the Person, so acquired;

(vi) encumbrances or restrictions contained in contracts for sales of Capital Stock or assets permitted by Section 6.6 with respect to the assets or Capital Stock to be sold pursuant to such contract or in customary merger or acquisition agreements (or any option to enter into such contract) for the purchase or acquisition of Capital Stock or assets or any of Parent's Subsidiaries by another Person;

(vii) encumbrances or restrictions imposed by applicable law or regulation or by governmental licenses, concessions, franchises or permits;

(viii) encumbrances or restrictions on cash or other deposits or net worth imposed by customers under contracts entered into the ordinary course of business;

(ix) encumbrances or restrictions in customary provisions in joint venture and similar agreements entered into in good faith, provided that (A) the encumbrance or restriction is not materially more disadvantageous to the Credit Parties than is customary in comparable agreements (as determined in good faith by Borrower)

and (B) Borrower determines in good faith that any such encumbrance or restriction will not materially affect the ability of Borrower or any Guarantor to make any principal or interest payments on the Loans;

(x) in the case of Section 6.10(a)(iv) above, customary encumbrances or restrictions in connection with purchase money obligations, mortgage financings and Capitalized Lease Obligations for property acquired in the ordinary course of business;

(xi) any encumbrance or restriction arising by reason of customary non-assignment provisions in agreements entered into in the ordinary course of business;

(xii) any encumbrance or restriction pursuant to an agreement or instrument effecting a refunding, replacement or refinancing of Debt Incurred pursuant to, or that otherwise extends, renews, refunds, refinances or replaces, an agreement or instrument referred to in clauses (i), (ii), (iii), (v), (ix), (x) or (xvi) of this Section 6.10(b) (an " **Initial Agreement** ") or contained in any amendment, supplement or other modification to an Initial Agreement, provided , however , that the encumbrances and restrictions with respect to such Restricted Subsidiary contained in any such agreement or instrument are no less favorable in any material respect to the Credit Parties taken as a whole than the encumbrances and restrictions contained in such Initial Agreement (as determined in good faith by Borrower);

(xiii) any encumbrance or restriction arising pursuant to an agreement or instrument relating to any Debt permitted to be Incurred pursuant to the provisions of Section 6.1 if either (A) the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Credit Parties than the encumbrances and restrictions contained in the Initial Agreements (as determined in good faith by Borrower) or (B) such encumbrance or restriction is customary in comparable financings (as determined in good faith by Borrower) and either: (I) Borrower determines that such encumbrance or restriction will not materially affect Borrower's ability to make principal, fee or interest payments on the Loans or Commitments as and when they come due or (II) such encumbrance or restriction applies only if a default occurs relating to such Debt;

(xiv) any encumbrances or restrictions imposed by any amendments, modifications, restatements, renewals, extensions, increases, supplements, refundings, replacements or refinancings of the contracts, instruments or obligations referred to in Sections 6.10(b)(xii) or 6.10(b)(xiii), provided that such amendments, modifications, restatements, renewals, extensions, increases, supplements, refundings, replacements or refinancings are, in the good faith judgment of Borrower's Board of Directors, no more restrictive (taken as a whole) with respect to such encumbrances or restrictions in any material respect than those contained in the encumbrances or restrictions prior to such amendment, modification, restatement, renewal, extension, increase, supplement, refunding, replacement or refinancing;

(xv) with respect to restrictions or encumbrances referred to in Section 6.10(a)(iv) above, encumbrances or restrictions existing by reason of any Lien permitted under Section 6.5; or

(xvi) encumbrances or restrictions contained in the CHF Notes Indenture (including the CHF Notes).

6.11. Designation of Unrestricted and Restricted Subsidiaries .

(a) Borrower's Board of Directors may designate any Subsidiary of Parent (including newly acquired or newly established Subsidiaries and excluding Borrower) to be an "Unrestricted Subsidiary," provided that:

(i) no Default or Event of Default has occurred and is continuing at the time of or after giving effect to such designation;

(ii) Parent would be permitted to make an Investment at the time of designation (assuming the effectiveness of such designation) pursuant to Section 6.2 in an amount equal to the Fair Market Value of Parent's interest in such Subsidiary;

(iii) such Subsidiary does not own any Capital Stock, Redeemable Capital Stock or Debt of, or own or hold any Lien on any property or assets of, or have any Investment in, Borrower or any other Restricted Subsidiary;

(iv) such Subsidiary is not liable, directly or indirectly, with respect to any Debt, Lien or other obligation that, if in default, would result (with the passage of time or giving of notice or otherwise) in a default on any of Borrower 's Debt or Debt of Parent or any Restricted Subsidiary;

(v) such Subsidiary, either alone or in the aggregate with all other Unrestricted Subsidiaries, does not operate, directly or indirectly, all or substantially all of the businesses of the Subsidiaries of Parent;

(vi) such Subsidiary is a Person with respect to which Parent, Borrower or any Restricted Subsidiary does not have any direct or indirect obligation to:

(A) subscribe for additional Capital Stock of such Person; or

(B) maintain or preserve such Person 's financial condition or to cause such Person to achieve any specified levels of operating results;

(vii) none of Parent, Borrower or any Restricted Subsidiary directly or indirectly guarantees, is liable for or provides credit support for the Debt of such Subsidiary; and

(viii) Borrower shall be in compliance with the Financial Covenant on a Pro Forma Basis (whether or not then in effect) after giving effect to such designation as

of the last day of the Fiscal Quarter most recently ended (as determined in accordance with Section 6.18).

(b) In the event of any such designation, Parent will be deemed to have made an Investment constituting a Restricted Payment pursuant to Section 6.2 for all purposes of this Agreement in an amount equal to the Fair Market Value of Parent's interest in such Subsidiary. Notwithstanding anything to the contrary herein, no Subsidiary may be designated as an Unrestricted Subsidiary or continue as an Unrestricted Subsidiary if it is a "Restricted Subsidiary" for the purpose of any Material Debt.

(c) Borrower's Board of Directors may designate any Unrestricted Subsidiary as a Restricted Subsidiary, provided that:

(i) no Default or Event of Default has occurred and is continuing at the time of, or will occur and be continuing after giving effect to, such designation;

(ii) such designated Unrestricted Subsidiary will not have any Debt outstanding (other than Debt that would be Permitted Debt), immediately before and after giving effect to such proposed designation, or after giving effect to the Incurrence of any such Debt of such designated Unrestricted Subsidiary on a Pro Forma Basis as if such Debt was Incurred on the date of its designation as a Restricted Subsidiary, the Total Leverage Ratio for the four full Fiscal Quarters for which internal financial statements are available immediately preceding the Incurrence of such Debt, taken as one period, would be less than or equal to 4.50:1.00; and

(iii) any Lien on the property of such Unrestricted Subsidiary at the time of such designation which will be deemed to have been incurred by such newly designated Restricted Subsidiary as a result of such designation would be permitted to be incurred under Section 6.5.

(d) Any such designation as an Unrestricted Subsidiary or Restricted Subsidiary by Borrower's Board of Directors will be evidenced to Administrative Agents by filing a resolution of Borrower's Board of Directors with Administrative Agents giving effect to such designation and an Officers' Certificate certifying that such designation complies with the foregoing conditions, and giving the effective date of such designation. Any such filing with Administrative Agents must occur within 45 days after the end of Parent's Fiscal Quarter in which such designation is made (or, in the case of a designation made during the last Fiscal Quarter of Parent's Fiscal Year, within 90 days after the end of such Fiscal Year).

(e) If a member of the Restricted Group (other than Borrower) is designated as an Unrestricted Subsidiary, each Credit Party will (i) ensure that the Unrestricted Subsidiary does not (and will, for so long as it is an Unrestricted Subsidiary, not) legally or beneficially own shares in any Restricted Subsidiary; and (ii) use its commercially reasonable efforts to ensure that no member of the Restricted Group has any material liabilities (including pension, environmental and Tax liabilities) to or in respect of the Unrestricted Subsidiary and if any such material liability arises Borrower will promptly notify Administrative Agents and procure that the Unrestricted Subsidiary becomes a Restricted Subsidiary to the extent required pursuant to

this Section 6.11 as soon as reasonably practicable and in any event within 20 Business Days of the first date on which Borrower is aware of the material liability.

6.12. Merger, Consolidation or Sale of Assets of Borrower .

(a) Borrower will not, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or otherwise combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of, or take any action pursuant to any resolution passed by Borrower's Board of Directors or shareholders with respect to a demerger or division pursuant to which Borrower would dispose of, all or substantially all of Borrower's properties and assets to any other Person or Persons, and Borrower will not, and will not cause or permit any other member of the Restricted Group to, enter into any such transaction or series of transactions if such transaction or series of transactions, in the aggregate, would result in the sale, assignment, conveyance, transfer, lease or other disposition of all or substantially all of the properties and assets of such member of the Restricted Group on a consolidated basis to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:

(i) either Borrower will be the continuing corporation or the Person (if other than Borrower) formed by or surviving any such merger, consolidation, amalgamation or other combination or to which such sale, assignment, conveyance, transfer, lease or disposition of all or substantially all of the properties and assets of such member of the Restricted Group on a consolidated basis has been made (the " **Surviving Entity** "):

(A) in the case of a merger, consolidation, amalgamation, other combination with, or disposition of properties or assets of, Borrower, will be an entity organized or existing under the laws of the United States, any state thereof or the District of Columbia;

(B) will expressly assume, by supplemental documentation in form satisfactory to Administrative Agents, Borrower's obligations under the Credit Documents, and the Credit Documents will remain in full force and effect as so supplemented; and

(C) will provide any documentation and other information about the Surviving Entity as shall have been reasonably requested in writing by any Lender through the applicable Administrative Agent that such Lender shall have reasonably determined is required by regulatory authorities under applicable "know your customer" and anti-money laundering rules and regulations, including Title III of the USA PATRIOT Act;

(ii) immediately after giving effect to such transaction or series of transactions on a Pro Forma Basis (and treating any obligation of any member of the Restricted Group Incurred in connection with or as a result of such transaction or series of transactions as having been Incurred by such member of the Restricted Group at the

time of such transaction), no Default or Event of Default will have occurred and be continuing;

(iii) immediately after giving effect to such transaction or series of transactions on a Pro Forma Basis (on the assumption that the transaction or series of transactions occurred on the first day of the four-quarter fiscal period ended immediately prior to the consummation of such transaction or series of transactions with the appropriate adjustments with respect to the transaction or series of transactions being included in such *pro forma* calculation), the Total Net Leverage Ratio for the four full Fiscal Quarters for which internal financial statements are available immediately preceding such transaction or series of transactions, would be less than or equal to 4.50:1.00;

(iv) any Guarantor, unless it is the other party to the transactions described above, has, by way of execution of supplemental documentation satisfactory to Administrative Agents, confirmed that its Guarantee and its obligations under any Collateral Document will apply to such Person's obligations under the Credit Documents;

(v) if any property or assets of any member of the Restricted Group will thereupon become subject to any Lien, the provisions of Section 6.5 are complied with; and

(vi) Borrower or the Surviving Entity has delivered to Administrative Agents, in form satisfactory to Administrative Agents, an Officers' Certificate (attaching the computations to demonstrate compliance with clause (iii) above) and an opinion of counsel, each stating that such merger, consolidation, amalgamation or other combination or sale, assignment, conveyance, transfer, lease or other disposition, and if supplemental documentation is required in connection with such transaction, such supplemental documentation, comply with the requirements of this Agreement and that all conditions in this Agreement relating to such transaction have been satisfied.

(b) The Surviving Entity will succeed to, and be substituted for, and may exercise every right and power of, Borrower under the Credit Documents, but, in the case of a lease of all or substantially all of Borrower's assets, Borrower will not be released from the obligation to pay the principal of, premium, if any, and interest, under the Credit Documents.

(c) Nothing in this Section 6 will prevent: (i) any Restricted Subsidiary that is not a Guarantor from consolidating with, merging into or transferring all or substantially all of its properties and assets to Borrower, a Guarantor or any other Restricted Subsidiary that is not a Guarantor or (ii) any Guarantor from merging into or transferring all or part of its properties and assets to Borrower or another Guarantor. In addition, Borrower may consolidate or otherwise combine with or merge into an Affiliate incorporated or organized for the purpose of changing the legal domicile of Borrower, reincorporating Borrower in another jurisdiction in compliance with Section 6.12(a)(i)(A) above or changing the legal form of Borrower.

6.13. Merger, Consolidation or Sale of Assets of the Guarantors .

(a) Subject to the other provisions of this Agreement, no Guarantor will, in a single transaction or through a series of transactions, merge, consolidate, amalgamate or otherwise combine with or into any other Person or sell, assign, convey, transfer, lease or otherwise dispose of, or take any action pursuant to any resolution passed by such Guarantor's Board of Directors or shareholders with respect to a demerger or division pursuant to which such Guarantor will dispose of, all or substantially all of such Guarantor's properties and assets to any other Person or Persons. The previous sentence will not apply if at the time and immediately after giving effect to any such transaction or series of transactions:

(i) such Guarantor is the surviving corporation or the Person formed by or surviving any such consolidation or merger (if other than such Guarantor) or to which such sale, assignment, transfer, lease, conveyance or other disposition will have been made is (x) in the case of a Guarantor incorporated, organized or existing under the laws of a member state of the Pre-Expansion European Union as of the date hereof, the United States of America, any state thereof, the District of Columbia, the British Virgin Islands, the Cayman Islands or the jurisdiction under the laws of which such Guarantor was organized at the time immediately prior to such consolidation, merger or other transactions referred to in this clause (i), a corporation incorporated, organized or existing under the laws of a member state of the Pre-Expansion European Union as of the date hereof, the United States of America, any state thereof, the District of Columbia, the British Virgin Islands, the Cayman Islands or the jurisdiction under the laws of which such Guarantor was organized at the time immediately prior to such consolidation, merger or other transactions referred to in this clause (i) or any other jurisdiction agreed by the Administrative Agents and Borrower or (y) in the case of a Guarantor incorporated, organized or existing under the laws of the United States of America, any state thereof or the District of Columbia, an entity incorporated, organized or existing under the laws of the United States of America, any state thereof or the District of Columbia (such Guarantor or such Person, as the case may be, being herein called the " **Successor Guarantor** ");

(ii) the Successor Guarantor (if other than such Guarantor) expressly assumes all the obligations of such Guarantor under the Credit Documents in form satisfactory to the applicable Collateral Agent;

(iii) immediately after giving effect to such transaction on a Pro Forma Basis, no Default or Event of Default exists and is continuing; and

(iv) the Guarantor or the Successor Guarantor has delivered to Administrative Agents, in form satisfactory to Administrative Agents, an Officers ' Certificate and an opinion of counsel, each stating that such merger, consolidation, amalgamation or other combination or sale, assignment, conveyance, transfer, lease or other disposition, and if supplemental documentation is required in connection with such transaction, such supplemental documentation, comply with the requirements of this Agreement and that all conditions precedent in this Agreement relating to such transaction have been satisfied.

(b) The Successor Guarantor will succeed to, and be substituted for, and may exercise every right and power of, the relevant Guarantor under this Agreement, but, in the case of a lease of all or substantially all of the Guarantor's assets, the Guarantor will not be released from the obligation to pay the principal of, premium, if any, and interest, on the Guarantee in respect of the Loans.

6.14. Holding Companies . Neither Parent nor Borrower shall trade, carry on any business, own any assets or incur any liabilities except for any trade, business, assets or liabilities that arise from or in relation to the following:

(a) the provision of administrative services (excluding legal and treasury services) to other members of the Restricted Group of a type customarily provided by a Holding Company to its Subsidiaries;

(b) ownership of shares in its Subsidiaries, intra-Restricted Group debit balances, intra Restricted Group credit balances and other credit balances in bank accounts, cash and Cash Equivalents but only if those shares, credit balances, cash and Cash Equivalents are subject to the Transaction Security (save where no such Transaction Security is required under the terms of this Agreement);

(c) any liabilities and the performance of obligations under the Credit Documents and/or shareholder loans (and in each case, any other documents relating thereto) to which it is a party and incurrence and payment of professional and advisory fees and administration costs in the ordinary course of business as a Holding Company or as otherwise expressly permitted or not prohibited by any other term of any Credit Document;

(d) any guarantee of the obligations of another member of the Restricted Group which is permitted under the covenant entitled "Limitation on Guarantees of Debt by Restricted Subsidiaries" set forth in Section 6.9; and

(e) in the case of Parent, business and financing activities in connection with the any Equity Issuance (including the Initial Public Offering and the Follow-On Public Offering) and otherwise attributable to being a publicly traded company.

6.15. Acquisitions .

(a) Except as permitted under clause (b) below, no Credit Party shall (and Parent shall ensure that no other member of the Restricted Group will) undertake:

(i) the acquisition of a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them); or

(ii) the incorporation of a company.

(b) Clause (a) above does not apply to an acquisition of a company, of shares, securities or a business or undertaking (or, in each case, any interest in any of them) or the incorporation of a company:

(i) which is a Permitted Acquisition;

(ii) which is a Permitted Transaction; or

(iii) to the extent that the consideration therefor consists of Parent 's Qualified Capital Stock or the Net Cash Proceeds of the substantially concurrent issue and sale (other than to a Restricted Subsidiary) of shares of Parent's Qualified Capital Stock, in each case, to the extent Not Otherwise Applied; provided that, for the avoidance of doubt, the Net Cash Proceeds of such sale have been excluded from, and will not have been included in, the calculation of the amount determined under Section 6.2(b)(iii).

6.16. Change in Fiscal Year and/or Auditors . No Credit Party shall change its end of Fiscal Year to a date which is not on or around August 31 st or appoint any auditors other than the Auditors.

6.17. Center of Main Interests . No Credit Party which is incorporated in a member state of the European Union shall do anything to change the location of its center of main interests, for the purposes of Council Regulation (EC) No 1346/2000 of 29th May 2000 on insolvency proceedings, from the jurisdiction of its incorporation.

6.18. Financial Covenant . Only if and when the sum of (1) Revolving Loans outstanding as of the last day of any Test Period (the "Test Date") and (2) Letter of Credit/Bank Guarantee Usage in excess of $20,000,000 (excluding any such amount with respect to Letters of Credit and Bank Guarantees that are Cash Collateralized) as of the Test Date, exceed 30.0% of the aggregate amount of the Revolving Commitments in effect as of the Test Date, Borrower shall not permit the First Lien Net Leverage Ratio for the Test Period ended on the Test Date and after giving effect to any Incurrence of Debt (in each case, on a Pro Forma Basis) to be greater than 5.25:1.00.

6.19. Sanctions . No Credit Party shall, directly or indirectly, use the proceeds of any Credit Extension, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other individual or entity controlled by a Credit Party, to fund any activities of or business with any sanctioned person or in any other manner that will result in a violation by any individual or entity (including any individual or entity participating in the transaction, whether as Lender, Lead Arranger, Administrative Agent, Issuing Bank or otherwise) of Sanctions.

6.20. Anti-Corruption Laws . No Credit Party shall, directly or indirectly, use the proceeds of any Credit Extension for any purpose which would breach the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010 and other similar applicable anti-corruption legislation.

SECTION 7. GUARANTY

7.1. Guaranty of the Obligations . Subject to the provisions of Section 7.2, Guarantors jointly and severally (among them and with respect to each Credit Party) hereby irrevocably and unconditionally guaranty to Primary Collateral Agent, for the ratable benefit of the Secured Parties, the due and punctual payment in full of all Obligations (including all Pari

Passu Debt Obligations) when the same shall become due, whether at Stated Maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the U.S. Bankruptcy Code) (collectively, the " **Guaranteed Obligations** ").

7.2. Contribution by Guarantors . All Guarantors desire to allocate among themselves (collectively, the " **Contributing Guarantors** "), in a fair and equitable manner, their obligations arising under this Guaranty. Accordingly, in the event any payment or distribution is made on any date by a Guarantor (a " **Funding Guarantor** ") under this Guaranty such that its Aggregate Payments exceeds its Fair Share as of such date, such Funding Guarantor shall be entitled to a contribution from each of the other Contributing Guarantors in an amount sufficient to cause each Contributing Guarantor's Aggregate Payments to equal its Fair Share as of such date. " **Fair Share** " means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (a) the ratio of (i) the Fair Share Contribution Amount with respect to such Contributing Guarantor to (ii) the aggregate of the Fair Share Contribution Amounts with respect to all Contributing Guarantors multiplied by (b) the aggregate amount paid or distributed on or before such date by all Funding Guarantors under this Guaranty in respect of the Guaranteed Obligations. " **Fair Share Contribution Amount** " means, with respect to a Contributing Guarantor as of any date of determination, the maximum aggregate amount of the obligations of such Contributing Guarantor under this Guaranty that would not render its obligations hereunder or thereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Code or any comparable applicable provisions of state law or applicable foreign law; provided solely for purposes of calculating the Fair Share Contribution Amount with respect to any Contributing Guarantor for purposes of this Section 7.2, any assets or liabilities of such Contributing Guarantor arising by virtue of any rights to subrogation, reimbursement or indemnification or any rights to or obligations of contribution hereunder shall not be considered as assets or liabilities of such Contributing Guarantor. " **Aggregate Payments** " means, with respect to a Contributing Guarantor as of any date of determination, an amount equal to (1) the aggregate amount of all payments and distributions made on or before such date by such Contributing Guarantor in respect of this Guaranty (including in respect of this Section 7.2), minus (2) the aggregate amount of all payments received on or before such date by such Contributing Guarantor from the other Contributing Guarantors as contributions under this Section 7.2. The amounts payable as contributions hereunder shall be determined as of the date on which the related payment or distribution is made by the applicable Funding Guarantor. The allocation among Contributing Guarantors of their obligations as set forth in this Section 7.2 shall not be construed in any way to limit the liability of any Contributing Guarantor hereunder. Each Guarantor is a third-party beneficiary to the contribution agreement set forth in this Section 7.2.

7.3. Payment by Guarantors . Subject to Section 7.2, Guarantors hereby jointly and severally agree, in furtherance of the foregoing and not in limitation of any other right which any Secured Party may have at law or in equity against any Guarantor by virtue hereof, that upon the failure of Borrower to pay any of the Guaranteed Obligations when and as the same shall become due, whether at Stated Maturity, by required prepayment, declaration, acceleration, demand or otherwise (including amounts that would become due but for the operation of the automatic stay under Section 362(a) of the U.S. Bankruptcy Code), Guarantors will promptly upon demand pay, or cause to be paid, in cash, to Primary Collateral Agent for the ratable benefit of the Secured

Parties, an amount equal to the sum of the unpaid principal amount of all Guaranteed Obligations then due as aforesaid, accrued and unpaid interest on such Guaranteed Obligations (including interest which, but for Borrower's becoming the subject of a case under the U.S. Bankruptcy Code, would have accrued on such Guaranteed Obligations, whether or not a claim is allowed against Borrower for such interest in the related bankruptcy case) and all other Guaranteed Obligations then owed to the Secured Parties as aforesaid.

7.4. Liability of Guarantors Absolute . Each Guarantor agrees that its obligations hereunder are irrevocable, absolute, independent and unconditional and shall not be affected by any circumstance which constitutes a legal or equitable discharge of a guarantor or surety other than payment in full of the Guaranteed Obligations. In furtherance of the foregoing and without limiting the generality thereof, each Guarantor agrees as follows:

(a) this Guaranty is a guaranty of payment when due and not of collectability. This Guaranty is a primary obligation of each Guarantor and not merely a contract of surety;

(b) Primary Collateral Agent may enforce this Guaranty upon the occurrence of an Event of Default notwithstanding the existence of any dispute between Borrower and any Secured Party with respect to the existence of such Event of Default;

(c) the obligations of each Guarantor hereunder are independent of the obligations of Borrower and the obligations of any other guarantor (including any other Guarantor) of the obligations of Borrower, and a separate action or actions may be brought and prosecuted against such Guarantor whether or not any action is brought against Borrower or any of such other guarantors and whether or not Borrower is joined in any such action or actions;

(d) payment by any Guarantor of a portion, but not all, of the Guaranteed Obligations shall in no way limit, affect, modify or abridge any Guarantor's liability for any portion of the Guaranteed Obligations which has not been paid. Without limiting the generality of the foregoing, if Primary Collateral Agent is awarded a judgment in any suit brought to enforce any Guarantor's covenant to pay a portion of the Guaranteed Obligations, such judgment shall not be deemed to release such Guarantor from its covenant to pay the portion of the Guaranteed Obligations that is not the subject of such suit, and such judgment shall not, except to the extent satisfied by such Guarantor, limit, affect, modify or abridge any other Guarantor's liability hereunder in respect of the Guaranteed Obligations;

(e) any Secured Party, upon such terms as it deems appropriate, without notice or demand and without affecting the validity or enforceability hereof or giving rise to any reduction, limitation, impairment, discharge or termination of any Guarantor's liability hereunder, from time to time may (i) renew, extend, accelerate, increase the rate of interest on, or otherwise change the time, place, manner or terms of payment of the Guaranteed Obligations; (ii) settle, compromise, release or discharge, or accept or refuse any offer of performance with respect to, or substitutions for, the Guaranteed Obligations or any agreement relating thereto and/or subordinate the payment of the same to the payment of any other obligations; (iii) request and accept other guaranties of the Guaranteed Obligations and take and hold security for the payment hereof or the Guaranteed Obligations; (iv) release, surrender, exchange, substitute, compromise, settle, rescind, waive, alter, subordinate or modify, with or without consideration,

any security for payment of the Guaranteed Obligations, any other guaranties of the Guaranteed Obligations, or any other obligation of any Person (including any other Guarantor) with respect to the Guaranteed Obligations; (v) enforce and apply any security now or hereafter held by or for the benefit of such Secured Party in respect hereof or the Guaranteed Obligations and direct the order or manner of sale thereof, or exercise any other right or remedy that such Secured Party may have against any such security, in each case as such Secured Party in its discretion may determine consistent herewith or the applicable Pari Passu Debt Agreement or applicable Hedge Agreement and any applicable security agreement, including foreclosure on any such security pursuant to one or more judicial or nonjudicial sales, whether or not every aspect of any such sale is commercially reasonable, and even though such action operates to impair or extinguish any right of reimbursement or subrogation or other right or remedy of any Guarantor against any other Credit Party or any security for the Guaranteed Obligations; and (vi) exercise any other rights available to it under the Credit Documents, Pari Passu Debt Agreements or any Hedge Agreements; and

(f) this Guaranty and the obligations of Guarantors hereunder shall be valid and enforceable and shall not be subject to any reduction, limitation, impairment, discharge or termination for any reason (other than payment in full of the Guaranteed Obligations), including the occurrence of any of the following, whether or not any Guarantor shall have had notice or knowledge of any of them: (i) any failure or omission to assert or enforce or agreement or election not to assert or enforce, or the stay or enjoining, by order of court, by operation of law or otherwise, of the exercise or enforcement of, any claim or demand or any right, power or remedy (whether arising under the Credit Documents, Pari Passu Debt Agreements or any Hedge Agreements, at law, in equity or otherwise) with respect to the Guaranteed Obligations or any agreement relating thereto, or with respect to any other guaranty of or security for the payment of the Guaranteed Obligations; (ii) any rescission, waiver, amendment or modification of, or any consent to departure from, any of the terms or provisions (including provisions relating to events of default) hereof, any of the other Credit Documents, any of the Pari Passu Debt Agreements, any of the Hedge Agreements or any agreement or instrument executed pursuant thereto, or of any other guaranty or security for the Guaranteed Obligations, in each case whether or not in accordance with the terms hereof or such Credit Document, such Pari Passu Debt Agreement, such Hedge Agreement or any agreement relating to such other guaranty or security; (iii) the Guaranteed Obligations, or any agreement relating thereto, at any time being found to be illegal, invalid or unenforceable in any respect; (iv) the application of payments received from any source (other than payments received pursuant to the other Credit Documents or any of the Pari Passu Debt Agreements or the Hedge Agreements or from the proceeds of any security for the Guaranteed Obligations, except to the extent such security also serves as collateral for indebtedness other than the Guaranteed Obligations) to the payment of indebtedness other than the Guaranteed Obligations, even though any Secured Party might have elected to apply such payment to any part or all of the Guaranteed Obligations; (v) any Secured Party's consent to the change, reorganization or termination of the corporate structure or existence of Parent or any of its Subsidiaries and to any corresponding restructuring of the Guaranteed Obligations; (vi) any failure to perfect or continue perfection of a security interest in any collateral which secures any of the Guaranteed Obligations; (vii) any defenses, set-offs or counterclaims which Borrower may allege or assert against any Secured Party in respect of the Guaranteed Obligations, including failure of consideration, breach of warranty, payment, statute of frauds, statute of limitations, accord and satisfaction and usury; and (viii) any other act or thing or omission, or delay to do

any other act or thing, which may or might in any manner or to any extent vary the risk of any Guarantor as an obligor in respect of the Guaranteed Obligations.

7.5. Waivers by Guarantors . Each Guarantor hereby waives, for the benefit of the Secured Parties: (a) any right to require any Secured Party, as a condition of payment or performance by such Guarantor, to (i) proceed against Borrower, any other guarantor (including any other Guarantor) of the Guaranteed Obligations or any other Person, (ii) proceed against or exhaust any security held from Borrower, any such other guarantor or any other Person, (iii) proceed against or have resort to any balance of any Deposit Account or credit on the books of any Secured Party in favor of any Credit Party or any other Person, or (iv) pursue any other remedy in the power of any Secured Party whatsoever; (b) any defense arising by reason of the incapacity, lack of authority or any disability or other defense of Borrower or any other Guarantor including any defense based on or arising out of the lack of validity or the unenforceability of the Guaranteed Obligations or any agreement or instrument relating thereto or by reason of the cessation of the liability of Borrower or any other Guarantor from any cause other than payment in full of the Guaranteed Obligations; (c) any defense based upon any statute or rule of law which provides that the obligation of a surety must be neither larger in amount nor in other respects more burdensome than that of the principal; (d) any defense based upon any Secured Party's errors or omissions in the administration of the Guaranteed Obligations, except behavior which amounts to bad faith; (e) (i) any principles or provisions of law, statutory or otherwise, which are or might be in conflict with the terms hereof and any legal or equitable discharge of such Guarantor's obligations hereunder, (ii) the benefit of any statute of limitations affecting such Guarantor's liability hereunder or the enforcement hereof, (iii) any rights to set-offs, recoupments and counterclaims, and (iv) promptness, diligence and any requirement that any Secured Party protect, secure, perfect or insure any security interest or lien or any property subject thereto; (f) notices, demands, presentments, protests, notices of protest, notices of dishonor and notices of any action or inaction, including acceptance hereof, notices of default hereunder, the Pari Passu Debt Agreements, the Hedge Agreements or any agreement or instrument related thereto, notices of any renewal, extension or modification of the Guaranteed Obligations or any agreement related thereto, notices of any extension of credit to Borrower and notices of any of the matters referred to in Section 7.4 and any right to consent to any thereof; and (g) any defenses or benefits that may be derived from or afforded by law which limit the liability of or exonerate guarantors or sureties, or which may conflict with the terms hereof.

In addition, each Guarantor incorporated in Mexico expressly waives, irrevocably and unconditionally, to the fullest extent permitted by law, for the benefit of each Secured Party, the benefits of *orden, excusión, division, quita* and *espera* and any right specified in Articles 2814, 2815, 2817, 2818, 2819, 2820, 2821, 2822, 2823, 2826, 2827, 2829, 2837, 2840, 2845, 2846, 2847 and any other related or applicable Articles that are not explicitly set forth herein because of each Guarantor's knowledge thereof, of the *Código Civil Federal* of Mexico and the *Código Civil* of each State of the Mexican Republic and the Federal District of Mexico.

7.6. Guarantors ' Rights of Subrogation, Contribution, Etc . Until the Termination Date, each Guarantor hereby waives any claim, right or remedy, direct or indirect, that such Guarantor now has or may hereafter have against Borrower or any other Guarantor or any of its assets in connection with this Guaranty or the performance by such Guarantor of its obligations hereunder, in each case whether such claim, right or remedy arises in equity, under contract, by

statute, under common law or otherwise and including (a) any right of subrogation, reimbursement or indemnification that such Guarantor now has or may hereafter have against Borrower with respect to the Guaranteed Obligations, (b) any right to enforce, or to participate in, any claim, right or remedy that any Secured Party now has or may hereafter have against Borrower, and (c) any benefit of, and any right to participate in, any collateral or security now or hereafter held by any Secured Party. In addition, until the Termination Date, each Guarantor shall withhold exercise of any right of contribution such Guarantor may have against any other guarantor (including any other Guarantor) of the Guaranteed Obligations, including any such right of contribution as contemplated by Section 7.2. Each Guarantor further agrees that, to the extent the waiver or agreement to withhold the exercise of its rights of subrogation, reimbursement, indemnification and contribution as set forth herein is found by a court of competent jurisdiction to be void or voidable for any reason, any rights of subrogation, reimbursement or indemnification such Guarantor may have against Borrower or against any collateral or security, and any rights of contribution such Guarantor may have against any such other guarantor, shall be junior and subordinate to any rights any Secured Party may have against Borrower, to all right, title and interest any Secured Party may have in any such collateral or security, and to any right any Secured Party may have against such other guarantor. If any amount shall be paid to any Guarantor on account of any such subrogation, reimbursement, indemnification or contribution rights at any time prior to the Termination Date, such amount shall be held in trust for Primary Collateral Agent on behalf of the Secured Parties and shall forthwith be paid over to Primary Collateral Agent for the benefit of the Secured Parties to be credited and applied against the Guaranteed Obligations, whether matured or unmatured, in accordance with the terms hereof.

7.7. Subordination of Other Obligations . Any Debt of Borrower or any Guarantor now or hereafter held by any Guarantor (the " **Obligee Guarantor** ") is hereby subordinated in right of payment to the Guaranteed Obligations, and any such Debt collected or received by the Obligee Guarantor after an Event of Default has occurred and is continuing shall be held in trust for Primary Collateral Agent on behalf of the Secured Parties and shall forthwith be paid over to Primary Collateral Agent for the benefit of the Secured Parties to be credited and applied against the Guaranteed Obligations but without affecting, impairing or limiting in any manner the liability of the Obligee Guarantor under any other provision hereof.

7.8. Continuing Guaranty . This Guaranty is a continuing guaranty and shall remain in effect until the Termination Date. Each Guarantor hereby irrevocably waives any right to revoke this Guaranty as to future transactions giving rise to any Guaranteed Obligations.

7.9. Authority of Guarantors or Borrower . It is not necessary for any Secured Party to inquire into the capacity or powers of any Guarantor or Borrower or the officers, directors or any agents acting or purporting to act on behalf of any of them.

7.10. Financial Condition of Borrower . Any Credit Extension may be made to Borrower or continued from time to time, any Pari Passu Debt Agreements may be entered into from time to time, and any Hedge Agreements may be entered into from time to time, in each case without notice to or authorization from any Guarantor regardless of the financial or other condition of Borrower at the time of any such grant or continuation or at the time such Pari Passu Debt Agreement or Hedge Agreement is entered into, as the case may be. No Secured Party

shall have any obligation to disclose or discuss with any Guarantor its assessment, or any Guarantor's assessment, of the financial condition of Borrower. Each Guarantor has adequate means to obtain information from Borrower on a continuing basis concerning the financial condition of Borrower and its ability to perform its obligations under the Credit Documents, the Pari Passu Debt Agreement and the Hedge Agreements, and each Guarantor assumes the responsibility for being and keeping informed of the financial condition of Borrower and of all circumstances bearing upon the risk of nonpayment of the Guaranteed Obligations. Each Guarantor hereby waives and relinquishes any duty on the part of any Secured Party to disclose any matter, fact or thing relating to the business, operations or conditions of Borrower now known or hereafter known by any Secured Party.

7.11. Bankruptcy, Etc . (a) So long as any Guaranteed Obligations remain outstanding, no Guarantor shall, without the prior written consent of the Primary Collateral Agent acting pursuant to the instructions of Requisite Lenders, commence or join with any other Person in commencing any bankruptcy, *concurso mercantil* , reorganization or insolvency case or proceeding of or against Borrower or any other Guarantor. The obligations of Guarantors hereunder shall not be reduced, limited, impaired, discharged, deferred, suspended or terminated by any case or proceeding, voluntary or involuntary, involving the bankruptcy, *concurso mercantil* , insolvency, receivership, reorganization, liquidation, judicial management, the appointment of a receiver and manager or arrangement of Borrower or any other Guarantor or by any defense which Borrower or any other Guarantor may have by reason of the order, decree or decision of any court or administrative body resulting from any such proceeding.

(b) Each Guarantor acknowledges and agrees that any interest on any portion of the Guaranteed Obligations which accrues after the commencement of any case or proceeding referred to in clause (a) above (or, if interest on any portion of the Guaranteed Obligations ceases to accrue by operation of law by reason of the commencement of such case or proceeding, such interest as would have accrued on such portion of the Guaranteed Obligations if such case or proceeding had not been commenced) shall be included in the Guaranteed Obligations because it is the intention of Guarantors and the Secured Parties that the Guaranteed Obligations which are guaranteed by Guarantors pursuant hereto should be determined without regard to any rule of law or order which may relieve Borrower of any portion of such Guaranteed Obligations. Guarantors will permit any trustee in bankruptcy, receiver, debtor in possession, assignee for the benefit of creditors or similar Person to pay Primary Collateral Agent, or allow the claim of Primary Collateral Agent in respect of, any such interest accruing after the date on which such case or proceeding is commenced.

(c) In the event that all or any portion of the Guaranteed Obligations are paid by Borrower, the obligations of Guarantors hereunder shall continue and remain in full force and effect or be reinstated, as the case may be, in the event that all or any part of such payment(s) are rescinded or recovered directly or indirectly from any Secured Party as a preference, fraudulent transfer or otherwise, and any such payments which are so rescinded or recovered shall constitute Guaranteed Obligations for all purposes hereunder.

7.12. Discharge of Guaranty Upon Sale of Guarantor . If (a) all of the Capital Stock of any Guarantor or any of its successors in interest hereunder shall be sold or otherwise disposed of (including by merger or consolidation) in accordance with the terms and conditions

hereof or (b) if a Guarantor is designated as an Unrestricted Subsidiary in accordance with Section 6.11, then in the case of each of clauses (a) and (b), the Guaranty of such Guarantor or such successor in interest, as the case may be, hereunder shall automatically be discharged and released without any further action by any Secured Party or any other Person effective as of the time of such Asset Sale or designation as an Unrestricted Subsidiary.

7.13. Keepwell . Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by any other Credit Party hereunder to honor all of such Credit Party's obligations under this Guaranty in respect of Swap Obligations (provided , however , that each Qualified ECP Guarantor shall only be liable under this Section 7.13 for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section 7.13, or otherwise under this Guaranty, as it relates to such Credit Party, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section 7.13 shall remain in full force and effect until the Termination Date. Each Qualified ECP Guarantor intends that this Section 7.13 constitute, and this Section 7.13 shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Credit Party for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

7.14. Limitation on Guarantor Liability . (a) Each Guarantor and each Credit Party hereby confirms that it is the intention of all such parties that the Guarantee of such Guarantor not constitute a fraudulent transfer or conveyance, for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar national, federal, local or state law or voidable preference, financial assistance or improper corporate benefit, or violate the corporate purpose of the relevant Guarantor or any applicable capital maintenance or similar laws or regulations affecting the rights of creditors generally under any applicable law or regulation to the extent applicable to any Guarantee. To effectuate the foregoing intention, Primary Collateral Agent, Lenders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor will be limited to the maximum amount that will, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contribution from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under this Section 7, result in the obligations of such Guarantor under its Guarantee not constituting either a fraudulent transfer or conveyance or voidable preference, financial assistance or improper corporate benefit, or violating the corporate purpose of the relevant Guarantor or any applicable capital maintenance or similar laws or regulations affecting the rights of creditors generally under any applicable law or regulation.

(b) Limitations for Certain U.S. Guarantors . Notwithstanding anything to the contrary, no current or future Subsidiary of the Parent that is or becomes, and in each case remains, a Controlled Foreign Corporation (as defined in the United States Internal Revenue Code of 1986, as amended) (or any subsidiary owned by any such Controlled Foreign Corporation) or a Subsidiary that has no material assets other than equity or debt interest in such Controlled Foreign Corporation shall be required to give a guarantee or pledge any of its assets (including shares in a Subsidiary) as security for an obligation (as guarantor or otherwise) of a

"United States person" (as defined in the United States Internal Revenue Code of 1986, as amended). Furthermore, not more than 65% of the total combined voting power of all classes of shares entitled to vote of any such Subsidiary may be pledged directly or indirectly as security for an obligation (as guarantor or otherwise) of a "United States person."

(c) Limitations for Hungarian Guarantors .

(i) The obligations and liabilities of any Hungarian Guarantor formed as a foundation under the laws of Hungary under this Section 7 or any other Credit Document shall at all times be limited to the maximum aggregate amount that does not result in any conflict with Hungarian laws applicable to foundations and such Hungarian Guarantor 's deed of foundation.

(ii) The obligations and liabilities of any such Hungarian Guarantor may not:

(A) threaten the performance of such Hungarian Guarantor's activities that serve the purposes stated in its deed of foundation or threaten the maintenance of its operation;

(B) exceed in amount the value of such Hungarian Guarantor's assets; or

(C) threaten such Hungarian Guarantor's charitable activities or the status of such Guarantor as a charitable foundation.

(iii) Notwithstanding any term of this Section 7 or any other term in this Agreement or any other Credit Document, any guarantee or indemnity given by or other obligation assumed by such Hungarian Guarantor is meant as and is to be interpreted as an abstract guarantee agreement and not as surety as regulated in Articles 6:416-430 of the Hungarian Civil Code (*kezesség*) and the Hungarian Guarantor undertakes to comply with the provisions of this clause.

(d) Limitations for Polish Guarantors .

(i) Any Guarantee, indemnity and other obligations of any guarantee granted or assumed by a Guarantor incorporated in Poland (a " **Polish Guarantor** ") shall be limited in accordance with the following rules:

(A) To the extent the liability under this Section 7 is considered a liability (*zobowiązanie*) within the meaning of Article 11 section 2 of the Polish Bankruptcy and Rehabilitation Law of 28 February 2003 (Polish Journal of Laws No. 60, item 535, as amended) (as may be amended from time to time) (" **Polish Bankruptcy Law** "), the liability of each Polish Guarantor under this Section 7 shall be limited to the aggregate value of the assets of such Polish Guarantor current at the time less the aggregate value of its liabilities current at the time (other than the Polish Guarantor's liability hereunder), and thus such liability should not result in the Polish

Guarantor's insolvency as defined in Article 11 section 2 of the Polish Bankruptcy Law; and

(B) In addition to the provisions of clause (A) above, each Polish Guarantor that is a limited liability company (*Sp. z o.o.*) has the right to refrain from making a payment under this Article 11 in the event and to the extent that such payment would result in a reduction of its assets necessary to fully cover its registered share capital under Article 189 section 2 of the Polish Commercial Companies Code of 15 September 2000 (*Kodeks spółek handlowych* , Polish Journal of Laws No. 94, item 1037, as amended).

(ii) The limitation in Section 7.14(d)(i)(A) hereof will not apply if one or more of the following circumstances occurs:

(A) any Event of Default is continuing, irrespective of whether such Event of Default occurs before or after the relevant Polish Guarantor becomes insolvent within the meaning of Article 11 section 2 of the Polish Bankruptcy Law; or

(B) the liabilities of the relevant Polish Guarantor (other than those under the Collateral Documents) result in its insolvency within the meaning of Article 11 section 2 of the Polish Bankruptcy Law.

(C) Polish law is amended in such a manner that over-indebtedness (*stan nadmiernego zadłużenia*) as provided for in Article 11 section 2 of the Polish Bankruptcy Law (as in force on the Closing Date) no longer gives grounds for bankruptcy or obliges the representatives of the Polish Guarantor to file for bankruptcy.

(iii) For the avoidance of doubt, any Guarantee, indemnity and other obligations of any guarantee granted or assumed by the Polish Guarantor under this Agreement shall be treated as future obligations under condition precedent which is failure of Borrower to pay any of the Guaranteed Obligations when and as the same shall become due, whether at Stated Maturity, by required prepayment, declaration, acceleration, demand or otherwise.

(e) Limitation for Spanish Guarantors . The guarantee provided by any Guarantor incorporated in Spain (a " **Spanish Guarantor** ") shall be limited in accordance with the following rules:

(i) If such Spanish Guarantor is incorporated in Spain as a *sociedad de responsabilidad limitada* , any guarantees provided by it shall:

(A) not extend to any obligation incurred by any Credit Party as a result of such Credit Party borrowing (or guaranteeing the borrowing of) funds (but only in respect of those funds) under this Agreement for the purpose of:

(1) acquiring quotas (*participaciones sociales*) representing the share capital of such Spanish Guarantor or quotas (*participaciones sociales*) or shares (*acciones*) representing the share capital of a company within its group; or

(2) refinancing a previous debt incurred by any Credit Party for the acquisition of quotas (*participaciones sociales*) representing the share capital of such Spanish Guarantor or quotas (*participaciones sociales*) or shares (*acciones*) representing the share capital of a company within its group; and shall

(B) be deemed not to be undertaken or incurred by any Spanish Guarantor to the extent that the same would constitute unlawful financial assistance within the meaning of article 143 of the Spanish Companies Royal Decree-Law 1/2010, of July 2 nd (*Ley de Sociedades de Capital*) (" **Spanish Companies Act** ") and, in that case, all provisions of this Agreement shall be construed accordingly in the sense that, in no case, can any guarantee or security given by a Spanish Guarantor secure repayment of the abovementioned funds; and

(C) not extend to any obligation incurred by any Credit Party in respect of any issuance of notes, bonds or any other negotiable securities within the meaning of Article 402 of the Spanish Companies Act.

(ii) For the purposes of paragraph (i) above, a reference to the "group" of a Spanish Guarantor shall mean such Spanish Guarantor and any other companies constituting a unity of decision. It shall be presumed that there is unity of decision when any of the scenarios set out in section 1 and/or section 2 of article 42 of the Royal Decree-Law of August 2 nd , 1885, which approves the Commercial Code (*Código de Comercio*) (" **Spanish Commercial Code** ") are met.

(iii) If such Spanish Guarantor is incorporated in Spain as a *sociedad anónima* , any guarantees provided by it shall:

(A) not extend to any obligation incurred by any Credit Party as a result of such Credit Party borrowing (or guaranteeing the borrowing of) funds (but only in respect of those funds) under this Agreement for the purpose of:

(1) acquiring shares (*acciones*) representing the share capital of such Spanish Guarantor or shares (*acciones*) or quotas (*participaciones sociales*) representing the share capital of its holding company; or

(2) refinancing a previous debt incurred by any Credit Party for the acquisition of shares (*acciones*) representing the share capital of such Spanish Guarantor or shares (*acciones*) or quotas

(*participaciones sociales*) representing the share capital of its holding company; and shall

(B) be deemed not to be undertaken or incurred by a Spanish Guarantor to the extent that the same would constitute unlawful financial assistance within the meaning of article 150 of the Spanish Companies Act, and, in that case, all provisions of this Agreement shall be construed accordingly in the sense that, in no case, can any guarantee or security given by a Spanish Guarantor secure repayment of the above-mentioned funds.

(iv) For the purposes of paragraph (iii) above, a reference to a "holding company" of a Spanish Guarantor shall mean the company which, directly or indirectly, owns the majority of the voting rights of such Spanish Guarantor or that may have a dominant influence on such Spanish Guarantor. It shall be presumed that one company has a dominant influence on another company when:

(A) any of the scenarios set out in section 1 of article 42 of the Spanish Commercial Code are met; or

(B) when at least half plus one of the members of the managing body of the Spanish Guarantor are also members of the managing body or top managers (*altos directivos*) of the dominant company or of another company controlled by such dominant company.

(f) Limitations for Swiss Guarantors . Notwithstanding any other provision of this Section 7, the guaranty, indemnity and other obligations of any Guarantor that is incorporated and organized under the laws of the Swiss Confederation to be assumed in this Agreement (including, without limitation, the Guarantee) shall be limited as follows:

(i) If and to the extent that (A) a Swiss Guarantor becomes liable under this Agreement, including, without limitation, this Section 7 and the Guarantee, as well as any and all Collateral Documents for obligations of its Affiliates (other than obligations of its direct or indirect wholly owned Subsidiaries) or otherwise obliged to grant economic benefits to its Affiliates (other than its direct or indirect wholly owned Subsidiaries), including, for the avoidance of doubt, the granting of any security by the Swiss Guarantor or any restrictions of the Swiss Guarantor's rights of set-off and/or subrogation or its duties to subordinate or waive claims and (B) complying with such obligations would constitute a repayment of capital (*Einlagerückgewähr*), a violation of the legally protected reserves (*gesetzlich geschützte Reserven*) or the payment of a (constructive) dividend (*Gewinnausschüttung*) by such Swiss Guarantor or would otherwise be restricted under Swiss corporate law then applicable (the " **Restricted Obligations** "), the aggregate liability of the Swiss Guarantor for Restricted Obligations shall be limited to the amount of freely distributable equity capital of the Swiss Guarantor at the time the Swiss Guarantor is required to perform under this Agreement, its Guarantee and the Collateral Documents, provided that this is a requirement under applicable Swiss law at that time, and provided , further that such limitation shall not

discharge the Swiss Guarantor from its obligations in excess thereof, but merely postpone the performance date thereof until such times as performance is again permitted notwithstanding such limitation.

(ii) In respect of Restricted Obligations, each Swiss Guarantor shall:

(A) if and to the extent required by applicable law in force at the relevant time mitigate to the extent possible any Swiss Anticipatory Tax to be levied on the Restricted Obligations (and cause its parent and other relevant Affiliates to fully cooperate in any mitigating efforts) and promptly notify Primary Collateral Agent thereof or, if such a notification procedure is not applicable;

(B) subject to any applicable double taxation treaty, deduct Swiss Anticipatory Tax at the rate of 35% (or such other rate as is in force at that time) from any payment made by it in respect of the Restricted Obligations;

(C) pay any such deduction to the Swiss Federal Tax Administration;

(D) notify (and Parent shall ensure that the Swiss Guarantor will notify) Primary Collateral Agent that such a deduction has been made and provide Primary Collateral Agent with evidence that such a deduction has been paid to the Swiss Federal Tax Administration; and

(E) to the extent such a deduction is made, not be obliged to either gross-up or indemnify Lenders in accordance with Section 2.20 hereof in relation to any such payment made by it in respect of Restricted Obligations unless grossing-up is permitted under the laws of the Swiss Confederation then in force. The Swiss Guarantor shall use its best efforts to ensure that any Person that is, as a result of a deduction of Swiss Anticipatory Tax, entitled to a full or partial refund of the Swiss Anticipatory Tax, will as soon as possible after the deduction of the Swiss Anticipatory Tax (x) request a refund of the Swiss Anticipatory Tax under any applicable law (including double tax treaties) and (y) pay to Primary Collateral Agent upon receipt any amount so refunded for application as a further payment of the Swiss Guarantor under and pursuant to this Agreement.

(iii) To the extent a Swiss Guarantor is required to deduct Swiss Anticipatory Tax pursuant to Section 7.14(f)(ii) hereof, and if the maximum amount of freely distributable equity capital pursuant to Section 7.14(f)(i) hereof is not utilized, additional security interests granted by such Swiss Guarantor under this Agreement shall be enforced until the enforcement proceeds equal an amount that (after making any deduction of Swiss Anticipatory Tax) would have resulted if no deduction of Swiss Anticipatory Tax had been required, provided that such enforcement amount (including

the increased amount) shall in any event be limited to the maximum amount of freely distributable equity capital pursuant to Section 7.14(f)(i) hereof.

(iv) In the case of Restricted Obligations, the Swiss Guarantor shall, and any parent company of the Swiss Guarantor party to this Agreement shall procure that the Swiss Guarantor will, promptly implement all such measures and/or to promptly procure the fulfillment of all prerequisites to allow it to perform its obligations under this Guaranty with minimum limitations and to allow Primary Collateral Agent (and Lenders) prompt use of the proceeds from security, including the following:

(A) preparation of an up-to-date audited balance sheet of the Swiss Guarantor;

(B) confirmation of the auditors of the Swiss Guarantor that the relevant amount represents (the maximum of) freely distributable profits and reserves;

(C) conversion of restricted reserves into profits and reserves freely available for the distribution as dividends (to the extent permitted by mandatory Swiss law);

(D) revaluation of hidden reserves (to the extent permitted by mandatory Swiss law);

(E) to the extent permitted by applicable law and Swiss accounting standards, write-up or realization of any of its assets that are shown in its balance sheet with a book value that is significantly lower than the market value of the assets, in case of realization, however, only if such assets are not necessary for such Swiss Guarantor's business (*nicht betriebsnotwendig*);

(F) by a shareholders' meeting and/or the board of directors of the Swiss Guarantor of the (resulting) profit distribution or other performance under this Guaranty; and

(G) all such other measures necessary or useful to allow the Swiss Guarantor to make the payments agreed hereunder with a minimum of limitations.

(g) Limitation for Qatari Guarantors . Notwithstanding any other provision of this Section 7, the Guarantee, indemnity and other obligations of any Guarantor incorporated under the laws of the State of Qatar expressed to be assumed in this Section 7 shall be deemed to have been given only to the extent that the same do not violate the provision of Articles 1165 to 1186 (Privileged Rights) of Law No. (22) of 2004 promulgating the Civil Code of Qatar and the provisions of this Agreement shall be construed accordingly.

(h) Limitation for Luxembourg Guarantors.

(i) Notwithstanding anything to the contrary contained in this Agreement or in any Credit Document, the aggregate obligations and exposure of a Luxembourg Guarantor in respect of the obligations of a Person which is not a direct or indirect subsidiary of such Luxembourg Guarantor shall be limited at any time to an aggregate amount not exceeding 90% of the greater of:

(A) an amount equal to the sum of the Luxembourg Guarantor's Net Assets (as defined below) and its subordinated debt (*dettes subordonnées*), as reflected in the financial information of the Luxembourg Guarantor available to the Agent as at the date of its accession as a Guarantor, including, without limitation, its most recently and duly approved financial statements (*comptes annuels*); and

(B) an amount equal to the sum of the Luxembourg Guarantor's Net Assets and its subordinated debt (*dettes subordonnées*), as reflected in the financial information of the Luxembourg Guarantor available to the Agent as at the date the guarantee is called, including, without limitation, its most recently and duly approved financial statements (*comptes annuels*) and any (unaudited) interim financial statements signed by its board of managers (*gérants*).

For this purpose, "Net Assets" shall mean all the assets (*actifs*) of the Luxembourg Guarantor minus its liabilities (*provisions et dettes*) as valued in accordance with Luxembourg generally accepted accounting principles (Lux GAAP) or International Financial Reporting Standards (IFRS), as applicable, and the relevant provisions of the Luxembourg Act of 19 December 2002 on the Register of Commerce and Companies, on accounting and on annual accounts of the companies, as amended.

Where, for the purpose of the above determination, no duly established annual accounts are available for the relevant reference period (which, for the avoidance of doubt, includes a situation where, in respect of the determination to be made under (i) above, no final annual accounts have been established in due time in respect of the then most recently ended financial year) the Luxembourg Guarantor shall, within reasonable time, establish unaudited interim accounts (as of the date of the end of the then most recent financial quarter) or annual accounts (as applicable) duly established in accordance with Luxembourg generally accepted accounting principles, pursuant to which the relevant Luxembourg Guarantor's Net Assets will be determined. If the Luxembourg Guarantor fails to provide such financial information within 45 Business Days as from the request of the Agent, the Agent, acting reasonably, may appoint an independent auditor (*réviseur d'entreprises agréé*) which shall undertake the determination of the Luxembourg Guarantor's Net Assets. In order to prepare such determination, the independent auditor (*réviseur d'entreprises agréé*) shall follow the Luxembourg accounting principles applicable to the Luxembourg Guarantor and shall in particular take into consideration such available elements and facts at such time including, without limitation, the latest annual accounts of such Luxembourg Guarantor and its Subsidiaries, any recent

valuation of the assets of such Luxembourg Guarantor and its Subsidiaries (if available), the market value of the assets of the Luxembourg Guarantor and its Subsidiaries as if sold between a willing buyer and a willing seller as a going concern using a standard market multi criteria approach combining market multiples, book value, discounted cash flow or comparable public transaction of which price is known (taking into account circumstances at the time of the valuation and making all necessary adjustments to the assumption being used) and acting in a reasonable manner. The Luxembourg Guarantor will give access to the independent auditor (*réviseur d'entreprises agréé*) to the financial information and documents necessary to carry out its determination.

(ii) The limitation set forth at paragraph (i) above shall not apply to any amounts borrowed under any of the Credit Documents and made available, in any form whatsoever, to such Luxembourg Guarantor or any of its direct or indirect subsidiaries.

SECTION 8. EVENTS OF DEFAULT

8.1. Events of Default . If any one or more of the following conditions or events shall occur:

(a) Failure to Make Payments When Due . Failure by Borrower or any other Credit Party to pay (i) when due any installment of principal of any Loan, whether at Stated Maturity, by acceleration, by notice of voluntary prepayment, by mandatory prepayment or otherwise; (ii) when due any amount payable to Issuing Bank in reimbursement of any drawing under a Letter of Credit, Bank Guarantee or any Cash Collateralization required pursuant to Section 2.22(d); or (iii) any interest on any Loan or any fee or any other amount due hereunder within three Business Days after the date due; or

(b) Default in Other Agreements . (i) Failure of any Credit Party or any other member of the Restricted Group to pay when due any principal of or interest on or any other amount, including any payment in settlement, payable in respect of one or more items of Debt (other than Debt referred to in Section 8.1(a)) with an aggregate principal amount (or Net Mark-to-Market Exposure) of $25,000,000 or more, in each case beyond the grace period, if any, provided therefor; or (ii) breach or default by any Credit Party with respect to any other material term of (1) one or more items of Debt in the individual or aggregate principal amounts (or Net Mark-to-Market Exposure) referred to in clause (i) above or (2) any loan agreement, mortgage, indenture or other agreement relating to such item(s) of Debt, in each case beyond the grace period, if any, provided therefor, if the effect of such breach or default is to cause, or to permit the holder or holders of that Debt (or a trustee on behalf of such holder or holders), to cause, that Debt to become or be declared due and payable (or subject to a compulsory repurchase or redeemable) prior to its Stated Maturity or the Stated Maturity of any underlying obligation, as the case may be; or

(c) Breach of Certain Covenants . Failure of any Credit Party to perform or comply with any term or condition contained in Section 2.6, Sections 5.1(a), 5.1(b), 5.1(c) and 5.1(i), Section 5.2 (with respect to Borrower only) and such failure shall not have been remedied

or waived within (5) Business Days after such failure or Section 6 (any such failure to observe any term, covenant or agreement contained in Section 6.18, a " **Financial Covenant Event of Default** "); provided that notwithstanding anything to the contrary in this Agreement or the other Credit Documents, (i) a Financial Covenant Event of Default shall not constitute an Event of Default with respect to any Term Loans unless and until the Requisite Revolving Lenders have actually terminated the Revolving Commitments and declared all outstanding Credit Agreement Obligations in respect of the Revolving Commitments and the Revolving Loans to be immediately due and payable in accordance with this Agreement (a " **Financial Covenant Cross Default** ") (it being understood and agreed that only the Lenders constituting at least the Requisite Revolving Lenders may exercise rights and remedies in respect of a Financial Covenant Event of Default), which Financial Covenant Cross Default for purposes of any Term Loans shall terminate automatically and immediately upon the Revolving Lenders rescinding such acceleration and/or waiving such Financial Covenant Event of Default with respect to the Revolving Loans and (ii) a breach of the covenant set forth in Section 5.18 (a " **Clean Down Event of Default** ") shall not constitute an Event of Default with respect to any Term Loans unless and until the Requisite Revolving Lenders have actually terminated the Revolving Commitments and declared all outstanding Credit Agreement Obligations in respect of the Revolving Commitments and the Revolving Loans to be immediately due and payable in accordance with this Agreement (a " **Clean Down Cross Default** ") (it being understood and agreed that only the Lenders constituting at least the Requisite Revolving Lenders may exercise rights and remedies in respect of a Clean Down Event of Default), which Clean Down Cross Default for purposes of any Term Loans shall terminate automatically and immediately upon the Revolving Lenders rescinding such acceleration and/or waiving such Clean Down Event of Default with respect to the Revolving Loans; or

(d) Breach of Representations, Etc . Any representation, warranty, certification or other statement made or deemed made by any Credit Party in any Credit Document or in any statement or certificate at any time given by any Credit Party or any of its Subsidiaries in writing pursuant hereto or thereto or in connection herewith or therewith shall be false in any material respect as of the date made or deemed made; or

(e) Other Defaults Under Credit Documents . Any Credit Party shall default in the performance of or compliance with any term contained herein or any of the other Credit Documents, other than any such term referred to in any other clause of this Section 8.1, and such default shall not have been remedied or waived within thirty days after the earlier of (i) an officer of such Credit Party becoming aware of such default or (ii) receipt by Borrower of notice from either Administrative Agent or any Lender of such default; or

(f) Involuntary Bankruptcy; Appointment of Receiver, Etc . (i) A court of competent jurisdiction shall enter a decree or order for relief in respect of Borrower or any Material Company in an involuntary case under any Bankruptcy Laws now or hereafter in effect, which decree or order is not stayed; or any other similar relief shall be granted under any applicable federal or state law; or (ii) an involuntary case shall be commenced against Borrower or any Material Company under any Bankruptcy Laws now or hereafter in effect; or a decree or order of a court having jurisdiction in the premises for the appointment of a receiver, receiver and manager, judicial manager, liquidator, sequestrator, trustee, custodian or other officer having similar powers over Borrower or any Material Company, or over all or a substantial part of its

property, shall have been entered; or there shall have occurred the involuntary appointment of an interim receiver, trustee or other custodian of Borrower or any Material Company for all or a substantial part of its property; or a warrant of attachment, execution or similar process shall have been issued against any substantial part of the property of Borrower or any Material Company, and any such event described in this clause (ii) shall continue for sixty days without having been dismissed, bonded or discharged; or

(g) Voluntary Bankruptcy; Appointment of Receiver, Etc. (i) Borrower or any Material Company shall have an order for relief entered with respect to it or shall commence a voluntary case under any Bankruptcy Laws now or hereafter in effect, or shall consent to the entry of an order for relief in an involuntary case, or to the conversion of an involuntary case to a voluntary case, under any such law, or shall consent to the appointment of or taking possession by a receiver, trustee or other custodian for all or a substantial part of its property; or Borrower or any Material Company shall make any assignment for the benefit of creditors; or (ii) Borrower or any Material Company shall be unable, or shall fail generally, or shall admit in writing its inability, to pay its debts as such debts become due; or the board of directors (or similar governing body) of Borrower or any Material Company (or any committee thereof) shall adopt any resolution or otherwise authorize any action to approve any of the actions referred to in this Section 8.1(g) or in Section 8.1(f), provided that this Section 8.1(g) shall not apply to any Permitted Liquidation; or

(h) Judgments and Attachments. Any final and non-appealable money judgment, writ or warrant of attachment or similar process involving in the aggregate at any time an amount in excess of $25,000,000 (in either case to the extent not adequately covered by insurance as to which a solvent and unaffiliated insurance company has acknowledged coverage) shall be entered or filed against any member of the Restricted Group or any of its assets and shall remain undischarged, unvacated, unbonded or unstayed for a period of sixty (60) days (or in any event later than five days prior to the date of any proposed sale thereunder); or

(i) Dissolution. Any order, judgment or decree shall be entered against any Credit Party decreeing the dissolution or split up of such Credit Party and such order shall remain undischarged or unstayed for a period in excess of thirty (30) days; or

(j) Employee Benefit Plans. (i) There shall occur one or more ERISA Events which individually or in the aggregate results in or might reasonably be expected to result in a Material Adverse Effect during the term hereof; or (ii) there exists any fact or circumstance that would reasonably be expected to result in the imposition of a Lien or security interest pursuant to Section 430(k) of the Internal Revenue Code or ERISA or a violation of Section 436 of the Internal Revenue Code; or

(k) Change of Control. A Change of Control shall occur; or

(l) Guaranties, Collateral Documents and other Credit Documents. At any time after the execution and delivery thereof, (i) the Guaranty for any reason, other than the satisfaction in full of all Credit Agreement Obligations, shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared to be null and void or any Guarantor shall repudiate its obligations thereunder, (ii) this Agreement or any Collateral

Document ceases to be in full force and effect with respect to any material portion of the Collateral (other than by reason of a release of Collateral in accordance with the terms hereof or thereof or the satisfaction in full of the Credit Agreement Obligations in accordance with the terms hereof) or shall be declared null and void, or the applicable Collateral Agent shall not have or shall cease to have a valid and perfected Lien in any material portion of the Collateral purported to be covered by the Collateral Documents with the priority required by the relevant Collateral Document, in each case for any reason other than the failure of such Collateral Agent or any Secured Party to take any action within its control, or (iii) any Credit Party shall contest the validity or enforceability of any Credit Document in writing or deny in writing that it has any further liability, including with respect to future advances by Lenders, under any Credit Document to which it is a party or shall contest the validity or perfection of any Lien in any Collateral purported to be covered by the Collateral Documents; or

(m) Subordinated Debt . Any Subordinated Debt permitted hereunder or the guarantees thereof shall cease, for any reason, to be validly subordinated to the Credit Agreement Obligations of the Credit Parties hereunder, as provided in the indenture governing such Subordinated Debt, or any Credit Party, any Affiliate of any Credit Party, the trustee in respect of such Subordinated Debt in the form of notes or the holders of at least 25% in aggregate principal amount of Subordinated Debt in the form of notes shall so assert;

THEN , (1) upon the occurrence of any Event of Default described in Section 8.1(f) or 8.1(g) with respect to Borrower or any Domestic Subsidiary, automatically, and (2) upon the occurrence and during the continuance of any other Event of Default, at the request of (or with the consent of) Requisite Lenders, upon notice to Borrower by Collateral Agents, (A) the Revolving Commitments, if any, of each Lender having such Revolving Commitments and the obligation of Issuing Bank to issue any Letter of Credit or Bank Guarantee shall immediately terminate; (B) each of the following shall immediately become due and payable, in each case without presentment, demand, protest or other requirements of any kind, all of which are hereby expressly waived by each Credit Party: (I) the unpaid principal amount of and accrued interest and premium on the Loans, (II) an amount equal to the maximum amount that may at any time be drawn under all Letters of Credit and Bank Guarantees then outstanding (regardless of whether any beneficiary under any such Letter of Credit or Bank Guarantee shall have presented, or shall be entitled at such time to present, the drafts or other documents or certificates required to draw under such Letters of Credit or Bank Guarantee), and (III) all other Credit Agreement Obligations; provided the foregoing shall not affect in any way the obligations of Lenders under Section 2.4(f); (C) Collateral Agents may enforce any and all Liens and security interests created pursuant to Collateral Documents; and (D) Collateral Agents shall direct Borrower to pay (and Borrower hereby agrees upon receipt of such notice, or upon the occurrence of any Event of Default specified in Sections 8.1(f) and (g) to pay) to Revolving Facility Administrative Agent such additional amounts of cash as reasonably requested by Issuing Bank, to be held as security for Borrower's reimbursement obligations in respect of Letters of Credit and Bank Guarantees then outstanding.

Only the Requisite Revolving Lenders shall have the right to direct Revolving Facility Administrative Agent with respect to, and the Revolving Facility Administrative Agent shall be entitled to exercise with respect to the Revolving Commitments, the Revolving Loans and any amount drawn under the Letters of Credit and Bank Guarantees then outstanding, any remedies

under this Section 8.1 as a result of a Financial Covenant Event of Default unless and until the date on which the Requisite Revolving Lenders shall have terminated their Revolving Commitments and declared all Revolving Loans to be due and payable, after which Term Administrative Agent shall be entitled to take the actions set forth in this Section 8.1 with respect to any other Loans, Commitments and amounts drawn under the Letters of Credit and Bank Guarantees.

8.2. Borrower's Right to Cure . Notwithstanding anything to the contrary contained in Section 8.1, so long as the Permitted Holders beneficially own, directly or indirectly, at least 35% of the Voting Stock of Borrower, for purposes of determining whether a Financial Covenant Event of Default has occurred, on or prior to the day that is 15 Business Days after the day on which financial statements are required to be delivered for the relevant Fiscal Quarter, Borrower shall have the right to voluntarily prepay Loans in an aggregate amount equal to the amount necessary to cure any Financial Covenant Event of Default and, for the avoidance of doubt, in the case of Revolving Loans, without any corresponding reduction of the Revolving Commitments (any such prepayment, a **"Financial Covenant Cure"**); provided that (a) no more than three Financial Covenant Cures will be made during the Revolving Commitment Period and no Financial Covenant Cures will be made in respect of consecutive Fiscal Quarters and (b) following the exercise by Borrower of such right, the Financial Covenant shall be recalculated as if such prepayment had been made on the last day of such Fiscal Quarter and if, after giving effect to the foregoing recalculations, Borrower shall then be in compliance with the requirements of the Financial Covenant, Borrower shall be deemed to have satisfied the requirements of the Financial Covenant as of the relevant date of determination with the same effect as though there had been no failure to comply therewith at such date, and the applicable Financial Covenant Event of Default which had occurred shall be deemed cured for all purposes of the Agreement.

SECTION 9. AGENTS

9.1. Appointment of Agents . Goldman Sachs is hereby appointed Syndication Agent and Bookrunner hereunder, and each Lender hereby authorizes Goldman Sachs to act as Syndication Agent and Bookrunner in accordance with the terms hereof and the other Credit Documents. HSBC USA is hereby appointed Term Administrative Agent hereunder and under the other Credit Documents and each Term Loan Lender hereby authorizes HSBC USA to act as Term Administrative Agent in accordance with the terms hereof and the other Credit Documents. HSBC USA is hereby appointed Primary Collateral Agent hereunder and under the other Credit Documents (other than the Collateral Documents governed by the laws of Hungary) and each Lender hereby authorizes HSBC USA to act as Primary Collateral Agent in accordance with the terms hereof and such other Credit Documents. HSBC PLC is hereby appointed Hungarian Collateral Agent hereunder and under the other Credit Documents governed by the laws of Hungary and each Lender hereby authorizes HSBC PLC to act as Hungarian Collateral Agent in accordance with the terms hereof and such other Credit Documents. HBAP is hereby appointed Revolving Facility Administrative Agent hereunder and under the other Credit Documents and each Revolving Lender hereby authorizes HBAP to act as Revolving Facility Administrative Agent in accordance with the terms hereof and the other Credit Documents. Each Agent hereby agrees to act in its capacity as such upon the express conditions contained herein and the other Credit Documents, as applicable. The provisions of this Section 9 are solely for the benefit of

Agents and Lenders and no Credit Party shall have any rights as a third-party beneficiary of any of the provisions thereof. In performing its functions and duties hereunder, each Agent shall act solely as an agent of Lenders and does not assume and shall not be deemed to have assumed any obligation towards or relationship of agency or trust with or for Parent or any of its Subsidiaries. Each of Syndication Agent, Bookrunner, and any Agent described in clause (vi) of the definition thereof, without consent of or notice to any party hereto, may assign any and all of its rights or obligations hereunder to any of its Affiliates. As of the Closing Date, no Syndication Agent or Bookrunner shall have any obligations but shall be entitled to all benefits of this Section 9. Each of Syndication Agent, Bookrunner, and any Agent described in clause (vi) of the definition thereof may resign from such role at any time, with immediate effect, by giving prior written notice thereof to Administrative Agents and Borrower.

9.2. Powers and Duties . Each Term Loan Lender irrevocably authorizes Term Administrative Agent to take such action on such Term Loan Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Credit Documents as are specifically delegated or granted to Term Administrative Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. Each Revolving Lender irrevocably authorizes Revolving Facility Administrative Agent to take such action on such Revolving Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Credit Documents as are specifically delegated or granted to Revolving Facility Administrative Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. Each Lender irrevocably authorizes each other Agent to take such action on such Lender's behalf and to exercise such powers, rights and remedies hereunder and under the other Credit Documents as are specifically delegated or granted to such Agent by the terms hereof and thereof, together with such powers, rights and remedies as are reasonably incidental thereto. Each Agent shall have only those duties and responsibilities that are expressly specified herein and the other Credit Documents. Each Agent may exercise such powers, rights and remedies and perform such duties by or through its agents or employees. No Agent shall have, by reason hereof or any of the other Credit Documents, a fiduciary relationship in respect of any Lender, any holder of Obligations with respect to any Hedge Agreement, any Pari Passu Debt Agreement or any other Person; and nothing herein or any of the other Credit Documents, expressed or implied, is intended to or shall be so construed as to impose upon any Agent any obligations in respect hereof or any of the other Credit Documents except as expressly set forth herein or therein. Each Administrative Agent hereby agrees that it shall (i) furnish to Goldman Sachs, in its capacity as Arranger, upon Goldman Sachs' request, a copy of the Register, (ii) cooperate with Goldman Sachs in granting access to any Lenders (or potential lenders) who Goldman Sachs identifies to the Platform and (iii) maintain Goldman Sachs' access to the Platform. Each Administrative Agent may disclose to any other party any information it reasonably believes it has received in its capacity as such under this Agreement. The obligations of the Agents under this Agreement are several and not joint.

9.3. General Immunity .

(a) No Responsibility for Certain Matters . No Agent shall be responsible to any Lender for the execution, effectiveness, genuineness, validity, enforceability, collectability or sufficiency hereof or any other Credit Document or for any representations, warranties,

recitals or statements made herein or therein or made in any written or oral statements or in any financial or other statements, instruments, reports or certificates or any other documents furnished or made by any Agent to Lenders or by or on behalf of any Credit Party to any Agent or any Lender in connection with the Credit Documents and the transactions contemplated thereby or for the financial condition or business affairs of any Credit Party or any other Person liable for the payment of any Obligations, nor shall any Agent be required to ascertain or inquire as to the performance or observance of any of the terms, conditions, provisions, covenants or agreements contained in any of the Credit Documents or as to the use of the proceeds of the Loans or as to the existence or possible existence of any Event of Default or Default or to make any disclosures with respect to the foregoing. Anything contained herein to the contrary notwithstanding, neither Administrative Agent shall have any liability arising from confirmations of the amount of outstanding Loans or the Letter of Credit/Bank Guarantee Usage or the component amounts thereof.

(b) Exculpatory Provisions. No Agent nor any of its officers, partners, directors, employees or agents shall be liable to Lenders for any action taken or omitted by any Agent under or in connection with any of the Credit Documents except to the extent caused by such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. Each Agent shall be entitled to refrain from any act or the taking of any action (including the failure to take an action) in connection herewith or any of the other Credit Documents or from the exercise of any power, discretion or authority vested in it hereunder or thereunder unless and until (i) Revolving Facility Administrative Agent shall have received instructions in respect thereof from Requisite Revolving Lenders (or such other Lenders as may be required to give such instructions under Section 10.5), (ii) Term Administrative Agent shall have received instructions in respect thereof from Requisite Term Loan Lenders (or such other Lenders as may be required to give such instructions under Section 10.5) and (iii) each other Agent shall have received instructions in respect thereof from Requisite Lenders (or such other Lenders as may be required to give such instructions under Section 10.5) and, upon receipt of such instructions from Requisite Revolving Lenders, Requisite Term Loan Lenders or Requisite Lenders (or such other Lenders), as the case may be, Revolving Facility Administrative Agent, Term Administrative Agent or such other Agent, as the case may be, shall be entitled to act or (where so instructed) refrain from acting, or to exercise such power, discretion or authority, in accordance with such instructions, including for the avoidance of doubt refraining from any action that, in its opinion or the opinion of its counsel, may be in violation of the automatic stay under any Bankruptcy Law or any applicable law, regulation, fiscal requirement, court order or subpoena that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Bankruptcy Law, any other applicable law or regulation or any duty of confidentiality. Without prejudice to the generality of the foregoing, (A) no such Agent shall be liable for any act (or for refraining to so act) in accordance with an instruction of the Requisite Term Loan Lenders, the Requisite Revolving Lenders or the Requisite Lenders (or such other Lenders), as the case may be; (B) any Agent may refrain from acting in accordance with the instructions of the Requisite Term Loan Lenders, the Requisite Revolving Lenders or the Requisite Lenders (or such other Lenders) or pursuant to clause (C), as the case may be, until it has received such security as it may require for any cost, loss or liability which it may incur in complying with the instructions; (C) in the absence of instructions from the Requisite Term Loan Lenders, the Requisite Revolving Lenders or the Requisite Lenders (or such other Lenders), as the case may be, such Agent may act (or refrain

from acting) as it considers to be in the best interest of the Term Loan Lenders, the Revolving Lenders, or the Lenders, as the case may be, (D) each Agent shall be entitled to conclusively rely, and shall be fully protected in relying, upon, and shall have no duty to verify, any communication, statement, instrument or document believed by it to be genuine and correct and to have been signed or sent by the proper Person or Persons which may reasonably be assumed to be within such Person's knowledge or power to verify, and shall be entitled to conclusively rely and shall be protected in relying on opinions and judgments of attorneys (who may be attorneys for Parent and its Subsidiaries), accountants, experts and other professional advisors selected by it; and (E) no Lender shall have any right of action whatsoever against any Agent as a result of such Agent acting or (where so instructed) refraining from acting hereunder or any of the other Credit Documents in accordance with the instructions of Requisite Revolving Lenders, Requisite Term Loan Lenders, Requisite Lenders, as the case may be, or such other Lenders as may be required to give such instructions under Section 10.5.

(c) Delegation of Duties . Each Administrative Agent may perform any and all of its duties and exercise its rights and powers under this Agreement or under any other Credit Document by or through any one or more sub-agents appointed by such Administrative Agent. Each Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Affiliates. The exculpatory, indemnification and other provisions of this Section 9.3 and of Section 9.6 shall apply to any Affiliates of each Administrative 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 an Administrative Agent. All of the rights, benefits, and privileges (including the exculpatory and indemnification provisions) of this Section 9.3 and of Section 9.6 shall apply to any such sub-agent and to the Affiliates of any such sub-agent, and shall apply to their respective activities as sub-agent as if such sub-agent and Affiliates were named herein. Notwithstanding anything herein to the contrary, with respect to each sub-agent appointed by either Administrative Agent, (i) such sub-agent shall be a third-party beneficiary under this Agreement with respect to all such rights, benefits and privileges (including exculpatory rights and rights to indemnification) and shall have all of the rights and benefits of a third party beneficiary, including an independent right of action to enforce such rights, benefits and privileges (including exculpatory rights and rights to indemnification) directly, without the consent or joinder of any other Person, against any or all of Credit Parties and the Lenders, (ii) such rights, benefits and privileges (including exculpatory rights and rights to indemnification) shall not be modified or amended without the consent of such sub-agent, and (iii) such sub-agent shall only have obligations to the applicable Administrative Agent and not to any Credit Party, Lender or any other Person and no Credit Party, Lender or any other Person shall have any rights, directly or indirectly, as a third-party beneficiary or otherwise, against such sub-agent.

(d) Notwithstanding any other term or provision of this Agreement to the contrary, no Agent shall be liable under any circumstances for special, punitive, indirect or consequential loss or damage of any kind whatsoever, whether or not foreseeable, or for any loss of business, goodwill, opportunity or profit, whether arising directly or indirectly and whether or not foreseeable, even if such Agent is actually aware of or has been advised of the likelihood of such loss or damage and regardless of whether the claim for such loss or damage is made in negligence, for breach of contract, breach of trust, breach of fiduciary obligation or otherwise.

(e) Each Agent may assume (unless it has received notice to the contrary in its capacity as such) that:

(i) no Default or Event of Default has occurred (unless it has actual knowledge of an Event of Default arising under Section 8.1(a));

(ii) any right, power, authority or discretion vested in any party or the Requisite Term Loan Lenders, the Requisite Revolving Lenders, the Requisite Lenders or such other Lenders as may be required to give such instructions under Section 10.5 has not been exercised; and

(iii) any notice or request made by Borrower is made on behalf of and with the consent and knowledge of all Credit Parties.

(f) Notwithstanding any other term or provision of this Agreement to the contrary, no Agent shall in any event be liable for any failure or delay in the performance of its obligations hereunder if it is prevented from so performing its obligations by any circumstances beyond the control of such Agent, including without limitation, existing or future law or regulation, any existing or future act of governmental authority, act of God, flood, war whether declared or undeclared, terrorism, riot, rebellion, civil commotion, strike, lockout, other industrial action, general failure of electricity or other supply, aircraft collision, technical failure, accidental or mechanical or electrical breakdown, computer failure or failure of any money transmission system.

(g) No Agent shall be required to expend or risk any of its own funds or otherwise incur any liability, financial or otherwise, in the performance of any of its duties hereunder or in the exercise of any of its rights or powers.

(h) Any entity into which any Agent, in its individual capacity, may be merged or converted or with which it may be consolidated, or any corporation resulting from any such merger, conversion or consolidation to which such Agent, in its individual capacity, shall be a party, or any corporation to which substantially all of the corporate trust business of such Agent, in its individual capacity, may be transferred, shall be the applicable Agent under this Agreement without further action.

(i) Any Agent may consult with legal and other professional advisors of its own choosing, subject to Sections 10.2 and 10.3, at the expense of the Credit Parties, as to any matter relating to this Agreement, and such Agent shall not incur any liability in acting in good faith in accordance with any advice from such counsel.

(j) Except where a Credit Document specifically provides otherwise, no Agent is obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another party.

(k) Each Agent’s duties under this Agreement and the other Credit Documents are solely mechanical and administrative in nature.

(l) The provisions of this Section 9.3 shall survive the termination or expiry of this Agreement or the resignation or removal of the applicable Agent.

9.4. Agents Entitled to Act as Lender . The agency hereby created shall in no way impair or affect any of the rights and powers of, or impose any duties or obligations upon, any Agent in its individual capacity as a Lender hereunder. With respect to its participation in the Loans, the Letters of Credit and the Bank Guarantees, each Agent shall have the same rights and powers hereunder as any other Lender and may exercise the same as if it were not performing the duties and functions delegated to it hereunder, and the term "Lender" shall, unless the context clearly otherwise indicates, include each Agent in its individual capacity. Any Agent and its Affiliates may accept deposits from, lend money to, own securities of, and generally engage in any kind of banking, trust, financial advisory or other business with Parent or any of its Affiliates as if it were not performing the duties specified herein, and may accept fees and other consideration from Borrower for services in connection herewith and otherwise without having to account for the same to Lenders.

9.5. Lenders ' Representations, Warranties and Acknowledgment .

(a) Each Lender represents and warrants that it has made its own independent investigation of the risks arising in connection with this Agreement and the other Credit Documents, including, without limitation, (i) the financial condition and affairs of the Restricted Group in connection with Credit Extensions hereunder; (ii) that it has made and shall continue to make its own appraisal of the creditworthiness of the Restricted Group; (iii) the legality, validity, effectiveness, adequacy or enforceability of any Credit Document, the Transaction Security and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Credit Document or the Transaction Security; (iv) whether it has recourse, and the nature and extent of such recourse, against any party or any of its assets under or in connection with any Credit Document, the Transaction Security, the transactions contemplated by the Credit Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Credit Document or the Transaction Security; and (v) the right or title of any Person in or to, or the value or sufficiency of any part of the Collateral, the priority of any of the Transaction Security or the existence of any security affecting the Collateral. No Agent shall have any duty or responsibility, either initially or on a continuing basis, to make any such investigation or any such appraisal on behalf of Lenders or to provide any Lender with any credit or other information with respect thereto, whether coming into its possession before the making of the Loans or at any time or times thereafter, and no Agent shall have any responsibility with respect to (w) any delay in the crediting to any account of an amount required under the Credit Documents to be paid by such Agent, if such Agent shall have taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognized clearing or settlement system used by such Agent for the purposes of such payment; (x) the accuracy of or the completeness of any information provided to Lenders, (y) the legality, validity effectiveness, adequacy or enforceability of any Credit Document, the Transaction Security or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Credit Document or the Transaction Security; or (z) the determination as to whether any information provided or to be provided to any Lender is Non-Public Information.

(b) Each Lender, by delivering its signature page to this Agreement, an Assignment Agreement and funding its Initial Term Loan and/or Revolving Loans on the Closing Date or by the funding of any New Term Loans or New Revolving Loans, as the case may be, shall be deemed to have acknowledged receipt of, and consented to and approved, each Credit Document and each other document required to be approved by any Agent, Requisite Lenders or Lenders, as applicable on the Closing Date or as of the date of funding of such New Term Loans and New Revolving Loans.

(c) Each Lender acknowledges that Borrower and certain Affiliates of the Credit Parties, including Parent or Borrower or any of Parent's other Subsidiaries, are Eligible Assignees hereunder and may purchase Term Loans hereunder from Lenders from time to time, subject to the restrictions set forth in the definition of "Eligible Assignee" and Section 10.6.

(d) Nothing in this Agreement shall oblige any Agent to conduct any "know your customer" or other procedures in relation to any Person on behalf of any Lender and each Lender confirms to each Agent that it is solely responsible for any such procedures it is required to conduct and that it shall not rely on any statement in relation to such procedures made by any such Agent.

(e) Each Agent may treat each Lender as a Lender, entitled to payments under this Agreement and acting through its primary lending office, unless it has received not less than five Business Days' prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

(f) The Lenders shall supply the Term Loan Administrative Agent with any information that either Collateral Agent may reasonably specify (through the Term Loan Administrative Agent) as being necessary or desirable to enable such Collateral Agent to perform its functions as a Collateral Agent. Each Lender shall deal with the Collateral Agents exclusively through the Term Loan Administrative Agent.

(g) Any Lender may by notice to the applicable Administrative Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or dispatched to that Lender under the Credit Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Section 10.1), electronic mail address and/or any other information required to enable the sending and receipt of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address, department and officer by that Lender for the purposes of Section 10.1 and the applicable Administrative Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

9.6. Right to Indemnity . (a) Each Term Loan Lender, in proportion to its Pro Rata Share of Term Loans severally agrees to indemnify Term Administrative Agent, (b) each Revolving Lender, in proportion to its Pro Rata Share of Revolving Commitments severally agrees to indemnify Revolving Facility Administrative Agent and (c) each Lender, in proportion to its Pro Rata Share, in each case, severally agrees to indemnify each other Agent, in each case,

to the extent that the applicable Agent shall not have been reimbursed by any Credit Party, for and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses (including counsel fees and disbursements) or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against such Agent in exercising its powers, rights and remedies or performing its duties hereunder or under the other Credit Documents or otherwise in its capacity as such Agent in any way relating to or arising out of this Agreement or the other Credit Documents; provided no Lender shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from any such Agent's gross negligence or willful misconduct, as determined by a final, non-appealable judgment of a court of competent jurisdiction. If any indemnity furnished to any Agent for any purpose shall, in the opinion of such Agent, be insufficient or become impaired, such Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against until such additional indemnity is furnished; provided in no event shall this sentence require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement in excess of such Lender's Pro Rata Share thereof; and provided further , this sentence shall not be deemed to require any Lender to indemnify any Agent against any liability, obligation, loss, damage, penalty, action, judgment, suit, cost, expense or disbursement described in the proviso in the immediately preceding sentence.

9.7. Successor Administrative Agents and Collateral Agents .

(a) Each Administrative Agent shall have the right to resign at any time by giving prior written notice thereof to the other Administrative Agent, Lenders and Borrower and each Administrative Agent may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to Borrower and such Administrative Agent and signed by Requisite Revolving Lenders or Requisite Term Loan Lenders, as the case may be. Each Administrative Agent shall have the right to appoint a financial institution to act as its succeeding Administrative Agent hereunder, as the case may be, subject to the reasonable satisfaction of Borrower and the Requisite Revolving Lenders or Requisite Term Loan Lenders, as the case may be, and such Administrative Agent's resignation shall become effective on the earliest of (i) 30 days after delivery of the notice of resignation (regardless of whether a successor has been appointed or not), (ii) the acceptance of such successor Administrative Agent by Borrower and the Requisite Revolving Lenders or Requisite Term Loan Lenders, as the case may be, or (iii) such other date, if any, agreed to by the Requisite Revolving Lenders or Requisite Term Loan Lenders, as the case may be. Upon any such notice of resignation or any such removal, if a successor Administrative Agent has not already been appointed by the retiring Administrative Agent, the Requisite Revolving Lenders or Requisite Term Loan Lenders, as the case may be, shall have the right, upon five Business Days' notice to Borrower, to appoint a successor Revolving Facility Administrative Agent or Term Administrative Agent, as the case may be. If neither the Requisite Revolving Lenders or Requisite Term Loan Lenders, as the case may be, nor the retiring Administrative Agent have appointed a successor Administrative Agent, the Requisite Revolving Lenders or Requisite Term Loan Lenders, as the case may be, shall be deemed to have succeeded to and become vested with all the rights, powers, privileges and duties of the applicable retiring Administrative Agent; provided that, until a successor Term Administrative Agent is so appointed by the Requisite Term Loan Lenders or the retiring Term Administrative Agent, any collateral security held by Term Administrative Agent in its role as

Primary Collateral Agent and by Hungarian Collateral Agent on behalf of the Lenders or Issuing Bank under any of the Credit Documents shall continue to be held by the retiring Collateral Agents as nominee until such time as a successor Collateral Agent is appointed and such retiring Term Administrative Agent may petition a court of competent jurisdiction to appoint a replacement Term Administrative Agent. Upon the acceptance of any appointment as an Administrative Agent hereunder by a successor Administrative Agent, that successor Administrative Agent shall thereupon succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Administrative Agent and the retiring or removed Administrative Agent shall promptly (i) transfer to such successor Administrative Agent all sums, Securities and other items of Collateral held under the Collateral Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Administrative Agent under the Credit Documents, and (ii) execute and deliver to such successor Administrative Agent such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Administrative Agent of the security interests created under the Collateral Documents, whereupon such retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder. Except as provided above, any resignation or removal of a Term Administrative Agent or its successor as Term Administrative Agent pursuant to this Section 9.7 shall also constitute the resignation or removal of such Term Administrative Agent or its successor as Primary Collateral Agent and of HSBC PLC or its successor as Hungarian Collateral Agent. After any retiring or removed Administrative Agent's resignation or removal hereunder as Administrative Agent, the provisions of this Section 9 shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent hereunder. Any successor Term Administrative Agent appointed pursuant to this Section 9.7 shall, upon its acceptance of such appointment, become the successor Primary Collateral Agent (and shall become or appoint the successor Hungarian Collateral Agent) for all purposes hereunder.

(b) In addition to the foregoing, either Collateral Agent may resign at any time by giving prior written notice thereof to Lenders and Borrower, and either Collateral Agent may be removed at any time with or without cause by an instrument or concurrent instruments in writing delivered to Borrower and such Collateral Agent signed by Requisite Lenders. Both Administrative Agents shall have the right to mutually agree upon and appoint a financial institution as Primary Collateral Agent or Hungarian Collateral Agent, as the case may be, hereunder, subject to the reasonable satisfaction of Borrower and the Requisite Lenders and either Collateral Agent's resignation shall become effective on the earliest of (i) 30 days after delivery of the notice of resignation, (ii) the acceptance of such successor Collateral Agent by Borrower and the Requisite Lenders or (iii) such other date, if any, agreed to by the Requisite Lenders. Upon any such notice of resignation or any such removal, Requisite Lenders shall have the right, upon five Business Days' notice to Term Administrative Agent, to appoint a successor Primary Collateral Agent or Hungarian Collateral Agent, as the case may be. Until such successor Collateral Agent is so appointed by Requisite Lenders or Term Administrative Agent, any collateral security held by such Collateral Agent on behalf of the Lenders or Issuing Bank under any of the Credit Documents shall continue to be held by the retiring Collateral Agent as nominee until such time as a successor Collateral Agent is appointed. Upon the acceptance of any appointment as Primary Collateral Agent or Hungarian Collateral Agent, as the case may be, hereunder by a successor Collateral Agent, that successor Collateral Agent shall thereupon

succeed to and become vested with all the rights, powers, privileges and duties of the retiring or removed Collateral Agent under this Agreement and the applicable Collateral Documents, and the retiring or removed Collateral Agent under this Agreement shall promptly (i) transfer to such successor Collateral Agent all sums, Securities and other items of Collateral held hereunder or under the Collateral Documents, together with all records and other documents necessary or appropriate in connection with the performance of the duties of the successor Collateral Agent under this Agreement and the applicable Collateral Documents, and (ii) execute and deliver to such successor Collateral Agent or otherwise authorize the filing of such amendments to financing statements, and take such other actions, as may be necessary or appropriate in connection with the assignment to such successor Collateral Agent of the security interests created under the applicable Collateral Documents, whereupon such retiring or removed Collateral Agent shall be discharged from its duties and obligations under this Agreement and the applicable Collateral Documents. After any retiring or removed Collateral Agent's resignation or removal hereunder as the Primary Collateral Agent or the Hungarian Collateral Agent, as the case may be, the provisions of this Agreement and the applicable Collateral Documents shall inure to its benefit as to any actions taken or omitted to be taken by it under this Agreement or the applicable Collateral Documents while it was the Primary Collateral Agent or Hungarian Collateral Agent, as the case may be, hereunder.

9.8. Collateral Documents and Guaranty .

(a) Agents under Collateral Documents and Guaranty . Each Secured Party hereby further authorizes each Collateral Agent on behalf of and for the benefit of Secured Parties, to be the agent for and representative of Secured Parties with respect to the Guaranty, the Collateral and the applicable Collateral Documents. Subject to Section 9.5 and the Intercreditor Agreement, without further written consent or authorization from any Secured Party, upon request of Borrower, the applicable Collateral Agent shall execute any documents or instruments necessary (i) in connection with a sale or disposition of assets permitted by this Agreement or any Permitted Transaction, release any Lien encumbering any item of Collateral that is the subject of such sale or other disposition of assets or to which Requisite Lenders (or such other Lenders as may be required to give such consent under Section 9.5) have otherwise consented, (ii) to release the Guaranty pursuant to Section 7.12 and any Lien encumbering any item of Collateral of, or with respect to, any Subsidiary designated as an Unrestricted Subsidiary in accordance with Section 6.11 or (iii) to release any Guarantor from the Guaranty pursuant to Section 7.12 or with respect to which Requisite Lenders (or such other Lenders as may be required to give such consent under Section 9.5) have otherwise consented. In addition, the Primary Collateral Agent is authorized to execute any documents or instruments necessary to release Nord Anglia Middle East Holding S.P.C. from the Guaranty on or about the Amendment and Restatement Date.

(b) Right to Realize on Collateral and Enforce Guaranty . Anything contained in any of the Credit Documents to the contrary notwithstanding, Borrower, each Administrative Agent, each Collateral Agent and each Secured Party hereby agree that (i) no Secured Party shall have any right individually to realize upon any of the Collateral or to enforce the Guaranty, it being understood and agreed that all powers, rights and remedies hereunder and under any of the Credit Documents may be exercised solely by Term Administrative Agent, Primary Collateral Agent or Hungarian Collateral Agent, as applicable, for the benefit of the Secured Parties in

accordance with the terms hereof and thereof and all powers, rights and remedies under the Collateral Documents may be exercised solely by the applicable Collateral Agent for the benefit of the Secured Parties in accordance with the terms thereof, and (ii) (subject to the Intercreditor Agreement), in the event of a foreclosure or similar enforcement action by either Collateral Agent on any of the Collateral pursuant to a public or private sale or other disposition (including, without limitation, pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the U.S. Bankruptcy Code or similar provisions under any other applicable Bankruptcy Law), such Collateral Agent (or any Lender, except with respect to a "credit bid" pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the U.S. Bankruptcy Code or similar provisions under any other applicable Bankruptcy Law) may be the purchaser or licensor of any or all of such Collateral at any such sale or other disposition and such Collateral Agent, as agent for and representative of Secured Parties (but not any Lender or Lenders in its or their respective individual capacities) shall be entitled, upon instructions from Requisite Lenders, for the purpose of bidding and making settlement or payment of the purchase price for all or any portion of the Collateral sold at any such sale or disposition, to use and apply any of the Obligations as a credit on account of the purchase price for any collateral payable by such Collateral Agent at such sale or other disposition.

(c) Rights under Hedge Agreements . Subject to the Intercreditor Agreement, no Hedge Agreement will create (or be deemed to create) in favor of any Lender Counterparty that is a party thereto any rights in connection with the management or release of any Collateral or of the obligations of any Guarantor under the Credit Documents. Subject to the Intercreditor Agreement, by accepting the benefits of the Collateral, such Lender Counterparty shall be deemed to have appointed each Collateral Agent as its agent and agreed to be bound by the Credit Documents as a Secured Party, subject to the limitations set forth in this clause (c).

(d) Release of Collateral and Guarantees, Termination of Credit Documents . Notwithstanding anything to the contrary contained herein or any other Credit Document (but subject to the Intercreditor Agreement), when the Termination Date shall have occurred, upon request of Borrower, the applicable Collateral Agent shall (without notice to, or vote or consent of, any Lender, or any affiliate of any Lender that is a party to any Hedge Agreement) take such actions as shall be required to release its security interest in all Collateral, and to release all guarantee obligations provided for in any Credit Document, whether or not on the date of such release there may be outstanding Obligations in respect of Hedge Agreements. Any such release of guarantee obligations shall be deemed subject to the provision that such guarantee obligations shall be reinstated if after such release any portion of any payment in respect of the Obligations guaranteed thereby shall be rescinded or must otherwise be restored or returned upon the insolvency, bankruptcy, *concurso mercantil* , dissolution, liquidation or reorganization of Borrower or any Guarantor, or upon or as a result of the appointment of a receiver, intervenor, *concurso mercantil* , or conservator of, or trustee or similar officer for, Borrower or any Guarantor or any substantial part of its property, or otherwise, all as though such payment had not been made.

(e) Each Collateral Agent, its officers, directors, employees, attorneys and agents shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, genuineness, value or collectability of the Transaction Security, the legality, enforceability, effectiveness or sufficiency of the Collateral Documents,

existence, enforceability, effectiveness, sufficiency, priority or perfection of such Collateral Agent's Lien thereon, or any certificate prepared by any Credit Party in connection therewith, nor shall such Collateral Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Transaction Security or any failure to demand, collect, foreclose or realize upon or otherwise enforce any of the Lien or Collateral Documents or any delay in doing so.

(f) Each Lender, each Agent and each other Secured Party hereby irrevocably appoints, designates and authorizes each Collateral Agent, in its capacity as Primary Collateral Agent or Hungarian Collateral Agent, as the case may be, and a Secured Party in respect of the Obligations, to enter into the Intercreditor Agreement and to take such actions under the provisions thereof as contemplated thereunder. Each Lender, each Agent and each other Secured Party hereby irrevocably appoints, designates and authorizes the Term Administrative Agent to enter into the Intercreditor Agreement and to (acting on the instructions of the Requisite Lenders) take such actions under the provisions thereof as contemplated thereunder and hereby consents to the Term Administrative Agent becoming a "Representative" or similarly described capacity under (and as defined in) such Intercreditor Agreement, and agrees that the Term Administrative Agent will accept and accede to such Intercreditor Agreement pursuant to a written undertaking in form and substance reasonably satisfactory to the Term Administrative Agent. Each such Person also agrees to be bound by the terms and conditions of the Intercreditor Agreement. Each Collateral Agent (in its capacity as "Security Agent" or similarly described role under (and as defined in) the Intercreditor Agreement) hereby consents to each Lender becoming a "Senior Secured Lender" or similarly described capacity under (and as defined in) such Intercreditor Agreement, and agrees that it will accept and accede to such Intercreditor Agreement pursuant to a written undertaking in form and substance reasonably satisfactory to the Primary Collateral Agent.

9.9. Withholding Taxes . To the extent required by any applicable law, either Administrative Agent may withhold from any payment to any Lender an amount equivalent to any applicable withholding Tax. If the Internal Revenue Service or any other Governmental Authority asserts a claim that such Administrative Agent did not properly withhold Tax from amounts paid to or for the account of any Lender because the appropriate form was not delivered or was not properly executed or because such Lender failed to notify such Administrative Agent of a change in circumstance which rendered the exemption from, or reduction of, withholding Tax ineffective or for any other reason, or if such Administrative Agent reasonably determines that a payment was made to a Lender pursuant to this Agreement without deduction of applicable withholding tax from such payment, such Lender shall indemnify such Administrative Agent fully for all amounts paid, directly or indirectly, by such Administrative Agent as Tax or otherwise, including any penalties or interest and together with all expenses (including legal expenses, allocated internal costs and out-of-pocket expenses) incurred.

9.10. Primary Collateral Agent May File Bankruptcy Disclosure and Proofs of Claim . In case of the pendency of any proceeding under any Bankruptcy Laws relative to any Credit Party, Primary Collateral Agent on behalf of the Requisite Lenders (irrespective of whether the principal of any Loan or Obligation under a Letter of Credit or Bank Guarantee shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of

whether Primary Collateral Agent shall have made any demand on Borrower) shall be entitled and empowered (but not obligated) by intervention in such proceeding or otherwise:

(a) to file a verified statement pursuant to rule 2019 of the Federal Rules of Bankruptcy Procedure that, in its sole opinion, complies with such rule's disclosure requirements for entities representing more than one creditor;

(b) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, Issuing Bank and Administrative Agents (including any claim for the reasonable compensation, expenses, disbursements and advances of either Administrative Agent and its respective agents and counsel and all other amounts due such Administrative Agent under Sections 2.4, 2.11, 10.2 and 10.3) allowed in such judicial proceeding; and

(c) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, receiver and manager, judicial manager, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and Issuing Bank to make such payments to the applicable Administrative Agent and, in the event that such Administrative Agent shall consent to the making of such payments directly to the Lenders and Issuing Bank, to pay to such Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of such Administrative Agent and its agents and counsel, and any other amounts due such Administrative Agent under Sections 2.11, 10.2 and 10.3. To the extent that the payment of any such compensation, expenses, disbursements and advances of such Administrative Agent, its agents and counsel, and any other amounts due such Administrative Agent under Sections 2.11, 10.2 and 10.3 out of the estate in any such proceeding, shall be denied for any reason, payment of the same shall be secured by a Lien on, and shall be paid out of, any and all distributions, dividends, money, securities and other properties that the Lenders or Issuing Banks may be entitled to receive in such proceeding whether in liquidation or under any plan of reorganization or arrangement or otherwise.

Nothing contained herein shall be deemed to authorize Primary Collateral Agent to authorize or consent to or accept or adopt on behalf of any Lender any plan of reorganization, arrangement, adjustment or composition affecting the Credit Agreement Obligations or the rights of any Lender or to authorize Primary Collateral Agent to vote in respect of the claim of any Lender in any such proceeding.

9.11. Anti-Money Laundering and Terrorism . Any Agent may take and instruct any sub-agent or delegate to take any action which it in its sole discretion considers appropriate so as to comply with any applicable law, regulation, or request of a public or regulatory authority or any of its group policies which relate to the prevention of fraud, money laundering, terrorism or other criminal activities or the provision of financial and other services to sanctioned persons or entities. Such action may include but is not limited to the interception and investigation of transactions on accounts (particularly those involving the international transfer of funds) including the source of the intended recipient of fund paid into or out of accounts. In certain

circumstances, such action may delay or prevent the processing of instructions, the settlement of transactions over the accounts or such Agent's performance of its obligations under this Agreement and the other Credit Documents. Where permitted by applicable law, such Agent will use all reasonable endeavors to notify Borrower of the existence of such circumstances. Neither such Agent nor any delegate of or sub-agent of such Agent will be liable for any loss (whether direct or consequential and including, without limitation, loss of profit or interest) caused in whole or in part by any actions which are taken by such Agent or any delegate or sub-agent of such Agent pursuant to this Section 9.11.

9.12. Parallel Debt .

(a) Notwithstanding any other provision of this Agreement, each Credit Party hereby irrevocably and unconditionally undertakes to pay to each Collateral Agent (without duplication), as creditor in its own right and not as representative of the Secured Parties or any Secured Party, sums equal to and in the currency of each amount payable as the Secured Creditor Claim under each of the Credit Documents, the Pari Passu Debt Agreements and Hedge Agreements as and when that amount falls due for payment under the relevant Credit Documents, the Pari Passu Debt Agreements or Hedge Agreements or would have fallen due but for any discharge resulting from failure of a Secured Party to take appropriate steps, in insolvency proceedings affecting such Credit Party, to preserve its entitlement to be paid that amount (" **Collateral Agent Claim** "). Such undertaking shall constitute an own independent right of such Collateral Agent to demand and receive payment of the Collateral Agent Claim.

(b) Unless expressly provided to the contrary in any Credit Document, Pari Passu Debt Agreement or Hedge Agreement, each Collateral Agent holds:

(i) the benefit of any applicable Collateral Agent Claims; and

(ii) any proceeds of security created by an applicable Collateral Document governed by any law other than Swiss law and Spanish law,

for the benefit, and as the property, of the Secured Parties and so that they are not available to the personal creditors of such Collateral Agent.

(c) Each Collateral Agent will separately identify in its records the property rights referred to in clause (b) above.

(d) The property rights under clause (b) above are located in the jurisdiction where each Collateral Agent maintains its accounts in respect of those property rights.

(e) Each Credit Party must pay each Collateral Agent (without duplication), as an independent and separate creditor, an amount equal to each Secured Creditor Claim on its due date.

(f) Each Collateral Agent may enforce performance of any Collateral Agent Claim in its own name as an independent and separate right. This includes any suit, execution, enforcement of security, recovery of guarantees and applications for and voting in respect of any kind of insolvency proceeding.

(g) Each Secured Party must, at the request of either Collateral Agent, perform any act required in connection with the enforcement of any Collateral Agent Claim. This includes joining in any proceedings as co-claimant with such Collateral Agent.

(h) Each Credit Party irrevocably and unconditionally waives, to the fullest extent permitted by law, any right it may have to require a Secured Party to join in any proceedings as co-claimant with either Collateral Agent in respect of any Collateral Agent Claim.

(i) Discharge by a Credit Party of a Secured Creditor Claim will discharge:

(i) the corresponding Collateral Agent Claim in the same amount; and

(ii) the corresponding Secured Creditor Claim in the same amount.

(j) Discharge by a Credit Party of a Collateral Agent Claim will discharge the corresponding Secured Creditor Claim in the same amount.

(k) The aggregate amount of the Collateral Agent Claims against a Credit Party in connection with the Credit Documents will never exceed the aggregate amount of Secured Creditor Claims owed by such Credit Party under the Credit Documents.

(l) The aggregate amount of the Collateral Agent Claims against a Credit Party in connection with the Hedge Agreements will never exceed the aggregate amount of Secured Creditor Claims owed by such Credit Party under the relevant Hedge Agreements.

(m) A defect affecting a Collateral Agent Claim against a Credit Party:

(i) in connection with the Credit Documents will not affect any Secured Creditor Claim under the Credit Documents;

(ii) in connection with the Hedge Agreements will not affect any Secured Creditor Claim under the applicable Hedge Agreements; and

(iii) in connection with the Pari Passu Debt Agreements will not affect any Secured Creditor Claim under the applicable Pari Passu Debt Agreements;

(n) A defect affecting a Secured Creditor Claim against a Credit Party:

(i) under the Credit Documents will not affect any Collateral Agent Claim under the Credit Documents; and

(ii) in connection with the Hedge Agreements will not affect any Collateral Agent Claim under the applicable Hedge Agreements; and

(iii) in connection with the Pari Passu Debt Agreements will not affect any Secured Creditor Claim under the applicable Pari Passu Debt Agreements;

(o) If either Collateral Agent returns to any Credit Party, whether in any kind of insolvency proceedings or otherwise, any recovery in respect of which it has made a payment to a Secured Party, that Secured Party must repay an amount equal to that recovery to such Collateral Agent.

(p) For the purpose of this Section 9.12, each Collateral Agent acts in its own name and not as a trustee, and its claims under this Section 9.12 shall not be held on trust. The security granted under the Collateral Documents to such Collateral Agent to secure the claims of such Collateral Agent under this Section 9.12 is granted to such Collateral Agent in its capacity as creditor and shall not be held on trust.

SECTION 10. MISCELLANEOUS

10.1. Notices .

(a) Notices Generally . Any notice or other communication herein required or permitted to be given to a Credit Party, Syndication Agent, either Collateral Agent, either Administrative Agent or Issuing Bank, shall be sent to such Person's address as set forth on Appendix B or in the other relevant Credit Document, and in the case of any Lender, the address as indicated on Appendix B or otherwise indicated to the applicable Administrative Agent in writing. Except as otherwise set forth in Section 3.2(b) or clause (b) below, each notice hereunder shall be in writing and may be personally served or sent by telefacsimile (except for any notices sent to Administrative Agents) or United States mail or courier service and shall be deemed to have been given when delivered in person or by courier service and signed for against receipt thereof, upon receipt of telefacsimile, or three Business Days after depositing it in the United States mail with postage prepaid and properly addressed; provided no notice to any Agent shall be effective until received by such Agent; provided further , any such notice or other communication shall at the request of either Administrative Agent be provided to any sub-agent appointed pursuant to Section 9.3(c) as designated by such Administrative Agent from time to time.

(b) Electronic Communications .

(i) Notices and other communications to any Agent, Lenders and Issuing Bank hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites, including the Platform) pursuant to procedures approved by the applicable Administrative Agent, provided that the foregoing shall not apply to notices to any Agent, any Lender or any applicable Issuing Bank pursuant to Section 2 if such Person has notified such Administrative Agent that it is incapable of receiving notices under such Section by electronic communication. Either Administrative Agent or 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. Unless either Administrative Agent otherwise prescribes, (A) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or

other written acknowledgment), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day for the recipient, and (B) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (A) of notification that such notice or communication is available and identifying the website address therefor.

(ii) Each Credit Party understands that the distribution of material through an electronic medium is not necessarily secure and that there are confidentiality and other risks associated with such distribution and agrees and assumes the risks associated with such electronic distribution, except to the extent caused by the willful misconduct or gross negligence of the applicable Administrative Agent, as determined by a final, non-appealable judgment of a court of competent jurisdiction.

(iii) The Platform and any Approved Electronic Communications are provided "as is" and "as available". None of the Agents or any of their respective officers, directors, employees, agents, advisors or representatives (the " **Agent Affiliates** ") warrant the accuracy, adequacy, or completeness of the Approved Electronic Communications or the Platform and each expressly disclaims liability for errors or omissions in the Platform and the Approved Electronic Communications. No warranty of any kind, express, implied or statutory, including any warranty of merchantability, fitness for a particular purpose, non-infringement of third-party rights or freedom from viruses or other code defects is made by the Agent Affiliates in connection with the Platform or the Approved Electronic Communications.

(iv) Each Credit Party, each Lender, Issuing Bank and each Agent agrees that Term Administrative Agent may, but shall not be obligated to, store any Approved Electronic Communications on the Platform in accordance with Term Administrative Agent's customary document retention procedures and policies.

(v) Any notice of Default or Event of Default may be provided by telephone if confirmed promptly thereafter by delivery of written notice thereof.

(c) Private-Side Information Contacts . Each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender's compliance procedures and applicable law, including United States federal and state securities laws and applicable foreign securities laws, to make reference to information that is not made available through the "Public-Side Information" portion of the Platform and that may contain Non-Public Information. In the event that any Public Lender has determined for itself to not access any information disclosed through the Platform or otherwise, such Public Lender acknowledges that (i) other Lenders may have availed themselves of such information and (ii) none of Borrower nor Administrative Agents has any responsibility for such Public Lender's decision to limit the scope of the information it has obtained in connection with this Agreement and the other Credit Documents.

10.2. Expenses . Whether or not the transactions contemplated hereby shall be consummated, Borrower agrees to pay promptly (a) all the actual and reasonable costs and expenses incurred in connection with the negotiation, preparation and execution of the Credit Documents and any consents, amendments, waivers or other modifications thereto (subject to the limitations set forth in the Engagement Letter on the Amendment and Restatement Date); (b) all the costs of furnishing all opinions by counsel for Borrower and the other Credit Parties; (c) the reasonable fees, expenses and disbursements of counsel to Agents in connection with the negotiation, preparation, execution and administration of the Credit Documents and any consents, amendments, waivers or other modifications thereto and any other documents or matters requested by Borrower; (d) all the actual costs and reasonable expenses of creating, perfecting, recording, maintaining and preserving Liens in favor of either Collateral Agent, for the benefit of Secured Parties, including filing and recording fees, expenses and taxes, stamp or documentary taxes, search fees, title insurance premiums and reasonable fees, expenses and disbursements of counsel to each Agent and of counsel providing any opinions that any Agent or Requisite Lenders may request in respect of the Collateral or the Liens created pursuant to the Collateral Documents; (e) all the actual costs and reasonable fees, expenses and disbursements of any auditors, accountants, consultants or appraisers; (f) all the actual costs and reasonable expenses (including the reasonable fees, expenses and disbursements of any appraisers, consultants, advisors and agents employed or retained by either Collateral Agent and its counsel) in connection with the custody or preservation of any of the Collateral; (g) all other actual and reasonable costs and expenses incurred by each Agent in connection with the syndication of the Loans and Commitments (including, without limitation, the disbursement of the Loans) and the transactions contemplated by the Credit Documents and any consents, amendments, waivers or other modifications thereto; and (h) after the occurrence of a Default or an Event of Default, all costs and expenses, including reasonable attorneys' fees and costs of settlement, incurred by any Agent and Lenders in enforcing any Credit Agreement Obligations of or in collecting any payments due from any Credit Party hereunder or under the other Credit Documents by reason of such Default or Event of Default (including in connection with the sale, lease or license of, collection from, or other realization upon any of the Collateral or the enforcement of the Guaranty) or in connection with any refinancing or restructuring of the credit arrangements provided hereunder in the nature of a "work-out" or pursuant to any insolvency or bankruptcy cases or proceedings.

10.3. Indemnity .

(a) In addition to the payment of expenses pursuant to Section 10.2, whether or not the transactions contemplated hereby shall be consummated, each Credit Party agrees to defend (subject to Indemnitees' selection of counsel), indemnify, pay and hold harmless, each Agent and Lender and each of their respective officers, partners, members, directors, trustees, advisors, employees, agents, sub-agents and affiliates (each, an " **Indemnitee** "), from and against any and all Indemnified Liabilities; provided no Credit Party shall have any obligation to any Indemnitee hereunder with respect to any Indemnified Liabilities to the extent such Indemnified Liabilities arise from (i) the gross negligence or willful misconduct of such Indemnitee, in each case, as determined by a final, non-appealable judgment of a court of competent jurisdiction, (ii) a material breach of the obligations under the Credit Documents of such Indemnitee or any of such Indemnitee's controlled affiliates (to the extent determined in a final non-appealable order of a court of competent jurisdiction) and (iii) any proceeding that does not involve an act or

omission by any Credit Party and that is brought by an Indemnitee against any other Indemnitee that does not involve an act or omission by a member of the Restricted Group (other than any claims against an Agent or arranger in their capacity as such). To the extent that the undertakings to defend, indemnify, pay and hold harmless set forth in this Section 10.3 may be unenforceable in whole or in part because they are violative of any law or public policy, the applicable Credit Party shall contribute the maximum portion that it is permitted to pay and satisfy under applicable law to the payment and satisfaction of all Indemnified Liabilities incurred by Indemnitees or any of them.

(b) To the extent permitted by applicable law, no Credit Party shall assert, and each Credit Party hereby waives, any claim against each Lender, each Agent and their respective Affiliates, directors, employees, attorneys, agents or sub-agents, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) (whether or not the claim therefor is based on contract, tort or duty imposed by any applicable legal requirement) arising out of, in connection with, as a result of, or in any way related to, this Agreement or any Credit Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, and Borrower hereby waives, releases and agrees not to sue upon any such claim or any such damages, whether or not accrued and whether or not known or suspected to exist in its favor.

(c) Each Credit Party also agrees that no Lender, Agent nor their respective Affiliates, directors, employees, attorneys, agents or sub-agents will have any liability to any Credit Party or any person asserting claims on behalf of or in right of any Credit Party or any other person in connection with or as a result of this Agreement or any Credit Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof or any act or omission or event occurring in connection therewith, in each case, except in the case of any Credit Party to the extent that any losses, claims, damages, liabilities or expenses incurred by such Credit Party or its affiliates, shareholders, partners or other equity holders have been found by a final, non-appealable judgment of a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Lender, Agent or their respective Affiliates, directors, employees, attorneys, agents or sub-agents in performing its obligations under this Agreement or any Credit Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein; provided , however , that in no event will such Lender, Agent, or their respective Affiliates, directors, employees, attorneys, agents or sub-agents have any liability for any indirect, consequential, special or punitive damages in connection with or as a result of such Lender's, Agent's or their respective Affiliates', directors', employees', attorneys', agents' or sub-agents' activities related to this Agreement or any Credit Document or any agreement or instrument contemplated hereby or thereby or referred to herein or therein.

(d) This Section 10.3 shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(e) The provisions of this Section 10.3 shall survive the termination or expiry of this Agreement or the resignation or removal of the applicable Agent.

10.4. Set-Off . In addition to any rights now or hereafter granted under applicable law and not by way of limitation of any such rights, upon the occurrence of any Event of Default each Lender and Issuing Bank is hereby authorized by each Credit Party at any time or from time to time subject to the consent of the applicable Collateral Agent (such consent not to be unreasonably withheld or delayed), without notice to any Credit Party or to any other Person (other than Collateral Agents), any such notice being hereby expressly waived, to set off and to appropriate and to apply any and all deposits (general or special, including Debt evidenced by certificates of deposit, whether matured or unmatured, but not including trust accounts) and any other Debt at any time held or owing by such Lender or Issuing Bank to or for the credit or the account of any Credit Party against and on account of the obligations and liabilities of any Credit Party to such Lender or Issuing Bank hereunder, the Letters of Credit, Bank Guarantees and participations therein and under the other Credit Documents, including all claims of any nature or description arising out of or connected hereto, the Letters of Credit, Bank Guarantees and participations therein or with any other Credit Document, irrespective of whether or not (a) such Lender or Issuing Bank shall have made any demand hereunder or (b) the principal of or the interest on the Loans or any amounts in respect of the Letters of Credit, Bank Guarantees or any other amounts due hereunder shall have become due and payable pursuant to Section 2 and although such obligations and liabilities, or any of them, may be contingent or unmatured; provided that in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the applicable Collateral Agent for further application in accordance with the provisions of Sections 2.17 and 2.22 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of Collateral Agents, the Issuing Banks, and the Lenders, and (y) the Defaulting Lender shall provide promptly to Collateral Agents a statement describing in reasonable detail the Credit Agreement Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, Issuing Bank and their respective Affiliates under this Section 10.4 are in addition to other rights and remedies (including other rights of setoff) that such Lender, such Issuing Bank or their respective Affiliates may have.

10.5. Amendments and Waivers .

(a) Requisite Lenders' Consent . Subject to the additional requirements of Sections 10.5(b) and 10.5(c), no amendment, modification, termination or waiver of any provision of the Credit Documents, or consent to any departure by any Credit Party therefrom, shall in any event be effective without the written concurrence of Requisite Lenders and Borrower; provided that Administrative Agents may, with the consent of Borrower only, amend, modify or supplement this Agreement or any other Credit Document to cure any ambiguity, omission, defect or inconsistency (as reasonably determined by Administrative Agents), so long as such amendment, modification or supplement does not adversely affect the rights of any Lender (or Issuing Bank, if applicable) or the Lenders shall have received at least five Business Days' prior written notice thereof and Administrative Agents shall not have received, within five Business Days of the date of such notice to the Lenders, a written notice from the Requisite Lenders stating that the Requisite Lenders object to such amendment.

(b) Affected Lenders' Consent . Without the written consent of each Lender that would be directly affected thereby, no amendment, modification, termination, or consent shall be effective if the effect thereof would:

(i) extend the scheduled final maturity of any Loan or Note;

(ii) waive, reduce or postpone any scheduled repayment (but not prepayment);

(iii) extend the stated expiration date of any Letter of Credit or Bank Guarantee beyond the Revolving Commitment Termination Date;

(iv) reduce the rate of interest on any Loan (other than any waiver of any increase in the interest rate applicable to any Loan pursuant to Section 2.10) or any fee or any premium payable hereunder;

(v) extend the time for payment of any such interest, fees or premium;

(vi) reduce the principal amount of any Loan or any reimbursement obligation in respect of any Letter of Credit or Bank Guarantee;

(vii) amend, modify, terminate or waive any provision of this Section 10.5(b), Section 10.5(c) or any other provision of this Agreement that expressly provides that the consent of all Lenders is required;

(viii) amend the definition of "Requisite Lenders", "Requisite Revolving Lenders", "Requisite Term Loan Lenders" or "Pro Rata Share"; provided with the consent of Requisite Lenders, additional extensions of credit pursuant hereto may be included in the determination of "Requisite Lenders" or "Pro Rata Share" on substantially the same basis as the Initial Term Loan Commitments, the Initial Term Loans, the Revolving Commitments and the Revolving Loans are included on the Closing Date;

(ix) release all or substantially all of the Collateral or release the Guarantors comprising all or substantially all of the credit support for the Credit Agreement Obligations from the Guaranty except as expressly provided in the Credit Documents and except in connection with a "credit bid" undertaken by Primary Collateral Agent at the direction of the Requisite Lenders pursuant to Section 363(k), Section 1129(b)(2)(a)(ii) or otherwise of the U.S. Bankruptcy Code or similar provisions under other applicable Bankruptcy Law other sale or disposition of assets in connection with an enforcement action with respect to the Collateral permitted pursuant to the Credit Documents (in which case only the consent of the Requisite Lenders will be needed for such release);

(x) consent to the assignment or transfer by any Credit Party of any of its rights and obligations under any Credit Document (except for any such assignment or transfer that is permitted under Sections 6.12 and 6.13); or

(xi) add additional limitations or restrictions on assigning or participating Loans;

provided that, for the avoidance of doubt, all Lenders shall be deemed directly affected thereby with respect to any amendment described in clauses (vii), (viii), (ix), (x) and (xi) above.

Notwithstanding the foregoing, (1) unless and until a Clean Down Cross Default has occurred and remains continuing, only the consent of the Requisite Revolving Lenders shall be necessary to amend or modify the terms of, or waive or consent to any Default or Event of Default with respect to, Section 5.18 (including the related definitions as used in such Section, but not as used in other Sections of this Agreement) and no such amendment, modification, waiver or consent shall be permitted (x) without the consent of the Requisite Revolving Lenders (unless and until a Clean Down Cross Default has occurred) and (y) without the consent of the Requisite Lenders (upon the occurrence and during the continuance of a Clean Down Cross Default) and (2) unless and until a Financial Covenant Cross Default has occurred and remains continuing, only the consent of the Requisite Revolving Lenders shall be necessary to, and upon the occurrence of a Financial Covenant Cross Default, the consent of the Requisite Lenders shall be necessary to (i) waive or consent to any Financial Covenant Event of Default or amend or modify the terms of, or waive or consent to any Default or Event of Default with respect to, Section 8.1 (including the related definitions as used in such Section, but not as used in other Sections of this Agreement) and no such amendment, modification, waiver or consent shall be permitted (x) without the consent of the Requisite Revolving Lenders (unless and until a Financial Covenant Cross Default has occurred) and (y) without the consent of the Requisite Lenders (upon the occurrence and during the continuance of a Financial Covenant Cross Default) and/or (ii) amend this sentence.

(c) Other Consents . No amendment, modification, termination or waiver of any provision of the Credit Documents, or consent to any departure by any Credit Party therefrom, shall:

(i) increase any Revolving Commitment of any Lender over the amount thereof then in effect without the consent of such Lender; provided no amendment, modification or waiver of any condition precedent, covenant, Default or Event of Default shall constitute an increase in any Revolving Commitment of any Lender;

(ii) alter the required application of any repayments or prepayments as between Classes pursuant to Section 2.15 without the consent of Lenders holding more than 50% of the aggregate Initial Term Loan Exposure of all Lenders, Revolving Exposure of all Lenders or New Term Loan Exposure of all Lenders, as applicable, of each Class which is being allocated a lesser repayment or prepayment as a result thereof; provided Requisite Lenders may waive, in whole or in part, any prepayment so long as the application, as between Classes, of any portion of such prepayment which is still required to be made is not altered;

(iii) amend, modify, terminate or waive any obligation of Lenders relating to the purchase of participations in Letters of Credit or Bank Guarantees as provided in Section 2.4(e) without the written consent of Revolving Facility Administrative Agent and of Issuing Bank; or

(iv) amend, modify, terminate or waive any provision of the Credit Documents as the same applies to any Agent or Arranger, or any other provision hereof as the same applies to the rights or obligations of any Agent or Arranger, in each case without the consent of such Agent or Arranger, as applicable.

(d) Refinancing Amendments .

(i) In addition, notwithstanding Sections 10.5(a), (b) and (c), this Agreement may be amended with the written consent of the Term Administrative Agent, Borrower and the Lenders providing the Replacement Term Loans (as defined below) to permit the refinancing of all or a part of the outstanding Term Loans (" **Refinanced Term Loans** ") with a replacement term loan (" **Replacement Term Loans** ") hereunder; provided that (A) the aggregate principal amount of such Replacement Term Loans shall not exceed the aggregate principal amount of such Refinanced Term Loans plus accrued interest, fees and premiums (if any) thereon and reasonable fees and expenses associated with the refinancing, (B) the Weighted Average Yield applicable to the Replacement Term Loans shall not be greater than the applicable Weighted Average Yield payable pursuant to the terms of this Agreement as amended through the date of such calculation with respect to the Refinanced Term Loans immediately prior to such refinancing, (C) the weighted average life to maturity of such Replacement Term Loans shall not be shorter than the weighted average life to maturity of such Refinanced Term Loans at the time of such refinancing (except to the extent of nominal amortization for periods where amortization has been eliminated as a result of prepayment of the Term Loans) and (D) all other terms applicable to such Replacement Term Loans shall be substantially identical to, or less favorable to the Lenders providing such Replacement Term Loans than, those applicable to such Refinanced Term Loans, except to the extent necessary to provide for covenants and other terms applicable to any period after the latest final maturity of the Term Loans in effect immediately prior to such refinancing.

(ii) In addition, notwithstanding Sections 10.5(a), (b) and (c), this Agreement may be amended with the written consent of the Revolving Facility Administrative Agent, Borrower and the Lenders providing the Replacement Revolving Loans (as defined below) t o permit the refinancing of all or a part of the outstanding Revolving Loans (" **Refinanced Revolving Loans** ") and Revolving Commitments (" **Refinanced Revolving Commitments** ", together with the Refinanced Revolving Loans thereunder, the " **Refinanced Revolving Facility** ") with replacement revolving loans (" **Replacement Revolving Loans** ") and replacement revolving commitments (" **Replacement Revolving Commitments** ", together with the Replacement Revolving Loans thereunder, the " **Replacement Revolving Facility** ") hereunder; provided that (A) the aggregate principal amount of such Replacement Revolving Facility shall not exceed the aggregate principal amount of such Refinanced Revolving Facility, (B) the Weighted Average Yield applicable to the Replacement Revolving Facility shall not be greater than the applicable Weighted Average Yield payable pursuant to the terms of this Agreement as amended through the date of such calculation with respect to the Refinanced Revolving Facility immediately prior to such refinancing, (C) the weighted average life to maturity of such Replacement Revolving Facility shall not be shorter than the weighted average life to maturity of such Refinanced Revolving Facility at the time of

such refinancing and (D) all other terms applicable to such Replacement Revolving Facility shall be substantially identical to, or less favorable to the Lenders providing such Replacement Revolving Facility than, those applicable to such Refinanced Revolving Facility, except to the extent necessary to provide for covenants and other terms applicable to any period after the latest final maturity of the Revolving Loans in effect immediately prior to such refinancing.

(e) Execution of Amendments, Etc . The applicable Administrative Agent may, but shall have no obligation to, with the concurrence of any Lender, execute amendments, modifications, waivers or consents on behalf of such Lender. Any waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given. No notice to or demand on any Credit Party in any case shall entitle any Credit Party to any other or further notice or demand in similar or other circumstances. Any amendment, modification, termination, waiver or consent effected in accordance with this Section 10.5 shall be binding upon each Lender at the time outstanding, each future Lender and, if signed by a Credit Party, on such Credit Party.

10.6. Successors and Assigns; Participations . (a) Generally . This Agreement shall be binding upon the parties hereto and their respective successors and assigns and shall inure to the benefit of the parties hereto and the successors and assigns of Lenders. No Credit Party's rights or obligations hereunder nor any interest therein may be assigned or delegated by any Credit Party without the prior written consent of all Lenders except for any assignment or delegation that is permitted under Sections 6.12 and 6.13. 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 and, to the extent expressly contemplated hereby, Affiliates of each of the Agents and Lenders and other Indemnitees) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Register . Borrower, Administrative Agents and Lenders shall deem and treat the Persons listed as Lenders in the Register as the holders and owners of the corresponding Commitments and Loans listed therein for all purposes hereof, and no assignment or transfer of any such Commitment or Loan shall be effective, in each case, unless and until recorded in the Register following receipt of a fully executed Assignment Agreement effecting the assignment or transfer thereof, together with the required forms and certificates regarding tax matters and any fees payable in connection with such assignment, in each case, as provided in Section 10.6(d). Each assignment shall be recorded in the Register promptly following receipt by the applicable Administrative Agent of the fully executed Assignment Agreement and all other necessary documents and approvals, prompt notice thereof shall be provided to Borrower and a copy of such Assignment Agreement shall be maintained, as applicable. The date of such recordation of a transfer shall be referred to herein as the " **Assignment Effective Date** ." Any request, authority or consent of any Person who, at the time of making such request or giving such authority or consent, is listed in the Register as a Lender shall be conclusive and binding on any subsequent holder, assignee or transferee of the corresponding Commitments or Loans.

(c) Right to Assign . Each Lender shall have the right at any time to sell, assign or transfer all or a portion of its rights and obligations under this Agreement, including all or a portion of its Commitment or Loans owing to it or other Credit Agreement Obligations

(provided , however , that pro rata assignments shall not be required and each assignment shall be of a uniform, and not varying, percentage of all rights and obligations under and in respect of any applicable Loan and any related Commitments):

(i) to any Person meeting the criteria of clause (i) of the definition of the term "Eligible Assignee" upon the giving of notice to the applicable Administrative Agent; and

(ii) to any Person meeting the criteria of clause (ii) of the definition of the term "Eligible Assignee" upon giving of notice to Borrower and the applicable Administrative Agent and (except in the case of assignments made by or to Goldman Sachs during the primary syndication of the Term Loans and/or Revolving Commitments for which Borrower consent has already been obtained) consented to by each of Borrower, such Administrative Agent and Issuing Bank (such consent not to be (x) unreasonably withheld or delayed, (y) in the case of Borrower, required at any time an Event of Default under Section 8.1(a), (f) or (g) shall have occurred and then be continuing or (z) in the case of the Issuing Bank, required for any assignment of a Term Loan); provided further that (A) Borrower shall be deemed to have consented to any such assignment of Revolving Loans, Revolving Commitments or Term Loans unless it shall object thereto by written notice to the applicable Administrative Agent within 5 Business Days after having received notice thereof and (B) each such assignment pursuant to this Section 10.6(c)(ii) shall be in an aggregate amount of not less than (v) $2,500,000 with respect to the assignment of the Revolving Commitments and the Revolving Loans, (w) $1,000,000 with respect to the assignment of the Term Loans and New Term Loans, (x) such lesser amount as agreed to by Borrower and the applicable Administrative Agent (except in the case of assignments made by or to Goldman Sachs during the primary syndication of the Term Loans and/or Revolving Commitments for which Borrower consent has already been obtained), (y) the aggregate amount of the Loans of the assigning Lender with respect to the Class being assigned or (z) the amount assigned by an assigning Lender to an Affiliate or Related Fund of such Lender.

(d) Mechanics .

(i) Assignments and assumptions of Loans and Commitments by Lenders shall be effected by manual execution and delivery to the applicable Administrative Agent of an Assignment Agreement. Assignments made pursuant to the foregoing provision shall be effective as of the Assignment Effective Date. In connection with all assignments there shall be delivered to the applicable Administrative Agent such forms, certificates or other evidence, if any, with respect to income tax withholding matters as the assignee under such Assignment Agreement may be required to deliver pursuant to Section 2.20, together with payment to such Administrative Agent of a registration and processing fee of $3,500 (except that no such registration and processing fee shall be payable (y) in connection with an assignment of Term Loans by or to Goldman Sachs or any Affiliate thereof or (z) in the case of an assignee or assignor of Term Loans which is already a Term Loan Lender or is an affiliate or Related Fund of a Term Loan Lender or a Person under common management with a Term Loan Lender).

(ii) In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the applicable Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of Borrower and such Administrative Agent, the applicable Pro Rata Share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to such Administrative Agent, Issuing Bank and each other Lender hereunder (and interest accrued thereon), and (y) acquire (and fund as appropriate) its full Pro Rata Share of all Loans and participations in Letters of Credit and Bank Guarantees. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable law without compliance with the provisions of this clause (ii), then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

(e) Representations and Warranties of Assignee . Each Lender, upon execution and delivery hereof or upon succeeding to an interest in the Commitments and/or Loans, as the case may be, represents and warrants as of the date hereof or as of the Assignment Effective Date that (i) it is an Eligible Assignee; (ii) it has experience and expertise in the making of or investing in commitments or loans such as the applicable Commitments and/or Loans, as the case may be; and (iii) it will make or invest in, as the case may be, its Commitments and/or Loans for its own account in the ordinary course and without a view to distribution of such Commitments and/or Loans within the meaning of the Securities Act or the Exchange Act or other federal securities laws (it being understood that, subject to the provisions of this Section 10.6, the disposition of such Commitments and/or Loans or any interests therein shall at all times remain within its exclusive control).

(f) Effect of Assignment . Subject to the terms and conditions of this Section 10.6, as of the Assignment Effective Date (i) the assignee thereunder shall have the rights and obligations of a "Lender" hereunder to the extent of its interest in the Loans and Commitments as reflected in the Register and shall thereafter be a party hereto and a "Lender" for all purposes hereof; (ii) the assignee is only entitled to receive payment under Section 2.20 to the same extent as the applicable assigning Lender would have been if the assignment had not occurred; (iii) the assigning Lender thereunder shall, to the extent that rights and obligations hereunder have been assigned to the assignee, relinquish its rights (other than any rights which survive the termination hereof under Section 10.8) and be released from its obligations hereunder (and, in the case of an assignment covering all or the remaining portion of an assigning Lender's rights and obligations hereunder, such Lender shall cease to be a party hereto on the Assignment Effective Date; provided anything contained in any of the Credit Documents to the contrary notwithstanding, (y) Issuing Bank shall continue to have all rights and obligations thereof with respect to such Letters of Credit and Bank Guarantees until the cancellation or expiration of such Letters of Credit and Bank Guarantees and the reimbursement of any amounts drawn thereunder and (z) such assigning Lender shall continue to be entitled to the benefit of all indemnities hereunder as

specified herein with respect to matters arising out of the prior involvement of such assigning Lender as a Lender hereunder); (iv) the Commitments and/or Loans shall be modified to reflect any Commitment of such assignee and any Revolving Commitment and/or Loan of such assigning Lender, if any; and (v) if any such assignment occurs after the issuance of any Note hereunder, the assigning Lender shall, upon the effectiveness of such assignment or as promptly thereafter as practicable, surrender its applicable Notes to the applicable Administrative Agent for cancellation, and thereupon Borrower shall issue and deliver new Notes, if so requested by the assignee and/or assigning Lender, to such assignee and/or to such assigning Lender, with appropriate insertions, to reflect the new Revolving Commitments and/or outstanding Loans of the assignee and/or the assigning Lender.

(g) Participations .

(i) Each Lender shall have the right at any time to sell one or more participations to any Person (other than any natural Person, any Disqualified Institution, Parent, any of its Subsidiaries or any of its Affiliates; provided that for the purposes of this provision, a Disqualified Institution shall only be deemed to be a Disqualified Institution if a list of Disqualified Institutions has been made available to all Lenders by Borrower) in all or any part of its Commitments, Loans or in any other Credit Agreement Obligation. Each Lender that sells a participation pursuant to this Section 10.6(g) shall, acting solely for U.S. federal income tax purposes as a non-fiduciary agent of Borrower, maintain a register on which it records the name and address of each participant and the principal amounts of each participant's participation interest with respect to the Term Loan (each, a " **Participant Register** "); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any participant or any information relating to a participant's interest in any Commitments, Loans or its other obligations under this Agreement) except to the extent that the relevant parties, acting reasonably and in good faith, determine that such disclosure is necessary to establish that such Commitment, Loan or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. Unless otherwise required by the Internal Revenue Service, any disclosure required by the foregoing sentence shall be made by the relevant Lender directly and solely to the Internal Revenue Service. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of a participation with respect to the Term Loan for all purposes under this Agreement, notwithstanding any notice to the contrary.

(ii) The holder of any such participation, other than an Affiliate of the Lender granting such participation, shall not be entitled to require such Lender to take or omit to take any action hereunder except with respect to any amendment, modification or waiver that would (A) extend the final scheduled maturity of any Loan, Note, Letter of Credit or Bank Guarantee (unless such Letter of Credit or Bank Guarantee is not extended beyond the Revolving Commitment Termination Date) in which such participant is participating, or reduce the rate or extend the time of payment of interest or fees thereon (except in connection with a waiver of applicability of any post-default increase in interest rates) or reduce the principal amount thereof, or increase the amount of the participant 's participation over the amount thereof then in effect (it being

understood that a waiver of any Default or Event of Default or of a mandatory reduction in the Commitment shall not constitute a change in the terms of such participation, and that an increase in any Commitment or Loan shall be permitted without the consent of any participant if the participant 's participation is not increased as a result thereof), (B) consent to the assignment or transfer by any Credit Party of any of its rights and obligations under this Agreement or (C) release all or substantially all of the Collateral under the Collateral Documents or all or substantially all of the Guarantors from the Guaranty (in each case, except as expressly provided in the Credit Documents) supporting the Loans hereunder in which such participant is participating.

(iii) Borrower agrees that each participant shall be entitled to the benefits of Sections 2.18(c), 2.19 and 2.20 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to Section 10.6(c); provided that a participant shall not be entitled to receive any greater payment under Section 2.19 or 2.20 than the applicable Lender would have been entitled to receive with respect to the participation sold to such participant, unless (x) sale of the participation to such participant is made with Borrower's prior written consent (not to be unreasonably withheld or delayed), or (y) except to the extent such entitlement to receive a greater payment arises from a Change in Law for which Borrower would be obligated to make a payment to such participant under Section 2.19; provided further that, except as specifically set forth in clause (x) of this sentence, nothing herein shall require any notice to Borrower or any other Person in connection with the sale of any participation. To the extent permitted by law, each participant also shall be entitled to the benefits of Section 10.4 as though it were a Lender; provided such participant agrees to be subject to Section 2.17 as though it were a Lender.

(h) Certain Other Assignments and Participations . In addition to any other assignment or participation permitted pursuant to this Section 10.6 any Lender may assign, pledge and/or grant a security interest in all or any portion of its Loans, the other Credit Agreement Obligations owed by or to such Lender, and its Notes, if any, to secure obligations of such Lender including, without limitation, any Federal Reserve Bank as collateral security pursuant to Regulation A of the Board of Governors and any operating circular issued by such Federal Reserve Bank; provided that no Lender, as between Borrower and such Lender, shall be relieved of any of its obligations hereunder as a result of any such assignment and pledge; and provided further , that in no event shall the applicable Federal Reserve Bank, pledgee or trustee, be considered to be a "Lender" or be entitled to require the assigning Lender to take or omit to take any action hereunder.

(i) Assignments to Borrower .

Notwithstanding anything to the contrary contained in this Section 10.6 or any other provision of this Agreement, so long as no Default or Event of Default has occurred and is continuing or would result therefrom, each Lender shall have the right at any time to sell, assign or transfer all or a portion of its Term Loan Commitment or Term Loans owing to it to Parent or Borrower or any of Parent 's other Subsidiaries on a non-pro rata basis (provided , however , that each assignment shall be of a uniform, and not varying, percentage of all rights and obligations

under and in respect of any applicable Term Loan and any related Term Loan Commitments), subject to the following limitations:

(i) such sales, assignments or transfers shall be made through (A) open market purchases on a non-pro rata basis or (B) one or more modified Dutch auctions (each, an " **Auction** ") open to all Lenders on a pro rata basis; provided that, (1) notice of the Auction shall be made to all Term Loan Lenders and (2) the Auction shall be conducted pursuant to such procedures as the Auction Manager may establish which are consistent with this Section 10.6(i) and are otherwise reasonably acceptable to Borrower, the Auction Manager, and Term Administrative Agent;

(ii) with respect to all repurchases made pursuant to this Section 10.6(i), (A) each Person that purchases any Term Loans shall deliver to the Term Administrative Agent or Auction Manager, as applicable, a certificate of an Authorized Officer stating that (1) no Default or Event of Default has occurred and is continuing or would result from such repurchase and (2) as of the launch date of the related Auction and the effective date of any Affiliate Assignment Agreement, either (x) it is not in possession of any information regarding Borrower, Nord Anglia UK, their respective Subsidiaries or their respective Affiliates, or their assets, Borrower 's ability to perform its Credit Agreement Obligations or any other matter that may be material to a decision by any Lender to participate in any Auction or enter into any Affiliate Assignment Agreement or any of the transactions contemplated thereby that has not previously been disclosed to Term Administrative Agent and the Non-Public Lenders or (y) it cannot make such statement described in the immediately preceding subclause (x), (B) the proceeds of any Revolving Loans shall not be used to acquire such Term Loans, (C) the assigning Lender and assignee shall execute and deliver to the Auction Manager an Affiliate Assignment Agreement, (D) in the case of open market purchases, at the time of purchase, the sum of Cash and Cash Equivalents of the Credit Parties, unused Revolving Commitments and unused commitments with respect to any other revolving Debt permitted under this Agreement shall not be less than $100,000,000 and (E) the aggregate principal amount of Term Loans of all Classes sold, assigned or transferred under this Section 10.6(i) shall not exceed 25% of Term Loans of all Classes at such time outstanding; and

(iii) following repurchase pursuant to this Section 10.6(i), the Term Loans so repurchased shall, without further action by any Person, (A) if the assignee is Parent or a Subsidiary of Parent, be deemed to have been contributed or transferred (including all accrued and unpaid interest thereon), to Borrower; or (B) if the assignee is Borrower (including through contribution or transfers set forth in the preceding clause (A)), be deemed cancelled for all purposes and no longer outstanding (and may not be resold by Borrower), for all purposes of this Agreement and all other Credit Documents, including, but not limited to (1) the making of, or the application of, any payments to the Lenders under this Agreement or any other Credit Document, (2) the making of any request, demand, authorization, direction, notice, consent or waiver under this Agreement or any other Credit Document or (3) the determination of Requisite Lenders, or for any similar or related purpose, under this Agreement or any other Credit Document. In connection with any Term Loans repurchased and cancelled pursuant to this Section

10.6(i), Term Administrative Agent is authorized to make appropriate entries in the Register to reflect any such cancellation.

(j) Universal Succession .

(i) If a Revolving Lender is to be merged with any other Person by universal succession, such Revolving Lender shall, at its own cost within forty-five days of that merger furnish to Revolving Facility Administrative Agent:

(A) an original or certified true copy of a legal opinion issued by a qualified legal counsel practicing law in its jurisdiction of incorporation confirming that all such Revolving Lender's assets, rights and obligations generally have been duly vested in the succeeding entity who has succeeded to all relationships as if those assets, rights and obligations had been originally acquired, incurred or entered into by the succeeding entity; and

(B) an original or certified true copy of a written confirmation by either the Revolving Lender's legal counsel or such other legal counsel acceptable to Revolving Facility Administrative Agent and for the benefit of the Revolving Facility Administrative Agent (in its capacity as Revolving Facility Administrative Agent for the Revolving Lenders) that the laws of the jurisdiction in which the principal office of such Revolving Lender is located recognize such merger by universal succession under the relevant foreign laws whereupon a transfer and novation of all such Revolving Lender's assets, rights and obligations to its succeeding entity shall have been, or be deemed to have been, duly effected as at the date of the said merger.

(ii) If such Revolving Lender, in a universal succession, does not comply with the requirements under this Section 10.6(j), Revolving Facility Administrative Agent has the right to decline to recognize the succeeding entity and demand such Revolving Lender and the succeeding entity to either sign and deliver an Assignment and Assumption Agreement to Revolving Facility Administrative Agent evidencing the disposal of all rights and obligations of such Revolving Lender to that succeeding entity, or provide or enter into such documents, or make such arrangements acceptable to Revolving Facility Administrative Agent (acting on the advice of the Revolving Lender's legal counsel (any legal costs so incurred shall be borne by the relevant Revolving Lender) in order to establish that all rights and obligations of the relevant Revolving Lender under this Agreement have been transferred to and assumed by the succeeding entity.

10.7. Independence of Covenants . All covenants hereunder shall be given independent effect so that if a particular action or condition is not permitted by any of such covenants, the fact that it would be permitted by an exception to, or would otherwise be within the limitations of, another covenant shall not avoid the occurrence of a Default or an Event of Default if such action is taken or condition exists.

10.8. Survival of Representations, Warranties and Agreements . All representations, warranties and agreements made herein shall survive the execution and delivery hereof and the making of any Credit Extension. Notwithstanding anything herein or implied by law to the contrary, the agreements of each Credit Party set forth in Sections 2.18(c), 2.19, 2.20, 10.2, 10.3 and 10.4 and the agreements of Lenders set forth in Sections 2.17, 9.3 and 9.6 shall survive the payment of the Loans, the cancellation or expiration of the Letters of Credit and the Bank Guarantees and the reimbursement of any amounts drawn thereunder, and the termination hereof and with respect to Sections 9.3 and 9.6, the resignation or removal of the applicable Agent.

10.9. No Waiver; Remedies Cumulative . No failure or delay on the part of any Agent or any Lender in the exercise of any power, right or privilege hereunder or under any other Credit Document shall impair such power, right or privilege or be construed to be a waiver of any default or acquiescence therein, nor shall any single or partial exercise of any such power, right or privilege preclude other or further exercise thereof or of any other power, right or privilege. The rights, powers and remedies given to each Agent and each Lender hereby are cumulative and shall be in addition to and independent of all rights, powers and remedies existing by virtue of any statute or rule of law or in any of the other Credit Documents or any of the Pari Passu Debt Agreements or the Hedge Agreements. Any forbearance or failure to exercise, and any delay in exercising, any right, power or remedy hereunder shall not impair any such right, power or remedy or be construed to be a waiver thereof, nor shall it preclude the further exercise of any such right, power or remedy.

10.10. Marshaling; Payments Set Aside . Neither any Agent nor any Lender shall be under any obligation to marshal any assets in favor of any Credit Party or any other Person or against or in payment of any or all of the Credit Agreement Obligations. To the extent that any Credit Party makes a payment or payments to either Administrative Agent, Issuing Bank or Lenders (or to either Administrative Agent, on behalf of Lenders or Issuing Bank), or any Agent, Issuing Bank or Lender enforces any security interests or exercises any right of setoff, and such payment or payments or the proceeds of such enforcement or setoff or any part thereof are subsequently invalidated, declared to be fraudulent or preferential, set aside and/or required to be repaid to a trustee, receiver or any other party under any bankruptcy law, any other state or federal law, common law or any equitable cause, then, to the extent of such recovery, the obligation or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor or related thereto, shall be revived and continued in full force and effect as if such payment or payments had not been made or such enforcement or setoff had not occurred.

10.11. Severability . In case any provision in or obligation hereunder or under any other Credit Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

10.12. Obligations Several; Independent Nature of Lenders ' Rights . The obligations of Lenders hereunder are several and no Lender shall be responsible for the obligations or Commitment of any other Lender hereunder. Nothing contained herein or in any other Credit Document, and no action taken by Lenders pursuant hereto or thereto, shall be deemed to constitute Lenders as a partnership, an association, a joint venture or any other kind of entity.

The amounts payable at any time hereunder to each Lender shall be a separate and independent debt, and each Lender shall be entitled to protect and enforce its rights arising out this Agreement and it shall not be necessary for any other Lender to be joined as an additional party in any proceeding for such purpose.

10.13. Headings . Section headings herein are included herein for convenience of reference only and shall not constitute a part hereof for any other purpose or be given any substantive effect.

10.14. APPLICABLE LAW . THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER (INCLUDING, WITHOUT LIMITATION, ANY CLAIMS SOUNDING IN CONTRACT LAW OR TORT LAW ARISING OUT OF THE SUBJECT MATTER HEREOF AND ANY DETERMINATIONS WITH RESPECT TO POST-JUDGMENT INTEREST) SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

10.15. CONSENT TO JURISDICTION . (a) SUBJECT TO CLAUSE (E) OF THE FOLLOWING SENTENCE, EACH PARTY HERETO AGREES THAT ALL JUDICIAL PROCEEDINGS BROUGHT AGAINST ANY PARTY ARISING OUT OF OR RELATING HERETO OR ANY OTHER CREDIT DOCUMENTS, OR ANY OF THE CREDIT AGREEMENT OBLIGATIONS, SHALL BE BROUGHT IN ANY FEDERAL COURT OF THE UNITED STATES OF AMERICA SITTING IN THE BOROUGH OF MANHATTAN OR, IF THAT COURT DOES NOT HAVE SUBJECT MATTER JURISDICTION, IN ANY STATE COURT LOCATED IN THE CITY AND COUNTY OF NEW YORK. BY EXECUTING AND DELIVERING THIS AGREEMENT, EACH PARTY HERETO, FOR ITSELF AND IN CONNECTION WITH ITS PROPERTIES, IRREVOCABLY (A) ACCEPTS GENERALLY AND UNCONDITIONALLY THE EXCLUSIVE (SUBJECT TO CLAUSE (E) BELOW) JURISDICTION AND VENUE OF SUCH COURTS; (B) WAIVES ANY DEFENSE OF FORUM NON CONVENIENS; (C) AGREES THAT SERVICE OF ALL PROCESS IN ANY SUCH PROCEEDING IN ANY SUCH COURT MAY BE MADE BY REGISTERED OR CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO THE APPLICABLE CREDIT PARTY AT ITS ADDRESS PROVIDED IN ACCORDANCE WITH SECTION 10.1; (D) AGREES THAT SERVICE AS PROVIDED IN CLAUSE (C) ABOVE IS SUFFICIENT TO CONFER PERSONAL JURISDICTION OVER THE APPLICABLE CREDIT PARTY IN ANY SUCH PROCEEDING IN ANY SUCH COURT, AND OTHERWISE CONSTITUTES EFFECTIVE AND BINDING SERVICE IN EVERY RESPECT; AND (E) AGREES THAT AGENTS AND LENDERS RETAIN THE RIGHT TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR TO BRING PROCEEDINGS AGAINST ANY CREDIT PARTY IN THE COURTS OF ANY OTHER JURISDICTION IN CONNECTION WITH THE EXERCISE OF ANY RIGHTS UNDER ANY CREDIT DOCUMENT OR AGAINST ANY COLLATERAL OR THE ENFORCEMENT OF ANY JUDGMENT, AND HEREBY SUBMITS TO THE JURISDICTION OF, AND CONSENTS TO VENUE IN, ANY SUCH COURT.

(b) Each Credit Party that is organized under the laws of a jurisdiction outside the United States hereby appoints Law Debenture Corporate Services Inc. with an office at 400 Madison Avenue, 4 th Floor, New York, New York, as its agent for service of process in any matter related to this Agreement or the other Credit Documents and shall provide written evidence of acceptance of such appointment by such agent on or before the Closing Date.

10.16. WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY AGREES TO WAIVE ITS RESPECTIVE RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING HEREUNDER OR UNDER ANY OF THE OTHER CREDIT DOCUMENTS OR ANY DEALINGS BETWEEN THEM RELATING TO THE SUBJECT MATTER OF THIS LOAN TRANSACTION OR THE LENDER/BORROWER RELATIONSHIP THAT IS BEING ESTABLISHED. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. EACH PARTY HERETO ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS ALREADY RELIED ON THIS WAIVER IN ENTERING INTO THIS AGREEMENT, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN ITS RELATED FUTURE DEALINGS. EACH PARTY HERETO FURTHER WARRANTS AND REPRESENTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING (OTHER THAN BY A MUTUAL WRITTEN WAIVER SPECIFICALLY REFERRING TO THIS SECTION 10.16 AND EXECUTED BY EACH OF THE PARTIES HERETO), AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS HERETO OR ANY OF THE OTHER CREDIT DOCUMENTS OR TO ANY OTHER DOCUMENTS OR AGREEMENTS RELATING TO THE LOANS MADE HEREUNDER. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

10.17. Confidentiality . Each Agent and each Lender (which term shall for the purposes of this Section 10.17 include the Issuing Bank) shall hold all Non-Public Information regarding Parent, Borrower and their respective Subsidiaries, Affiliates and their businesses identified as such by Borrower and obtained by such Agent or such Lender pursuant to the requirements hereof in accordance with such Agent's and such Lender's customary procedures for handling confidential information of such nature, it being understood and agreed by Borrower that, in any event, either Administrative Agent may disclose such information to the Lenders and each Agent and each Lender and each Agent may make (i) disclosures of such information to Affiliates of such Lender or Agent and to their respective officers, directors, partners, members, employees, legal counsel, independent auditors and other advisors, experts or agents who need to know such information and on a confidential basis (and to other Persons authorized by a Lender or Agent to organize, present or disseminate such information in connection with disclosures otherwise made

in accordance with this Section 10.17), (ii) disclosures of such information reasonably required by any potential or prospective assignee, transferee or participant in connection with the contemplated assignment, transfer or participation of any Loans or any participations therein or by any direct or indirect contractual counterparties (or the professional advisors thereto) to any swap or derivative transaction relating to Borrower and its obligations (provided such assignees, transferees, participants, counterparties and advisors are advised of and agree to be bound by either the provisions of this Section 10.17 or other provisions at least as restrictive as this Section 10.17), (iii) disclosure to any rating agency when required by it; provided that, prior to any disclosure, such rating agency shall undertake in writing to preserve the confidentiality of any confidential information relating to Credit Parties received by it from any Agent or any Lender, (iv) disclosure on a confidential basis to the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers with respect to the Loans, (v) disclosures in connection with the exercise of any remedies hereunder or under any other Credit Document, (vi) disclosures made pursuant to the order of any court or administrative agency or in any pending legal or administrative proceeding, or otherwise as required by applicable law or compulsory legal process (in which case such Person agrees to inform Borrower promptly thereof to the extent not prohibited by law) and (vii) disclosures made upon the request or demand of any regulatory or quasi-regulatory authority purporting to have jurisdiction over such Person or any of its Affiliates. In addition, each Agent and each Lender may disclose the existence of this Agreement and the information about this Agreement to market data collectors, similar services providers to the lending industry, and service providers to the Agents and the Lenders in connection with the administration and management of this Agreement and the other Credit Documents. For purposes of this Agreement and the other Credit Documents, each Administrative Agent shall be regarded as acting through its agency division, which shall be treated as a separate legal person from any other of its branches, divisions or departments. If any information is received by another branch, division or department of the legal person which is such Administrative Agent, it may be treated as confidential to that branch, division or department and such Agent shall not be deemed to have notice of it. Such Administrative Agent shall not be obliged to disclose to any other Agent or any Lender any information supplied to it by Borrower or any Affiliates of Borrower on a confidential basis and for the purpose of evaluating whether any waiver or amendment is or may be required or desirable in relation to any Credit Document.

10.18. Usury Savings Clause . Notwithstanding any other provision herein, the aggregate interest rate charged with respect to any of the Credit Agreement Obligations, including all charges or fees in connection therewith deemed in the nature of interest under applicable law shall not exceed the Highest Lawful Rate. If the rate of interest (determined without regard to the preceding sentence) under this Agreement at any time exceeds the Highest Lawful Rate, the outstanding amount of the Loans made hereunder shall bear interest at the Highest Lawful Rate until the total amount of interest due hereunder equals the amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect. In addition, if when the Loans made hereunder are repaid in full the total interest due hereunder (taking into account the increase provided for above) is less than the total amount of interest which would have been due hereunder if the stated rates of interest set forth in this Agreement had at all times been in effect, then to the extent permitted by law, Borrower shall pay to the applicable Administrative Agent an amount equal to the difference between the amount of interest paid and the amount of interest which would have

been paid if the Highest Lawful Rate had at all times been in effect. Notwithstanding the foregoing, it is the intention of Lenders and Borrower to conform strictly to any applicable usury laws. Accordingly, if any Lender contracts for, charges, or receives any consideration which constitutes interest in excess of the Highest Lawful Rate, then any such excess shall be cancelled automatically and, if previously paid, shall at such Lender's option be applied to the outstanding amount of the Loans made hereunder or be refunded to Borrower.

10.19. Effectiveness; Counterparts . This Agreement shall become effective upon the execution of a counterpart hereof by each of the parties hereto and receipt by Borrower and Administrative Agents of written notification of such execution and authorization of delivery thereof. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or in electronic format (i.e., "pdf" or "tif") shall be effective as delivery of a manually executed counterpart of this Agreement.

10.20. Entire Agreement . With the exception of those terms of the Engagement Letter and prior engagement letters which by the terms of such engagement letters remain in full force and effect, the Arrangers' and their respective Affiliates' obligations under such engagement letters shall terminate and be superseded by the Credit Documents and the Arrangers and their respective Affiliates shall be released from all liability in connection therewith, including any claim for injury or damages, whether consequential, special, direct, indirect, punitive or otherwise. No statements or agreements, oral or written, made prior to or at the signing hereof shall vary, waive or modify the written terms hereof.

10.21. PATRIOT Act . Each Lender and each Administrative Agent (for itself and not on behalf of any Lender) hereby notifies each Credit Party that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies each Credit Party, which information includes the name and address of each Credit Party and other information that will allow such Lender or such Administrative Agent, as applicable, to identify such Credit Party in accordance with the PATRIOT Act.

10.22. Electronic Execution of Assignments . The words "execution," "signed," "signature," and words of like import in any Assignment Agreement shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

10.23. No Fiduciary Duty . Each Agent, each Lender and their Affiliates (collectively, solely for purposes of this Section 10.23, the " **Lenders** "), may have economic interests that conflict with those of the Credit Parties, their stockholders and/or their affiliates. Each Credit Party agrees that nothing in the Credit Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between any Agent, or any Lender, on the one hand, and such Credit Party, its stockholders or its affiliates, on the

other. The Credit Parties acknowledge and agree that (i) the transactions contemplated by the Credit Documents (including the exercise of rights and remedies hereunder and thereunder) are arm's-length commercial transactions between the Lenders, on the one hand, and the Credit Parties, on the other, and (ii) in connection therewith and with the process leading thereto, (x) no Lender has assumed an advisory or fiduciary responsibility in favor of any Credit Party, its stockholders or its affiliates with respect to the transactions contemplated hereby (or the exercise of rights or remedies with respect thereto) or the process leading thereto (irrespective of whether any Lender has advised, is currently advising or will advise any Credit Party, its stockholders or its Affiliates on other matters) or any other obligation to any Credit Party except the obligations expressly set forth in the Credit Documents and (y) each Lender is acting solely as principal and not as the agent or fiduciary of any Credit Party, its management, stockholders, creditors or any other Person. Each Credit Party acknowledges and agrees that it has consulted its own legal and financial advisors to the extent it deemed appropriate and that it is responsible for making its own independent judgment with respect to such transactions and the process leading thereto. Each Credit Party agrees that it will not claim that any Lender has rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to such Credit Party, in connection with such transaction or the process leading thereto.

10.24. Judgment Currency . In respect of any judgment or order given or made for any amount due under this Agreement or any other Credit Document that is expressed and paid in a currency (the " **judgment currency** ") other than Dollars, the Credit Parties will indemnify the applicable Administrative Agent, the Issuing Bank and any Lender against any loss incurred by them as a result of any variation as between (i) the rate of exchange at which the Dollar amount is converted into the judgment currency for the purpose of such judgment or order and (ii) the rate of exchange, as quoted by the applicable Administrative Agent or by a known dealer in the judgment currency that is designated by such Administrative Agent, at which such Administrative Agent, the Issuing Bank or such Lender is able to purchase Dollars with the amount of the judgment currency actually received by such Administrative Agent, the Issuing Bank or such Lender. The foregoing indemnity shall constitute a separate and independent obligation of the Credit Parties and shall survive any termination of this Agreement and the other Credit Documents, and shall continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term "rate of exchange" shall include any premiums and costs of exchange payable in connection with the purchase of or conversion into Dollars.

10.25. Effect of Amendment and Restatement . This Agreement shall supersede the Original Credit Agreement from and after the Amendment and Restatement Date. The parties hereto acknowledge and agree, however, that (a) this Agreement and all other Credit Documents executed and delivered herewith do not constitute a novation, payment and reborrowing or termination of the Obligations (as defined in the Original Credit Agreement) and the other Credit Documents as in effect prior to the Amendment and Restatement Date and (b) such Obligations are in all respects continuing with only the terms being modified as provided in this Agreement and the other Credit Documents. The parties hereto further acknowledge and agree that (i) the guarantees and liens and security interests in favor of the Administrative Agents and/or the Collateral Agents for the benefit of the Secured Parties guaranteeing and securing payment of the Obligations (as defined in the Original Credit Agreement) are in all respects continuing and in full force and effect with respect to all Obligations and (ii) all references in the other Credit

Documents to the Original Credit Agreement shall be deemed to refer without further amendment to this Agreement.

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[On file with Term Administrative Agent **]**

APPENDIX A-2
TO AMENDED AND RESTATED CREDIT AND GUARANTY AGREEMENT

Revolving Commitments

Lender		Revolving Commitment	Pro Rata Share
THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED	**$**	**125,000,000.00**	**100%**
Total	**$**	**125,000,000.00**	**100%**

Notice Addresses

For Parent, Borrower or any of their respective Subsidiaries:

Nord Anglia Education, Inc.
Nord Anglia Education, Inc.
St. George's Building, Level 12,
2 Ice House Street, Central, Hong Kong
Attention: Andrew Fitzmaurice / Graeme Halder

HSBC BANK USA, N.A., as Term Administrative Agent and Primary Collateral Agent:

Term Administrative Agent's and Primary Collateral Agent's Principal Office:
HSBC Bank USA, N.A.
452 Fifth Avenue - 8E6
New York, NY 10018
Attention: Corporate Trust and Loan Agency
Facsimile: +1 917 229 6659
E-mail: ctlany.loanagency@us.hsbc.com / ctlany.transactionmanagement@us.hsbc.com

HSBC BANK PLC, as Hungarian Collateral Agent:

Hungarian Collateral Agent's Principal Office:
HSBC Bank plc
8 Canada Square
Canary Wharf
London E14 5HQ
United Kingdom
Attention: CTLA Trustee Services Administration
Facsimile: +44 (0) 207 991 4350
E-mail: ctla.trustee.admin@hsbc.com

THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED,
as Revolving Facility Administrative Agent and Issuing Bank:

Revolving Facility Administrative Agent's Principal Office:
The Hongkong and Shanghai Banking Corporation Limited
Level 30, HSBC Main Building, 1 Queen's Road Central, Central, Hong Kong
Attention: Helen Mok / Rita Sit
Facsimile: +852 2523 4641 3478 9198
E-mail: helenmok@hsbc.com.hk / ritasit@hsbc.com.hk

Issuing Bank's Principal Office:
The Hongkong and Shanghai Banking Corporation Limited
L9, HSBC Main Building, 1 Queen's Road Central, Central, Hong Kong
Attention: Wanda P.W. Lee / Jonnie Teh
Facsimile: +852 2804 6109 / +852 34184993
E-mail: wandapwlee@hsbc.com.hk / jonnieteh@hsbc.com.hk

Schedule 1

Collateral Documents

1. CAYMAN ISLANDS SECURITY DOCUMENTS

1.1 Share Charge dated a date within 60 days of the Amendment and Restatement Date over the shares of Sterling International Schools

2. CZECH REPUBLIC SECURITY DOCUMENTS

2.1 Ownership Interest Pledge Agreement No. 1 dated 1 April 2014 over 20 % ownership interest in English International School Prague s.r.o. (the " **Czech Company** ") (by Nord International Schools Limited) (English and Czech version)

2.2 Ownership Interest Pledge Agreement No. 2 dated 1 April 2014 over 80 % ownership interest in the Czech Company (by NA Schools Limited) (English and Czech version)

2.3 Amendment No. 1 to the Ownership Interest Pledge Agreement No. 1 dated a date within 5 Business Days of the Amendment and Restatement Date over the shares in the Czech Company (English and Czech version)

2.4 Amendment No. 1 to the Ownership Interest Pledge Agreement No. 2 dated a date within 5 Business Days of the Amendment and Restatement Date over the shares in the Czech Company (English and Czech version)

3. ENGLAND & WALES SECURITY DOCUMENTS

3.1 Share Charge dated 31 March 2014 over the shares of Nord Anglia Education (UK) Holdings PLC

3.2 Debenture dated 31 March 2014

3.3 Security Confirmation Deed dated 2 March 2015

3.4 Supplemental Share Charge dated a date within 5 Business Days of the Amendment and Restatement Date

3.5 Supplemental Debenture dated a date within 5 Business Days of the Amendment and Restatement Date

4. GIBRALTAR SECURITY DOCUMENTS

4.1 Share Charge dated a date within 60 days of the Amendment and Restatement Date over the shares of Meritas (Gibraltar) Holdings Limited

5. HONG KONG SECURITY DOCUMENTS

5.1 Share Mortgage dated 31 March 2014 over the shares of NAE Hong Kong Limited, Rice Education Hong Kong Limited, BSG Limited, Uma Education Hong Kong Limited, EEE Enterprise Limited and Uma Education Holdings Limited [1]

5.2 Debenture dated 31 March 2014 in respect of assets of NAE Hong Kong Limited, EEE Enterprise Limited, Rice Education Hong Kong Limited, BSG Limited, Uma Education Hong Kong Limited and Uma Education Holdings Limited

5.3 Share Mortgage dated 30 April 2015 over the shares of NAE HK Holdings Limited, B I S Ltd., Uma Education Holdings Limited, EEE Enterprise Limited and Oasis Development Management Limited

5.4 Security Confirmation Deed dated 2 March 2015 in respect of the security documents listed in paragraphs 5.1 and 5.2 above

5.5 Security Confirmation Deed dated a date within 5 Business Days of the Amendment and Restatement Date in respect of the security documents listed in paragraphs 5.1, 5.2, 5.3 and 5.4 above

5.6 Share Mortgage dated a date within 60 days of the Amendment and Restatement Date over the shares of Sterling Asian Schools Holdings Limited

6. HUNGARY SECURITY DOCUMENTS

6.1 Charge Agreement over Rights and Receivables dated 1 April 2014

6.2 Charge Confirmation Agreement dated 2 March 2015

6.3 Charge Confirmation Agreement dated a date within 5 Business Days of the Amendment and Restatement Date

7. LUXEMBOURG SECURITY DOCUMENTS

7.1 Share pledge agreement dated a date within 60 days of the Amendment and Restatement Date over the shares of Meritas Luxembourg Holding S.à r.l. between Meritas (Gibraltar) Holdings Limited as pledgor, the Primary Collateral Agent as collateral agent and in the presence of Meritas Luxembourg Holding S.à r.l. as company.

8. MALTA SECURITY DOCUMENTS

8.1 Share pledge agreement to be dated a date within 60 days of the Amendment and Restatement Date over the shares in Meritas Malta Holdings Limited

9. MEXICO SECURITY DOCUMENTS

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[1] Security granted by Nord Anglia Education Limited over the shares of EEE Enterprise Limited and Uma Education Holdings Limited (the " **Shares** ") were released pursuant to a Deed of Release dated 30 April 2015 between Nord Anglia Education Limited (as released chargor) and HSBC Bank USA, N.A. (as primary collateral agent) (the " **Release** "). Security over the Shares were re-taken on the date of the Release pursuant to the share mortgage referred to in paragraph 5.3 of this schedule 1.

9.1 Equity Pledge Agreement, to be dated a date within 60 days of the Amendment and Restatement Date by and among Meritas Luxembourg Holding SARL (" **Meritas Luxembourg** "), as pledgor, the Collateral Agent, as pledgee, and Meritas Mexico, S. de R.L. de C.V. (" **Meritas Mexico** "), as the company, over all the equity owned by Meritas Luxembourg in Meritas Mexico

9.2 Equity Pledge Agreement to be dated a date within 60 days of the Amendment and Restatement Date by and among Meritas Malta Holding Limited (" **Meritas Malta** "), as pledgor, the Collateral Agent, as pledgee, and Meritas Mexico, as the company, over the equity owned by Meritas Malta in Meritas Mexico

10. POLAND SECURITY DOCUMENTS

10.1 Ordinary & Registered pledge dated 1 April 2014 over shares in The British School sp. z o.o.

10.2 Ordinary & Registered Pledge dated 3 March 2015 over shares in The British School sp. z o.o.

10.3 Agreement for Security Assignment of Rights under Insurance Agreements

10.4 Ordinary & Registered Pledge over shares in The British School sp. z o.o. to be executed within 5 Business Days of the Amendment and Restatement Date

10.5 Submission to enforcement to be executed within 5 Business Days of the Amendment and Restatement Date

11. SINGAPORE SECURITY DOCUMENTS

11.1 Debenture dated 8 October 2014

11.2 Share Mortgage dated 8 October 2014 over shares in Dover Court International School (Pte.) Ltd.

11.3 First Confirmatory Debenture dated 30 April 2015

11.4 First Confirmatory Share Mortgage over shares in Dover Court International School (Pte.) Ltd. dated March 2, 2015

11.5 Second Confirmatory Debenture dated a date within 60 days of the Amendment and Restatement Date

11.6 Second Confirmatory Share Mortgage dated a date within 5 Business Days of the Amendment and Restatement Date over shares in Dover Court International School (Pte.) Ltd.

12. SLOVAKIA SECURITY DOCUMENTS

12.1 Shareholding Interest Pledge Agreement dated a date within 5 Business Days of the Amendment and Restatement Date over shares in British International School Bratislava s.r.o. (by Nord Anglia Education Limited)

12.2 Shareholding Interest Pledge Agreement dated a date within 5 Business Days of the Amendment and Restatement Date over shares in British International School Bratislava s.r.o. (by NA Schools Limited)

13. SPAIN SECURITY DOCUMENTS

13.1 Pledge over Participations of WCL Intermediate Holdings Spain, S.L.U. dated 1 April 2014

13.2 Pledge over Participations of International College 2 Spain, S.L.U. dated 1 April 2014

13.3 Pledge over Shares of International College Spain, S.A.U. dated 1 April 2014

13.4 First Extension, amendment and ratification dated 6 March 2015 of the pledge over WCL Intermediate Holdings Spain, S.L.U. quotas

13.5 First Extension, amendment and ratification dated 6 March 2015 of the pledge over International College 2, S.L.U. quotas

13.6 First Extension, amendment and ratification dated 6 March 2015 of the pledge over International College Spain, S.A.U. shares

13.7 Second Extension, amendment and ratification dated a date within 5 Business Days of the Amendment and Restatement Date of the pledge over WCL Intermediate Holdings Spain, S.L.U. quotas

13.8 Second Extension, amendment and ratification dated a date within 5 Business Days of the Amendment and Restatement Date of the pledge over International College 2, S.L.U. quotas

13.9 Second Extension, amendment and ratification dated a date within 5 Business Days of the Amendment and Restatement Date of the pledge over International College Spain, S.A.U. shares

14. SWITZERLAND SECURITY DOCUMENTS

14.1 Share Pledge Agreement dated 31 March 2014 over shares in Collège Alpin Beau-Soleil SA

14.2 Share Pledge Agreement dated 31 March 2014 over shares in La Côte International School SA

14.3 Share Pledge Agreement dated 31 March 2014 over shares in Collège Champittet SA

14.4 Insurance Claim Assignment Agreement dated 31 March 2014 (by Collège Alpin Beau-Soleil SA)

14.5 Insurance Claim Assignment Agreement dated 31 March 2014 (by La Côte International School SA)

14.6 Insurance Claim Assignment Agreement dated 31 March 2014 (by Collège Champittet SA)

14.7 First Security Confirmation Agreement dated 2 March 2015

14.8 Second Security Confirmation Agreement dated a date within 5 Business Days of the Amendment and Restatement Date

14.9 Share Pledge Agreement to be dated a date within 60 days of the Amendment and Restatement Date over the shares in MERITAS CH SARL

14.10 Share Pledge Agreement to be dated a date within 60 days of the Amendment and Restatement Date over the shares in Collège du Léman Sàrl

14.11 Insurance Claim Assignment Agreement to be dated a date within 60 days of the Amendment and Restatement Date (by MERITAS CH SARL)

14.12 Insurance Claim Assignment Agreement to be dated a date within 60 days of the Amendment and Restatement Date (by Collège du Léman Sàrl)

15. THAILAND SECURITY DOCUMENTS

15.1 Share Pledge Agreement dated 31 March 2014 over the shares of Regent Pattaya Campus Management Co., Ltd. (by Rice Education Hong Kong Limited and Nord Anglia Education Limited) (the **RPCM Share Pledge Agreement**)

15.2 Share Pledge Agreement dated 31 March 2014 over the shares of Saint Andrews International School Sukhumvit Campus Co., Ltd. (by UMA Education Hong Kong Limited and Nord Anglia Education Limited) (the **Saint Andrews Share Pledge Agreement**)

15.3 First Confirmation Deed dated 2 March 2015 in respect of the RPCM Share Pledge Agreement (by Rice Education Hong Kong Limited and Nord Anglia Education Limited)

15.4 First Confirmation Deed dated 2 March 2015 in respect of the Saint Andrews Share Pledge Agreement (by UMA Education Hong Kong Limited and Nord Anglia Education Limited)

15.5 Second Confirmation Deed dated a date within 5 Business Days of the Amendment and Restatement Date in respect of the RPCM Share Pledge Agreement (by Rice Education Hong Kong Limited and Nord Anglia Education Limited)

15.6 Second Confirmation Deed dated a date within 5 Business Days of the Amendment and Restatement Date in respect of the Saint Andrews Share Pledge Agreement (by UMA Education Hong Kong Limited and Nord Anglia Education Limited)

16. UNITED STATES SECURITY DOCUMENTS

16.1 U.S. Pledge Agreement dated as of March 31, 2014

16.2 U.S. Pledge and Security Agreement (by Borrower and certain U.S. Guarantors) dated as of March 31, 2014

16.3 Pledge Supplement to U.S. Pledge and Security Agreement dated as of the date hereof

16.4 Pledge Supplement to U.S. Supplemental Pledge and Security Agreement dated a date within 60 days of the Amendment and Restatement Date by Meritas MX, LLC in favor of the Primary Collateral Agent

16.5 Pledge Supplement to U.S. Pledge Agreement dated a date within 60 days of the Amendment and Restatement Date by Meritas Luxembourg Holding S.à r.l in favor of the Primary Collateral Agent

16.6 Pledge Supplement to U.S. Pledge Agreement dated as of the date hereof by Nord Anglia Education Limited in favor of the Primary Collateral Agent

Schedule 2

Agreed Security Principles

1. AGREED SECURITY PRINCIPLES

1.1 Borrower will use commercially reasonable efforts to assist in demonstrating that adequate corporate benefit accrues to the relevant Guarantor Company (as defined below).

1.2 The guarantees and security to be provided will be given in accordance with certain Agreed Security Principles. Borrower, Agents and Lenders have agreed and acknowledged that their rights and obligations under the Credit Documents, the Hedge Agreements and any Pari Passu Debt Agreement (together, the " **Secured Documents** ") in respect of (i) the giving or taking of guarantees, (ii) the giving and taking of security and (iii) all of the rights and obligations associated with such giving or taking of guarantees and security, shall be subject to and limited by these Agreed Security Principles.

1.3 The Agreed Security Principles embody a recognition by all parties that there may be certain legal and practical difficulties in obtaining effective guarantees and security from all Material Companies and other members of the Restricted Group required to give guarantees and security (the " **Guarantor Companies** ") in every jurisdiction in which Guarantor Companies are or may in the future be located. In particular:

(a) general statutory limitations, financial assistance, capital maintenance, corporate benefit, fraudulent preference, "thin capitalisation" rules, retention of title claims and similar principles may limit the ability of a Guarantor Company to provide a guarantee or security or may require that the guarantee or security be limited by an amount or otherwise (including any legal fees, registration fees, stamp duty taxes and any other fees or related costs). Borrower shall use commercially reasonable efforts to overcome any such limitation to the extent reasonably practicable. If, following the commercially reasonable efforts of Borrower to overcome such limitations any such limit continues to apply, the guarantees and security provided will be limited to the maximum amount which the relevant member of the Restricted Group may provide having regard to applicable law (including any jurisprudence) and otherwise so as to minimise stamp duty, notarization, registration tax or other applicable fees, taxes and duties;

(b) the giving of a guarantee, the granting and the terms of security or the perfection of the security granted will not be required to the extent it would (or could) incur any cost (including any legal fees, notarization, registration or other applicable fees, stamp duty or other duties, taxes and any other fees or related costs) to the Restricted Group which are disproportionate to the benefit for the Secured Parties of obtaining such guarantees or security; provided that, for the avoidance of doubt, no current or future Subsidiary of the Parent that is or becomes, and in each case remains, a Controlled Foreign Corporation (as defined in the United States Internal Revenue Code of 1986, as amended) (or any subsidiary owned by any such Controlled Foreign Corporation) or a Subsidiary that has no material

assets other than equity or debt interest in such Controlled Foreign Corporation shall be required to give a guarantee or pledge any of its assets (including shares in a Subsidiary) as security for an obligation (as guarantor or otherwise) of a "United States person" (as defined in the United States Internal Revenue Code of 1986, as amended) and not more than 65% of the total combined voting power of all classes of shares entitled to vote of any such Subsidiary may be pledged directly or indirectly as security for an obligation (as guarantor or otherwise) of a "United States person";

(c) where a class of assets to be secured includes material and immaterial assets, if the cost of granting security over the immaterial assets is disproportionate to the benefit of such security, security will be granted over the material assets only;

(d) it is expressly acknowledged that in certain jurisdictions it may be either impossible or impractical to grant guarantees or create security over certain categories of assets, in which event such guarantees will not be granted and security will not be taken over such assets; provided that Borrower shall use commercially reasonable efforts to overcome any such obstacle;

(e) unless granted under a global security document governed by the law of the jurisdiction of a Guarantor Company or under English law or law of the State of New York, all security (other than share security over its Subsidiaries) shall be governed by the law of the jurisdiction of incorporation of that Guarantor Company or by the *lex rei sitae* of the assets pledged; provided that security in any Guarantor Company incorporated in the British Virgin Islands may be granted under the law of Hong Kong;

(f) any assets subject to third party arrangements which may prevent those assets from being charged (or assigned by way of security) will be excluded from any relevant Secured Document; provided that (subject as otherwise set out in these Agreed Security Principles) commercially reasonable efforts to obtain consent or waiver to charging any such assets shall be used by the Restricted Group if the relevant asset is material and Borrower determines that such endeavours will not jeopardise commercial relationships with third parties;

(g) Guarantor Companies will not be required to give guarantees or enter into security documents if it is not within the legal capacity of the relevant Guarantor Company or if the same would conflict with the fiduciary duties of their directors or contravene any legal prohibition or would reasonably be expected to result in a risk of personal or criminal liability on the part of any director or other officer of such Guarantor Company or of any member of the Restricted Group; provided that the relevant Restricted Group member shall use commercially reasonable efforts to overcome any such obstacle;

(h) no perfection action will be required in a jurisdiction where the Guarantor Company is not located except for share security over its Subsidiaries in the Czech Republic, the Slovak Republic, the Kingdom of Thailand and the Grand Duchy of Luxembourg;

(i) perfection of security, when required, registration and other legal formalities will be completed as soon as practicable and, in any event, within the time periods specified in the Secured Documents therefor or (if earlier or to the extent no such time periods are specified in the Secured Documents) within the time periods specified by applicable law in order to ensure due perfection;

(j) the giving of a guarantee, the granting of security or the perfection of the security granted and the terms of the security shall not be required if it would have a material and adverse effect on the ability of the relevant Guarantor Company to conduct its operations and business (including its tax arrangements) in the ordinary course as otherwise permitted or not prohibited by the Secured Documents;

(k) where prohibited by the underlying joint venture or partnership agreement only, pledges over shares or other interests or participations in joint ventures or the assets owned by such joint ventures or joint venture vehicles will not be required; and

(l) guarantee limitations may mean that access to the assets of a Guarantor Company is limited, in which case, any asset security granted by that Guarantor Company shall be limited to the maximum recoverable amount under the guarantee.

1.4 Reasonable legal fees, disbursements, registration costs, taxes, notary fees and other costs and expenses related to the guarantees and security incurred by legal counsel to Borrower and by legal counsel to Administrative Agents or Collateral Agents will be paid (or payment thereof procured) by Borrower.

2. GUARANTORS AND SECURITY

2.1 Subject to the due execution of all relevant Secured Documents, completion of relevant perfection formalities within statutorily prescribed time limits, payment of all registration fees and documentary taxes, any other rights arising by operation of law, obtaining any foreign legal opinions and subject to any qualifications which may be set out in the Secured Documents and any relevant legal opinion obtained and subject to the requirements of the Agreed Security Principles, it is agreed that each guarantee and security will be an upstream, cross—stream and downstream guarantee and each guarantee and, without prejudice to the principles set forth in paragraph 1.2 above, security will be for all liabilities of the Credit Parties under the Secured Documents in accordance with, and subject to, the requirements of the Agreed Security Principles and/or any applicable law in each relevant jurisdiction.

2.2 To the extent possible under the relevant applicable law, all security shall consist of a single set of security interests and shall be given in favor of the applicable Collateral Agent and not the Secured Parties individually.

2.3 "Parallel debt" provisions will be used where necessary or convenient to ensure that security is given in favor of the applicable Collateral Agent and not the Secured Parties individually. Such provisions will be contained in this Agreement or any accession

agreement hereto for any Guarantor Company required to become a Guarantor pursuant to Section 5.15(a) (unless and to the extent required under applicable local laws).

2.4 To the extent possible under the relevant applicable law, there should be no action required to be taken in relation to the guarantees or security when any Lender transfers any of its participation in the Loans or the Commitments to a new Lender.

2.5 No member of the Restricted Group shall be required to pay the cost of any re—execution, notarization, acknowledgment, re—registration, amendment or related perfection requirement for any guarantee or security or any related cost or fee, and no action shall be required to be taken by any member of the Restricted Group in relation thereto, on any transfer by any Secured Party.

3. SCOPE

3.1 The security provided by the Parent will be limited to a pledge over its shares in Borrower, Nord Anglia UK and NAE HK Holdings Limited and any shareholder loans into Borrower, Nord Anglia UK and NAE HK Holdings Limited.

3.2 No guarantee or security will be provided by any member of the Restricted Group incorporated in, or by any member of the Restricted Group over any assets situated in, any Excluded Jurisdiction, except as set forth in Section 1.3(h) or 11.1 of these Agreed Security Principles.

3.3 The grant and the terms of security over and in relation to the shares in Collège Alpin Beau-Soleil SA (" **CABS** ") and Collège Champittet SA (" **Champittet** ") (whether directly or indirectly) and their respective assets shall be subject to these Agreed Security Principles generally, as well as to (i) in the case of CABS, the terms of clause 11 of the sale and purchase agreement regarding the acquisition of the entire share capital in CABS, dated 17 December 2010, as amended by the amendment agreement no. 1 thereto dated 7 September 2011, made between Fennec Holding SA as seller and Nord Anglia Education Limited as purchaser and as in effect at the Amendment and Restatement Date (the " **CABS SPA** ") and (ii) in the case of Champittet, the terms of clause 8.2 of the share purchase agreement regarding the acquisition of the entire share capital in Champittet, dated 13 September 2009, as amended by the amendment agreement no. 1 thereto dated 1 November 2011, made between Cime SA as seller and Premier Education Holdings S.à r.l. as purchaser and as in effect at the Amendment and Restatement Date (the " **Champittet SPA** " and, together with the CABS SPA, the " **Swiss School SPAs** "); provided , in each case, that the relevant requirement shall cease if the applicable provisions of the CABS SPA and/or the Champittet SPA cease to be effective. No assignment or other security shall be required to be granted in relation to the rights of any member of the Restricted Group (or, for the avoidance of doubt, any Holding Company of any member of the Restricted Group) under or in respect of the Swiss School SPAs.

3.4 Notwithstanding anything to the contrary, the only security to be provided by the U.S. Credit Parties on the Amendment and Restatement Date (or such later date as set forth in Schedule 10 hereto) will be the security listed on Annex I to this Schedule 2. For purposes of this paragraph 3.4, " **U.S. Credit Parties** " shall mean those entities listed under the heading "Entity Name" on Annex I to this Schedule 2.

4. TERMS OF GUARANTEES AND SECURITY DOCUMENTS

The following principles will be reflected in the terms of any guarantee or security taken as part of this transaction:

(a) The security shall be first ranking, to the extent possible;

(b) No claims will be made under guarantees, and security will not be enforceable, until a Senior Secured Facilities Acceleration Event or a Pari Passu Debt Acceleration Event (each as defined in the Intercreditor Agreement, an " **Enforcement Event** ");

(i) no notices of pledges or security interests will be required unless, under the law applicable to such security, such notice is required to be delivered to perfect the security or at the applicable Collateral Agent's reasonable request following an Event of Default which is continuing;

(ii) notification of receivables security to debtors (not being members of the Restricted Group) will only be given if an Enforcement Event has occurred;

(c) the provisions of each security document will not be unduly burdensome on the Guarantor Company or interfere with the operation of its business (including its tax arrangements) in the ordinary course and will be limited to those required to create, perfect or maintain effective security and shall not impose commercial obligations;

(d) information, such as lists of assets, will be provided only if and to the extent required by local law to be provided to perfect or register the relevant security interests and, unless required to be provided by local law more frequently, will be provided at the applicable Collateral Agent's reasonable request following an Event of Default which is continuing (unremedied or unwaived);

(e) the security documents will, where possible and practical (but subject to the other provisions set out in this Schedule and consistent with market practice in the relevant jurisdiction), automatically create security over future assets of the same type as those already secured;

(f) prior to an Enforcement Event, the security documents shall operate only to create security and not to impose new commercial obligations. Accordingly (i) they will not contain representations or undertakings unless these are required for the creation or perfection or protection of the security or market standard in the relevant jurisdiction and (ii) they shall not repeat or extend any of the clauses set out in this Agreement, the Intercreditor Agreements or any other Secured Document, such as those relating to notices, insurance, further assurance, cost and expenses, indemnities, tax gross up, distribution of proceeds and release of security, unless and to the extent required by applicable law or market standard in the relevant jurisdiction for the creation or perfection or protection of security;

(g) in respect of share pledges, until an Enforcement Event, the pledgors shall be permitted to retain and to exercise voting rights to any shares pledged by them and shall be permitted to receive and retain dividends on pledged shares/pay dividends upstream on pledged shares to the extent permitted under any Secured Document with the proceeds to be available to the Restricted Group;

(h) the applicable Collateral Agent shall only be able to exercise any power or attorney granted to it under the security documents following the occurrence of an Enforcement Event or, prior to an Enforcement Event if the relevant Guarantor Company has failed to comply with a further assurance or perfection obligation (and compliance with the same has not been remedied within any applicable grace period or waived);

(i) prior to an Enforcement Event, the applicable Collateral Agent shall not have any right to block any funds being transferred between or by Restricted Group members;

(j) the security documents should not operate so as to prevent transactions which are permitted or not prohibited under the Secured Documents or to require additional consents or authorisations;

(k) without prejudice to the other terms of the Credit Documents, where an entity is being disposed of as permitted or not prohibited by this Agreement (including a disposal permitted by requisite consent) all guarantees by that entity in favor of the Secured Parties and others and all security in favor of the Secured Parties and others over the shares of that entity and the assets owned by that entity shall be released immediately before completion of such disposal;

(l) security over any asset disposed of in compliance with this Agreement, any guarantee granted by a member of the Restricted Group disposed of in compliance with this Agreement and any security over the assets of any such member of the Restricted Group shall all be released by the applicable Collateral Agent no later than completion of such disposal;

(m) supplemental pledges shall be entered into where required by local law to create or perfect security; and

(n) the security documents will not accrue interest on any amount in respect of which interest is accruing under this Agreement.

5. BANK ACCOUNTS

5.1 No Guarantor Company shall be required to grant security over its bank accounts.

6. FIXED ASSETS

6.1 If a Guarantor Company grants security over its material fixed assets it shall be free to deal with those assets in the ordinary course of its business and otherwise as permitted under any Credit Document until an Enforcement Event.

6.2 No notice whether to third parties or by attaching a notice to the fixed assets shall be prepared or given until an Enforcement Event.

6.3 If required under local law, and consistent with local standard market practice, security over fixed assets will be registered subject to the general principles set out in these Agreed Security Principles.

7. INSURANCE POLICIES

7.1 If required by local law to create or perfect the security, notice of the security will be served on the insurance provider within 20 Business Days of the security being granted and the Guarantor Company shall use its commercially reasonable efforts to obtain an acknowledgement of that notice within 20 Business Days of service. If the Guarantor Company has used its commercially reasonable efforts but has not been able to obtain acknowledgement its obligation to obtain acknowledgement shall cease on the expiry of that 20-Business Day period.

7.2 No loss payee or other endorsement shall be made on the insurance policy, and the Guarantor Company shall not be requested to hand over to the applicable Collateral Agent the original of the insurance policy unless and to the extent required under local law to create or perfect the security.

8. INTELLECTUAL PROPERTY

8.1 No security shall be required to be granted (in addition to any security agreed to be granted over material intellectual property as a condition precedent to make a Credit Extension on the Amendment and Restatement Date) over any intellectual property which is determined by Borrower (acting reasonably and in good faith) not to be material to the business of the relevant Guarantor Company or the Restricted Group taken as a whole.

8.2 If a Guarantor Company grants security over its intellectual property it shall be free to deal with those assets in the ordinary course of its business or otherwise as permitted under the Secured Documents (including, without limitation, allowing its intellectual property to lapse if no longer material or required as part of its business) until an Enforcement Event.

8.3 No security shall be granted over any intellectual property which cannot be secured under the terms of the relevant licensing agreement. No notice shall be prepared or given to any third party from whom intellectual property is licensed until an Enforcement Event.

8.4 If required for its validity, perfection or enforceability under local law, security over material intellectual property will be registered under the law of that security document or at a relevant supra—national registry (such as the EU or the *Organisation Mondiale de la Propriété Intellectuelle*), subject to the general principles set out in these Agreed Security Principles.

9. INTERCOMPANY RECEIVABLES

9.1 If a Guarantor Company grants security over its intercompany receivables it shall be free to deal with those receivables in the ordinary course of its business or otherwise as permitted under the Secured Documents until an Enforcement Event.

9.2 If required by local law to perfect the security, notice of the security will be served on the relevant lender and/or the borrower within 30 Business Days of the security being granted and the Guarantor Company shall use its commercially reasonable efforts to obtain an acknowledgement of that notice with 30 Business Days of service. If the Guarantor Company has used its commercially reasonable efforts but has not been able to obtain acknowledgement, its obligation to obtain acknowledgement shall cease on the expiry of that 30-Business Day period.

9.3 Irrespective of whether notice of the security is required for perfection, if the service of notice would prevent the Guarantor Company from dealing with an intercompany receivable in the course of its business, no notice of security shall be served until the occurrence of an Enforcement Event.

9.4 If required under local law and consistent with local standard market practice, security over intercompany receivables will be registered subject to the general principles set out in these Agreed Security Principles.

9.5 No lists of intercompany receivables shall be required to be provided or updated.

9.6 None of (i) any Subsidiary of a Credit Party incorporated in the PRC, the Kingdom of Thailand, the United Arab Emirates, Malaysia, Saudi Arabia or the Socialist Republic of Vietnam, (ii) Nord Anglia School (Hong Kong) Limited or (iii) Nord Anglia International School (Hong Kong) Limited, in each case, shall be required to execute the Intercompany Note.

10. TRADE RECEIVABLES

10.1 If a Guarantor Company grants security over its trade receivables it shall be free to deal with those receivables in the ordinary course of its business or otherwise as permitted under the Secured Documents until an Enforcement Event.

10.2 Security over receivables shall not prohibit the transfer of receivables as permitted under the Secured Documents (including, without limitation, under any receivables financing agreement or arrangement) nor shall any such security continue to attach to receivables so transferred.

10.3 No notice of security may be served until the occurrence of an Enforcement Event.

10.4 No security will be granted over any trade receivables which cannot be secured under the terms of the relevant contract or are subject to any permitted non-recourse factoring arrangement.

10.5 Any list of trade receivables required shall not include details of the underlying contracts and no lists thereof shall be required to be provided or updated.

10.6 No security shall be required to be granted over or in respect of receivables in respect of any school fees or similar fees payable by or in respect of students at any school or college owned or operated by any member of the Restricted Group.

11. SHARES

11.1 A Guarantor Company may grant a charge over or in the shares in other Guarantor Companies and its Subsidiaries in the Czech Republic, the Slovak Republic, the Kingdom of Thailand, the Grand Duchy of Luxembourg or the Republic of Malta.

11.2 The relevant security document will be governed by the laws of the Guarantor Company or other Subsidiary whose shares are being secured and not by the law of the country of the Guarantor Company granting the security; provided that the relevant security document with respect to any Guarantor Company incorporated in the British Virgin Islands whose shares are being secured may be governed by the law of Hong Kong;

11.3 Until an Enforcement Event, the charging Guarantor Company will be permitted to retain and to exercise voting rights to any shares charged by it and each company whose shares have been charged will be permitted to pay and the pledgors shall be permitted to retain dividends.

11.4 Where required by applicable law in order to create security over or in shares, the share certificate and a stock transfer form executed in blank will be delivered to the applicable Collateral Agent and where required by law, the share certificate and/or shareholders register (as applicable) will be endorsed or written up and the endorsed share certificate and/or a copy of the written up register (as applicable) provided to such Collateral Agent.

11.5 Customary representations as to good title to the shares in Guarantor Companies that are subject to local law security will be included in the share pledges.

11.6 Unless the restriction is required by law, the constitutional documents of the company whose shares have been charged will be amended to remove any restriction on the transfer or the registration of the transfer of the shares on perfection or enforcement of the security granted over them.

12. REAL ESTATE

12.1 A Guarantor Company may, in accordance with the post closing covenant at Schedule 10 to the Amended and Restated Credit Agreement, grant security over its material real estate.

12.2 No security will be required over any real estate situated in Switzerland. Without prejudice to the foregoing and subject to these Agreed Security Principles, no security will be granted over any real estate situated in any other jurisdiction unless having a value equal to or greater than $5,000,000.

12.3 Until an Enforcement Event there shall be no requirement to give any notice of security or charge to any lessee.

12.4 There will be no obligation to investigate title, provide surveys or conduct insurance, environmental or other diligence.

12.5 Subject to these Agreed Security Principles, a Guarantor Company providing security over its material real estate shall not be under any obligation to obtain any landlord consent required to grant security over its material real estate, nor to investigate the possibility thereof. The cost of granting any real estate security will not be required to exceed an amount that is reasonable and not disproportionate to the value of the real estate and the benefit of the relevant security to the Secured Parties. The amount secured by each security over material real estate may be restricted to an agreed level.

13. RELEASE OF SECURITY

13.1 Unless required by local law, the circumstances in which the security shall be released should not be dealt with in individual security documents but, if so required, shall, except to the extent required by local law, be the same as those set out in Section 9.8(a) and Section 9.8(d) of this Agreement.

ANNEX I to Schedule 2

Entity Name	Jurisdiction	Specific Security
Nord Anglia Education Finance LLC	Delaware	All Assets
British Schools of America LLC	Delaware	Pledge of Capital Stock of (i) BSA Resource Solutions LLC (50%), (ii) British School of Chicago LLC (100%), (iii) British School of Texas LLC (100%), (iv) BST Holding LLC (100%), (v) British School of Washington LLC (100%), (vi) British School of Boston LLC (100%), (vii) British American School of Charlotte LLC, (viii) WCL Academy of New York LLC, and (ix) any future Subsidiaries.
British School of Washington LLC	Delaware	Pledge of Capital Stock of any future Subsidiaries.
British School of Boston LLC	Delaware	Pledge of equity interests in any future Subsidiaries.
British School of Chicago LLC	Delaware	Pledge of equity interests in any future Subsidiaries.
British School of Houston LP	Texas	Pledge of equity interests in any future Subsidiaries.
BSA Resource Solutions LLC	Delaware	Pledge of equity interests in any future Subsidiaries.
BST Holding LLC	Delaware	Pledge of Capital Stock of (i) British School of Houston LP (99.9%) and (ii) any future Subsidiaries.
British School of Texas LLC	Delaware	Pledge of Capital Stock of (i) British School of Houston LP (0.10%) and (ii) any future Subsidiaries.
British American School of Charlotte LLC	Delaware	Pledge of equity interests in any future Subsidiaries.
WCL Academy of New York LLC	Delaware	Pledge of equity interests in any future Subsidiaries.
Viking Holdco, Inc.	Delaware	Substantially All Assets (including the pledge of Capital Stock in any future Subsidiaries).
Sterling International Schools C Corporation	Delaware	Substantially All Assets (including the pledge of Capital Stock in any future Subsidiaries).
Viking Holding Company, LLC	Delaware	Substantially All Assets (including the pledge of Capital Stock in any future Subsidiaries).
Collegiate Prep Realty LLC	Delaware	Substantially All Assets (including the pledge of Capital Stock in any future Subsidiaries).
Village Real Estate LLC	Texas	Substantially All Assets (including the pledge of Capital Stock in any future Subsidiaries).
North Broward Preparatory Schools,	Florida	Substantially All Assets other than partnership interests in Camplife, Ltd. (including the pledge

LLC		of Capital Stock in any future Subsidiaries).
Meritas MX, LLC	Florida	Substantially All Assets (including the pledge of Capital Stock in any future Subsidiaries).

Schedule 3

Material Companies

Full Legal Name of Material Company	Registration number (or equivalent, if any)	Jurisdiction of incorporation
British International School, Shanghai*	Organization Code: 73850134-6	PRC
British School of Beijing*	Organization Code: 755252417	PRC
Education Overseas Qatar LLC	33520	Qatar
B I S Ltd.	419405	British Virgin Islands
Collège du Léman Sàrl	CHE-110.445.491	Switzerland
Village Real Estate LLC	800696907	Texas, USA
North Broward Preparatory Schools, LLC	L11000097143	Florida, USA

* Not a Guarantor

Schedule 4

Part I – Dormant Subsidiaries

1. **WCL School Management Services (India) Limited**
2. **Overseas Schools SA**
3. **WCL EBT Limited**
4. **EduAction (Waltham Forest) Limited**
5. **Nord Anglia Educational Consultancies Saudi Arabia Limited**
6. **Nord Anglia Education Sdn. Bhd** .
7. **Brighton Education Learning Services Sdn. Bhd.**
8. **诺地安格(上海)商务信息咨询有限公司广州分公司 (branch office)**
9. **Meritas MX II, LLC**
10. **KG Investments Limited**

Part II – Proposed Dormant Subsidiaries

None.

Schedule 5

[Reserved]

Schedule 6

Existing Debt

1. Deferred consideration in the aggregate principal amount of US $5.0 million, payable under the share purchase agreement in relation to 100% share capital of Neptune Education Holdings Limited, dated June 24, 2014 in connection with the acquisition of Northbridge International School Cambodia.

2. $11.0 million Bank Guarantee Facility, dated January 13, 2014 between HSBC Bank plc and Nord Anglia Education (UK) Holdings plc.

3. $2.5 million Multi-Currency Collective Overdraft Facility Letter, dated November 12, 2013 by HSBC Bank plc (as amended, restated, modified or replaced).

4. Loan Agreement in an aggregate principal amount of $969,700.00, dated as of December 10, 2010, by and between Chengdu Sterling Educational Consulting Ltd, as borrower, and Sterling Asian Schools Holding Limited, as lender, as amended by a Loan Extension Agreement dated as of December 13, 2011 by and between Chengdu Sterling Educational Consulting Ltd and Sterling Asian Schools Holding Limited, and a Second Loan Extension Agreement dated as of December 13, 2013 by and between Chengdu Sterling Educational Consulting Ltd and Sterling Asian Schools Holding Limited.

5. Loan Agreement in an aggregate principal amount of RMB 1,258,000.00, dated as of January 16, 2013, by and between Chengdu Sterling Educational Consulting Ltd, as borrower, and Sterling Asian Schools Holding Limited, as lender, as amended by a Loan Extension Agreement dated as of March 18, 2014 by and between Chengdu Sterling Educational Consulting Ltd and Sterling Asian Schools Holding Limited.

6. Deferred consideration in the aggregate principal amount of $25.0 million, payable pursuant to Section 2.9(a) of the Meritas Transaction Agreement in the event that certain conditions as specified therein are satisfied.

7. Ground Lease dated September 14, 2010 for Versoix: contract of superficies between Collège du Léman SARL and SUVA dated September 14, 2010 for the parcels 2888, 5962, 6462, 6463, 6464, 6465, 6504, 6505 and 6598.

8. Ground Lease dated September 14, 2010 for Collex Bossy (Garage): contract of superficies between Collège du Léman SARL and SUVA dated September 14, 2010 for the parcel 902.

Schedule 7

Permitted Encumbrances or Restrictions Affecting Restricted Subsidiaries

1. Articles of Association, dated August 5, 2013 of Nord Anglia International School L.L.C., as in effect on the Amendment and Restatement Date.

2. Shareholders Agreement relating to Nord Anglia International School L.L.C., dated March 12, 2014 between Mubarak Khamis Khalifa Khamis Al Khaili and NA Schools Limited, as in effect on the Amendment and Restatement Date.

3. Restated Memorandum and Articles of Association, dated 2010 of British International School, LLC, between Khalifa Ahmed Saeed Muhsen Al Houqani and Premier Education Holdings SARL, and the Share Transfer Agreement and Addendum to the Memorandum of Association of British International School, LLC, dated January 2013, between Khalifa Ahmed Saeed Muhsen Al Houqani, NA Schools Limited and Premier Education Holdings Ltd, each as in effect on the Amendment and Restatement Date.

4. Shareholders Agreement relating to British International School LLC, dated March 12, 2014 between Khalifa Ahmed Saeed Muhsen Al Houqani and NA Schools Limited, as in effect on the Amendment and Restatement Date.

5. Articles of Association of Regent Pattaya Campus Management Co., Limited, as in effect on the Amendment and Restatement Date.

6. Articles of Association of Saint Andrews International School Sukhumvit Campus Co., Ltd, as in effect on the Amendment and Restatement Date.

7. Master shareholders' agreement dated October 14, 2014 entered into by and between NAE Hong Kong Ltd, Maurice Duc Hinh Nguyen, Thuy Thu Ngo, The British International School Company Limited, Oasis Development Management Limited, Thien Huong Education Joint Stock Company and Thien Huong Investment Company Limited.

8. Memorandum and Articles of Association of Oasis Development Management Limited as in effect on the Amendment and Restatement Date.

9. Articles of Association of Sterling Asian Schools Holdings Limited, as in effect on the Amendment and Restatement Date, provided that such encumbrance be removed by amendment to the Articles of Association within 60 days of the Amendment and Restatement Date.

10. Memorandum and Articles of Association of Meritas Malta Holdings Limited as in effect on the Amendment and Restatement Date

Schedule 8

Permitted Liens

British Schools of America, LLC

1. Liens in favor of Wells Fargo Financial Leasing Inc. in respect of certain leased equipment as described on the UCC-1 # 2010 0346894 filed with the Secretary of State of the state of Delaware on February 1, 2010.

British School of Washington, L.L.C.

2. Liens in favor of Webbank in respect of certain leased equipment as described on the UCC-1 # 2011 4399278 filed with the Secretary of State of the state of Delaware on November 15, 2011.

3. Liens in favor of Marlin Business Bank in respect of certain leased equipment as described on the UCC-1 # 2012 1373028 filed with the Secretary of State of the state of Delaware on April 10, 2012.

4. Liens in favor of U.S. Bank Equipment Finance in respect of certain leased equipment as described on the UCC-1 # 2013 3174985 filed with the Secretary of State of the state of Delaware on August 13, 2013.

British School of Boston, L.L.C.

5. Liens in favor of Everbank Commercial Finance, Inc. in respect of certain leased equipment as described on the UCC-1 # 2011 2139981 filed with the Secretary of State of the state of Delaware on June 6, 2011.

6. Liens in favor of Everbank Commercial Finance, Inc. in respect of certain leased equipment as described on the UCC-1 # 2011 2140104 filed with the Secretary of State of the state of Delaware on June 6, 2011.

7. Liens in favor of Webbank in respect of certain leased equipment as described on the UCC-1 # 2011 3137406 filed with the Secretary of State of the state of Delaware on August 12, 2011.

8. Liens in favor of Everbank Commercial Finance, Inc. in respect of certain leased equipment as described on the UCC-1 # 2014 0018812 filed with the Secretary of State of the state of Delaware on January 2, 2014.

British American School of Charlotte, L.L.C.

9. Liens in favor of Webbank in respect of certain leased equipment as described on the UCC-1 # 2012 0378507 filed with the Secretary of State of the state of Delaware on January 30, 2012.

British School of Houston, L.P.

10. Liens in favor of Leaf Funding, Inc. in respect of certain leased equipment as described on the UCC-1 # 05-0016837848 filed with the Secretary of State of the state of Texas on May 27, 2005 (continuation UCC-3 # 09-00328557 filed on November 30, 2009).

11. Liens in favor of Dell Financial Services, L.L.C. in respect of certain leased equipment as described on the UCC-1 # 09-0023256077 filed with the Secretary of State of the state of Texas on August 14, 2009.

12. Liens in favor of Wells Fargo Financial Leasing, Inc.. in respect of certain leased equipment as described on the UCC-1 # 10-0002385594 filed with the Secretary of State of the state of Texas on January 26, 2010 (amendment UCC-3 # 10-00063287 filed on March 5, 2010).

Collège du Léman

13. Collège du Léman SARL has 6 financial leases for personal properties (5 buses and one car) recorded in its financial statement as assets. [Collège du Léman SARL intends to acquire by July 1, 2015, 3 more vehicles in the same manner.]

14. Legal mortgages guaranteeing payment of the rent to SUVA encumbering the ground leases (DDP, building No 7115 on Plots 2888, 5962, 6462, 6463, 6464, 6465, 6504, 6505 and 6598) for Versoix and the ground lease (DDP, building No 980 on Plot 902) for Collex Bossy.

North Broward Preparatory Schools, LLC

15. Lien against equipment leased from Ricoh Americas Corporation under that certain Ricoh CPC Order Agreement No. 7560552-001.

16. Lien against all equipment leased or financed from General Electric Capital Corporation under that certain Master Lease Agreement No. 780102001, dated as of June 26, 2014.

17. Lien against all equipment leased or financed from General Electric Capital Corporation under that certain Master Lease Agreement No. 780102002, dated as of July 15, 2014.

18. Lien against all equipment leased from Ikon Financial Svcs under that certain Master Agreement No. 3074944.

Village Real Estate, LLC

19. Lien against all equipment leased from Oce Financial Services under lease or rental agreements, including but not limited to PO#86883.

20. Lien against all equipment leased from Canon Financial Services, Inc. under a lease, rental agreement or other instrument.

Schedule 9

Permitted Transactions

1. Merger of WCL Intermediate Holdings Spain, S.L.U. and International College 2 Spain, S.A.U. with and into International College Spain, S.A.U., with International College Spain, S.A.U. as the surviving entity.

2. Transfer (through one or more intercompany transfers) of equity interests in Education Overseas Qatar LLC from WCL Services Limited to NAE HK Holdings Limited.

3. Transfer (through one or more intercompany transfers) of equity interests in (i) Fieldwork Education Limited and (ii) WCL School Management Services Limited from WCL Services Limited to Nord Anglia Education Limited.

4. Transfer (through one or more intercompany transfers) of Dover Court International School (Pte.) Limited from Nord Anglia Education Limited to NAE HK Holdings Limited.

5. Transfer (through one or more intercompany transfers) of equity interests in (i) La Côte International School SA and (ii) Collège Champittet SA from Collège Alpin Beau Soleil SA to Nord Anglia Education Limited.

6. The liquidation of (i) WCL School Management Services (India) Limited, (ii) Overseas Schools SA, (iii) WCL EBT Limited, (iv) Nord Anglia Educational Consultancies Saudi Arabia Limited, (v) Nord Anglia Education Sdn. Bhd., (vi) Brighton Education Learning Services Sdn. Bhd., (vii) Nord Anglia Middle East Holding S.P.C - Qatar Branch Office, (viii) 诺地安格（上海）商务信息咨询有限公司广州分公司 (branch office), (ix) WCL Group Limited, (x) WCL Intermediate Holdings Limited, (xi) WCL Services Limited, (xiii) NA Educational Services Limited, (xiii) EduAction (Waltham Forest) Limited, (xiv) Nord Anglia Vocational Education and Training Services Ltd, and (xv) Nord Anglia Education Development Services Limited.

7. Other incidental actions required to effectuate the changes to the organizational structure set forth and described in items 1 — 6 above.

8. Acquisition of the outstanding equity interests of Léman Manhattan Preparatory School, LLC not otherwise owned by Parent or its Subsidiaries pursuant to Section 6 of that certain Amended and Restated Operating Agreement of Léman Manhattan Preparatory School, LLC, effective as of the Closing Date.

Schedule 10

Conditions Subsequent

BVI	
1.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Maples and Calder with respect to EEE Enterprise Limited as to matters of BVI law
2.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Maples and Calder with respect to Uma Education Holdings Limited as to matters of BVI law
3.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Maples and Calder with respect to B I S Ltd. as to matters of BVI law
4.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Maples and Calder with respect to Oasis Development Management Limited as to matters of BVI law
CAYMAN ISLANDS	
5.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Maples and Calder with respect to Nord Anglia Education, Inc. as to matters of Cayman Islands law
6.	No later than sixty days following the Amendment and Restatement Date: Joinder to the Amended and Restated Credit Agreement for Sterling International Schools
7.	No later than sixty days following the Amendment and Restatement Date: Joinder and Endorsement to the Intercompany Note for Sterling International Schools
8.	No later than sixty days following the Amendment and Restatement Date: Debtor Joinder Agreement to the Intercreditor Agreement for Sterling International Schools
9.	No later than sixty days following the Amendment and Restatement Date: Share Charge over the shares of Sterling International Schools
10.	No later than sixty days following the Amendment and Restatement Date: Legal opinion of Maples and Calder with respect to Sterling International Schools. as to matters of Cayman Islands law

CZECH REPUBLIC	
11.	No later than 5 Business Days following the Amendment and Restatement Date: Amendment No. 1 to the Ownership Interest Pledge Agreement No. 1 over the shares in the Czech Company (English version)
12.	No later than 5 Business Days following the Amendment and Restatement Date: Amendment No. 1 to the Ownership Interest Pledge Agreement No. 1 over the shares in the Czech Company (Czech version)
13.	No later than 5 Business Days following the Amendment and Restatement Date: Amendment No. 1 to the Ownership Interest Pledge Agreement No. 2 over the shares in the Czech Company (English version)
14.	No later than 5 Business Days following the Amendment and Restatement Date: Amendment No. 1 to the Ownership Interest Pledge Agreement No. 2 over the shares in the Czech Company (Czech version)
15.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of DLA Piper Prague LLP, legal advisers to the Company as to matters of the Czech law (in connection with the loan facility documentation)
ENGLAND AND WALES	
16.	No later than 5 Business Days following the Amendment and Restatement Date: English Law Supplemental Share Charge
17.	No later than 5 Business Days following the Amendment and Restatement Date: English Law Supplemental Debenture
18.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Milbank, Tweed, Hadley & McCloy as to matter of the laws of England and Wales
GIBRALTAR	
19.	No later than sixty days following the Amendment and Restatement Date: Share Charge over the shares of Meritas (Gibraltar) Holdings Limited
20.	No later than sixty days following the Amendment and Restatement Date: Joinder to the Amended and Restated Credit Agreement for Meritas (Gibraltar) Holdings Limited
21.	No later than sixty days following the Amendment and Restatement Date: Joinder and Endorsement to the Intercompany Note for Meritas (Gibraltar) Holdings Limited
22.	No later than sixty days following the Amendment and Restatement Date: Debtor

	Joinder Agreement to the Intercreditor Agreement for Meritas (Gibraltar) Holdings Limited
23.	No later than sixty days following the Amendment and Restatement Date: Legal Opinion of ISOLAS as to matters of Gibraltar law
HONG KONG	
24.	No later than 5 Business Days following the Amendment and Restatement Date: Hong Kong Law Security Confirmation Deed
25.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Deacons as to matters of Hong Kong law
26.	No later than sixty days following the Amendment and Restatement Date: Share Mortgage over the shares of Sterling Asian Schools Holdings Limited
27.	No later than sixty days following the Amendment and Restatement Date: Joinder to the Amended and Restated Credit Agreement for Sterling Asian Schools Holdings Limited
28.	No later than sixty days following the Amendment and Restatement Date: Joinder and Endorsement to the Intercompany Note for Sterling Asian Schools Holdings Limited
29.	No later than sixty days following the Amendment and Restatement Date: Debtor Joinder Agreement to the Intercreditor Agreement for Sterling Asian Schools Holdings Limited
30.	No later than sixty days following the Amendment and Restatement Date: Legal opinion of Deacons as to accession and matters of Hong Kong law
HUNGARY	
31.	No later than 5 Business Days following the Amendment and Restatement Date: Charge Confirmation Agreement
32.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of DLA Piper as to matters of Hungarian law
LUXEMBOURG	
33.	No later than sixty days following the Amendment and Restatement Date: Share pledge agreement over the shares of Meritas Luxembourg Holding S.à r.l. between Meritas (Gibraltar) Holdings Limited as pledgor, the Primary Collateral Agent as

	collateral agent and in the presence of Meritas Luxembourg Holding S.à r.l. as company
34.	No later than sixty days following the Amendment and Restatement Date: Joinder to the Amended and Restated Credit Agreement for Meritas Luxembourg Holding S.à r.l.
35.	No later than sixty days following the Amendment and Restatement Date: Joinder and Endorsement to the Intercompany Note for Meritas Luxembourg Holding S.à r.l.
36.	No later than sixty days following the Amendment and Restatement Date: Debtor Joinder Agreement to the Intercreditor Agreement for Meritas Luxembourg Holding S.à r.l.
37.	No later than sixty days following the Amendment and Restatement Date: A capacity opinion of NautaDutilh Avocats Luxembourg S.à r.l., legal advisers to Meritas Luxembourg Holding S.à r.l. in Luxembourg
38.	No later than sixty days following the Amendment and Restatement Date: An enforceability opinion of Elvinger, Hoss & Prussen, legal advisers to the Arrangers in Luxembourg
MALTA	
39.	No later than sixty days following the Amendment and Restatement Date: Share Pledge Agreement over the shares in Meritas Malta Holdings Limited
40.	No later than sixty days following the Amendment and Restatement Date: Joinder to the Amended and Restated Credit Agreement for Meritas Malta Holdings Limited.
41.	No later than sixty days following the Amendment and Restatement Date: Joinder and Endorsement to the Intercompany Note for Meritas Malta Holdings Limited.
42.	No later than sixty days following the Amendment and Restatement Date: Debtor Joinder Agreement to the Intercreditor Agreement for Meritas Malta Holdings Limited
43.	No later than sixty days following the Amendment and Restatement Date: Legal Capacity and Enforcement Opinion of Mamo TCV Advocates as to matters of Maltese law
MEXICO	
44.	No later than sixty days following the Amendment and Restatement Date: Equity

	Pledge Agreement, to be entered into by and among Meritas Luxembourg Holding SARL (" **Meritas Luxembourg** "), as pledgor, the Collateral Agent, as pledgee, and Meritas Mexico, S. de R.L. de C.V. (" **Meritas Mexico** "), as the company, over all the equity owned by Meritas Luxembourg in Meritas Mexico
45.	No later than sixty days following the Amendment and Restatement Date: Equity Pledge Agreement to be entered into by and among Meritas Malta Holding Limited (" **Meritas Malta** "), as pledgor, the Collateral Agent, as pledgee, and Meritas Mexico, as the company, over the equity owned by Meritas Malta in Meritas Mexico
46.	No later than sixty days following the Amendment and Restatement Date: Joinder to the Amended and Restated Credit Agreement for Meritas Mexico
47.	No later than sixty days following the Amendment and Restatement Date: Joinder and Endorsement to the Intercompany Note for Meritas Mexico
48.	No later than sixty days following the Amendment and Restatement Date: Debtor Joinder Agreement to the Intercreditor Agreement for Meritas Mexico
49.	No later than sixty days following the Amendment and Restatement Date: Legal Opinion of Creel, Garcia-Cuéllar, Aiza y Enríquez, S.C. as to matters of Mexican law
POLAND	
50.	No later than 5 Business Days following the Amendment and Restatement Date: Ordinary & Registered Pledge over shares in The British School sp. z o.o
51.	No later than 5 Business Days following the Amendment and Restatement Date: Agreement for Security Assignment of Rights under Insurance Agreements
52.	No later than 5 Business Days following the Amendment and Restatement Date: The statement on submission to enforcement
53.	No later than 5 Business Days following the Amendment and Restatement Date: Capacity legal opinion of DLA Piper as to matters of Polish law
QATAR	
54.	No later than sixty days following the Amendment and Restatement Date: Minutes of the Shareholders' Assembly Resolution of EOQ approving the transaction and mandating an authorized signatory with full powers to sign on all transaction documents

SINGAPORE	
55.	No later than 5 Business Days following the Amendment and Restatement Date: Share Mortgage (over the shares of Dover Court International School (Pte.) Ltd.)
56.	No later than sixty days following the Amendment and Restatement Date: Debenture entered into by Dover Court International School (Pte.) Ltd.
57.	No later than sixty days following the Amendment and Restatement Date: Legal opinion of Norton Rose Fulbright (Asia) LLP as to matters of Singaporean law
SLOVAKIA	
58.	No later than 5 Business Days following the Amendment and Restatement Date: Shareholding Interest Pledge Agreement over shares in British International School Bratislava s.r.o. (by Nord Anglia Education Limited)
59.	No later than 5 Business Days following the Amendment and Restatement Date: Shareholding Interest Pledge Agreement over shares in British International School Bratislava s.r.o. (by NA Schools Limited)
60.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of DLA Piper Bratislava, legal advisers to the Company as to matters of the Slovak law
SPAIN	
61.	No later than 5 Business Days following the Amendment and Restatement Date: Extension, amendment and ratification of the pledge over WCL Intermediate Holdings Spain, S.L.U. quotas
62.	No later than 5 Business Days following the Amendment and Restatement Date: Extension, amendment and ratification of the pledge over International College 2, S.L.U. quotas
63.	No later than 5 Business Days following the Amendment and Restatement Date: Extension, amendment and ratification of the pledge over International College Spain, S.A.U. shares
64.	No later than 5 Business Days following the Amendment and Restatement Date: Spanish Capacity Legal Opinion of Latham & Watkins (Spain) as to matter of Spanish law

SWITZERLAND	
65.	No later than 5 Business Days following the Amendment and Restatement Date: Security Confirmation Agreement
66.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Schellenberg Wittmer as to matters of Swiss law
67.	No later than sixty days following the Amendment and Restatement Date: Joinder to the Amended and Restated Credit Agreement for each of MERITAS CH SARL and Collège du Léman Sàrl
68.	No later than sixty days following the Amendment and Restatement Date: Joinder and Endorsement to the Intercompany Note for each of MERITAS CH SARL and Collège du Léman Sàrl
69.	No later than sixty days following the Amendment and Restatement Date: Debtor Joinder Agreement to the Intercreditor Agreement for each of MERITAS CH SARL and Collège du Léman Sàrl
70.	No later than sixty days following the Amendment and Restatement Date: Share Pledge Agreement regarding shares in MERITAS CH SARL
71.	No later than sixty days following the Amendment and Restatement Date: Share Pledge Agreement regarding shares in Collège du Léman Sàrl
72.	No later than sixty days following the Amendment and Restatement Date: Insurance Claim Assignment Agreement (by MERITAS CH SARL)
73.	No later than sixty days following the Amendment and Restatement Date: Insurance Claim Assignment Agreement (by Collège du Léman Sàrl)
74.	No later than sixty days following the Amendment and Restatement Date: Legal opinion of Schellenberg Wittmer as to the accession and matters of Swiss law
THAILAND	
75.	No later than 5 Business Days following the Amendment and Restatement Date: Second Confirmation Deed in respect of the pledge of shares in Saint Andrews International School Sukhumvit Campus Co., Ltd.
76.	No later than 5 Business Days following the Amendment and Restatement Date: Second Confirmation Deed in respect of the pledge of shares in Regent Pattaya Campus Management Co., Ltd.

77.	No later than 5 Business Days following the Amendment and Restatement Date: Legal opinion of Allen & Overy (Thailand) with respect to as to matters of Thai law
UAE	
78.	No later than sixty days following the Amendment and Restatement Date:: Joinder to the Amended and Restated Credit Agreement for each of British International School LLC and Nord Anglia International School LLC
79.	No later than sixty days following the Amendment and Restatement Date: Joinder and Endorsement to the Intercompany Note for each of British International School LLC and Nord Anglia International School LLC
80.	No later than sixty days following the Amendment and Restatement Date: Debtor Joinder Agreement to the Intercreditor Agreement for each of British International School LLC and Nord Anglia International School LLC
81.	Promptly on the execution of 78 - 80 above: Legal opinion of Trowers & Hamlins LLP as to matters under UAE law.
UNITED STATES	
82.	Pledge Supplement to U.S. Supplemental Pledge and Security Agreement dated a date within 60 days of the Amendment and Restatement Date by Meritas MX, LLC in favor of the Primary Collateral Agent
83.	Pledge Supplement to U.S. Pledge Agreement dated a date within 60 days of the Amendment and Restatement Date by Meritas Luxembourg Holding S.à r.l in favor of the Primary Collateral Agent

Notwithstanding anything herein to the contrary, extensions of the time periods for delivery of documentation in Hungary may be consented to by Hungarian Collateral Agent (such consent not to be unreasonably withheld or delayed) and extensions of all other time periods specified in this Schedule 10 may be consented to by Primary Collateral Agent (such consent not to be unreasonably withheld or delayed).

Real Estate Mortgages

In the event that the sale-leaseback for the real property located at:

1. 7600-7602 N Lyons Road, Coconut Creek, FL 33073
2. 7525 NW 44th Terrace, Coconut Creek, FL 33073
3. 7535 NW 44th Terrace, Coconut Creek, FL 33073
4. 3251 NW 101st Ave, Coral Springs, FL 33065

5. 10044 NW 31st Street, Coral Springs, FL 33065
6. 6189 Winter Garden Vineland Road, Windermere, FL 34786
7. property currently under contract for purchase of ~10 acres 8904, 8908, 8910 and 8912 Winter Garden, Vineland, FL 32836
8. 13077 Westella Blvd., Houston, TX 77077
9. 2005 Gentryside Drive, Houston, TX 77077

each property above being designated as a Mortgaged Property (each, a " **Mortgaged Property** ") has not been contracted for by December 25, 2016 (the " **Springing Mortgage Date** "), no later than ninety (90) days or such later date consented to by the Primary Collateral Agent (which consent shall not be unreasonably withheld or delayed) following the Springing Mortgage Date, the applicable Credit Party shall take all such actions and execute and deliver, or cause to be executed and delivered, in connection with each such Mortgaged Property the following:

REAL ESTATE MORTGAGES	
1.	A mortgage, deed of trust, deed to secure debt or other document (each a " **Mortgage** " and collective the " **Mortgages** ") creating a Lien on such Mortgaged Property or any interest in such Mortgaged Property made in favor or for the benefit of the Collateral Agent on behalf of or for the benefit of the Secured Parties, as applicable, in form and substance reasonably acceptable to the Administrative Agent.
2.	An American Land Title Association 2006 Form extended coverage Lender's Policy of title insurance or such other form as is reasonably acceptable to the Administrative Agent or a binding marked commitment to issue such policy dated as of the date of such Mortgage and to be redated the date of recording of such Mortgage, issued by a title company reasonably acceptable to the Administrative Agent (the " **Title Company** "), in an amount equal to one hundred five percent (105%) of the fair market value of the Mortgaged Property or in another lesser amount reasonably acceptable to the Administrative Agent, insuring the Lien in favor of the Collateral Agent for the benefit of the Secured Parties created by such Mortgage, subject only to the Permitted Liens and such other exceptions reasonably approved by the Administrative Agent and containing such endorsements and affirmative assurances as the Administrative Agent shall reasonably require and which are reasonably obtainable from title companies in the state in which such Mortgaged Property is located.
3.	An as-built ALTA survey of the applicable Mortgaged Property in form and substance reasonably acceptable to the Administrative Agent or an existing survey together with no-change affidavits sufficient for the Title Company to remove all standard survey exceptions from the applicable Title Policy and issue the endorsements required in clause (ii) above.

4.	Customary opinions of local counsel with respect to the Mortgages that are reasonably satisfactory to the Administrative Agent.
5.	Proof of payment to the Title Company of (a) all expenses and premiums of the Title Company in connection with the issuance of the title policies and (b) an amount equal to the recording and stamp taxes payable in connection with recording the Mortgages in the appropriate recording office.
6.	A completed Life-of-Loan Federal Emergency Management Agency Standard Flood Hazard Determination with respect to each Mortgaged Property (together with a notice about special flood hazard area status and flood disaster assistance duly executed by the applicable Loan Party relating thereto) and, if any improvements on any Mortgaged Property are located within an area designated a "flood hazard area," evidence of such flood insurance.
7.	Such other certificates or related documentation reasonably requested by the Administrative Agent or the Title Company in connection with any of the foregoing.

Schedule 11

Existing Bank Guarantees

	Issuer	Beneficiary	Amount	Reference Number	Issue Date	Maturity Date
1	HSBC Bank plc	Dubai Islamic Bank PJSC	AED36,000,000.00 (to be reduced to AED24,000,000.000 on 31 August 2015, and AED12,000,000.00 on 31 August 2016)	FNGLDI810998	24 Jan 2014	31 Aug 2017
2	HSBC Bank plc	SCTAI ANGOL ISKOLA KFT	EUR318,806	FNGLDI813137	7 April 2014	18 January 2016
3	HSBC Bank plc	ABU DHABI EDUCATION COUNCIL	AED1,260,313	PEBLDI811081	23 January 2014	open-ended
4	HSBC Bank Middle East Ltd Dubai	ABU DHABI EDUCATION COUNCIL	AED82,178.69	PEBDUB043380	17 July 2014	open-ended

Schedule 12

Fiscal Year End

Jurisdiction	Fiscal Year End
Bahrain	31-August
Belgium	31-August
British Virgin Islands	31-August
Cambodia	31-December
Cayman Islands	31-August
China	31-December
Czech Republic	31-August
Hong Kong	31-December
Hungary	31-December
Gibraltar	30-June
Jersey	31-August
Luxembourg	31-December
Malaysia	31-August
Malta	31-December
Mexico	31-December
Poland	31-August
Qatar	31-August
Saudi Arabia	31-August
Singapore	31-August
Slovakia	31-August
Spain	31-August
Switzerland	31-August
Thailand	31-August
UAE	31-August
United Kingdom	31-August
United States	31-August
Vietnam	30-June

FUNDING NOTICE

Reference is made to the Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 (as it may be amended, supplemented or otherwise modified, the " **Credit Agreement** "; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among **Nord Anglia Education Finance LLC** , as Borrower (" **Borrower** "), **Nord Anglia Education, Inc.** , as Parent and a Guarantor (" **Parent** "), certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent (" **Term Administrative Agent** "), HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent (" **Revolving Facility Administrative Agent** "), and the other parties thereto.

Pursuant to Section **[** 2.1 **][** 2.2 **]** of the Credit Agreement, Borrower desires that Lenders make the following Loans to Borrower in accordance with the applicable terms and conditions of the Credit Agreement on **[mm/dd/yy]** (the " **Credit Date** "):

Initial Term Loans

☐ Base Rate Loans: $ **[__, __, __]**

☐ Eurodollar Rate Loans, with an initial Interest Period of ____month(s): $ **[__, __, __]**

Revolving Loans

☐ Eurodollar Rate Loans, with an initial Interest Period of ____month(s): $ **[__, __, __]**

Borrower hereby certifies that:

(i) after making the Loans requested on the Credit Date, the Total Utilization of Revolving Commitments shall not exceed the Revolving Commitments then in effect;

(ii) as of the Credit Date, the representations and warranties contained in each of the Credit Documents are true and correct in all material respects on and as of such Credit Date to the same extent as though made on and as of such date, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties are true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and

(iii) as of the Credit Date, no event has occurred and is continuing or would result from the consummation of the borrowing contemplated hereby that would constitute an Event of Default or a Default.

The account of Borrower to which the proceeds of the Loans requested on the Credit Date are to be made available by [Term] [Revolving Facility] Administrative Agent to the Borrower are as follows:

Bank Name: _____
Bank Address: _____
ABA Number: _____
Account Number: _____
Attention: _____
Reference: _____

Date: **[mm/dd/yy]**

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Name:
Title:

CONVERSION/CONTINUATION NOTICE

Reference is made to the Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 (as it may be amended, supplemented or otherwise modified, the " **Credit Agreement** "; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among **Nord Anglia Education Finance LLC** , as Borrower (" **Borrower** "), **Nord Anglia Education, Inc.** , as Parent and a Guarantor (" **Parent** "), certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent, and the other parties thereto.

Pursuant to Section 2.9 of the Credit Agreement, Borrower desires to convert or to continue the following Initial Term Loans, each such conversion and/or continuation to be effective as of **[mm/dd/yy]** :

$ **[__, __, __]** Eurodollar Rate Loans to be continued with Interest Period of **[___]** month(s)

$ **[__, __, __]** Base Rate Loans to be converted to Eurodollar Rate Loans with Interest Period of **[___]** month(s)

$ **[__, __, __]** Eurodollar Rate Loans to be converted to Base Rate Loans

Borrower hereby certifies that as of the date hereof, no event has occurred and is continuing or would result from the consummation of the conversion and/or continuation contemplated hereby that would constitute an Event of Default or a Default.

Date: **[mm/dd/yy]**

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Name:
Title:

ISSUANCE NOTICE FOR LETTERS OF CREDIT

[HSBC FORM TO BE ATTACHED]

ISSUANCE NOTICE FOR BANK GUARANTEES

[HSBC FORM TO BE ATTACHED]

TERM LOAN NOTE

$[1] **[__, __, __]**
[__], 2015 New York, New York

FOR VALUE RECEIVED , **NORD ANGLIA EDUCATION FINANCE LLC** , a Delaware limited liability company (" **Borrower** "), promises to pay **[NAME OF LENDER]** (" **Payee** ") or its registered assigns the principal amount of **[1][DOLLARS]** ($ **[__, __, __]** [1]) in the installments referred to below.

Borrower also promises to pay interest on the unpaid principal amount hereof, from the date hereof until paid in full, at the rates and at the times which shall be determined in accordance with the provisions of that certain Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 (as it may be amended, supplemented or otherwise modified, the " **Credit Agreement** "; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among **Nord Anglia Education Finance LLC** , as Borrower (" **Borrower** "), **Nord Anglia Education, Inc.** , as Parent and a Guarantor (" **Parent** "), certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent (" **Term Administrative Agent** "), HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent, and the other parties thereto.

Borrower shall make scheduled principal payments on this Note as set forth in Section 2.12 of the Credit Agreement.

This Note is one of the "Term Loan Notes" in the aggregate principal amount of $899,472,166.25 and is issued pursuant to and entitled to the benefits of the Credit Agreement, to which reference is hereby made for a more complete statement of the terms and conditions under which the Term Loan evidenced hereby was made and is to be repaid.

All payments of principal and interest in respect of this Note shall be made in lawful money of the United States of America in same day funds at the Principal Office of Term Administrative Agent or at such other place as shall be designated in writing for such purpose in accordance with the terms of the Credit Agreement. Unless and until an Assignment Agreement effecting the assignment or transfer of the obligations evidenced hereby shall have been accepted by Term Administrative Agent and recorded in the applicable Register, Borrower, each Agent and Lenders shall be entitled to deem and treat Payee as the owner and holder of this Note and the obligations evidenced hereby. Payee hereby agrees, by its acceptance hereof, that before disposing of this Note or any part hereof it will make a notation hereon of all principal payments previously made hereunder and of the date to which interest hereon has been paid; provided, the failure to make a notation of any payment made on this Note shall not limit or otherwise affect

[1] Lender's Term Loan Commitment

the obligations of Borrower hereunder with respect to payments of principal of or interest on this Note.

This Note is subject to mandatory prepayment and to prepayment at the option of Borrower, each as provided in the Credit Agreement.

THIS NOTE AND THE RIGHTS AND OBLIGATIONS OF BORROWER AND PAYEE HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

Upon the occurrence of an Event of Default, the unpaid balance of the principal amount of this Note, together with all accrued and unpaid interest thereon, may become, or may be declared to be, due and payable in the manner, upon the conditions and with the effect provided in the Credit Agreement.

The terms of this Note are subject to amendment only in the manner provided in the Credit Agreement.

No reference herein to the Credit Agreement and no provision of this Note or the Credit Agreement shall alter or impair the obligations of Borrower, which are absolute and unconditional, to pay the principal of and interest on this Note at the place, at the respective times, and in the currency herein prescribed.

Borrower promises to pay all costs and expenses, including reasonable attorneys' fees, all as provided in the Credit Agreement, incurred in the collection and enforcement of this Note. Borrower and any endorsers of this Note hereby consent to renewals and extensions of time at or after the maturity hereof, without notice, and hereby waive diligence, presentment, protest, demand notice of every kind and, to the full extent permitted by law, the right to plead any statute of limitations as a defense to any demand hereunder.

[Remainder of page intentionally left blank **]**

IN WITNESS WHEREOF , Borrower has caused this Note to be duly executed and delivered by its officer thereunto duly authorized as of the date and at the place first written above.

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Name:
Title:

REVOLVING LOAN NOTE

$[1] **[__, __, __]**
[●],2015 New York, New York

FOR VALUE RECEIVED , **NORD ANGLIA EDUCATION FINANCE LLC** , a Delaware limited liability company (" **Borrower** "), promises to pay **[NAME OF LENDER]** (" **Payee** ") or its registered assigns, on or before [__], the lesser of (a) [1] **[DOLLARS]** ($[1] **[__, __, __]**) and (b) the unpaid principal amount of all advances made by Payee to Borrower as Revolving Loans under the Credit Agreement referred to below.

Borrower also promises to pay interest on the unpaid principal amount hereof, from the date hereof until paid in full, at the rates and at the times which shall be determined in accordance with the provisions of that certain Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 (as it may be amended, supplemented or otherwise modified, the " **Credit Agreement** "; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among **Nord Anglia Education Finance LLC** , as Borrower (" **Borrower** "), **Nord Anglia Education, Inc.** , as Parent and a Guarantor (" **Parent** "), certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent (" **Revolving Facility Administrative Agent** "), and the other parties thereto.

This Note is one of the "Revolving Loan Notes" in the aggregate principal amount of $125,000,000 and is issued pursuant to and entitled to the benefits of the Credit Agreement, to which reference is hereby made for a more complete statement of the terms and conditions under which the Loans evidenced hereby were made and are to be repaid.

All payments of principal and interest in respect of this Note shall be made in lawful money of the United States of America in same day funds at the Principal Office of Revolving Facility Administrative Agent or at such other place as shall be designated in writing for such purpose in accordance with the terms of the Credit Agreement. Unless and until an Assignment Agreement effecting the assignment or transfer of the obligations evidenced hereby shall have been accepted by Revolving Facility Administrative Agent and recorded in the applicable Register, Borrower, each Agent and Lenders shall be entitled to deem and treat Payee as the owner and holder of this Note and the obligations evidenced hereby. Payee hereby agrees, by its acceptance hereof, that before disposing of this Note or any part hereof it will make a notation hereon of all principal payments previously made hereunder and of the date to which interest hereon has been paid; provided, the failure to make a notation of any payment made on this Note shall not limit or otherwise affect the obligations of Borrower hereunder with respect to payments of principal of or interest on this Note.

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[1] Lender's Revolving Commitment

This Note is subject to mandatory prepayment and to prepayment at the option of Borrower, each as provided in the Credit Agreement.

THIS NOTE AND THE RIGHTS AND OBLIGATIONS OF BORROWER AND PAYEE HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

Upon the occurrence of an Event of Default, the unpaid balance of the principal amount of this Note, together with all accrued and unpaid interest thereon, may become, or may be declared to be, due and payable in the manner, upon the conditions and with the effect provided in the Credit Agreement.

The terms of this Note are subject to amendment only in the manner provided in the Credit Agreement.

No reference herein to the Credit Agreement and no provision of this Note or the Credit Agreement shall alter or impair the obligations of Borrower, which are absolute and unconditional, to pay the principal of and interest on this Note at the place, at the respective times, and in the currency herein prescribed.

Borrower promises to pay all costs and expenses, including reasonable attorneys' fees, all as provided in the Credit Agreement, incurred in the collection and enforcement of this Note. Borrower and any endorsers of this Note hereby consent to renewals and extensions of time at or after the maturity hereof, without notice, and hereby waive diligence, presentment, protest, demand notice of every kind and, to the full extent permitted by law, the right to plead any statute of limitations as a defense to any demand hereunder.

[Remainder of page intentionally left blank **]**

IN WITNESS WHEREOF , Borrower has caused this Note to be duly executed and delivered by its officer thereunto duly authorized as of the date and at the place first written above.

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Name:
Title:

TRANSACTIONS ON
REVOLVING LOAN NOTE

Date	Amount of Loan Made This Date	Amount of Principal Paid This Date	Outstanding Principal Balance This Date	Notation Made By

COMPLIANCE CERTIFICATE

THE UNDERSIGNED HEREBY CERTIFIES AS FOLLOWS:

1. We are directors of **NORD ANGLIA EDUCATION, INC.** (" **Parent** ").

2. We have reviewed the terms of that certain Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 (as it may be amended, supplemented or otherwise modified, the " **Credit Agreement** "; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among **NORD ANGLIA EDUCATION FINANCE LLC** , as Borrower (" **Borrower** ") **NORD ANGLIA EDUCATION, INC.** , as Parent and a Guarantor (" **Parent** "), certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, **HSBC BANK USA, N.A.** , as Term Administrative Agent and Primary Collateral Agent, **HSBC BANK PLC** , as Hungarian Collateral Agent, **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED** , as Revolving Facility Administrative Agent, and the other parties thereto, and we have made, or have caused to be made under our supervision, a review in reasonable detail of the transactions and condition of Parent and its Subsidiaries during the accounting period covered by the financial statements attached hereto as Annex A and required to be delivered pursuant to Section 5.1[(a)][(b)] of the Credit Agreement.

3. The financial statements attached hereto [give a true and fair view of] [1] [fairly represent] [2] , the Parent and its Subsidiaries financial condition and operations as of the dates and for the periods to which they relate.

4. The examination described in paragraph 2 above did not disclose, and we have no knowledge of, the existence of any condition or event which constitutes an Event of Default or Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Certificate, except as set forth in a separate attachment, if any, to this Certificate, describing in detail, the nature of the condition or event, the period during which it has existed and the action which Borrower has taken, is taking, or proposes to take with respect to each such condition or event.

5. Set forth in Annex B is a list of all Material Companies that are members of the Restricted Group.

6. [As of the date hereof:

(i) all Material Companies which are members of the Restricted Group, all Holding Companies of Material Companies (other than Parent and any Holding Company of Parent) and any Person that is a guarantor of any Debt Incurred

[1] In the case of annual financial statements delivered pursuant to Section 5.1(b).

[2] In the case of quarterly financial statements delivered pursuant to Section 5.1(a).

pursuant to Sections 6.1(a), 6.1(b)(x) or 6.1(b)(xxiii) of the Credit Agreement (other than, in each case, any such Debt Incurred pursuant to such Sections in connection with local lines of credit or financings Incurred by Subsidiaries of Parent) are Guarantors (other than any member of the Restricted Group incorporated in an Excluded Jurisdiction and any Dormant Subsidiary);

(ii) the portion of Consolidated EBITDA attributable to the Guarantors represents not less than 90% of the Consolidated EBITDA [3] (Consolidated EBITDA shall be calculated (a) without taking into account the contribution to Consolidated EBITDA of (i) any Dormant Subsidiary (other than any Dormant Subsidiary that is a Guarantor) or (ii) any Subsidiary of Parent incorporated in an Excluded Jurisdiction and (b) taking into account the contribution to Consolidated EBITDA of any Non-Guarantor Subsidiary that is a not-for-profit entity so long as the Holding Company of such not-for-profit entity is a Guarantor) [4];] [5] and

7. As of the date hereof, no event has occurred and is continuing or would result from the consummation of the issuance contemplated hereby that would constitute an Event of Default or a Default.

The foregoing certifications, together with the computations set forth in the Annex C hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered **[mm/dd/yy]** pursuant to Section 5.1(c) of the Credit Agreement.

NORD ANGLIA EDUCATION, INC.

By: _____
Name:
Title: Director

[3] Calculated by reference to the most recent annual financial statements of the members of the Restricted Group attached hereto.

[4] For the purpose of determining whether the Coverage Test has been complied with, the annual financial statements shall be adjusted to give effect to any acquisitions on a Pro Forma Basis (including through mergers or consolidations) and Asset Sales of companies, undertakings and businesses which have taken place prior to the last day of the period covered by such financial statements and, where this test has to be satisfied in order for an Asset Sale or resignation of a Credit Party to be permitted under the Credit Agreement, to give effect to the relevant Asset Sales or resignation on a Pro Forma Basis.

[5] To be included in the Compliance Certificate only when delivered in connection with annual financial statements.

By: _____
Name:
Title: Director

EXHIBIT C- 3

Financial Statements
[See Attached]

List of Material Companies that are Members of the Restricted Group

EXHIBIT C- 5

FOR THE FISCAL **[** QUARTER **] [** YEAR **]** ENDING **[mm/dd/yy]** .

1.	Consolidated EBITDA : **(i)+(ii)+(iii) =**			$ **[__, __, __]**
	(i)	Consolidated Net Income:		$ **[__, __, __]**
	(ii)	to the extent deducted in computing Consolidated Net Income		
		(a)	Consolidated Interest Expense:	$ **[__, __, __]**
		(b)	Consolidated Tax Expense:	$ **[__, __, __]**
		(c)	Consolidated Non-cash Charges, less all non-cash items increasing Consolidated Net Income for such period (other than, for the avoidance of doubt, the accrual of revenue in the ordinary course of business):	$ **[__, __, __]**
		(d)	any extraordinary, exceptional or non-recurring losses (minus any extraordinary, exceptional or non-recurring gains) of the Restricted Group:	$ **[__, __, __]**
		(e)	any losses (less gains) attributable to sales of assets of any member of the Restricted Group that are not sold in the ordinary course of business:	$ **[__, __, __]**
		(f)	any expenses, charges or fees relating to any Equity Issuance (including the Initial Public Offering and the Follow-On Public Offering), any Permitted Investment, acquisition or Debt permitted to be Incurred under Section 6 of the Credit Agreement, in each case, whether or not successful:	$ **[__, __, __]**
				$ **[__, __, __]**
	(iii)	all expenses incurred by the Restricted Group directly in connection with any early extinguishment of Debt less any gain of the Restricted Group from any write off or forgiveness of Debt:		$ **[__, __, __]**
2.	Consolidated Interest Expense : **(i)+(ii)+(iii)+(iv)+(v) =**			$ **[__, __, __]**
	(i)	the Restricted Group's interest expense (excluding (i) any capitalized interest on any Subordinated Shareholder		$ **[__, __, __]**

Funding, (ii) amortization of deferred financing fees, debt issuance costs, commissions, fees and expenses (including without limitation, Transaction Costs and Amendment and Restatement Date Transaction Costs), (iii) any net interest on any Entrusted Loans and (iv) any paid in kind interest), *plus* , to the extent not otherwise included in interest expense:

(a)	amortization of debt discount and original issue discount :	$ [__, __, __]
(b)	the net payments made or received pursuant to Currency Agreements or Interest Rate Agreements (including amortization of fees and discounts, but excluding any non-cash interest expense attributable to the movement in the mark-to-market valuation of obligations under Currency Agreements or Interest Rate Agreements or other derivative instruments pursuant to IFRS) :	$ [__, __, __]
(c)	realized commissions, discounts and other fees and charges owed with respect to letters of credit and bankers' acceptance financing and similar transactions :	$ [__, __, __]
(d)	the interest portion of any deferred payment obligation and amortization of debt issuance costs :	$ [__, __, __]
(ii)	the interest component of the Restricted Group's Capitalized Lease Obligations accrued and/or scheduled to be paid or accrued other than the interest component of Capitalized Lease Obligations between or among any members of the Restricted Group:	$ [__, __, __]
(iii)	the Restricted Group's non-cash interest expenses and interest that was capitalized:	$ [__, __, __]
(iv)	the interest expense on Debt of another Person (other than a member of the Restricted Group) to the extent such Debt is guaranteed by a member of the Restricted Group or secured by a Lien on the assets of any member of the Restricted Group:	$ [__, __, __]
(v)	cash and non-cash dividends due (whether or not declared) on Parent's Redeemable Capital Stock and Borrower's or any Restricted Subsidiary's Preferred Stock (to any Person other than any member of the Restricted Group and other than dividends payable solely in Capital Stock of Parent	$ [__, __, __]

(other than Redeemable Capital Stock)):

3.	Total Assets : [1]	$ [__, __, __]
4.	Consolidated Current Assets :	$ [__, __, __]
5.	Consolidated Current Liabilities :	$ [__, __, __]
6.	Consolidated Excess Cash Flow : **(i)-(ii) =**	$ [__, __, __]
	(i) the sum, without duplication, of the amounts for such period of	
	(a) Consolidated Net Income	$ [__, __, __]
	(b) to the extent reducing Consolidated Net Income, the sum, without duplication, of amounts for non-cash charges reducing Consolidated Net Income, including for depreciation and amortization (excluding any such non-cash charge to the extent that it represents an accrual or reserve for potential cash charge in any future period or amortization of a prepaid cash gain that was paid in a prior period):	$ [__, __, __]
	(c) the Consolidated Working Capital Adjustment:	$ [__, __, __]
	(ii) the sum, without duplication, of (a) the amounts for such period paid from Internally Generated Cash of:	$ [__, __, __]
	(1) scheduled repayments of Debt for borrowed money (excluding repayments of Revolving Loans except to the extent the Revolving Commitments are permanently reduced in connection with such repayments) and scheduled repayments of obligations under Capitalized Lease Obligations (excluding any interest expense portion thereof):	$ [__, __, __]
	(2) Consolidated Capital Expenditures and Permitted Acquisitions paid in cash:	$ [__, __, __]
	(3) income taxes paid in cash:	$ [__, __, __]

[1] To be calculated after giving effect on a Pro Forma Basis to include the cumulative value of all of the assets, property or equipment the acquisition, construction, improvement or development of which involves the calculation of Total Assets, as measured by the purchase price or cost therefor or budgeted cost determined in good faith by the Restricted Group.

		(4) Restricted Payments made pursuant to Section 6.2(c)(xvi) of the Credit Agreement paid in cash:	$ [__, __, __]
	(b)	other non-cash gains increasing Consolidated Net Income for such period (excluding any such non-cash gain to the extent it represents the reversal of an accrual or reserve for potential cash gain in any prior period):	$ [__, __, __]
			$ [__, __, __]
			$ [__, __, __]
7.	Consolidated Net Income : **(i)-(ii) =**		$ [__, __, __]
	(i)	the Restricted Group's consolidated net income (or loss) for such period as determined in accordance with IFRS:	$ [__, __, __]
	(ii)	to the extent included in such consolidated net income or loss (without duplication):	
		(a) the portion of net income (and the loss to the extent such loss is funded in cash by a member of the Restricted Group) of any Person (other than a member of the Restricted Group), including Unrestricted Subsidiaries, in which a member of the Restricted Group has an interest, except that such member's interest in the net income of such Person for such period shall be included in such Consolidated Net Income to the extent of the aggregate amount of dividends or other distributions actually paid to a member of the Restricted Group in cash dividends or other distributions during such period:	$ [__, __, __]
		(b) solely for the purpose of determining the amount available for Restricted Payments under Section 6.2 of the Credit Agreement, the net income (but not the loss) of any Restricted Subsidiary to the extent that the declaration or payment of dividends or similar distributions by such Restricted Subsidiary is not at the date of determination permitted, directly or indirectly, by operation of the terms of its charter or any agreement, instrument, judgment, decree, order, statute, rule or governmental regulation applicable to such Restricted Subsidiary (other than (i) restrictions pursuant to the Credit Documents, (ii) restrictions in effect on the Amendment and	$ [__, __, __]

	Restatement Date with respect to a Restricted Subsidiary, and other restrictions with respect to such Restricted Subsidiary that, taken as a whole, are not materially less favorable to the Credit Parties than such restrictions in effect on the Closing Date, (iii) restrictions specified in Section 6.10(b)(xiii) of the Credit Agreement and (iv) restrictions permitted by Sections 6.10(b)(i) and (ii) of the Credit Agreement:	
(c)	net after-tax gains (or losses) attributable to the termination of any employee pension benefit plan (including any Pension Plan or Pension Scheme):	$ [__, __, __]
(d)	any restoration to net income of any contingency reserve, except to the extent provision for such reserve was made out of income accrued:	$ [__, __, __]
(e)	the net income (or losses) attributable to discontinued operations (including, without limitation, operations disposed of during such period whether or not such operations were classified as discontinued):	$ [__, __, __]
(f)	the cumulative effect of a change in accounting principles:	$ [__, __, __]
(g)	any one-time non-cash charges or any amortization or depreciation or any impact of asset revaluation resulting from purchase accounting, in each case, in relation to any acquisition of, or merger or consolidation with, another Person or business or resulting from any reorganization or restructuring involving any member of the Restricted Group:	$ [__, __, __]
(h)	any unrealized gains or losses in respect of Hedge Agreements:	$ [__, __, __]
(i)	the impact of capitalized or accreting or pay-in-kind interest or principal in respect of Subordinated Shareholder Funding:	$ [__, __, __]
(j)	any unrealized gains (or losses) due solely to fluctuations in currency values and related tax effects:	$ [__, __, __]
(k)	any non-cash compensation charge or expenses arising from any grant of stock, stock options or	$ [__, __, __]

other equity-based awards and any non-cash deemed finance charges in respect of any pension liabilities or other provisions:

	(l)	Transaction Costs and Amendment and Restatement Date Transaction Costs:	$ **[__, __, __]**
	(m)	any goodwill or other intangible asset impairment charges:	$ **[__, __, __]**
8.	Consolidated Total Debt : **(i)-(ii) =**		$ **[__, __, __]**
	(i)	the aggregate stated balance sheet amount of all Debt of the Restricted Group (or, if higher, the par value or stated face amount of all such Debt (other than zero coupon Debt) determined on a consolidated basis in accordance with IFRS):	$ **[__, __, __]**
	(ii)	the aggregate amount of Unrestricted Cash included in the consolidated balance sheet of the Restricted Group as of the date of determination (other than the proceeds of any Debt being Incurred and giving rise to the need to calculate the Total Net Leverage Ratio or the First Lien Net Leverage Ratio) :	$ **[__, __, __]**
9.	Consolidated Working Capital : **(i)-(ii) =**		$ **[__, __, __]**
	(i)	Consolidated Current Assets:	$ **[__, __, __]**
	(ii)	Consolidated Current Liabilities:	$ **[__, __, __]**
10.	Consolidated Working Capital Adjustment : [2] **(i)-(ii) =**		$ **[__, __, __]**
	(i)	Consolidated Working Capital as of the beginning of such period:	$ **[__, __, __]**

[2] In calculating the Consolidated Working Capital Adjustment there shall be excluded the effect of reclassification during such period of current assets to long-term assets and current liabilities to long-term liabilities and the effect of any Permitted Acquisition, the designation of any Unrestricted Subsidiary as a Restricted Subsidiary or any Restricted Subsidiary as an Unrestricted Subsidiary during such period; provided that (i) there shall be included with respect to any Permitted Acquisition during such period an amount (which may be a negative number) by which the Consolidated Working Capital acquired in such Permitted Acquisition as at the time of such acquisition exceeds (or is less than) Consolidated Working Capital at the end of such period and (ii) there shall be included with respect to any Unrestricted Subsidiary that is designated as a Restricted Subsidiary during such period an amount (which may be a negative number) by which the Consolidated Working Capital gained in such designation as at the time of such designation exceeds (or is less than) Consolidated Working Capital at the end of such period.

	(ii)	Consolidated Working Capital as of the end of such period:	$ [__, __, __]
11.	Consolidated First Lien Secured Debt : (i)-(ii)-(iii)=		$ [__, __, __]
	(i)	Consolidated Total Debt outstanding that is secured by a Lien on any asset or property of any member of the Restricted Group:	$ [__, __, __]
	(ii)	Consolidated Total Debt that is expressly subordinated in right of payment to the Obligations:	$ [__, __, __]
	(iii)	Consolidated Total Debt that is secured by Liens on the Collateral that are expressly junior to the Liens securing the Obligations:	$ [__, __, __]
12.	Total Net Leverage Ratio : **(i)/(ii) =**		$ [__, __, __]
	(i)	Consolidated Total Debt:	$ [__, __, __]
	(ii)	Consolidated EBITDA for the four-Fiscal Quarter period then ended:	$ [__, __, __]
		Actual:	_. _:1.00
		Required:	_. _:1.00
13.	First Lien Net Leverage Ratio : **(i)/(ii) =**		$ [__, __, __]
	(i)	Consolidated First Lien Secured Debt:	$ [__, __, __]
	(ii)	Consolidated EBITDA for the four-Fiscal Quarter period then ended:	$ [__, __, __]
		Actual:	_. _:1.00
		Required:	_. _:1.00
14.	Restricted Payments Basket (Section 6.2(b)(iii)): **(i) + (ii) + (iii) + (iv) + (v) =**		$ [__, __, __]
	(i)	50% of aggregate Consolidated Net Income on a cumulative basis during the period beginning on the first day of the Fiscal Quarter in which the Closing Date occurred and ending on the last day of Parent's last Fiscal Quarter ending prior to the date of such proposed Restricted	$ [__, __, __]

Payment for which internal financial statements are available (or, if such aggregate cumulative Consolidated Net Income will be a negative number, minus 100% of such negative amount) :

(ii)	the aggregate Net Cash Proceeds (other than proceeds designated as Excluded Contributions and the Net Cash Proceeds of the Follow-On Public Offering) and the Fair Market Value of marketable securities and non-cash property or assets (provided that only Restricted Investments may be made with such non-cash property or assets) actually received by Borrower after the Closing Date as equity capital contributions or from the issuance or sale (other than to any Subsidiary) of (A) shares of Parent's Qualified Capital Stock (including upon the exercise of options, warrants or rights), (B) options, warrants or rights to purchase shares of Parent's Qualified Capital Stock or (C) Subordinated Shareholder Funding (except, in each case to the extent such proceeds are used to purchase, redeem or otherwise retire Capital Stock, Subordinated Debt or Subordinated Shareholder Funding as set forth in Sections 6.2(c)(iv) or (v) of the Credit Agreement), excluding the Net Cash Proceeds received from the issuance of Parent's Qualified Capital Stock, options, warrants or rights to purchase shares of Parent's Qualified Capital Stock or Subordinated Shareholder Funding financed, directly or indirectly, using funds borrowed from Borrower or any Subsidiary until and to the extent such borrowing is repaid :	$ [__, __, __]
(iii)	(x) the amount by which Borrower's Senior Debt or Senior Debt of any Restricted Subsidiary is reduced on Parent's consolidated balance sheet after the Closing Date upon the conversion or exchange (other than by a Subsidiary) of such Senior Debt into Parent's Qualified Capital Stock and (y) the aggregate Net Cash Proceeds received after the Closing Date by Borrower from the issuance or sale (other than to any Subsidiary) of Debt or Redeemable Capital Stock that has been converted into or exchanged for Parent's Qualified Capital Stock or Subordinated Shareholder Funding (other than Subordinated Shareholder Funding the proceeds of which are included in clause (ii) above), to the extent such Debt or Redeemable Capital Stock was originally sold for cash or Cash Equivalents, together with, in the case of both clauses (x) and (y), the aggregate Net	$ [__, __, __]

	Cash Proceeds received by Borrower at the time of such conversion or exchange, excluding the Net Cash Proceeds received from the issuance of Parent's Qualified Capital Stock or Subordinated Shareholder Funding financed, directly or indirectly, using funds borrowed from Borrower or any Subsidiary until and to the extent such borrowing is repaid :	
(iv)	(x) if a Restricted Investment constituted a guarantee, an amount equal to the amount of such guarantee upon the full and unconditional release of such guarantee and (y) in the case of the designation of an Unrestricted Subsidiary as a Restricted Subsidiary (as long as the designation of such Subsidiary as an Unrestricted Subsidiary was deemed a Restricted Payment), up to the lesser of (i) the Fair Market Value of Borrower's or such Restricted Subsidiary's interest in such Subsidiary at the time of such redesignation and (ii) the Fair Market Value of Borrower's or such Restricted Subsidiary's existing interest in such Person that was previously treated as a Restricted Payment :	$ [__, __, __]
(v)	any Borrower Retained Prepayment Amount:	$ [__, __, __]

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this " **Assignment** ") is dated as of the Effective Date set forth below and is entered into by and between **[** *Insert name of Assignor* **]** (the " **Assignor** ") and **[** *Insert name of Assignee* **]** (the " **Assignee** "). Capitalized terms used but not defined herein shall have the meanings given to them in the Amended and Restated Credit Agreement identified below (as it may be amended, supplemented or otherwise modified from time to time, the " **Credit Agreement** "), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below, (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including without limitation any letters of credit, and guarantees included in such facilities), and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by the Assignor to the Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as the " **Assigned Interest** "). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment, without representation or warranty by the Assignor.

1.	Assignor:	_____
2.	Assignee:	_____ **[** and is an Affiliate/Related Fund [1] of **[** *identify Lender* **]] [** Assignor is not a Defaulting Lender **]** Markit Entity Identifier (if any): _____
3.	Borrower(s):	_____
4.	Administrative Agent:	[HSBC Bank USA, N.A., as Term Administrative Agent] [The Hongkong and Shanghai Banking Corporation Limited as Revolving Facility Administrative Agent] under the Credit Agreement
5.	Credit Agreement:	The $1,024,472,166.25 Amended and Restated Credit and Guaranty Agreement dated as of June 25, 2015 among Nord Anglia Education Finance LLC, as Borrower (" **Borrower** "), Nord Anglia Education, Inc., as Parent and a Guarantor, certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent, and the other parties thereto

[1] Select as applicable

6. Assigned Interest [s] :

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans [2]
_____ [3]	$_____	$_____	_____%
_____	$_____	$_____	_____%
_____	$_____	$_____	_____%

Effective Date: _____, 20 __[TO BE INSERTED BY ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

7. Notice and Wire Instructions:

[NAME OF ASSIGNOR]

Notices:

_____
_____
_____
Attention:
Telecopier:

with a copy to:

_____
_____
_____
Attention:
Telecopier:

Wire Instructions:

[NAME OF ASSIGNEE]

Notices:

_____
_____
_____
Attention:
Telecopier:

with a copy to:

_____
_____
_____
Attention:
Telecopier:

Wire Instructions:

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Title:

[2] Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

[3] Fill in the appropriate terminology for the types of facilities under the Credit Agreement that are being assigned under this Assignment (e.g. "Revolving Commitment", "Term Commitment", etc.)

ASSIGNEE
[NAME OF ASSIGNEE]

By: _____
Title:

[Consented to and **]** [4] Accepted:

[HSBC BANK USA, N.A., as Term Administrative Agent]|[THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED] as Revolving Facility Administrative Agent

By: _____
Title:

[Consented to and **]** [5] Accepted:

[THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED] , as Issuing Bank

By: _____
Title:

[Consented to: **]** [6]

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Title:

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[4] To be added only if the consent of the applicable Administrative Agent is required by the terms of the Credit Agreement.

[5] To be added only if the consent of the applicable Administrative Agent is required by the terms of the Credit Agreement.

[6] To be added only if the consent of Borrower is required by the terms of the Credit Agreement.

STANDARD TERMS AND CONDITIONS FOR ASSIGNMENT
AND ASSUMPTION AGREEMENT

1. Representations and Warranties .

1.1 Assignor . The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is free and clear of any lien, encumbrance or other adverse claim, (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and (iv) it is not a Defaulting Lender; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document delivered pursuant thereto, other than this Assignment (herein collectively the " **Credit Documents** "), or any collateral thereunder, (iii) the financial condition of Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document.

1.2 Assignee . The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all requirements of an Eligible Assignee under the Credit Agreement, (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 5.1 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest, (vi) it has, independently and without reliance upon 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 Assignment and to purchase the Assigned Interest, and (vii) if it is a Non-U.S. Recipient, attached to this Assignment is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement, duly completed and executed by the Assignee; and (b) agrees that (i) it will, independently and without reliance on Administrative Agent, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Credit Documents are required to be performed by it as a Lender.

2. Payments . All payments with respect to the Assigned Interests shall be made on the Effective Date as follows:

2.1 From and after the Effective Date, Administrative Agent shall make all payments in respect of the Assigned Interest (including payments of principal, interest, fees and other amounts) to the Assignor for amounts which have accrued to but excluding the Effective Date and to the Assignee for amounts which have accrued from and after the Effective Date. Notwithstanding the foregoing, Administrative Agent shall make all payments of interest, fees or other amounts paid or payable in kind from and after the Effective Date to the Assignee.

3. General Provisions. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment. This Assignment shall be governed by, and construed in accordance with, the internal laws of the State of New York without regard to conflict of laws principles thereof.

[Remainder of page intentionally left blank **]**

AFFILIATE ASSIGNMENT AND ASSUMPTION AGREEMENT

This Affiliate Assignment and Assumption Agreement (this " **Assignment** ") is dated as of the Affiliate Assignment Effective Date set forth below and is entered into by and between **[** *Insert name of Assignor* **]** (the " **Assignor** ") and **[** NORD ANGLIA EDUCATION FINANCE LLC / NORD ANGLIA EDUCATION, INC. / [SUBSIDIARY OF PARENT] **]** (the " **Assignee** "). Capitalized terms used but not defined herein shall have the meanings given to them in the Amended and Restated Credit Agreement identified below (as it may be amended, supplemented or otherwise modified from time to time, the " **Credit Agreement** "), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto (the " **Standard Terms and Conditions** ") are hereby agreed to and incorporated herein by reference and made a part of this Assignment as if set forth herein in full.

For an agreed consideration, the Assignor hereby irrevocably sells and assigns to the Assignee, and the Assignee hereby irrevocably purchases and assumes from the Assignor, subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Affiliate Assignment Effective Date **[** ***in the case of an Auction in which the Borrower, Parent or a Subsidiary of Parent is the Purchaser*** : inserted by the Auction Manager as contemplated in the Auction Procedures **]** , (i) all of the Assignor's rights and obligations in its capacity as a Lender under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of the Assignor's outstanding rights and obligations under the respective facilities identified below (including without limitation any letters of credit, and guarantees included in such facilities), and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of the Assignor (in its capacity as a Lender) against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by the Assignor to the Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as the " **Assigned Interest** "). Such sale and assignment is without recourse to the Assignor and, except as expressly provided in this Assignment and the Credit Agreement, without representation or warranty by the Assignor.

1.	Assignor:	_____
2.	Assignee:	**[** NORD ANGLIA EDUCATION FINANCE LLC / NORD ANGLIA EDUCATION, INC. / [SUBSIDIARY OF PARENT] **]** Markit Entity Identifier (if any): _____
3.	Borrower:	NORD ANGLIA EDUCATION FINANCE LLC
4.	Administrative Agent:	[HSBC Bank USA, N.A., as Term Administrative Agent] [The Hongkong and Shanghai Banking Corporation Limited as Revolving Facility Administrative Agent] under the Credit Agreement
5.	Credit Agreement:	The $1,024,472,166.25 Amended and Restated Credit and Guaranty Agreement dated as of June 25, 2015 among Nord Anglia Education Finance LLC, as Borrower ("Borrower"), Nord Anglia Education, Inc., as Parent and a Guarantor, certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, and The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility

Administrative Agent, and the other parties thereto

6. Assignor's Interest under the Credit Agreement:

Facility	Aggregate Principal Face Amount of Term Loans of Assignor	Percentage of Term Loans of Assignor [1]
Term Loans	$_____	_____%

7. Assigned Interest:

List below the Term Loans to be assigned by Assignor to Assignee **[** ***in the case of an Auction in which the Borrower, Parent or a Subsidiary of Parent is the Purchaser:*** , which shall be subject to the terms and conditions of the Auction, including, without limitation, the pro rata reduction procedures set forth in the Auction Procedures **]** .

[***in the case of an Auction in which the Borrower, Parent or a Subsidiary of Parent is the Purchaser:***

Reply Price with respect to Term Loans being offered for assignment to Assignee (price per $1,000 principal amount) [2]	Reply Amount (principal face amount of Term Loans to be Assigned to Assignee at relevant Reply Price) (subject to pro rata reduction) [3]	Pro Rated Principal Face Amount of Term Loans Assigned [4]	Percentage Assigned of Term Loans [5]
$_____	$_____	$_____	_____%
$_____	$_____	$_____	_____%
$_____	$_____	$_____	_____%

[***in the case of an open market purchase involving Borrower, Parent or a Subsidiary of Parent:***

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1 Set forth, to at least 9 decimals, as a percentage of the Loans of all Lenders thereunder. To be completed by Assignor.

2 To be completed by Assignor.

3 To be completed by Assignor. **[** ***In the case of an Auction in which the Borrower, Parent or a Subsidiary of Parent is the Purchaser:*** The sum of Lender's Reply Amount(s) may not exceed the aggregate principal face amount of Term Loans held by it as lender of record on the date of submission of its return bid.

4 **[** ***In the case of an Auction in which the Borrower, Parent or a Subsidiary of Parent is the Purchaser:*** To be completed by the Auction Manager, if necessary, based on the proration procedures set forth in the Auction Procedures. **]**

5 **[** ***In the case of an Auction in which the Borrower, Parent or a Subsidiary of Parent is the Purchaser:*** To be completed by the Auction Manager to at least 9 decimals as a percentage of the Term Loans of all Lenders thereunder. **]**

Facility Assigned	Aggregate Amount of Commitment/Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/Loans [6]
Term Loans	$_____	$_____	_____%

8. Affiliate Assignment Effective Date: _____, 20 ___**[** ***in the case of an Auction in which the Borrower, Parent or a Subsidiary of Parent is the Purchaser:*** TO BE INSERTED BY AUCTION MANAGER AND WHICH SHALL BE THE AFFILIATE ASSIGNMENT EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR. **]**

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6 Set forth, to at least 9 decimals, as a percentage of the Commitment/Loans of all Lenders thereunder.

9. Notice and Wire Instructions:

ASSIGNOR:	**ASSIGNEE:**
[NAME OF ASSIGNOR]	**[NORD ANGLIA EDUCATION FINANCE LLC/NORD ANGLIA EDUCATION, INC./[SUBSIDIARY OF PARENT]]**
Notices:	Notices:
_____ _____ _____ Attention: Telecopier:	_____ _____ _____ Attention: Telecopier:
with a copy to:	with a copy to:
_____ _____ _____ Attention: Telecopier:	_____ _____ _____ Attention: Telecopier:
Wire Instructions:	

In the case of an assignment via Dutch Auction only: The Assignor acknowledges and agrees that (i) submission of a Return Bid in respect of the Term Loans will constitute a binding agreement between the Assignor and the Assignee in accordance with the terms and conditions of the Auction Procedures and the Credit Agreement; (ii) Term Loans will be deemed to have been accepted by the Assignee to the extent such Term Loans are validly offered by Assignor to Assignee in accordance with the terms and conditions of the Auction Procedures and the Credit Agreement upon notification by the Auction Manager to the Assignor that such Term Loans are part of a Qualifying Bid (subject to applicable proration in accordance with the terms and conditions of the Auction); and (iii) it does not have any withdrawal rights with respect to any offer to assign of its Term Loans.

Subject to and effective upon the acceptance by the Assignee for purchase of the principal amount of the Term Loans to be assigned by the Assignor to the Assignee, the Assignor hereby irrevocably constitutes and appoints the Auction Manager as the true and lawful agent and attorney-in-fact of the Assignor with respect to such Term Loans, with full powers of substitution and revocation (such power of attorney being deemed to be an irrevocable power coupled with an interest) to complete or fill-in the blanks in this Assignment and deliver the completed Assignment to the Assignee and the Assignor.

[*Signature page follows* ***]***

The Assignor acknowledges and agrees that its offer to assign Term Loans pursuant to the Auction Procedures constitute the Assignor's acceptance of the terms and conditions (including the proration procedures) contained in the Auction Procedures, the Credit Agreement and this Assignment.

The terms set forth in this Assignment are hereby agreed to:

ASSIGNOR
[NAME OF ASSIGNOR]

By: _____
Name:
Title:

ASSIGNEE

[NORD ANGLIA EDUCATION FINANCE LLC/NORD ANGLIA EDUCATION, INC./[SUBSIDIARY OF PARENT]]

By: _____
Name:
Title:

Accepted:

HSBC BANK USA, N.A. , as Term Administrative Agent

By: _____
Name:
Title:

STANDARD TERMS AND CONDITIONS FOR AFFILIATE
ASSIGNMENT AND ACCEPTANCE

1. Representations and Warranties .

1.1 Assignor . The Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of the Assigned Interest, (ii) the Assigned Interest is, and on the applicable Affiliate Assignment Effective Date will be, free and clear of any lien, encumbrance or other adverse claim; (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby; (iv) it has received a copy of the Credit Agreement and such other documents and information as it has deemed appropriate to make its own decision to enter into this Assignment and to sell and assign the Assigned Interest on the basis of which it has made such decision; and (iv) it is not a Defaulting Lender, (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with any Credit Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document delivered pursuant thereto, other than this Assignment (herein collectively the " **Credit Documents** "), or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Credit Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Credit Document, [*in the case of an Auction* : (c) has read and agrees to all of the terms and conditions (including the pro ration procedures) of the Auction Procedures set forth in the Offer Documents] and (d) hereby waives any potential claims arising from the Assignee being in possession of undisclosed information that may be material to a Lender's decision to execute the Assignment. The Assignor will, upon request, execute and deliver any additional documents deemed by Administrative Agent or the Assignee to be necessary or desirable to complete the sale, assignment and transfer of the Assigned Interest. In the event that the Assignor has determined for itself to not access any information disclosed by Assignee in connection with the Auction or this Assignment, the Assignor acknowledges that (i) other Lenders may have availed themselves of such information and (ii) none of the Borrower, the Auction Manager nor Administrative Agent has any responsibility for the Assignor's decision to limit the scope of the information it has obtained in connection with its evaluation of the Auction or its decision to enter into this Assignment.

1.2 Assignee . The Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement until such time as the Loans are automatically cancelled without further action by any Person on the Affiliate Assignment Effective Date, (ii) it meets the requirements of an Eligible Assignee under the Credit Agreement, (iii) it has transmitted same day funds to the Assignor on the Affiliate Assignment Effective Date, (iv) from and after the Affiliate Assignment Effective Date, it shall be bound by the provisions of the Credit Agreement and, to the extent of the Assigned Interest, shall have the obligations of a Lender thereunder, (v) it is sophisticated with respect to decisions to acquire assets of the type represented by the Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire the Assigned Interest, is experienced in acquiring assets of such type, (vi) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 5.1 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and to purchase the Assigned Interest, (vii) it

has, independently and without reliance upon 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 Assignment and to purchase the Assigned Interest, (viii) no Default or Event of Default has occurred and is continuing or would result from such Assignment; (ix) it shall not use the proceeds of any Revolving Loans to acquire such Assigned Interest; and (b) agrees that (i) it will, independently and without reliance on Administrative Agent, the Auction Manager, the Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Documents, and (ii) it acknowledges that the Assigned Interest shall, from and after the Affiliate Assignment Effective Date, and without further action by any Person, be deemed cancelled for all purposes and no longer outstanding and that the Assignee shall have no ability to vote or receive payments in respect of the Assigned Interest.

1.3 No Violation of Laws. Each of the Assignor and Assignee acknowledges that it has not violated any applicable laws relating to this Assignment or the transactions contemplated herein.

2. Payments. Payment to the Assignor by the Assignee in respect of the settlement of the assignment of the Assigned Interest shall be paid by Assignee directly to the Assignor and shall include all unpaid interest that has accrued in respect of the Assigned Interest through the Affiliate Assignment Effective Date. No interest shall accrue with respect to the Assigned Interest from and after the Affiliate Assignment Effective Date and such Assigned Interest shall, from and after the Affiliate Assignment Effective Date, and without further action by any Person, be deemed cancelled for all purposes and no longer outstanding.

3. Borrower Representations. On the Affiliate Assignment Effective Date, the Borrower represents that (i) no Default or Event of Default has occurred and is continuing or would result from this Assignment, (ii) as of the launch date of the Auction and the effective date of this Affiliate Assignment Agreement, either (x) it is not in possession of any information regarding Borrower, Nord Anglia UK, their respective Subsidiaries or their respective Affiliates, or their assets, Borrower's ability to perform its Obligations or any other matter that may be material to a decision by any Lender to participate in any Auction or enter into any Affiliate Assignment Agreement or any of the transactions contemplated thereby that has not previously been disclosed to Term Administrative Agent and the Non-Public Lenders or (y) it cannot make such statement described in the immediately preceding subclause (x) and (iii) the aggregate principal amount of Term Loans of all Classes sold, assigned or transferred does not exceed 25% of Term Loans of all Classes outstanding.

6. General Provisions. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment. This Assignment shall be governed by, and construed in accordance with, the internal laws of the State of New York without regard to conflict of laws principles thereof that would require the application of laws other than those of the State of New York.

[Reserved.]

SOLVENCY CERTIFICATE

THE UNDERSIGNED HEREBY CERTIFIES AS FOLLOWS:

1. I am the chief financial officer of **NORD ANGLIA EDUCATION, INC.** an exempted company incorporated with limited liability under the laws of the Cayman Islands (" **Parent** ").

2. Reference is made to that certain Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 (as it may be amended, supplemented or otherwise modified, the " **Credit Agreement** "; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among Nord Anglia Education Finance LLC, as Borrower,, Parent, as Parent and a Guarantor, certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent, and the other parties thereto.

3. I have reviewed the terms of Sections 3 and 4 of the Credit Agreement and the definitions and provisions contained in the Credit Agreement relating thereto, and, in my opinion, have made, or have caused to be made under my supervision, such examination or investigation as is necessary to enable me to express an informed opinion as to the matters referred to herein.

4. Based upon my review and examination described in paragraph 3 above, I certify that as of the date hereof, after giving effect to the consummation of the Refinancing and any rights of contribution, the related financings and the other transactions contemplated by the Credit Documents, the Credit Parties are, on a consolidated basis, Solvent.

The foregoing certifications are made and delivered as of [___], 2015.

_____
Name:
Title: Chief Financial Officer

[Reserved]

JOINDER AGREEMENT

THIS JOINDER AGREEMENT , dated as of **[_____**, 20 **__]** (this " **Agreement** "), by and among **[** NEW LENDERS **]** (each a " **Lender** " and collectively the " **Lenders** "), **NORD ANGLIA EDUCATION FINANCE LLC** , a Delaware limited liability company, as Borrower (" **Borrower** "), **NORD ANGLIA EDUCATION, INC.** , an exempted company incorporated with limited liability under the laws of the Cayman Islands, as Parent and a Guarantor (" **Parent** ") and **CERTAIN SUBSIDIARIES OF PARENT** , as Guarantors and **HSBC BANK USA, N.A.,** as [Revolving Facility Administrative Agent **][** Term Administrative Agent **]** .

RECITALS:

WHEREAS, reference is hereby made to the Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 (as it may be amended, supplemented or otherwise modified, the " **Credit Agreement** "; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among **Nord Anglia Education Finance LLC** , as Borrower (" **Borrower** "), **Nord Anglia Education, Inc.** , as Parent and a Guarantor (" **Parent** "), certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent, and the other parties thereto; and

WHEREAS, subject to the terms and conditions of the Credit Agreement, Borrower may increase the existing Revolving Commitments and/or provide New Term Loan Commitments by entering into one or more Joinder Agreements with the New Term Loan Lenders and/or New Revolving Loan Lenders, as applicable.

NOW, THEREFORE, in consideration of the premises and agreements, provisions and covenants herein contained, the parties hereto agree as follows:

Each Lender party hereto hereby agrees to commit to provide its respective Commitment as set forth on Schedule A annexed hereto, on the terms and subject to the conditions set forth below:

Each Lender (i) confirms that it has received a copy of the Credit Agreement and the other Credit Documents, together with copies of the financial statements referred to therein and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Joinder Agreement (this " **Agreement** ") and it is sophisticated with respect to decisions to make loans similar to those contemplated to be made hereunder and it is experienced in making loans of such type; (ii) agrees that it will, independently and without reliance upon either Administrative Agent or any other Lender or Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit

Agreement; (iii) appoints and authorizes [Term] [Revolving Facility] [the applicable] Administrative Agent to take such action as agent on its behalf and to exercise such powers under the Credit Agreement and the other Credit Documents as are delegated to such Administrative Agent, as the case may be, by the terms thereof, together with such powers as are reasonably incidental thereto and (iv) agrees that it will perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender.

Each Lender hereby agrees to make its Commitment on the following terms and conditions [1]:

1. **Applicable Margin.** The Applicable Margin for each Series **[__]** New Term Loan shall mean, as of any date of determination, **[__]** % per annum

2. **Principal Payments.** Borrower shall make principal payments on the Series **[__]** New Term Loans in installments on the dates and in the amounts set forth below:

(A) Payment Date	**(B) Scheduled Repayment of Series [__] New Term Loans**
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
	$ _____
TOTAL	$ _____

[1] Insert completed items 1-7 as applicable, with respect to New Term Loans with such modifications as may be agreed to by the parties hereto to the extent consistent with Section 2.24 of the Credit Agreement.

3. **Voluntary and Mandatory Prepayments.** Scheduled installments of principal of the **[** Series **[_]]** New Term Loans set forth above shall be reduced in connection with any voluntary or mandatory prepayments of the **[** Series **[_]]** New Term Loans in accordance with Sections 2.12, 2.13 and 2.14 of the Credit Agreement, respectively.

4. **Prepayment Fees.** Borrower agrees to pay to each **[** New Term Loan Lender **]** the following prepayment fees, if any: **[_____]** .

[Insert other additional prepayment provisions with respect to New Term Loans]

5. **Other Fees** . Borrower agrees to pay each **[** New Term Loan Lender **] [** New Revolving Loan Lender **]** its Pro Rata Share of an aggregate fee equal to **[_____, __]** on **[_____, __]** .

6. **Proposed Borrowing** . This Agreement represents Borrower's request to borrow **[** Series **[_]** New Term Loans **]** from New Term Loan Lender as follows (the " **Proposed Borrowing** "):

a. Business Day of Proposed Borrowing: _____, __

b. Amount of Proposed Borrowing: $: _____

c. Interest rate option:
- ☐ a. Base Rate Loan(s)
- ☐ b. Eurodollar Rate Loans with an initial Interest Period of __ month(s)

7. **[New Lenders** . Each **[** New Term Loan Lender **] [** New Revolving Loan Lender **]** acknowledges and agrees that upon its execution of this Agreement **[** and the making of **[** New Term Loans **]** Series __New Term Loans **]** that such **[** New Term Loan Lender **] [** New Revolving Loan Lender **]** shall become a "Lender" under, and for all purposes of, the Credit Agreement and the other Credit Documents, and shall be subject to and bound by the terms thereof, and shall perform all the obligations of and shall have all rights of a Lender thereunder. **]** [2]

8. **Credit Agreement Governs.** Except as set forth in this Agreement, **[** New Revolving Loans **] [** Series **[_]** New Term Loans **]** shall otherwise be subject to the provisions of the Credit Agreement and the other Credit Documents.

9. **Borrower's Certifications** . By its execution of this Agreement, the undersigned officer and Borrower hereby certify that:

---

[2] Insert bracketed language if the lending institution is not already a Lender.

i. The representations and warranties contained in [Sections 4.1, 4.2, 4.3, 4.4, 4.6, 4.7, 4.28, 4.29, and 4.30 of] [3] the Credit Agreement[and the other Credit Documents] are true and correct in all material respects on and as of the date hereof to the same extent as though made on and as of the date hereof, except to the extent such representations and warranties specifically relate to an earlier date, in which case such representations and warranties were true and correct in all material respects on and as of such earlier date; provided that, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof;

ii. [No Event of Default pursuant to clauses (a), (f) or (g) of Section 8.1 of the Credit Agreement shall exist on the date hereof before or after giving effect to such New Term Loan Commitments or New Revolving Loan Commitments] [4] [No event has occurred and is continuing or would result from the consummation of the Proposed Borrowing contemplated hereby that would constitute a Default or an Event of Default] [5] ; and

iii. Borrower has performed in all material respects all agreements and satisfied all conditions which the Credit Agreement provides shall be performed or satisfied by it on or before the date hereof.

10. **Borrower Covenants** . By its execution of this Agreement, Borrower hereby covenants that:

i. **[** Borrower shall make any payments required pursuant to Section 2.18(c) of the Credit Agreement in connection with the New Revolving Loan Commitments; **]** [6]

ii. Borrower shall deliver or cause to be delivered the following legal opinions and documents: **[ ]** , together with all other legal opinions and other documents reasonably requested by Administrative Agent in connection with this Agreement; and

iii. Set forth on the attached Officer's Certificate are the calculations (in reasonable detail) demonstrating compliance with the financial tests described in Section 6.7 of the Credit Agreement.

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[3] Insert if New Term Loans or New Revolving Commitments are being incurred for purposes of financing a Permitted Acquisition or other similar Investments.

[4] Select this provision if the purpose of the New Term Loans or the New Revolving Commitments is to finance a Permitted Acquisition or other similar Investments.

[5] Select this provision if the purpose of the New Term Loans or the New Revolving Commitments is for anything other than to finance a Permitted Acquisition or other similar Investments.

[6] Select this provision in the circumstance where the Lender is a New Revolving Lender.

11. **Eligible Assignee.** By its execution of this Agreement, each **[** New Term Loan Lender **] [** New Revolving Loan Lender **]** represents and warrants that it is an Eligible Assignee.

12. **Notice** . For purposes of the Credit Agreement, the initial notice address of each **[** New Term Loan Lender **] [** New Revolving Loan Lender **]** shall be as set forth below its signature below.

13. **Non-US Lenders** . For each **[** New Revolving Loan Lender **] [** New Term Loan Lender **]** that is a Non-US Lender, delivered herewith to Administrative Agent are such forms, certificates or other evidence with respect to United States federal income tax withholding matters as such **[** New Revolving Loan Lender **] [** New Term Loan Lender **]** may be required to deliver to Administrative Agent pursuant to Section 2.20(c) of the Credit Agreement.

14. **Recordation of the New Loans** . Upon execution and delivery hereof, Administrative Agent will record the **[** Series **[ ]** New Term Loans **] [** New Revolving Loans **]** made by **[** New Term Loan Lenders **] [** New Revolving Loan Lenders **]** in the Register.

15. **Amendment, Modification and Waiver.** This Agreement may not be amended, modified or waived except by an instrument or instruments in writing signed and delivered on behalf of each of the parties hereto.

16. **Entire Agreement** . This Agreement, the Credit Agreement and the other Credit Documents constitute the entire agreement among the parties with respect to the subject matter hereof and thereof and supersede all other prior agreements and understandings, both written and verbal, among the parties or any of them with respect to the subject matter hereof.

17. **GOVERNING LAW. THIS AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.**

18. **Severability** . Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction. If any provision of this Agreement is so broad as to be unenforceable, the provision shall be interpreted to be only so broad as would be enforceable.

19. **Counterparts** . This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement.

[Remainder of page intentionally left blank **]**

IN WITNESS WHEREOF , each of the undersigned has caused its duly authorized officer to execute and deliver this Joinder Agreement as of **[_____ , ____]** .

[NAME OF LENDER]

By: _____
Name:
Title:

Notice Address:

Attention:
Telephone:
Facsimile:

[NORD ANGLIA EDUCATION FINANCE LLC]

By: _____
Name:
Title:

[NORD ANGLIA EDUCATION, INC.]

By: _____
Name:
Title:

[NAME OF GUARANTORS]

By: _____
Name:
Title:

Consented to by:

[HSBC BANK USA, N.A., as Term Administrative Agent] [THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED] , as Revolving Facility Administrative Agent

By: _____
Name:
Title:

SCHEDULE A
TO JOINDER AGREEMENT

Name of Lender	Type of Commitment	Amount
[_____]	**[** New Term Loan Commitment **]**	$ _____
	[New Revolving Loan Commitment **]**	
	Total:	$ _____

INCUMBENCY CERTIFICATE

Reference is made to the Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among **Nord Anglia Education Finance LLC** , as Borrower (" **Borrower** ") **Nord Anglia Education, Inc.** , as Parent and a Guarantor (" **Parent** "), certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent, and the other parties thereto.

The following persons are now duly elected and qualified officers of Borrower, each holding the respective office or offices indicated next to his or her name below, and the signature set forth opposite his or her name below is the true and genuine signature of such officer, and such officer is duly authorized to execute and deliver, on behalf of Borrower, the Credit Documents to which Borrower is a party and any certificate or other document to be delivered by Borrower pursuant to the Credit Documents:

Name	Office	Signature

[Remainder of page intentionally left blank **]**

IN WITNESS WHEREOF , I have caused this Certificate to be duly executed and delivered as of the date and at the place first written above.

By: _____
Name:
Title: Secretary

EXHIBIT H- 2

CERTIFICATE RE NON BANK STATUS

Reference is made to the Amended and Restated Credit and Guaranty Agreement, dated as of June 25, 2015 (as it may be amended, supplemented or otherwise modified, the " **Credit Agreement** "; the terms defined therein and not otherwise defined herein being used herein as therein defined), by and among **Nord Anglia Education Finance LLC** , as Borrower **Nord Anglia Education, Inc.** , as Parent and a Guarantor (" **Parent** "), certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, HSBC Bank USA, N.A., as Term Administrative Agent and Primary Collateral Agent, HSBC Bank plc, as Hungarian Collateral Agent, The Hongkong and Shanghai Banking Corporation Limited, as Revolving Facility Administrative Agent, and the other parties thereto. Pursuant to Section 2.20(c) of the Credit Agreement, the undersigned hereby certifies that it is not a "bank" or other Person described in Section 881(c)(3) of the Internal Revenue Code of 1986, as amended.

[NAME OF LENDER]

By: _____
Name:
Title:

FORM OF INTERCOMPANY NOTE

Note Number: _____ Dated: _____, 201 _

FOR VALUE RECEIVED, **NORD ANGLIA EDUCATION FINANCE LLC** (**"Borrower"**), **NORD ANGLIA EDUCATION, INC.** (**"Parent"**) and certain Subsidiaries of Parent (collectively, the **"Group Members"** and each, a **"Group Member"**) which is a party to this subordinated intercompany note (this **"Promissory Note"**) promises to pay to the order of such other Group Member as it makes loans to such Group Member (each Group Member which borrows money pursuant to this Promissory Note is referred to herein as a " **Payor** " and each Group Member which makes loans and advances pursuant to this Promissory Note is referred to herein as a **"Payee"**), on demand, in lawful money as may be agreed upon from time to time by the relevant Payor and Payee, in immediately available funds and at the appropriate office of the Payee, the aggregate unpaid principal amount of all loans and advances heretofore and hereafter made by such Payee to such Payor and any other Debt now or hereafter owing by such Payor to such Payee as shown either on Schedule A attached hereto (and any continuation thereof) or, at the option of the applicable Payee, in the books and records of such Payee. The failure to show any such Debt or any error in showing such Debt shall not affect the obligations of any Payor hereunder. Capitalized terms used herein but not otherwise defined herein shall have the meanings given such terms in the Credit and Guaranty Agreement dated as of March 31, 2014 (as it may be amended, supplemented or otherwise modified, the **"Credit Agreement"**), by and among Borrower, Parent, certain Subsidiaries of Parent, as Guarantors, the Lenders party thereto from time to time, **HSBC BANK USA, N.A.** , as Term Administrative Agent and Primary Collateral Agent (the **"Primary Collateral Agent"**), **HSBC BANK PLC** , as Hungarian Collateral Agent, **THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED** , as Revolving Facility Administrative Agent, and the other parties thereto.

The unpaid principal amount hereof from time to time outstanding shall bear interest at a rate equal to the rate as may be agreed upon in writing from time to time by the relevant Payor and Payee. Interest shall be due and payable at such times as may be agreed upon from time to time by the relevant Payor and Payee. Upon demand for payment of any principal amount hereof, accrued but unpaid interest on such principal amount shall also be due and payable. Interest shall be paid in any lawful currency as may be agreed upon by the relevant Payor and Payee and in immediately available funds. Interest shall be computed for the actual number of days elapsed on the basis of a year consisting of 365 days.

Each Payor and any endorser of this Promissory Note hereby waives presentment, demand, protest and notice of any kind. No failure to exercise, and no delay in exercising, any rights hereunder on the part of the holder hereof shall operate as a waiver of such rights.

This Promissory Note has been pledged by each Payee that is a Credit Party to the Primary Collateral Agent, for the benefit of the Secured Parties, as security for such Payee's obligations, if any, under the Credit Documents to which such Payee is a party. Each Payor acknowledges and agrees that after the occurrence of an Enforcement Event (as defined in the

Credit Agreement), the Primary Collateral Agent and the other Secured Parties may exercise all the rights of each Payee that is a Credit Party under this Promissory Note and will not be subject to any abatement, reduction, recoupment, defense, setoff or counterclaim available to such Payor.

Each Payee agrees that any and all claims of such Payee against any Payor that is a Credit Party or any endorser of this Promissory Note, or against any of their respective properties, shall be subordinate and subject in right of payment to the Credit Agreement Obligations (as defined in the Credit Agreement) until the Termination Date (as defined in the Credit Agreement); provided , that each Payor that is a Credit Party may make payments to the applicable Payee so long as no Enforcement Event shall have occurred; and provided , further , that all loans and advances made by a Payee pursuant to this Promissory Note shall be received by the applicable Payor subject to the provisions of the Credit Documents. Notwithstanding any right of any Payee to ask, demand, sue for, take or receive any payment from any Payor, all rights, Liens and security interests of such Payee, whether now or hereafter arising and howsoever existing, in any assets of any Payor (whether constituting part of the security or collateral given to any Secured Party to secure payment of all or any part of the Credit Agreement Obligations or otherwise) shall be and hereby are subordinated to the rights of the Secured Parties in such assets. Except as expressly permitted by the Credit Documents, the Payees shall have no right to possession of any such asset or to foreclose upon, or exercise any other remedy in respect of, any such asset, whether by judicial action or otherwise, unless and until the Termination Date.

After the occurrence of an Enforcement Event, if all or any part of the assets of any Payor, or the proceeds thereof, are subject to any distribution, division or application to the creditors of any Payor, whether partial or complete, voluntary or involuntary, and whether by reason of liquidation, bankruptcy, arrangement, receivership, assignment for the benefit of creditors or any other action or proceeding, or if the business of any Payor is dissolved or if (except as expressly permitted by the Credit Documents) all or substantially all of the assets of any Payor are sold, then, and in any such event, any payment or distribution of any kind or character, whether in cash, securities or other investment property, or otherwise, which shall be payable or deliverable upon or with respect to any indebtedness of such Payor to any Payee that is a Credit Party (**"Payor Debt"**) shall be paid or delivered directly to the Primary Collateral Agent for application to any of the Credit Agreement Obligations, due or to become due, until the Termination Date. After the occurrence of an Enforcement Event, each Payee that is a Credit Party irrevocably authorizes, empowers and appoints the Primary Collateral Agent as such Payee's attorney-in-fact (which appointment is coupled with an interest and is irrevocable) to demand, sue for, collect and receive every such payment or distribution and give acquittance therefor and to make and present for and on behalf of such Payee such proofs of claim and take such other action, in the Primary Collateral Agent's own names or in the name of such Payee or otherwise, as the Primary Collateral Agent may deem necessary or advisable for the enforcement of this Promissory Note. After the occurrence of an Enforcement Event, each Payee that is a Credit Party also agrees to execute, verify, deliver and file any such proofs of claim in respect of the Payor Debt requested by the Primary Collateral Agent. After the occurrence of an Enforcement Event, the Primary Collateral Agent may vote such proofs of claim in any such proceeding (and the applicable Payee shall not be entitled to withdraw such vote), receive and collect any and all dividends or other payments or disbursements made on Payor Debt in whatever form the same may be paid or issued and apply the same on account of any of the

Credit Agreement Obligations in accordance with the Credit Agreement. Upon the occurrence of an Enforcement Event, should any payment, distribution, security or other investment property or instrument or any proceeds thereof be received by any Payee that is a Credit Party upon or with respect to Payor Debt owing to such Payee prior to the Termination Date, such Payee that is a Credit Party shall receive and hold the same for the benefit of the Secured Parties, and shall forthwith deliver the same to the Primary Collateral Agent, for the benefit of the Secured Parties, in precisely the form received (except for the endorsement or assignment of such Payee where necessary or advisable in the Primary Collateral Agent's judgment), for application to any of the Credit Agreement Obligations in accordance with the Credit Agreement, due or not due, and, until so delivered, the same shall be segregated from the other assets of such Payee for the benefit of the Secured Parties. Upon the occurrence of an Enforcement Event, if such Payee fails to make any such endorsement or assignment to the Primary Collateral Agent, the Primary Collateral Agent or any of its officers, employees or representatives are hereby irrevocably authorized to make the same. Each Payee that is a Credit Party agrees that until the Termination Date, such Payee will not (i) assign or transfer, or agree to assign or transfer, to any Person (other than in favor of the Primary Collateral Agent for the benefit of the Secured Parties pursuant to any Collateral Document or otherwise) any claim such Payee has or may have against any Payor, (ii) upon the occurrence of an Enforcement Event, discount or extend the time for payment of any Payor Debt, or (iii) otherwise amend, modify, supplement, waive or fails to enforce any provision of this Promissory Note.

The Secured Parties shall be third party beneficiaries hereof and shall be entitled to enforce the subordination and other provisions hereof.

Notwithstanding anything to the contrary contained herein, in any other Credit Document or in any such promissory note or other instrument, this Promissory Note shall not be deemed replaced, superseded or in any way modified by any promissory note or other instrument entered into on or after the date hereof which purports to create or evidence any loan or advance by any Group Member to any other Group Member.

THIS PROMISSORY NOTE AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES THEREOF THAT WOULD RESULT IN THE APPLICATION OF ANY LAW OTHER THAN THE LAW OF THE STATE OF NEW YORK.

From time to time after the date hereof, additional Subsidiaries of the Group Members may become parties hereto by executing a counterpart signature page to this Promissory Note (each additional Subsidiary, an **"Additional Payor"**). Upon delivery of such counterpart signature page to the Payees, notice of which is hereby waived by the other Payors, each Additional Payor shall be a Payor and shall be as fully a party hereto as if such Additional Payor were an original signatory hereof. Each Payor expressly agrees that its obligations arising hereunder shall not be affected or diminished by the addition or release of any other Payor hereunder. This Promissory Note shall be fully effective as to any Payor that is or becomes a party hereto regardless of whether any other Person becomes or fails to become or ceases to be a Payor hereunder.

This Promissory Note may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

[Remainder of page intentionally left blank **]**

IN WITNESS WHEREOF, each Payor has caused this Promissory Note to be executed and delivered by its proper and duly authorized officer as of the date set forth above.

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Name:
Title:

NORD ANGLIA EDUCATION, INC.

By: _____
Name:
Title:

NORD ANGLIA EDUCATION (UK) HOLDINGS PLC

By: _____
Name:
Title:

NAE HONG KONG LIMITED

By: _____
Name:
Title:

NORD ANGLIA EDUCATION LIMITED

By: _____
Name:
Title:

NA SCHOOLS LIMITED

By: _____

Name:
Title:

NA EDUCATIONAL SERVICES LIMITED

By: _____
Name:
Title:

NORD ANGLIA EDUCATION DEVELOPMENT

By: _____
Name:
Title:

SERVICES LIMITED

By: _____
Name:
Title:

NORD ANGLIA VOCATIONAL EDUCATION AND TRAINING SERVICES LIMITED

By: _____
Name:
Title:

NORD INTERNATIONAL SCHOOLS LIMITED

By: _____
Name:
Title:

BRITISH INTERNATIONAL SCHOOL FOUNDATION

By: _____
Name:
Title:

THE BRITISH SCHOOL SP Z O.O.

By: _____
Name:
Title:

COLLÈGE ALPIN BEAU-SOLEIL SA

By: _____
Name:
Title:

LA CÔTE INTERNATIONAL SCHOOL SA

By: _____
Name:
Title:

COLLÈGE CHAMPITTET SA

By: _____
Name:
Title:

NORD ANGLIA MIDDLE EAST HOLDINGS SPC

By: _____
Name:
Title:

EEE ENTERPRISE LIMITED

By: _____
Name:
Title:

RICE EDUCATION HONG KONG LIMITED

By: _____
Name:
Title:

WCL HOLDCO LIMITED

By: _____
Name:
Title:

WCL GROUP LIMITED

By: _____
Name:
Title:

WCL INTERMEDIATE HOLDINGS LIMITED

By: _____
Name:
Title:

WCL SERVICES LIMITED

By: _____
Name:
Title:

WCL SCHOOL MANAGEMENT SERVICES

By: _____
Name:
Title:

FIELDWORK EDUCATION LIMITED

By: _____
Name:
Title:

BRITISH SCHOOLS OF AMERICA, LLC

By: _____
Name:
Title:

BRITISH SCHOOL OF WASHINGTON, LLC

By: _____
Name:
Title:

BRITISH SCHOOL OF BOSTON, LLC

By: _____
Name:
Title:

BRITISH SCHOOL OF CHICAGO, LLC

By: _____
Name:
Title:

BRITISH SCHOOL OF HOUSTON, LP

By: _____
Name:
Title:

BSA RESOURCE SOLUTIONS, LLC

By: _____
Name:
Title:

BST HOLDING, LLC

By: _____
Name:
Title:

BRITISH SCHOOLS OF TEXAS, LLC

By: _____
Name:
Title:

BRITISH AMERICAN SCHOOL OF CHARLOTTE, LLC

By: _____

Name:
Title:

WCL ACADEMY OF NEW YORK, LLC

By: _____
Name:
Title:

EDUCATION OVERSEAS QATAR LLC

By: _____
Name:
Title:

WCL INTERMEDIATE HOLDINGS SPAIN, S.L.U.

By: _____
Name:
Title:

INTERNATIONAL COLLEGE 2, S.A.U.

By: _____
Name:
Title:

INTERNATIONAL COLLEGE SPAIN, S.A.U.

By: _____
Name:
Title:

BSG LIMITED

By: _____
Name:
Title:

UMA EDUCATION HOLDINGS LIMITED

By: _____
Name:
Title:

UMA EDUCATION HONG KONG LIMITED

By: _____
Name:
Title:

[[ADDITIONAL SUBSIDIARIES]

By: _____
Name:
Title:]

Schedule A

TRANSACTIONS UNDER PROMISSORY NOTE

Date	Name of Payor	Name of Payee	Amount of Advance This Date	Amount of Principal Paid This Date	Outstanding Principal Balance from Payor to Payee This Date	Notation Made By

ENDORSEMENT

FOR VALUE RECEIVED, each of the undersigned does hereby sell, assign and transfer to _____all of its right, title and interest in and to the Intercompany Note, dated _____, 2015 (as amended, supplemented or otherwise modified from time to time, the **"Promissory Note"**), made by **NORD ANGLIA EDUCATION FINANCE LLC, NORD ANGLIA EDUCATION, INC.** and certain Subsidiaries of Parent or any other Person that is or becomes a party thereto, and payable to the undersigned. This endorsement is intended to be attached to the Promissory Note and, when so attached, shall constitute an endorsement thereof.

The initial undersigned shall be the Group Members (as defined in the Promissory Note) party to the Credit Documents on the date of the Promissory Note. From time to time after the date thereof, additional Subsidiaries of the Group Members shall become parties to the Promissory Note (each, an **"Additional Payee"**) and a signatory to this endorsement by executing a counterpart signature page to the Promissory Note and to this endorsement. Upon delivery of such counterpart signature page to the Payors, notice of which is hereby waived by the other Payees, each Additional Payee shall be a Payee and shall be as fully a Payee under the Promissory Note and a signatory to this endorsement as if such Additional Payee were an original Payee under the Promissory Note and an original signatory hereof. Each Payee expressly agrees that its obligations arising under the Promissory Note and hereunder shall not be affected or diminished by the addition or release of any other Payee under the Promissory Note or hereunder. This endorsement shall be fully effective as to any Payee that is or becomes a signatory hereto regardless of whether any other Person becomes or fails to become or ceases to be a Payee to the Promissory Note or hereunder.

Dated: _____

NORD ANGLIA EDUCATION FINANCE LLC

By: _____
Name:
Title:

NORD ANGLIA EDUCATION, INC.

By: _____
Name:
Title:

NORD ANGLIA EDUCATION (UK) HOLDINGS PLC

By: _____
Name:
Title:

NAE HONG KONG LIMITED

By: _____
Name:
Title:

NORD ANGLIA EDUCATION LIMITED

By: _____
Name:
Title:

NA SCHOOLS LIMITED

By: _____
Name:
Title:

NA EDUCATIONAL SERVICES LIMITED

By: _____
Name:
Title:

NORD ANGLIA EDUCATION DEVELOPMENT

By: _____
Name:
Title:

SERVICES LIMITED

By: _____
Name:
Title:

NORD ANGLIA VOCATIONAL EDUCATION AND TRAINING SERVICES LIMITED

By: _____
Name:
Title:

NORD INTERNATIONAL SCHOOLS LIMITED

By: _____
Name:
Title:

BRITISH INTERNATIONAL SCHOOL FOUNDATION

By: _____
Name:
Title:

THE BRITISH SCHOOL SP Z O.O.

By: _____
Name:
Title:

COLLÈGE ALPIN BEAU-SOLEIL SA

By: _____
Name:
Title:

LA CÔTE INTERNATIONAL SCHOOL SA

By: _____
Name:
Title:

COLLÈGE CHAMPITTET SA

By: _____
Name:
Title:

NORD ANGLIA MIDDLE EAST HOLDINGS SPC

By: _____
Name:
Title:

EEE ENTERPRISE LIMITED

By: _____
Name:
Title:

RICE EDUCATION HONG KONG LIMITED

By: _____
Name:
Title:

WCL HOLDCO LIMITED

By: _____
Name:
Title:

WCL GROUP LIMITED

By: _____
Name:
Title:

WCL INTERMEDIATE HOLDINGS LIMITED

By: _____
Name:
Title:

WCL SERVICES LIMITED

By: _____
Name:
Title:

WCL SCHOOL MANAGEMENT SERVICES

By: _____
Name:
Title:

FIELDWORK EDUCATION LIMITED

By: _____

Name:
Title:

BRITISH SCHOOLS OF AMERICA, LLC

By: _____
Name:
Title:

BRITISH SCHOOL OF WASHINGTON, LLC

By: _____
Name:
Title:

BRITISH SCHOOL OF BOSTON, LLC

By: _____
Name:
Title:

BRITISH SCHOOL OF CHICAGO, LLC

By: _____
Name:
Title:

BRITISH SCHOOL OF HOUSTON, LP

By: _____
Name:
Title:

BSA RESOURCE SOLUTIONS, LLC

By: _____
Name:
Title:

BST HOLDING, LLC

By: _____
Name:
Title:

BRITISH SCHOOLS OF TEXAS, LLC

By: _____
Name:
Title:

BRITISH AMERICAN SCHOOL OF CHARLOTTE, LLC

By: _____
Name:
Title:

WCL ACADEMY OF NEW YORK, LLC

By: _____
Name:
Title:

EDUCATION OVERSEAS QATAR LLC

By: _____
Name:
Title:

WCL INTERMEDIATE HOLDINGS SPAIN, S.L.U.

By: _____
Name:
Title:

INTERNATIONAL COLLEGE 2 SPAIN, S.A.U.

By: _____
Name:
Title:

INTERNATIONAL COLLEGE SPAIN, S.A.U.

By: _____
Name:
Title:

BSG LIMITED

By: _____
Name:
Title:

UMA EDUCATION HOLDINGS LIMITED

By: _____
Name:
Title:

UMA EDUCATION HONG KONG LIMITED

By: _____
Name:

Exhibit 4.6

EXECUTION VERSION

INTERCREDITOR AGREEMENT

Dated as of June 25, 2015

Among

NORD ANGLIA EDUCATION, INC.
as Parent

NORD ANGLIA EDUCATION FINANCE LLC
as the Company

THE COMPANIES NAMED IN PART 1 OF SCHEDULE 1
as the other Debtors

THE COMPANIES NAMED IN PART 2 OF SCHEDULE 1
as the Intra-Group Lenders

HSBC BANK USA, N.A.
as the Term Administrative Agent and Primary Security Agent

HSBC BANK PLC
as Hungarian Collateral Agent

CITICORP INTERNATIONAL LIMITED
as Senior Secured Notes Trustee

and

OTHERS

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EXHIBIT 3 — FORM OF DEBTOR RESIGNATION REQUEST

SCHEDULE 1 — ORIGINAL DEBTORS AND ORIGINAL INTRA-GROUP LENDERS

INTERCREDITOR AGREEMENT dated as of June 25, 2015 (as amended, restated, supplemented or otherwise modified from time to time, this " **Agreement** ") among **HSBC BANK USA, N.A.** , as term administrative agent (the " **Term Administrative Agent** ") and as Primary Collateral Agent and security agent for the Secured Parties (the " **Primary Security Agent** "); **HSBC BANK PLC** , as Hungarian Collateral Agent (the **"Hungarian Collateral Agent"**); **CITICORP INTERNATIONAL LIMITED** , as trustee for the Senior Secured Noteholders (the " **Senior Secured Notes Trustee** "); **NORD ANGLIA EDUCATION, INC.** , an exempted company incorporated under the laws of the Cayman Islands with its registered office at PO Box 309, Ugland House, South Church Street, Grand Cayman KY1-1104, Cayman Islands and under company number 264950 (" **Parent** "); **NORD ANGLIA EDUCATION FINANCE LLC** , a Delaware limited liability company (the " **Company** "), **THE COMPANIES** listed in Part 1 of Schedule 1 hereto as debtors (together with the Parent, the " **Original Debtors** "); **T HE COMPANIES** listed in Part 2 of Schedule 1 hereto as intra-group lenders (the " **Original Intra-Group Lenders** ") and the other parties which become a counterparty hereto from time to time. Capitalized terms shall have the meanings assigned to such terms in Section 1 below.

RECITALS:

WHEREAS, the Parent, the Company, the Original Debtors, certain lenders, the Administrative Agent, the Security Agent and the other parties thereto have entered into that certain Original Senior Secured Credit Agreement;

WHEREAS, the Parent, the Company, the Original Debtors, certain noteholders, Senior Secured Notes Trustee, the Security Agent and the other parties thereto have entered into that certain Senior Secured Note Indenture;

WHEREAS, the Administrative Agent, Senior Secured Notes Trustee, the Security Agent and the other parties hereto wish to set forth their agreement as to certain of their respective rights and obligations with respect to the Obligations owed to such party and any Liens granted in support thereof; and

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1.

DEFINITIONS AND INTERPRETATION

1.1 Definitions . In this Agreement:

" **1992 ISDA Master Agreement** " means the form of Master Agreement (Multicurrency — Cross Border) as published by the International Swaps and Derivatives Association, Inc.

" **2002 ISDA Master Agreement** " means the form of 2002 Master Agreement as published by the International Swaps and Derivatives Association, Inc.

" **Acceleration Event** " means a Senior Secured Facilities Acceleration Event, a Pari Passu Debt Acceleration Event, a Second Lien Debt Acceleration Event or an Additional Unsecured Debt Acceleration Event (as the context requires).

“ **Additional Secured Obligations** ” has the meaning given to it in Section 9.1.

“ **Additional Unsecured Debt** ” means any high yield notes, notes or other debt securities, loan or credit or debt facility which is not secured by assets of the Group and which is made to, or issued by (as applicable), either: (a) a member of the Group; or (b) a Holding Company of the Company, and which, in each case, the relevant Additional Unsecured Debt Obligations of members of the Group in respect of such Additional Unsecured Debt are required, pursuant to the terms of the Senior Secured Facilities Documents, to be subject to the terms of this Agreement as “Additional Unsecured Debt Obligations”.

“ **Additional Unsecured Debt Acceleration Event** ” means (a) the Additional Unsecured Debt Representative(s) (or any of the other Additional Unsecured Debt Creditors) exercising any acceleration rights (howsoever described) pursuant to, and in accordance with, any Additional Unsecured Debt Document following an Additional Unsecured Debt Event of Default which is continuing or (b) any Additional Unsecured Debt Obligations becoming due and payable by operation of any automatic acceleration provision contained in any Additional Unsecured Debt Document, in each case, other than a right to place amounts on demand, but including, without limitation, the making of a demand in respect of any amounts placed on demand.

“ **Additional Unsecured Debt Creditors** ” means the lenders, noteholders or other creditors in respect of any Additional Unsecured Debt and the Additional Unsecured Debt Representative(s).

“ **Additional Unsecured Debt Default** ” means an Additional Unsecured Debt Event of Default or any event or circumstances which would (with the expiry of a grace period, the giving of notice, or both, provided for in the relevant definition of such Additional Unsecured Debt Event of Default) be an Additional Unsecured Debt Event of Default, provided that any such event or circumstance which requires the satisfaction of a condition as to materiality before it becomes an Event of Default shall not be an Additional Unsecured Debt Default unless that condition is satisfied.

“ **Additional Unsecured Debt Discharge Date** ” means the first date on which all Additional Unsecured Debt Obligations have been discharged in cash or cash collateralized to the satisfaction of the Additional Unsecured Debt Representative(s) (acting reasonably), whether or not as the result of an Enforcement, and the Additional Unsecured Debt Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Additional Unsecured Debt Documents; provided , however , that an Additional Unsecured Debt Discharge Date shall be deemed not to have occurred if any Additional Unsecured Debt Obligations are Refinanced with Additional Unsecured Debt Obligations.

“ **Additional Unsecured Debt Documents** ” means (a) each document or instrument entered into between any member of the Group (or, if applicable, a Holding Company of the Company) and an Additional Unsecured Debt Creditor setting out the terms of any loan, credit or debt facility, notes, indenture or security which creates or evidences any Additional Unsecured Debt; and (b) this Agreement.

“ **Additional Unsecured Debt Enforcement Notice** ” has the meaning given to it in paragraph (b) of Section 7.3(b).

“ **Additional Unsecured Debt Event of Default** ” means an event of default under (and as defined in) any Additional Unsecured Debt Document.

“ **Additional Unsecured Debt Guarantees** ” means each senior or senior subordinated guarantee by an Additional Unsecured Debt Guarantor of the obligations of the relevant borrower or issuer (as appropriate) under the relevant Additional Unsecured Debt Documents which either (a) contains provisions in relation to payment blockage, subordination, turnover and release that substantially replicate those provisions of this Agreement relating to each Additional Unsecured Debt Guarantee or (b) shall be made expressly subject to the provisions of this Agreement in a legally binding manner.

“ **Additional Unsecured Debt Guarantors** ” means the Parent and each member of the Group in each case to the extent it is a guarantor of any of the Additional Unsecured Debt or any Additional Unsecured Debt Obligations.

“ **Additional Unsecured Debt Obligations** ” means the Obligations owed by the Debtors to the Additional Unsecured Debt Creditors under the Additional Unsecured Debt Documents, including the Additional Unsecured Parallel Debt (but, for the avoidance of doubt, excluding any other Parallel Debt).

“ **Additional Unsecured Debt Representative** ” means the creditor representative(s) for the Additional Unsecured Debt Creditors which have become parties to this Agreement as a Representative of those parties.

“ **Additional Unsecured Debt Representative Amounts** ” means fees and expenses owed by, and amounts owed by and/or payable by the Debtors to, each Additional Unsecured Debt Representative under the Additional Unsecured Debt Documents including: (a) any amounts payable to an Additional Unsecured Debt Representative personally by way of indemnity and/or remuneration pursuant to an Additional Unsecured Debt Document (including guarantees of such amounts contained therein) or any other document entered into in connection with the incurrence of Additional Unsecured Debt; (b) compensation for and the fees and expenses of the collection by any Additional Unsecured Debt Representative of any amount payable to such Additional Unsecured Debt Representative for the benefit of the other Additional Unsecured Debt Creditors; (c) the costs of any actual or attempted Enforcement Action and any action permitted under clause (i) of the exception to the definition of Enforcement Action (in each case, including the fees and expenses of the Additional Unsecured Debt Representative’s agents and counsel); and (d) amounts to be payable to any paying agent, registrar or any agent, custodian or other person appointed in accordance with the Additional Unsecured Debt Documents by any Additional Unsecured Debt Representative in relation to the Additional Unsecured Debt and any VAT payable on such amount; provided that, for the avoidance of doubt, Additional Unsecured Debt Representative Amounts shall not include (i) any amount of principal or interest payable in respect of any Additional Unsecured Debt Document or (ii) costs of bringing any claims, suit or proceeding against any Primary Creditor, or other Representatives.

“ **Additional Unsecured Debt Standstill Start Date** ” has the meaning given to it in Section 7.4.

“ **Additional Unsecured Debt Standstill Period** ” has the meaning given to it in Section 7.4.

“ **Additional Unsecured Issuer/Borrower** ” means the Parent or any Holding Company of the Parent as the issuer or borrower of any high yield notes, notes or other debt securities, loan or credit or debt facility.

“ **Additional Unsecured Parallel Debt** ” has the meaning given to that term in Section 17.3(a).

“ **Administrative Agent** ” means the Original Administrative Agent and any other entity that is an “Administrative Agent” under and as defined in the Original Senior Secured Credit Agreement.

“ **Affiliate** ” has the meaning given to the term “Affiliate” in the Original Senior Secured Credit Agreement.

“ **Agent Obligations** ” means the fees, costs and expenses owed by the Debtors to the Administrative Agent or any other Agent Party under the Senior Secured Facilities Documents (including any amount payable by way of indemnity or to reimburse any such agent for costs and expenses incurred).

“ **Agent Party** ” means the Arrangers, any other Agent under and as defined in the Original Senior Secured Credit Agreement and, in relation to any Second Lien Debt Document, the Second Lien Debt Trustee(s).

“ **Amendment and Restatement Date** ” has the meaning given to such term in the Original Senior Secured Credit Agreement.

“ **Arrangers** ” means the Arrangers and the Bookrunners each under and as defined in the Original Senior Secured Credit Agreement (and “ **Arranger** ” means any of them).

“ **Bankruptcy Law** ” means “Bankruptcy Law” as defined in the Original Senior Secured Credit Agreement.

“ **Board of Directors** ” means “Board of Directors” as defined in the Original Senior Secured Credit Agreement.

“ **Borrowing Obligations** ” means, in relation to a member of the Group, the obligations (not being Guarantee Obligations) it may have as a principal debtor to a Creditor in respect of Indebtedness arising under the Debt Documents (whether incurred solely or jointly and including, without limitation, obligations as a Borrower under and as defined in any of the Senior Secured Facilities Documents, the Pari Passu Debt Documents, Second Lien Debt Documents or the Additional Unsecured Debt Documents and/or obligations as an issuer under any of the Pari Passu Debt Documents, the Second Lien Debt Documents or the Additional Unsecured Debt Documents).

“ **Business Day** ” has the meaning given to the term “Business Day” in the Original Senior Secured Credit Agreement.

“ **Cash Collateral** ” means any cash collateral provided by any Debtor pursuant to cash collateralization of Obligations by such Debtor.

“ **Cash Management Agreement** ” means each and any of the following bank services provided to any Debtor (a) under any arrangement that is in effect on the Amendment and

Restatement Date between any Debtor, a counterparty that is (or is an Affiliate of) any Revolving Lender or any Arranger as of the Amendment and Restatement Date or (b) under any arrangement that is entered into after the Amendment and Restatement Date by any Cash Management Provider: (i) credit cards for commercial customers (including "commercial credit cards," procurement cards and purchasing cards), (ii) debit cards, (iii) credit card processing services, (iv) stored value cards, (v) treasury and other cash management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, overdrafts, short-term loan facilities, derivatives facilities, foreign exchange facilities and interstate depository network services) and (vi) other facilities or accommodations in connection with the business of the Group and which are agreed by the Company and such Person providing such bank services.

" **Cash Management Discharge Date** " means the first date on which all Cash Management Obligations have been discharged in cash or cash collateralized to the satisfaction of each Cash Management Provider, whether or not as the result of an Enforcement, and the Cash Management Providers are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

" **Cash Management Obligations** " means Obligations in respect of any Cash Management Agreement which are permitted under the Senior Secured Facilities Documents to be secured by the Collateral.

" **Cash Management Provider** " means any cash management bank which is (or is an Affiliate of) any Revolving Lender or any Arranger which is a counterparty in respect of any Cash Management Obligations and which is a party to this Agreement in such capacity or has acceded to this Agreement pursuant to Section 19.8.

" **Close-Out Netting** " means (a) in respect of a Hedge Agreement based on a 1992 ISDA Master Agreement, any step involved in determining the amount payable in respect of an Early Termination Date (as defined in the 1992 ISDA Master Agreement) under section 6(e) of the 1992 ISDA Master Agreement before the application of any subsequent Set-off (as defined in the 1992 ISDA Master Agreement); and (b) in respect of a Hedge Agreement based on a 2002 ISDA Master Agreement, any step involved in determining an Early Termination Amount (as defined in the 2002 ISDA Master Agreement) under section 6(e) of the 2002 ISDA Master Agreement before the application of any subsequent set-off pursuant to section 6(f) of the 2002 ISDA Master Agreement; and (c) in respect of any other Hedge Agreements set-off, account combination, close-out netting or payment netting (whether arising out of a cross agreement netting agreement or otherwise) relating to terminated Hedge Agreements but without application of any set-off of the type otherwise captured pursuant to section 6(f) of the 2002 ISDA Master Agreement.

" **Collateral** " means all of the assets which from time to time are, or are expressed to be, the subject of the Transaction Security.

" **Commitment** " has the meaning given to the term "Commitment" in the Original Senior Secured Credit Agreement.

" **Commodity Exchange Act** " means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

“ **Common Currency Amount** ” means, in relation to an amount, the Dollar Equivalent of the amount converted (to the extent not already denominated in Dollars) on the Business Day prior to the relevant calculation.

“ **Common Guarantee** ” means any guarantee, indemnity or other assurance against loss in respect of any of the Obligations, the benefit of which (however conferred, including without limitation, pursuant to Section 17.3) is, to the extent legally possible and subject to the Security Principles, given to all the Secured Parties in respect of the Obligations owed to them by any member of the Group.

“ **Company** ” has the meaning provided in the preamble to this Agreement.

“ **Consent** ” means any consent, approval, release or waiver or agreement to any amendment.

“ **Creditor/Representative Joinder** ” means (a) a Joinder substantially in the form set out in Exhibit 2 (*Form of Creditor/Representative Joinder*) or (b) in the case of an additional Debtor which is expressed to become a party as an Intra-Group Lender in the relevant Debtor Joinder Agreement, that Debtor Joinder Agreement.

“ **Creditors** ” means the Primary Creditors and the Intra-Group Lenders.

“ **Debt Document** ” means each of this Agreement, the Hedge Agreements, the Cash Management Agreements, the Senior Secured Facilities Documents, the Pari Passu Debt Documents, the Second Lien Debt Documents, the Additional Unsecured Debt Documents, the Security Documents, any agreement evidencing the terms of the Intra-Group Obligations and any other agreement, instrument or document designated as such by the Security Agent and the Parent.

“ **Debtor** ” means each Original Debtor and any person which becomes a Party as a Debtor in accordance with the terms of Section 19.

“ **Debtor Joinder Agreement** ” means a joinder substantially in the form set out in Exhibit 1 (*Form of Debtor Joinder Agreement*).

“ **Debtor Obligations** ” means, in relation to a member of the Group or another Debtor, any liabilities and obligations owed to any Debtor (whether actual or contingent and whether incurred solely or jointly) by that member of the Group or other Debtor.

“ **Debtor Resignation Request** ” means a notice substantially in the form set out in Exhibit 3 (*Form of Debtor Resignation Request*).

“ **Default** ” means a Senior Secured Facilities Default, a Pari Passu Debt Default, a Second Lien Debt Default or an Additional Unsecured Debt Default (as the case may be).

“ **Defaulting Lender** ” means a Lender which is a “Defaulting Lender” under, and as defined in, the Original Senior Secured Credit Agreement.

“ **Delegate** ” means any delegate, agent, attorney or co-trustee appointed by the Security Agent.

“ **Designated Gross Amount** ” means the amount notified by the Parent to the relevant Cash Management Provider upon the establishment of accounts pursuant to a Cash Management Agreement as being the maximum amount of Gross Outstandings that will, at any time, be outstanding in accounts subject to such Cash Management Agreement.

“ **Designated Net Amount** ” means the amount notified by the Parent to the relevant Cash Management Provider upon the establishment of accounts pursuant to a Cash Management Agreement as being the maximum amount of Net Outstandings that will, at any time, be outstanding in accounts subject to such Cash Management Agreement.

“ **DIP Financing** ” has the meaning given to such term in paragraph (a) of Section 10.7.

“ **Discharge Date** ” means the Additional Unsecured Debt Discharge Date, the Cash Management Discharge Date, the Hedging Discharge Date, the Pari Passu Debt Discharge Date, the Second Lien Debt Discharge Date, the Senior Secured Discharge Date, the Senior Secured Note Discharge Date or the Senior Secured Facilities Discharge Date, as applicable.

“ **Distress Event** ” means an Acceleration Event or the enforcement of any Transaction Security in accordance with the Security Documents.

“ **Distressed Disposal** ” means a disposal of Capital Stock (as that term is defined in the Original Senior Secured Credit Agreement) of, or any asset of, a member of the Group which is being effected (a) at the request of the relevant Instructing Group in circumstances where the Transaction Security has become enforceable, (b) by enforcement, or simultaneous with the enforcement, of the Transaction Security or (c) after the occurrence of a Distress Event, by or on behalf of a Debtor to a person or persons which is not a member of the Group.

“Dollar Equivalent” means, with respect to any monetary amount in a currency other than U.S. dollars, at any time for the determination thereof, the amount of U.S. dollars obtained by converting such foreign currency involved in such computation into U.S. dollars at the base rate for the purchase of U.S. dollars with the applicable foreign currency as quoted by the Federal Reserve Bank of New York using exchange rates prevailing on the date of determination.

“ **ECP** ” means an “eligible contract participant” as defined in the Commodity Exchange Act.

“ **Enforcement** ” means the enforcement of the Transaction Security, the requesting of a Distressed Disposal and/or the release of claims and/or Transaction Security on a Distressed Disposal under Section 14.3, the giving of instructions under Section 10.6 as to actions in respect of any Transaction Security following an Insolvency Event and the taking of any other actions consequential on (or necessary to effect) the enforcement of the Transaction Security.

“ **Enforcement Action** ” means

(a) in relation to any Obligations (i) the acceleration of any Obligations or the making of any declaration that any Obligations are prematurely due and payable (other than as a result of it becoming unlawful

for a Primary Creditor to perform its obligations under, or of any voluntary or mandatory prepayment or redemption arising under, the Debt Documents), (ii) the making of any declaration that any Obligations are payable on demand (except in respect of any Intra-Group Obligations, other than when a Distress Event has occurred and is continuing), (iii) the making of a demand in relation to an Obligation that is payable on demand (except in respect of any Intra-Group Obligations, other than when a Distress Event has occurred and is continuing), (iv) the making of any demand against any Debtor in relation to any Guarantee Obligations of that Debtor (except in respect of any Intra-Group Obligations, other than when a Distress Event has occurred and is continuing), (v) the exercise of any right to require any member of the Group to acquire any Obligation (including exercising any put or call option against any member of the Group for the redemption or purchase of any Obligation) (it being understood that open market purchases or debt buybacks or voluntary tender or exchange offers or similar or equivalent arrangements by any Debtor of Senior Secured Obligations, Second Lien Debt Obligations or Additional Unsecured Debt Obligations permitted under the Debt Documents shall not constitute the exercise of a right to require any Debtor to acquire any Obligation) and other than in connection with any mandatory offer arising on or as a result of a change of control or asset sale (however described) as set out in the Senior Secured Documents, the Second Lien Debt Documents or the Additional Unsecured Debt Documents (or any other similar or equivalent provision of any of the Debt Documents) by any Debtor or member of the Group, (vi) the exercise of any right of set-off, account combination or payment netting against any member of the Group in respect of any Obligations other than the exercise of any such right (A) as Close-Out Netting by a Hedge Counterparty, (B) as Payment Netting by a Hedge Counterparty, (C) as Inter-Hedging Agreement Netting by a Hedge Counterparty, (D) which is otherwise permitted under any Senior Secured Credit Agreement, any Pari Passu Debt Documents, any Second Lien Debt Documents, or any Additional Unsecured Debt Documents to the extent that the exercise of that right gives effect to a Permitted Payment, or (E) in respect of any Intra-Group Obligations prior to the occurrence of a Distress Event, and (vii) the suing for, commencing or joining of any legal or arbitration proceedings against any member of the Group to recover any Obligations;

(b) the premature termination or close-out of any hedging transaction under any Hedge Agreement or any cash management arrangement under any Cash Management Agreement save to the extent permitted under this Agreement;

(c) the taking of any steps to enforce or require the enforcement of any Transaction Security (including the crystallization of any floating charge forming part of the Transaction Security);

(d) the entering into of any composition, compromise, assignment or arrangement with any member of the Group which owes any Obligations, or has given any Lien, guarantee or indemnity or other assurance against loss in respect of the Obligations (other than (A) any action permitted under Section 19 (it being understood that open market purchases or voluntary

tender or exchange offers by any Debtor of Senior Secured Obligations or Additional Unsecured Debt Documents permitted under the Debt Documents shall not constitute the exercise of a right to require any Debtor to acquire any Obligation), (B) any consensual amendments to and/or waivers of the Debt Documents agreed between members of the Group and the relevant Creditors where that amendment or waiver does not constitute a Default under the Senior Secured Credit Agreement, any Pari Passu Debt Documents, any Second Lien Debt Documents or any Additional Unsecured Debt Documents which is not the subject of that amendment or waiver or (C) any such action constituting an Obligations Acquisition in respect of Intra-Group Obligations which is permitted under Section 8.4); or

(e) the petitioning, applying or voting for, or the taking of any formal steps (including the appointment of any liquidator, receiver, administrator or similar officer) in relation to, the winding up, suspension of payments, a moratorium of any indebtedness, dissolution, administration of any member of the Group which owes any Obligations, or has given any Lien, guarantee, indemnity or other assurance against loss in respect of any of the Obligations, or any of such member of the Group's assets or any suspension of payments or moratorium of any indebtedness of any such member of the Group or any analogous procedure in any jurisdiction;

provided that the following shall not constitute Enforcement Action: (i) any Primary Creditor bringing legal proceedings against any person solely for the purpose of (A) obtaining injunctive relief (or any analogous remedy) to restrain any actual or putative breach of any Debt Document to which it is party; (B) obtaining specific performance (other than specific performance of an obligation to make a payment) with no claim for damages; or (C) requesting judicial interpretation of any provision of any Debt Document to which it is party with no claim for damages, (ii) any Intra-Group Obligations of a member of the Group being released or discharged in consideration for the issue of shares in that member of the Group prior to an Acceleration Event, (iii) to the extent entitled by law, the taking of any action against any Creditor (or any agent, trustee or receiver acting on behalf of that Creditor) to challenge the basis on which any sale or disposal is to take place pursuant to the powers granted to those persons under any relevant documentation, (iv) bringing legal proceedings against any person in connection with any fraud, securities violation or securities or listing regulations, or (v) allegations of material misstatements or omissions made in connection with the offering materials relating to any Pari Passu Debt, Second Lien Debt or Additional Unsecured Debt in the form of notes or debt securities or in reports furnished to Pari Passu Creditors, Second Lien Debt Creditors or Additional Unsecured Debt Creditors in respect thereof or any exchange on which such Pari Passu Debt, Second Lien Debt or the Additional Unsecured Debt are listed by a member of the Group or the Parent pursuant to the information and reporting requirements under the relevant Pari Passu Debt Documents, Second Lien Debt Documents or Additional Unsecured Debt Documents.

" **Event of Default** " means a Senior Secured Facilities Event of Default, a Pari Passu Debt Event of Default, a Second Lien Debt Event of Default or an Additional Unsecured Debt Event of Default (as the case may be).

" **Excluded Swap Obligation** " means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a Lien to secure, such Swap Obligation (or any guarantee

thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason to constitute an ECP at the time of the guarantee of such Guarantor or the grant of such Lien becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

" **Final Discharge Date** " means the later to occur of the Senior Secured Discharge Date, the Second Lien Debt Discharge Date and the Additional Unsecured Debt Discharge Date.

" **Financial Adviser** " means an internationally recognized investment bank or accountancy firm or, if it is not practicable for the Security Agent to appoint any such bank or firm on commercially reasonable terms (including for reasons of conflicts of interest) as determined by the Security Agent (acting in good faith), another third party professional firm which is regularly engaged in providing valuations in respect of the relevant type of assets (in each case not being the firm appointed as the relevant Debtor's administrator or other relevant officer holder) selected by the Security Agent.

" **Governmental Authority** " means any federal, state, municipal, national or other government, governmental department, commission, board, bureau, court, agency or instrumentality or political subdivision thereof or any entity, officer or examiner exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, in each case whether associated with a state of the United States, the United States, or any foreign governmental entity or government.

" **Gross Outstandings** " means, in relation to a Cash Management Agreement, the aggregate gross debit balance of overdrafts in the accounts subject to such Cash Management Agreement.

" **Group** " means the Parent and each of its Restricted Subsidiaries from time to time.

" **Guarantee Limitations** " means, in respect of (a) a Debtor and any payments it is required to make in its capacity as a guarantor or as the provider of an indemnity under this Agreement, the Senior Secured Facilities Documents, the Pari Passu Debt Documents, the Second Lien Debt Documents or the Additional Unsecured Debt Documents and (b) an Intra-Group Lender and any payments it is required to make under this Agreement, the limitations and restrictions applicable to such entity as set out in this Agreement, the Senior Secured Facilities Document, the Pari Passu Debt Documents, the Second Lien Debt Documents and/or the Additional Unsecured Debt Documents(as applicable).

" **Guarantee Obligations** " means, in relation to a member of the Group, the liabilities and obligations under the Debt Documents (present or future, actual or contingent and whether incurred solely or jointly) it may have to a Creditor as or as a result of its being a guarantor or surety (including, without limitation, liabilities and obligations arising by way of guarantee, indemnity, surety, parallel debt, contribution or subrogation and in particular any guarantee, indemnity or surety arising under or in respect of this Agreement, the Senior Secured Facilities Documents, the Pari Passu Debt Documents, the Second Lien Debt

Documents or the Additional Unsecured Debt Documents), in each case, excluding all Excluded Swap Obligations.

" **Guarantor** " means each Debtor owing Guarantee Obligations under this Agreement and any other Senior Secured Document.

" **Hedge Agreement** " has the meaning given to such term in the Original Senior Secured Credit Agreement.

" **Hedge Counterparty** " means any Lender Counterparty (as defined in the Original Senior Secured Credit Agreement) which becomes a counterparty to this Agreement in respect of any Hedging Obligations pursuant to Section 19.8.

" **Hedge Counterparty Obligations** " means the obligations owed by any Hedge Counterparty to the Debtors or any of them under or in connection with the Hedge Agreements.

" **Hedge Transfer** " means a transfer to some or all of the Second Lien Debt Creditors (or their nominee or nominees) or to some or all of the Additional Unsecured Debt Creditors (or to their nominee or nominees) of (subject to Section 5.10(b)), each Hedge Agreement together with:

(a) all the rights in respect of the Hedging Obligations owed by the Debtors to each Hedge Counterparty; and

(b) all the Hedge Counterparty Obligations owed by each Hedge Counterparty to the Debtors,

in accordance with Section 19.13 .

" **Hedging Discharge Date** " means the first date on which all Hedging Obligations have been discharged in cash or cash collateralized to the satisfaction of each Hedge Counterparty, whether or not as the result of an Enforcement, and the Hedge Counterparties are under no further obligation to provide financial accommodation to any of the Debtors under the Debt Documents.

" **Hedging Obligations** " means (x) until all of the Senior Secured Facilities Obligations under the Original Senior Secured Credit Agreement have been discharged in cash or cash collateralized to the satisfaction of each Hedge Counterparty, any obligations pursuant to any Hedge Agreement (as defined in the Original Senior Secured Credit Agreement) that are secured by Permitted Collateral Liens (as defined in the Original Senior Secured Credit Agreement) on the Collateral in accordance with the terms of the Original Senior Secured Credit Agreement and (y) thereafter, any Obligations under any Hedge Agreement of any interest rate, commodity or foreign exchange hedging permitted to be secured on a *pari passu* basis with the Senior Secured Obligations by the terms of the Debt Documents, in each case entered into with a Hedge Counterparty.

" **Hedging Purchase Amount** " means, in respect of a hedging transaction under a Hedge Agreement, the amount that would be payable to (expressed as a positive number) or by (expressed as a negative number) the relevant Hedge Counterparty on the relevant date if:

(a) in the case of a Hedge Agreement which is based on an ISDA Master Agreement:

(i) that date was an Early Termination Date (as defined in the relevant ISDA Master Agreement); and

(ii) the relevant Debtor was the Defaulting Party (under and as defined in the relevant ISDA Master Agreement); or

(b) in the case of a Hedge Agreement which is not based on an ISDA Master Agreement:

(i) that date was the date on which an event similar in meaning and effect (under that Hedging Agreement) to an Early Termination Date (as defined in any ISDA Master Agreement) occurred under that Hedge Agreement; and

(ii) the relevant Debtor was in a position which is similar in meaning and effect to that of a Defaulting Party (under and as defined in the same ISDA Master Agreement),

in each case as certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedge Agreement.

" **Holding Company** " means, with respect to any person (other than a natural person), any Person (other than a natural person) of which such person is or becomes a direct or indirect Subsidiary.

"Hungarian Collateral Agent" has the meaning provided in the preamble to this Agreement.

" **Indebtedness** " means "Debt" as defined in the Original Senior Secured Credit Agreement.

" **Insolvency Event** " means, in relation to any member of the Group, any of the events referred to in Section 8.1(f) and/or 8.1(g) of the Original Senior Secured Credit Agreement or any comparable provision in any Pari Passu Debt Documents, Second Lien Debt Document or Additional Unsecured Debt Documents has occurred in respect of such member of the Group.

" **Insolvency Proceeding** " means any US Insolvency Proceeding or any similar or analogous proceeding under the laws of any other country or jurisdiction .

" **Instructing Group** " means either:

(a) in relation to any consent or instructions relating to Enforcement:

(i) prior to the Senior Secured Discharge Date, the Majority Senior Secured Creditors;

(ii) on or after the Senior Secured Discharge Date but prior to the Second Lien Debt Discharge Date, the Majority Second Lien Debt Creditors; and

(iii) on or after the Senior Secured Discharge Date and the Second Lien Debt Discharge Date, the Majority Additional Unsecured Debt Creditors; or

(b) where any matter requires the consent of or instruction from (but excluding any consent or instruction in relation to Enforcement as set out in paragraph (a) above) an Instructing Group:

(i) prior to the Senior Secured Discharge Date, the Majority Senior Secured Creditors and the Majority Second Lien Debt Creditors;

(ii) on or after the Senior Secured Discharge Date, but prior to the Second Lien Debt Discharge Date, the Majority Second Lien Debt Creditors; and

(iii) on or after the Senior Secured Discharge Date and the Second Lien Debt Discharge Date, the Majority Additional Unsecured Debt Creditors.

" **Intercreditor Amendment** " means any amendment or waiver which is subject to Section 25.

" **Inter-Hedging Agreement Netting** " means the exercise of any right of set-off, account combination, close-out netting or payment netting (whether arising out of a cross agreement netting agreement or otherwise) by a Hedge Counterparty against obligations owed to a Debtor by that Hedge Counterparty under a Hedge Agreement in respect of Hedging Obligations owed to that Hedge Counterparty by that Debtor under a Hedge Agreement.

" **Intra-Group Lenders** " means (a) the Original Intra-Group Lenders, and (b) each member of the Group which makes a loan to, grants any credit to, or makes any other financial arrangement having a similar effect with a Debtor and which becomes a party as an Intra-Group Lender in accordance with the terms of Section 19, which, in each case, has not ceased to be an Intra-Group Lender in accordance with this Agreement.

" **Intra-Group Obligations** " means the Obligations owed by any Debtor to any of the Intra-Group Lenders in its capacity as such.

" **ISDA Master Agreement** " means a 1992 ISDA Master Agreement or a 2002 ISDA Master Agreement.

" **Legal Reservations** " has the meaning given to the term "Legal Reservations" in the Original Senior Secured Credit Agreement.

" **Lien** " means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind in respect of such asset, whether or not filed, recorded or otherwise perfected under applicable law, including any conditional sale or other title retention agreement or any lease in the nature thereof.

“ **Majority Additional Unsecured Debt Creditors** ” means, at any time, those Additional Unsecured Debt Creditors whose Additional Unsecured Debt Obligations at that time aggregate more than 50% of the total Additional Unsecured Debt Obligations at that time.

“ **Majority Pari Passu Debt Creditors** ” means at any time, those Pari Passu Debt Creditors whose Pari Passu Debt Obligations at that time aggregate more than 50% of the total Pari Passu Debt Obligations at that time.

“ **Majority Second Lien Debt Creditors** ” means at any time, those Second Lien Debt Creditors whose Second Lien Debt Obligations at that time aggregate more than 50% of the total Second Lien Debt Obligations at that time.

“ **Majority Senior Secured Creditors** ” means, at any time, those Senior Secured Creditors (other than Cash Management Providers in their capacity as such) whose Senior Secured Creditor Obligations (excluding Cash Management Obligations) at that time aggregate more than 50% of the total Senior Secured Creditor Obligations (excluding Cash Management Obligations) at that time.

“ **Net Outstandings** ” means, in relation to a Cash Management Agreement, the aggregate debit balance of overdrafts on any account subject to such Cash Management Agreement, net of any credit balances on any account comprised subject to such Cash Management Agreement, to the extent that the credit balances are freely available to be set-off by the relevant Cash Management Provider against Liabilities owed to it by the relevant Debtor under that Cash Management Agreement.

“Non-US Debtor ” means any Debtor that is not a US Debtor.

“ **Noteholders** ” means, as applicable, the holders, from time to time, of (a) any Pari Passu Debt in the form of notes or debt securities; (b) any Second Lien Debt in the form of notes or debt securities; and (c) any Additional Unsecured Debt in the form of notes or debt securities, in each case, as determined in accordance with the relevant Pari Passu Debt Documents, the Second Lien Debt Documents and Additional Unsecured Debt Documents (as applicable).

“ **Notes Finance Documents** ” means, as applicable, (a) the Pari Passu Debt Documents in respect of Pari Passu Debt in the form of notes or debt securities; (b) the Second Lien Debt Documents in respect of Second Lien Debt in the form of notes or debt securities; and (c) the Additional Unsecured Debt Documents in respect of Additional Unsecured Debt in the form of notes or debt securities.

“ **Notes Trustee** ” means as applicable, (a) each Pari Passu Debt Representative in respect of Pari Passu Debt in the form of notes or debt securities; (b) each Second Lien Debt Trustee in respect of Second Lien Debt in the form of notes or debt securities; and (c) each Additional Unsecured Debt Representative in respect of Additional Unsecured Debt in the form of notes or debt securities.

“ **Notes Trustee Amounts** ” means, as applicable, (a) any Pari Passu Debt Representative Amounts owed to a Notes Trustee in respect of any Pari Passu Debt; (b) any Second Lien Debt Trustee Amounts owed to a Notes Trustee in respect of any Second Lien

Debt; and (c) any Additional Unsecured Debt Representative Amounts owed to a Notes Trustee in respect of any Additional Unsecured Debt.

" **Obligations** " means all present and future liabilities and obligations at any time of any Debtor to any Creditor under the Debt Documents, both actual and contingent and whether incurred solely or jointly or in any other capacity together with any of the following matters relating to or arising in respect of those liabilities and obligations, (a) any refinancing, novation, deferral or extension, (b) any claim for breach of representation, warranty or undertaking or on an event of default or under any indemnity given under or in connection with any document or agreement evidencing or constituting any other liability or obligation falling within this definition, (c) any claim for damages or restitution, (d) any claim as a result of any recovery by any Debtor or any grantor of Transaction Security of a Payment on the grounds of preference or otherwise and (e) any amounts which would be included in any of the above but for any discharge, non-provability, unenforceability or non-allowance of those amounts in any Insolvency Proceeding or other proceedings.

" **Obligations Acquisition** " means, in relation to a person and to any Obligations, a transaction where that person (a) purchases by way of assignment or transfer, (b) enters into any sub-participation in respect of or (c) enters into any other agreement or arrangement having an economic effect substantially similar to a sub-participation in respect of, the rights and benefits in respect of those Obligations.

" **Original Administrative Agent** " means the Term Administrative Agent.

" **Original Debtors** " has the meaning provided in the preamble to this Agreement.

" **Original Intra-Group Lenders** " has the meaning provided in the preamble to this Agreement.

" **Original Senior Secured Credit Agreement** " means the Credit and Guaranty Agreement, dated as of March 31, 2014 (as amended by (i) the First Amendment to the Credit and Guaranty Agreement dated March 2, 2015 and (ii) the Joinder Agreement dated March 2, 2015 and (iii) the Second Amendment and Joinder Agreement to the Credit and Guaranty Agreement dated as of the date hereof) by and among the Company, Parent, the Revolving Facility Administrative Agent, the Term Administrative Agent and the other parties from time to time party thereto.

" **Other Obligations** " means, in relation to a member of the Group, any trading and other liabilities and obligations (other than Borrowing Obligations or Guarantee Obligations) it may have to an Intra-Group Lender or a Debtor.

" **Parallel Debt** " has the meaning given to that term in Section 17.3(a).

" **Parent** " has the meaning provided in the preamble to this Agreement.

" **Pari Passu Creditors** " means (a) the Senior Secured Notes Creditors, (b) the other lenders, noteholders or other creditors in respect of any Pari Passu Debt and (c) the Pari Passu Debt Representative(s).

" **Pari Passu Debt** " means (a) the Senior Secured Notes and (b) any other loan, credit or debt facility, senior secured notes or debt securities which are permitted under the terms of

the Senior Secured Facilities Documents, (i.e. constitutes "Pari Passu Debt Obligations" as defined in the Original Senior Secured Credit Agreement) the Second Lien Debt Documents and the then existing Pari Passu Debt Documents to share in the Transaction Security with the rights and obligations of Pari Passu Creditors as provided for in this Agreement, provided that the Pari Passu Creditors (or a Pari Passu Debt Representative on their behalf) have become party to this Agreement in accordance with Section 19.2 (and excluding, for the avoidance of doubt, Senior Secured Facilities Obligations, Cash Management Obligations and Hedging Obligations).

" **Pari Passu Debt Acceleration Event** " means (a) the Pari Passu Debt Representative(s) (or any of the other Pari Passu Creditors) exercising any acceleration rights (howsoever described) pursuant to, and in accordance with, any Pari Passu Debt Document following a Pari Passu Debt Event of Default which is continuing or (b) any Pari Passu Debt Obligations becoming due and payable by operation of any automatic acceleration provision contained in any Pari Passu Debt Document, in each case, other than a right to place amounts on demand, but including, without limitation, the making of a demand in respect of any amounts placed on demand.

" **Pari Passu Debt Default** " means a Pari Passu Debt Event of Default or any event or circumstances which would (with the expiry of a grace period, the giving of notice, or both, provided for in the relevant definition of such Pari Passu Debt Event of Default) be a Pari Passu Debt Event of Default.

" **Pari Passu Debt Discharge Date** " means the first date on which all Pari Passu Debt Obligations have been discharged in cash or cash collateralized to the satisfaction of the Pari Passu Debt Representatives (acting upon the instructions of its respective Pari Passu Creditors), whether or not as the result of an Enforcement, and the Pari Passu Creditors are under no further obligation to provide financial accommodation to any of the Debtors under the Pari Passu Debt Documents.

" **Pari Passu Debt Documents** " means (a) the Senior Secured Notes Documents and (b) each other document or instrument entered into between any members of the Group and a Pari Passu Creditor setting out the terms of any Pari Passu Debt and which creates or evidences any Pari Passu Debt Obligations.

" **Pari Passu Debt Event of Default** " means an event of default under (and as defined in) any Pari Passu Debt Document.

" **Pari Passu Debt Obligations** " means (a) the Senior Secured Notes Obligations and (b) the other Obligations owed by the Debtors to the Pari Passu Creditors under the Pari Passu Debt Documents.

" **Pari Passu Debt Representative** " means (a) the Senior Secured Notes Trustee and (b) each other creditor representative for the Pari Passu Creditors which have become parties to this Agreement as a Representative of those parties.

" **Pari Passu Debt Representative Amounts** " means fees and expenses owed by, and amounts owed by and/or payable by the Debtors to each Pari Passu Debt Representative under the Pari Passu Debt Documents including: (a) any amounts payable to a Pari Passu Debt Representative by way of indemnity and/or security and/or remuneration pursuant to a Pari Passu Debt Document (including guarantees of such amounts contained therein) or any

other document entered into in connection with the incurrence of Pari Passu Debt; (b) compensation for and the fees and expenses of the collection by any Pari Passu Debt Representative of any amount payable to such Pari Passu Debt Representative for the benefit of the other Pari Passu Creditors; (c) the costs of any actual or attempted Enforcement Action and any action permitted under clause (i) of the exception to the definition of Enforcement Action (in each case, including the fees and expenses of the Pari Passu Debt Representative's agents and counsel); and (d) amounts to be payable to any paying agent, registrar or any agent, attorney, delegate, custodian or other person appointed in accordance with the Pari Passu Debt Documents by any Pari Passu Debt Representative in relation to the Pari Passu Debt and any VAT payable on such amount; provided that, for the avoidance of doubt, Pari Passu Debt Representative Amounts shall not include (i) any amount of principal or interest payable in respect of any Pari Passu Debt Document or (ii) costs of bringing any claims, suit or proceeding against any Primary Creditor, or other Representatives.

" **Party** " means a party to this Agreement.

" **Payment** " means, in respect of any Obligations, a payment, prepayment, repayment, redemption, defeasance or discharge of those Obligations.

" **Payment Netting** " means (a) in respect of a Hedge Agreement based on an ISDA Master Agreement, netting under Section 2(c) of the relevant ISDA Master Agreement and (b) in respect of a Hedge Agreement not based on an ISDA Master Agreement, netting pursuant to any provision of that Hedge Agreement which has a similar effect to the provision referenced in clause (a) above.

" **Permitted Additional Unsecured Debt Payment** " means the Payments of Pari Passu Debt Obligations permitted by Section 7.

" **Permitted Cash Management Payments** " means the Payments permitted by Section 6.2.

" **Permitted Gross Outstandings** " means, in relation to a Cash Management Agreement, any amount, not exceeding its Designated Gross Amount, which is the aggregate amount of the gross debit balance of overdrafts in the accounts subject to such Cash Management Agreement.

" **Permitted Hedge Close-Out** " means, in relation to a hedging transaction under a Hedge Agreement, a termination or close-out of that hedging transaction which is permitted pursuant to Section 4.8.

"Permitted Hedge Payment" means the Payments permitted by Section 4.3.

" **Permitted Intra-Group Payments** " means the Payments permitted by Section 8.2.

"Permitted Investments" has the meaning given to "Cash Equivalents" in the Original Senior Secured Credit Agreement as in effect on the date hereof.

" **Permitted Pari Passu Debt Payment** " means the Payments of Pari Passu Debt Obligations permitted by Section 3.

" **Permitted Payment** " means a Permitted Hedge Payment, a Permitted Cash Management Payment, a Permitted Senior Secured Facilities Payment, a Permitted Pari Passu

Debt Payment, a Permitted Second Lien Debt Payment, a Permitted Additional Unsecured Debt Payment or a Permitted Intra-Group Payment.

" **Permitted Second Lien Debt Payments** " means the Payments of Second Lien Debt Obligations permitted by the last paragraph of Section 5.4.7.

" **Permitted Senior Secured Facilities Payments** " means the Payments of Second Lien Debt Obligations permitted by Section 3.

" **Post-Petition Interest** " means interest, fees, expenses and other charges that pursuant to the Senior Secured Documents or the Second Lien Debt Documents, as applicable, continue to accrue after the commencement of any Insolvency Event or Insolvency Proceeding, whether or not such interest, fees, expenses and other charges are allowed or allowable under the US Bankruptcy Law or in any such Insolvency Event or Insolvency Proceeding.

"Primary Collateral Agent" means "Primary Collateral Agent" as defined in the Original Senior Secured Credit Agreement.

" **Primary Creditor** " means the Senior Secured Creditors, the Second Lien Debt Creditors and the Additional Unsecured Debt Creditors.

"Primary Security Agent " has the meaning provided in the preamble to this Agreement.

" **Public Auction** " means an auction or other competitive sale process of assets, by or on behalf of the Security Agent where third parties have been given notice and been invited to bid pursuant to an enforcement of Transaction Security (or by a member of the Group in circumstances that are a Distressed Disposal), the process of such sale or disposal having been conducted as follows: (a) prior to the sale or other disposal, the Security Agent shall, in respect of such auction or other competitive sale process, consult with an independent and internationally recognized investment bank or accounting firm selected by the Security Agent (acting reasonably) with respect to the procedures which may reasonably be expected to be used to obtain a fair market price in the then prevailing market conditions (taking into account all relevant circumstances and with a view to facilitating a prompt and expeditious sale at a fair market price in the prevailing market conditions although there shall be no obligation to postpone any such sale in order to achieve a higher price); (b) the Security Agent shall have implemented (to the extent permitted by applicable law) in all material respects the procedures recommended by such bank or firm in relation to such auction or process; and (c) the Primary Creditors shall have a right to participate.

For the purposes of clauses (a), (b) and (c) above, (i) the Security Agent shall be entitled to retain any such independent and internationally recognized investment bank or accounting firm as its and/or any of the other Primary Creditors' Financial Adviser to advise and assist in the proposed sale or disposition for such remuneration as the Security Agent in good faith determines is appropriate for the circumstances, (ii) except as required by applicable law, the Security Agent shall not have any obligation to any person to engage in or to use reasonable efforts to engage in a listing of all or any part of such equity interests the subject of such auction or other competitive sale process, including without limitation if recommended by such investment bank or accounting firm, (iii) by reason of certain prohibitions, or exemptive or safe-harbor provisions from such prohibitions, contained in law or regulations of any

applicable governmental authority, the Security Agent may, with respect to any sale of all or any part of such equity interests or assets (A) limit purchasers to those who meet the requirements of such governmental authority or exemptive or safe-harbor provision (as applicable) and/or make representations and undertakings satisfactory to the Security Agent relating to compliance with such requirements and/or provisions; and/or (B) limit purchasers to persons who will agree, among other things to acquire such shares for their own account, for investment and not with a view to the distribution or resale thereof; (iv) the Security Agent and other Primary Creditors shall not under any circumstances be required to make representations, warranties or undertakings to any actual or proposed purchaser (other than customary representations in a security enforcement as to power to transfer the relevant equity interests pursuant to the Security Documents) or to indemnify any actual or proposed purchaser against any costs, liabilities or similar expenses or losses; and (v) without limitation to the other circumstances of the sale or other disposition that the Security Agent and such investment bank or accounting firm may take into consideration, the Security Agent may (but is not required to) in all circumstances specify that no offer to purchase equity interest or other assets will be entertained unless such offer (A) is for all (and not some only) of the equity interests being sold or otherwise disposed; (B) is for cash consideration payable at closing (and therefore not including, for the avoidance of doubt, any element of deferred compensation) and is not subject to any financing conditions; and/or (C) contemplates a closing of the sale of the equity interests or other assets in not more than three months (or such longer period as the Security Agent may specify) from the time of initiation of the sale or disposition process; and (vi) a " **right to participate** " means (A) any offer, or indication of a potential offer, that a Primary Creditor makes shall be considered by the Security Agent or such investment bank or accounting firm against the same criteria as any offer, or indication of a potential offer, by any other bidder or potential bidder. For the avoidance of doubt, if after having applied that same criteria, the offer or indication of a potential offer made by a Primary Creditor is not considered by the Security Agent or such investment bank or accounting firm to be sufficient to continue in the sale or disposal process, such consideration being against the same criteria as any offer, or indication of a potential offer, by any other bidder or potential bidder (such continuation may include being invited to review additional information or being invited to have an opportunity to make a subsequent or revised offer, whether in another round of bidding or otherwise) then the right to participate of that Primary Creditor under this Agreement shall be deemed to be satisfied; and (B) shall not apply if the Security Agent believes in good faith that it may (or there is a risk that it may) result in a violation of any applicable laws or that it may (or there is a risk that it may) result in a requirement for registration under any applicable securities laws.

For the purposes of clause (a) above, such investment bank or accounting firm may be instructed by the Security Agent to take the limitations set out in sub-clauses (i) to (vi) (inclusive) above into account and to formulate recommendations that are consistent with them.

" **Purchasing Creditor** " has the meaning given to that term in Section 7.7.

" **Receiver** " means a receiver or receiver and manager or administrative receiver of the whole or any part of the Collateral.

" **Recoveries** " has the meaning given to that term in Section 15.1.

" **Redeemable Capital Stock** " means "Redeemable Capital Stock" as defined in the Original Senior Secured Credit Agreement.

“ **Refinance** ” means, in respect of any Indebtedness, to refinance, extend, renew, defease, amend, modify, supplement, restructure, replace, refund or repay, or to issue other Indebtedness in exchange or replacement for, such Indebtedness in whole or in part and regardless of whether the principal amount of such Refinancing Indebtedness is the same, greater than, or less than the principal amount of the Refinanced Indebtedness. “ **Refinanced** ” and “ **Refinancing** ” shall have correlative meanings

“ **Relevant Additional Unsecured Debt Default** ” has the meaning given to that term in Section 7.3.

“ **Relevant Obligations** ” means (a) in the case of a Creditor, (i) the Obligations owed to Creditors ranking (in accordance with the terms of this Agreement) *pari passu* with or in priority to that Creditor together with all Representative Obligations and (ii) all present and future Obligations, actual and contingent, of the Debtors to the Security Agent and (b) in the case of a Debtor, the Obligations owed to the Creditors together with the Representative Obligations, and all present and future Obligations, actual and contingent, of the Debtors to the Security Agent.

“ **Relevant Second Lien Debt Default** ” has the meaning given to that term in Section 5.4.

“ **Representative** ” means the Administrative Agent, each other Agent Party, each Pari Passu Debt Representative, each Second Lien Debt Trustee and each Additional Unsecured Debt Representative.

“ **Representative Obligations** ” means (as applicable) the Agent Obligations, the Pari Passu Debt Representative Amounts, the Second Lien Debt Trustee Amounts and the Additional Unsecured Debt Representative Amounts.

“ **Restricted Subsidiary** ” means a “Restricted Subsidiary” as defined in the Original Senior Secured Credit Agreement.

“ **Retiring Security Agent** ” has the meaning given to that term in Section 18.1(d).

“ **Revolving Lender** ” means “Revolving Lender” as defined in the Original Senior Secured Credit Agreement.

“ **Revolving Facility Administrative Agent** ” means the “Revolving Facility Administrative Agent” under the Original Senior Secured Credit Agreement.

“ **Second Lien Debt** ” means any loan, credit or debt facility, second lien secured notes or debt securities (or any permitted refinancing or replacement in respect thereof) which are permitted under the terms of the Senior Secured Facilities Documents, the then existing Second Lien Debt Documents and the then existing Pari Passu Debt Documents to share in the Transaction Security with the rights and obligations of Second Lien Debt Creditors as provided for in this Agreement, provided that the Second Lien Debt Trustee on behalf of the Second Lien Debt Creditors has become party to this Agreement in accordance with Section 19.2.

“ **Second Lien Debt Acceleration Event** ” means (a) the relevant Second Lien Debt Trustee (or any of the other Second Lien Debt Creditors) exercising any acceleration rights

(howsoever described) pursuant to, and in accordance with, the relevant Second Lien Debt Documents following a Second Lien Debt Event of Default which is continuing or (b) any Second Lien Debt Obligations becoming due and payable by operation of any automatic acceleration provision contained in the relevant Second Lien Debt Documents, in each case, other than a right to place amounts on demand, but including, without limitation, the making of a demand in respect of any amounts placed on demand.

" **Second Lien Debt Acquiring Creditors** " has the meaning given to that term in Section 5.8.

" **Second Lien Debt Creditors** " means the holders or lenders of any Second Lien Debt, the Second Lien Debt Trustee(s) and the Security Agent as trustee and/or security agent and/or creditor under a parallel debt structure for the benefit of such holders or lenders and the Second Lien Debt Trustee(s) in respect of their Obligations.

" **Second Lien Debt Credit Participation** " means, in relation to a Second Lien Debt Creditor (other than any Second Lien Debt Trustee), the aggregate of:

(a) the aggregate outstanding principal amount of the initial Second Lien Debt held by it, if any; and

(b) to the extent not falling within paragraph (a) above, the aggregate outstanding principal amount of any Second Lien Debt Obligations in respect of which it is the creditor, if any.

" **Second Lien Debt Default** " means a Second Lien Debt Event of Default or any event or circumstances which would (with the expiry of a grace period, the giving of notice, or both, provided for in the relevant definition of such Second Lien Debt Event of Default) be a Second Lien Debt Event of Default.

" **Second Lien Debt Discharge Date** " means the first date on which all Second Lien Debt Obligations have been discharged to the satisfaction of the relevant Second Lien Debt Trustee(s) (acting reasonably), whether or not as the result of an Enforcement; provided , however , that a Second Lien Debt Discharge Date shall be deemed not to have occurred if any Second Lien Debt Obligations are Refinanced with Second Lien Debt Obligations.

" **Second Lien Debt Documents** " means:

(a) each document or instrument entered into between, among others, the relevant Second Lien Debt Issuer/Borrower, the relevant Second Lien Debt Trustee and/or the Second Lien Debt Creditors setting out the terms of any Second Lien Debt and which creates or evidences any Second Lien Debt Obligations;

(b) any notes related to the documentation described in clause (a) of this definition;

(c) this Agreement;

(d) any Second Lien Debt Guarantees; and

(e) any Security Documents to the extent related to the Second Lien Debt.

“ **Second Lien Debt Event of Default** ” means an event of default under (and as defined in) any Second Lien Debt Document.

“ **Second Lien Debt Guarantee Obligations** ” means all present and future money, debts and liabilities due, owing or incurred by any Second Lien Debt Guarantor to any Second Lien Debt Creditor under or in connection with the Second Lien Debt Documents (in each case, whether alone or jointly, or jointly and severally, with any other person, whether actually or contingently, and whether as principal, surety or otherwise).

“ **Second Lien Debt Guarantees** ” means the guarantees granted by each Second Lien Debt Guarantor in respect of any Second Lien Debt and in the form set out in a Second Lien Debt Document.

“ **Second Lien Debt Guarantor** ” means the Parent and each Restricted Subsidiary of the Parent that is a guarantor or provides an indemnity to the Second Lien Debt Creditors (or any of them) for the Second Lien Debt Obligations (or any of them) under any Second Lien Debt Document.

“ **Second Lien Debt Issuer/Borrower** ” means any Debtor as the issuer or borrower of any Second Lien Debt.

“ **Second Lien Debt Obligations** ” means the Obligations owed by the Debtors to the Second Lien Debt Creditors under the Second Lien Debt Documents, including the Second Lien Parallel Debt (but, for the avoidance of doubt, excluding any other Parallel Debt).

“ **Second Lien Debt Required Holders** ” means, in respect of any direction, approval, consent or waiver, the relevant Second Lien Debt Trustee acting on behalf of the holders of the aggregate principal amount of relevant Second Lien Debt which is not less than the principal amount of such Second Lien Debt required under the terms of the relevant Second Lien Debt Document to vote in favor of such direction, approval, consent or waiver or, if the required amount is not specified, the holders holding at least a majority of the principal amount of the then outstanding relevant Second Lien Debt, in accordance with the relevant Second Lien Debt Document. In determining whether the relevant Second Lien Debt Creditors holding a principal amount of relevant Second Lien Debt which is not less than the amount of such Second Lien Debt required have concurred in any direction, approval, waiver or consent, such Second Lien Debt owned by any Debtor, or by any Person directly or indirectly controlling or controlled by or under direct or indirect common control with any Debtor, will be considered as though not outstanding in accordance with the relevant Second Lien Debt Document.

“ **Second Lien Debt Standstill Period** ” has the meaning given to it in Section 5.5.

“ **Second Lien Debt Trustee** ” means the trustee, administrative agent or similar representative for the holders, lenders or other creditors of the relevant Second Lien Debt under the relevant Second Lien Debt Documents.

“ **Second Lien Debt Trustee Amounts** ” means fees and expenses owed by, and amounts owed by and/or payable by a Second Lien Debt Issuer/Borrower or any Debtor to the relevant Second Lien Debt Trustee including: (a) any amounts payable to such Second Lien Debt Trustee for its own account by way of indemnity and/or remuneration pursuant to a Second Lien Debt Document or any engagement letter between such Second Lien Debt

Issuer/Borrower and such Second Lien Debt Trustee (including guarantees of such amounts contained therein) or any other document entered into in connection with the relevant Second Lien Debt; (b) compensation for and the fees and expenses of the collection by such Second Lien Debt Trustee of any amount payable to such Second Lien Debt Trustee for the benefit of the other relevant Second Lien Debt Creditors; (c) the costs of any actual or attempted Enforcement Action and any action permitted under clause (i) of the exception to the definition of Enforcement Action (in each case, including the fees and expenses of such Second Lien Debt Trustee's agents and counsel); and (d) amounts to be payable to any paying agent, registrar or any agent, custodian or other person appointed in accordance with the relevant Second Lien Debt Documents by such Second Lien Debt Trustee in relation to such Second Lien Debt and any VAT payable on such amount; provided that, for the avoidance of doubt, Second Lien Debt Trustee Amounts shall not include (i) any amount of principal or interest payable in respect of any Second Lien Debt Document or (ii) costs of bringing any claims, suit or proceeding against any Primary Creditor, or other Representatives.

" **Second Lien Parallel Debt** " has the meaning given to that term in Section 17.3(a).

" **Secured Obligations** " means all the Obligations at any time due, owing or incurred by each Debtor to any Secured Party under the Debt Documents, both actual and contingent and whether incurred solely or jointly and as principal or surety or in any other capacity but excluding all Excluded Swap Obligations.

" **Secured Parties** " means the Security Agent, any Receiver or Delegate, each of the Senior Secured Creditors from time to time and each of the Second Lien Debt Creditors from time to time (with respect to the Shared Security), but, in the case of the Senior Secured Creditors or the Second Lien Debt Creditors, only if it (or, in the case of any Senior Secured Lender, Pari Passu Creditor or Second Lien Debt Creditor, its Representative) is a party to this Agreement or has become a party to this Agreement, in the appropriate capacity, pursuant to Section 19.8.

" **Security Agent** " means collectively the Primary Security Agent and the Hungarian Collateral Agent.

" **Security Documents** " means (a) each of the Transaction Security Documents, (b) the Shared Security Documents, (c) any other document entered into at any time by any of the Debtors creating any guarantee, indemnity, Lien or other assurance against financial loss in favor of any of the Secured Parties as security for any of the Secured Obligations and (d) any Liens granted by a member of the Group to the Secured Parties under any covenant for further assurance in any of the documents set out in clause (a) above; provided , that no such Liens shall be created over assets of the Group to secure any Second Lien Debt Obligations (other than over assets in respect of which Shared Security may be created) or any Additional Unsecured Debt Obligations.

" **Security Principles** " has the meaning given to the term "Agreed Security Principles" in the Original Senior Secured Credit Agreement.

" **Security Property** " means (a) the Transaction Security expressed to be granted in favor of the Security Agent as trustee and/or security agent for the Secured Parties and all proceeds of that Transaction Security, (b) the Security Agent's interest in any trust fund created pursuant to Section 11 and (c) any other amounts or property, whether rights,

entitlements, choses in action or otherwise, actual or contingent, which the Security Agent is required by the terms of the Debt Documents to hold as trustee on trust for the Secured Parties.

" **Senior Parallel Debt** " has the meaning given to that term in Section 17.3(a).

" **Senior Secured Credit Agreement** " means (a) the Original Senior Secured Credit Agreement and (b) when Obligations under the Original Senior Secured Credit Agreement have been discharged in cash or cash collateralized in accordance with the Original Senior Secured Credit Agreement, any other agreement pursuant to which Senior Secured Lenders make loans and other forms of credit available to members of the Group having the same priority and payment and security ranking as the Senior Secured Facility made available under the Original Senior Secured Credit Agreement.

" **Senior Secured Creditors** " means each Senior Secured Lender, the Pari Passu Creditors (including each Pari Passu Debt Representative), each Hedge Counterparty (to the extent that it is owed Hedging Obligations), each Cash Management Provider (to the extent it is owed Cash Management Obligations), any Agent Party, the Administrative Agent and the Security Agent.

" **Senior Secured Creditor Obligations** " means, in relation to a Senior Secured Creditor (other than a Representative), the aggregate of (a) its principal amount outstanding under the Senior Secured Facilities, including the aggregate amount of all Obligations consisting of advances to, and debts and liabilities of, any Debtor arising under any Senior Secured Facilities, including with respect to any loan, letter of credit, banker's guarantee or swingline loan, (b) its principal amounts outstanding under the Pari Passu Debt Documents, (c) in respect of any hedging transaction of that Senior Secured Creditor under any Hedge Agreement that constitutes a Hedging Obligation and that has, as of the date the calculation is made, been terminated or closed out in accordance with the terms of this Agreement, the amount, if any, payable to it under any such Hedge Agreement in respect of that termination or close out as of the date of termination or close out (and before taking into account any interest accrued on that amount since the date of termination or close out) to the extent that amount is unpaid (that amount to be certified by the relevant Senior Secured Creditor and as calculated in accordance with the relevant Hedge Agreement), (d) in respect of any hedging transaction of that Senior Secured Creditor under any Hedge Agreement that constitutes a Hedging Obligation and has, as of the date the calculation is made, not been terminated or closed out, the amount, if any, which would be payable to it under that Hedge Agreement in respect of that hedging transaction, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement), that amount to be certified by the relevant Senior Secured Creditor and as calculated in accordance with the relevant Hedge Agreement and (e) in respect of any cash management transaction of that Senior Secured Creditor under any Cash Management Agreement that constitutes a Cash Management Obligation, the amount, if any, of Cash Management Obligations payable to it under any such Cash Management Agreement to the extent that amount is unpaid (that amount to be certified by the relevant Senior Secured Creditor and as calculated in accordance with the relevant Cash Management Agreement).

" **Senior Secured Discharge Date** " means the first date on which all the Senior Secured Obligations have been discharged in cash or cash collateralized in accordance with the Senior Secured Documents whether or not as a result of an Enforcement, and the Senior

Secured Creditors are under no further obligation to provide financial accommodation to any Debtors under any of the Senior Secured Documents; provided , however that a Senior Secured Discharge Date shall be deemed not to have occurred if any Senior Secured Obligations are Refinanced with Senior Secured Obligations.

" **Senior Secured Documents** " means this Agreement, each Senior Secured Facilities Document, each Pari Passu Debt Document, any Hedge Agreement to the extent that it is in respect of Hedging Obligations and any Cash Management Agreement to the extent that it is in respect of Cash Management Obligations.

" **Senior Secured Event of Default** " means a Senior Secured Facilities Event of Default or a Pari Passu Debt Event of Default.

" **Senior Secured Facilities** " means the "Credit Facilities" as defined in the Original Senior Secured Credit Agreement.

" **Senior Secured Facilities Acceleration Event** " means (a) the Administrative Agent (or any of the Senior Secured Lenders) exercising any rights to accelerate amounts outstanding under the Senior Secured Facilities pursuant to, and in accordance with, the Senior Secured Credit Agreement following a Senior Secured Facilities Event of Default which is continuing or (b) any Senior Secured Facilities Obligations becoming due and payable by operation of any automatic acceleration provision contained in a Senior Secured Facilities Document, in each case, other than a right to place amounts on demand (to the extent provided for in such facility), but including, without limitation, the making of a demand in respect of any amounts placed on demand.

" **Senior Secured Facilities Default** " means a Senior Secured Facilities Event of Default or any event or circumstances which would (with the expiry of a grace period, the giving of notice, or both under the Senior Secured Facilities Documents) be a Senior Secured Facilities Event of Default.

" **Senior Secured Facilities Discharge Date** " means the first date on which all the Senior Secured Facilities Obligations have been discharged in cash or cash collateralized in accordance with the Original Senior Secured Credit Agreement whether or not as a result of an Enforcement, and the Senior Secured Lenders are under no further obligation to provide financial accommodation to any Debtors under the Senior Secured Facilities Documents; provided, however that a Senior Secured Facilities Discharge Date shall be deemed not to have occurred if any Senior Secured Facilities Obligations are Refinanced with Senior Secured Facilities Obligations.

" **Senior Secured Facilities Documents** " means (a) the "Credit Documents" under, and as defined in, the Original Senior Secured Credit Agreement (other than this Agreement and any additional or replacement intercreditor agreement) and (b) when the Obligations under the Original Senior Secured Credit Agreement have been discharged in cash or cash collateralized in accordance with the Original Senior Secured Credit Agreement, and, if designated as a "Senior Finance Document" or equivalent under the terms thereof, each document relating to indebtedness permitted by the Debt Documents with the same priority and payment and security ranking as the Senior Secured Facilities (other than this Agreement and any additional or replacement intercreditor agreement).

" **Senior Secured Facilities Event of Default** " means an "Event of Default" under (and as defined in) the Original Senior Secured Credit Agreement.

" **Senior Secured Facilities Obligations** " means the Obligations owed by the Debtors or any other grantor of Transaction Security to the Senior Secured Lenders or any of them under or in connection with the Senior Secured Facilities Documents.

" **Senior Secured Facilities Payment Default** " means a Senior Secured Facilities Event of Default under Section 8 of the Original Senior Secured Credit Agreement (or any equivalent provision of any other Senior Secured Credit Agreement).

" **Senior Secured Lenders** " means each Lender (as defined in the Original Senior Secured Credit Agreement) and any other lenders from time to time under the Senior Secured Facilities Documents.

" **Senior Secured Noteholders** " means the holders from time to time of the Senior Secured Notes.

" **Senior Secured Notes** " means:

(a) the 5.75% Senior Secured Notes due 2022 issued or to be issued by the Company pursuant to the Senior Secured Notes Indenture; and

(b) any other senior secured notes issued by the Company pursuant to the Senior Secured Note Indenture; provided that the Parent has confirmed in writing that the incurrence of those notes will not breach the terms of any of its existing Senior Secured Facility Documents, Pari Passu Debt Documents or any other Debt Documents.

" **Senior Secured Notes Creditors** " means the Senior Secured Noteholders and the Senior Secured Notes Trustee.

" **Senior Secured Notes Documents** " means the Senior Secured Notes Indenture, the Senior Secured Notes, the Security Documents, the Senior Secured Notes Guarantees (whether contained in the Senior Secured Note Indenture, as a notation of guarantee attached to the Senior Secured Notes or otherwise) and this Agreement.

" **Senior Secured Notes Guarantees** " means the "Guarantees" as defined in the Senior Secured Note Indenture.

" **Senior Secured Notes Indenture** " means the indenture governing the Senior Secured Notes dated on or about the date of this Agreement and made between, among others, the Senior Secured Notes Trustee, the Security Agent, the Company and the Debtors, and any permitted refinancing or replacement in respect thereof.

" **Senior Secured Notes Obligations** " means the Obligations owed by the Debtors to the Senior Secured Notes Creditors under the Senior Secured Notes Documents.

" **Senior Secured Notes Trustee** " means the notes trustee in respect of the Senior Secured Notes.

“ **Senior Secured Obligations** ” means (a) the Senior Secured Facilities Obligations, the Hedging Obligations, the Cash Management Obligations and the Pari Passu Debt Obligations, (b) the Agent Obligations and (c) the Obligations owed to the Security Agent, including the Senior Parallel Debt (but, for the avoidance of doubt, excluding any other Parallel Debt), but excluding in each case all Excluded Swap Obligations.

“ **Senior Secured Obligations Transfer** ” means a transfer of the Senior Secured Obligations described in Section 5.8 or Section 7.7.

“ **Senior Secured Payment Default** ” means (a) any Senior Secured Facilities Payment Default, (b) any payment default under the Hedge Obligations, (c) any payment default under the Cash Management Obligations or (d) any Pari Passu Debt Default arising by reason of any non-payment under a Pari Passu Debt Document, in each case after giving effect to any applicable grace period and other than an amount not constituting principal, interest or fees, not in excess of $25,000,000 (or its equivalent in any other currency).

“ **Shared Security** ” means, at any time, Transaction Security in which any Senior Secured Creditors and any Second Lien Debt Creditors (or, in each case, the Security Agent on their behalf) hold a security interest at such time.

“ **Shared Security Documents** ” means each document evidencing or expressed to create the Shared Security.

“ **Subsidiary** ” has the meaning given to the term “Subsidiary” in the Original Senior Secured Credit Agreement.

“ **Swap Obligation** ” means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of section 1(a)(47) of the Commodity Exchange Act.

“ **Swiss Security Documents** ” has the meaning given to that term in Section 17.4.

“ **Swiss Secured Party** ” has the meaning given to that term in Section 17.4.

“ **Taxes** ” means any present or future tax, levy, impost, duty, assessment, charge, fee, deduction or withholding (including backup withholding) of any nature imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“ **Term Administrative Agent** ” has the meaning provided in the preamble to this Agreement.

“ **Transaction Security** ” means the Liens on assets and properties created or evidenced or expressed to be created or evidenced under or pursuant to the Security Documents.

“ **Transaction Security Documents** ” means (a) each of the “Collateral Documents” as defined in the Original Senior Secured Credit Agreement, (b) any other document entered into by any person creating or expressed to create any Liens over all or any part of its assets in respect of the Senior Secured Obligations of any of the Debtors under any of the Senior Secured Documents and (c) any Liens granted under any covenant for further assurance in any of the documents set out in clauses (a) and (b) above, which in each case, to the extent

legally possible, (i) is created in favor of the Security Agent as trustee and/or security agent and/or as creditor under a parallel debt structure for the other Secured Parties in respect of their Obligations; or (ii) in the case of any jurisdiction in which effective Liens cannot be granted in favor of the Security Agent as trustee and/or security agent for the Secured Parties, is created in favor of all the Secured Parties in respect of their Obligations; provided , that no such Liens shall be created over assets of the Group to secure any Second Lien Debt Obligations (other than over assets in respect of which Shared Security may be created) or any Additional Unsecured Debt Obligations.

" **Unrestricted Subsidiary** " means an "Unrestricted Subsidiary" as defined in the Original Senior Secured Credit Agreement.

" **US Bankruptcy Code** " means the United States Bankruptcy code, 11 U.S.C. §§ 101 et seq., as amended.

" **US Debtor** " means any Debtor organized under the laws of the United States or any political or geographical subdivision thereof.

" **US Insolvency Proceeding** " means a case commenced under the US Bankruptcy Code.

" **VAT** " means (a) any Tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112), and (b) any other Tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, the Tax referred to in (a), or imposed elsewhere.

1.2 Construction .

(a) Unless a contrary indication appears, a reference in this Agreement to: (i) any " **Administrative Agent** ", " **Arranger** ", " **Creditor** ", " **Debtor** ", " **Hedge Counterparty** ", " **Intra-Group Lender** ", " **Party** ", " **Primary Creditor** ", " **Representative** ", " **Senior Secured Creditor** ", " **Senior Secured Lender** ", " **Pari Passu Creditor** ", " **Second Lien Debt Creditor** ", " **Additional Unsecured Issuer/Borrower** ", " **Additional Unsecured Debt Creditor** ", " **Security Agent** ", " **Second Lien Debt Trustee** ", or " **Cash Management Provider** " shall be construed to be a reference to it in its capacity as such and not in any other capacity; (ii) any " **Administrative Agent** ", " **Arranger** ", " **Creditor** ", " **Debtor** ", " **Hedge Counterparty** ", " **Party** ", " **Primary Creditor** ", " **Representative** ", " **Pari Passu Creditor** ", " **Second Lien Debt Creditor** ", " **Additional Unsecured Debt Creditor** ", " **Additional Unsecured Issuer/Borrower** ", " **Security Agent** ", " **Second Lien Debt Trustee** " or " **Cash Management Provider** " or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Security Agent, any person for the time being appointed as Security Agent or Security Agents in accordance with this Agreement; (iii) assets includes present and future properties, revenues and rights of every description; (iv) a Debt Document or any other agreement or instrument is a reference to that Debt Document, or other agreement or instrument, as amended, waived, novated, supplemented, modified, extended, amended and restated or restated as permitted by this Agreement; (v) enforcing (or any derivation) the Transaction Security shall include the appointment of an administrator of a Debtor by the Security Agent; (vi) indebtedness includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent; (vii) the

original form of a Debt Document or any other agreement or instrument is a reference to that Debt Document, agreement or instrument as originally entered into; (viii) a person means any individual, corporation, limited liability company, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof; (ix) a regulation includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if it does not have the force of law, compliance with which is customary in the applicable jurisdiction) of any governmental, intergovernmental or supranational body, agency, department or of any regulatory, self-regulatory or other authority or organization; (x) shares or share capital include equivalent ownership interests (and shareholder and similar expressions shall be construed accordingly); and (xi) a provision of law is a reference to that provision as amended or re-enacted.

(b) Section, Clause and Exhibit headings are for ease of reference only.

(c) An Event of Default, Acceleration Event, Insolvency Event, Default or Senior Secured Payment Default is continuing if it has not been remedied or waived in accordance with the terms of the document under which such Event of Default, Acceleration Event, Insolvency Event, Default or Senior Secured Payment Default exists.

(d) [Reserved.]

(e) Secured Parties may only benefit from Recoveries to the extent that the Obligations of such Secured Parties have the benefit of the Obligations, guarantees or security under which such Recoveries are received and provided that, in all cases, the rights of such Secured Parties shall in any event be subject to the priorities set out in Section 15 and provided further , however , that this shall not prevent a Representative from claiming and being paid the Representative Obligations owed to it. This shall not prevent a Senior Secured Creditor benefiting from such Recoveries where it was not legally possible for the Senior Secured Creditor to obtain the relevant guarantees or security.

(f) References to a Pari Passu Debt Representative acting on behalf of the relevant Pari Passu Creditors shall be to such Pari Passu Debt Representative acting on behalf of the Pari Passu Creditors for which it has been appointed as agent or trustee.

(g) References to a Second Lien Debt Trustee acting on behalf of the Second Lien Debt Creditors shall be to such Second Lien Debt Trustee acting on behalf of the Second Lien Debt Creditors for which it has been appointed as agent or trustee.

(h) References to an Additional Unsecured Debt Representative acting on behalf of the relevant Additional Unsecured Debt Creditors shall be to such Additional Unsecured Debt Representative acting on behalf of the Additional Unsecured Debt Creditors for which it has been appointed as agent or trustee

(i) References to a Pari Passu Debt Representative acting on behalf of the Pari Passu Creditors means such Pari Passu Debt Representative acting on behalf of the Pari Passu Creditors which it represents or, if applicable, with the consent of the requisite number of Pari Passu Creditors required under and in accordance with the applicable Pari Passu Debt Documents. A Pari Passu Debt Representative will be entitled to seek instruction from the Pari Passu Creditors which it represents to the extent required by the applicable Pari Passu Debt Document(s) as to any action to be taken by it under this Agreement.

(j) References to a Second Lien Debt Trustee acting on behalf of the Second Lien Debt Creditors means such Second Lien Debt Trustee acting on behalf of the Second Lien Debt Creditors which it represents or, if applicable, with the consent of the requisite number of Second Lien Debt Creditors required under and in accordance with the applicable Second Lien Debt Documents. A Second Lien Debt Trustee will be entitled to seek instruction from the Second Lien Debt Creditors which it represents to the extent required by the applicable Second Lien Debt Document(s) as to any action to be taken by it under this Agreement.

(k) References to an Additional Unsecured Debt Representative acting on behalf of the Additional Unsecured Debt Creditors means such Additional Unsecured Debt Representative acting on behalf of the Additional Unsecured Debt Creditors which it represents or, if applicable, with the consent of the requisite number of Additional Unsecured Debt Creditors required under and in accordance with the applicable Additional Unsecured Debt Documents. An Additional Unsecured Debt Representative will be entitled to seek instruction from the Additional Unsecured Debt Creditors which it represents to the extent required by the applicable Additional Unsecured Debt Document(s) as to any action to be taken by it under this Agreement.

(l) Any action or omission being " **permitted** " under the terms of this Agreement, the Senior Secured Facilities Documents, the Senior Secured Notes Documents, the Pari Passu Debt Documents, the Second Lien Debt Documents and/or the Additional Unsecured Debt Documents includes a reference to " **(or not prohibited)** " thereunder; and any requirement that any action or omission be permitted (or not prohibited) under (A) the Senior Secured Facilities Documents shall only apply before the Senior Secured Facilities Discharge Date and to the Senior Secured Facilities Documents which are in place at the relevant time, (B) the Pari Passu Debt Documents shall only apply before the Pari Passu Debt Discharge Date and to any Pari Passu Debt Documents which are in place at the relevant time, (C) the Second Lien Debt Documents shall only apply before the Second Lien Debt Discharge Date and to any Second Lien Debt Documents which are in place at the relevant time and (D) the Additional Unsecured Debt Documents shall only apply before the Additional Unsecured Debt Discharge Date and to any Additional Unsecured Debt Documents which are in place at the relevant time.

(m) In determining whether any Obligations have been " **discharged** " or a Discharge Date has occurred, the relevant Representative (and, if applicable, Security Agent) will disregard contingent liabilities (such as the risk of clawback from a preference claim and contingent indemnification and expense reimbursement obligations in respect of which a claim has not yet been made) that have not become actual liabilities.

(n) The right or requirement of any Party to take or not take any action on or following the occurrence of an Insolvency Event shall cease to apply if the relevant Insolvency Event is no longer continuing (unless an Acceleration Event has occurred and is continuing and without prejudice to any action taken or not taken in accordance with the terms of this Agreement while that Insolvency Event was continuing).

(o) Notwithstanding anything to the contrary, where any provision of this Agreement refers to or otherwise contemplates any consent, approval, release, waiver, agreement, notification or other step or action being required from or by any person:

(i) which is not a Party (other than a Subsidiary of an Intra-Group Lender);

(ii) in respect of any agreement which is not in existence;

(iii) in respect of any indebtedness which has not been committed or incurred; or

(iv) in respect of Obligations or Creditors (or other persons) for which the relevant Discharge Date has occurred,

unless otherwise agreed or specified by the Parent, that consent, approval, release, waiver, agreement, notification or other step or action shall not be required and no such provision shall, or shall be construed so as to, in any way prohibit or restrict the rights or actions of any member of the Group. Further, for the avoidance of doubt, no reference to any agreement which is not in existence shall, or shall be construed so as to, in any way prohibit or restrict the rights or actions of any member of the Group.

(p) Prior to the Senior Secured Facilities Discharge Date, terms defined in the Senior Secured Credit Agreement shall have the same meaning when used in this Agreement (unless separately defined in this Agreement).

(q) Following the Senior Secured Facilities Discharge Date, references in this Agreement to any term being defined by reference to a definition in the Senior Secured Credit Agreement shall:

(i) be construed as a reference to the relevant definition in, or the provisions of such clause of, the Senior Secured Credit Agreement as at the Senior Secured Facilities Discharge Date; or

(ii) if required by the Company, be construed as a reference to any equivalent term or terms in, or provision or provisions of, any other Debt Documents which remain in existence (in each case as notified in writing by the Company to the Security Agent from time to time).

(r) In the event that the proceeds of any Senior Secured Obligations, Second Lien Debt Obligations and/or Additional Unsecured Debt are held in escrow (or similar or equivalent arrangements) prior to being released from escrow (or such similar or equivalent arrangements) to a Debtor or member of the Group, until such time as the relevant proceeds are released from such escrow (or those similar or equivalent arrangements), the provisions of this Agreement shall not apply to or create any restriction in respect of any arrangement pursuant to which the proceeds are subject and this Agreement shall not govern the rights and obligations of the Creditors concerned until such proceeds are released from such escrow arrangement (or those similar or equivalent arrangements) in accordance with the terms thereof.

(s) Notwithstanding anything to the contrary in this Agreement or any other Debt Document, nothing in this Agreement or any Debt Document shall prohibit a non-cash contribution of any asset (including, without limitation, any participation, claim,

commitment, rights, benefits and/or obligations in respect of any Obligations and/or any other indebtedness borrowed or issued by any Debtor or member of the Group from time to time) to the Company (and subsequently any other Debtor or member of the Group).

(t) For the avoidance of doubt, if the terms of any Debt Document:

(i) require the relevant Agent or Creditors to provide approval (or deem approval to have been provided) for a particular matter, step or action; or

(ii) do not seek to regulate a particular matter, step or action,

for the purpose of this Agreement that matter, step or action shall not be prohibited by the terms of that Debt Document.

(u) In determining whether any indebtedness or other amount (including, without limitation, any Pari Passu Senior Debt) is prohibited by the terms of any Debt Document, the terms of any Debt Documents which:

(i) relate to any Obligations which are to be refinanced or otherwise replaced with such indebtedness or other amount; or

(ii) will not exist or will cease to be in effect on the date on which such indebtedness or other amount is incurred by a member of the Group,

shall not be taken into account.

(v) For the avoidance of doubt and notwithstanding anything to the contrary, nothing in this Agreement shall prohibit any debt exchange, non-cash rollover or other similar or equivalent transaction in relation to any Obligations; provided that such Obligations remain subject hereto to the extent required by any Debt Document after such debt exchange, non-cash rollover or other similar or equivalent transaction.

(w) Any reference in this Agreement to any person, when construing any provision in relation to VAT, shall, at any time when such person is treated as a member of a group (or unity (or fiscal unity)) for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the person who is treated at that time as making the supply, or (as appropriate) receiving the supply, under the grouping rules (provided for in Article 11 of Council Directive 2006/112/EC (or as implemented by the relevant member state of the European Union) or any other similar provision in any jurisdiction which is not a member state of the European Union) so that a reference to a person shall be construed as a reference to that person or the relevant group or unity (or fiscal unity) of which that person is a member for VAT purposes at the relevant time or the relevant representative member (or head) of that group or unity (or fiscal unity) at the relevant time (as the case may be).

(x) Luxembourg Terms . Without prejudice to the generality of any provision of this Agreement, to the extent this Agreement relates to a Luxembourg Guarantor, a reference to: (a) a winding-up, administration or dissolution includes, without limitation, bankruptcy (*faillite*), insolvency, voluntary or judicial liquidation (*liquidation volontaire ou judiciaire*), composition with creditors (*concordat préventif de faillite*),

reprieve from payment (*sursis de paiement*), controlled management (*gestion contrôlée*), general settlement with creditors, reorganisation or similar laws affecting the rights of creditors generally; (b) a receiver, administrative receiver, administrator, trustee, custodian, sequestrator, conservator or similar officer appointed for the reorganization or liquidation of the business of a person includes, without limitation, a *juge délégué* , *commissaire* , *juge-commissaire* , *mandataire ad hoc* , *administrateur provisoire* , *liquidateur* or *curateur* ; (c) a lien or security interest includes any *hypothèque, nantissement, gage, privilège, sûreté réelle, droit de rétention* and any type of security in rem (*sûreté réelle*) or agreement or arrangement having a similar effect and any transfer of title by way of security; (d) a person being unable to pay its debts includes that person being in a state of *cessation de paiements* ; (e) creditors process means an executory attachment (*saisie exécutoire*) or conservatory attachment (*saisie conservatoire*); (f) by-laws or constitutional documents includes its up-to-date (restated) articles of association (*statuts coordonnés*); and (g) a director includes an *administrateur* or a *gérant* .

1.3 Primary Creditors' Rights and Obligations .

(a) The obligations of each Primary Creditor under this Agreement are several. Failure by any Primary Creditor to perform its obligations under this Agreement does not affect the obligations of any other Party under this Agreement. No Primary Creditor is responsible for the obligations of any other Primary Creditor under this Agreement.

(b) The rights of each Secured Party under or in connection with this Agreement are separate and independent rights and any debt arising under this Agreement to a Secured Party from a Debtor shall be a separate and independent debt.

SECTION 2.

RANKING AND PRIORITY

2.1 Primary Creditor Obligations .

(a) Subject to Section 2.2, each of the Parties agrees that the Obligations owed by the Debtors to the Primary Creditors shall rank in right and priority of payment in the following order and are postponed and subordinated to any prior ranking Obligations as follows:

(i) first, the Obligations owed to the Security Agent, the Agent Obligations and the Pari Passu Debt Representative Amounts *pari passu* and without any preference between them;

(ii) second, the Senior Secured Obligations, Second Lien Debt Obligations and Additional Unsecured Debt Obligations (other than the Agent Obligations and the Pari Passu Debt Representative Amounts) *pari passu* and without any preference between them.

2.2 Transaction Security . Each of the Parties agrees that the Transaction Security shall rank and secure the following Obligations (but only to the extent that such Transaction Security is expressed to secure those Obligations), and, in the case of the Hedging Obligations, Cash Management Obligations, the Senior Secured Obligations, the Pari Passu

Debt Obligations, the Second Lien Debt Obligations and Additional Unsecured Debt Obligations, without prejudice to Section 16, in the following order:

(a) first, the Obligations owed to the Security Agent, the Agent Obligations and the Pari Passu Debt Representative Amounts *pari passu* and without any preference between them;

(b) second, the Senior Secured Facilities Obligations, the Hedging Obligations, the Cash Management Obligations and the Pari Passu Debt Obligations *pari passu* and without any preference between them;

(c) third, the Second Lien Debt Obligations *pari passu* and without any preference between them; and

(d) fourth, the Additional Unsecured Debt Obligations *pari passu* and without any preference between them,

in each case irrespective of (i) the order of execution, creation, grant, attachment, perfection, registration, notice, enforcement or otherwise, (ii) the date on which any such Obligation arose, (iii) any provision of the Uniform Commercial Code, or any other applicable law or any defect or deficiencies in, or failure to perfect, the Liens securing the Senior Secured Facilities Obligations, the Hedging Obligations, the Cash Management Obligations and the Pari Passu Debt Obligations or any other circumstance whatsoever and (iv) any fluctuation in the amount, or any intermediate discharge in whole or in part, of any such Obligation, and that in any event (and irrespective of the manner in which such Transaction Security is constituted) all proceeds of the Transaction Security shall be applied in accordance with Section 15.

2.3 Senior Obligations and Transaction Security .

(a) The Parties acknowledge that the Second Lien Debt Obligations owed (if any) by the Debtors are senior obligations of such Debtors.

(b) The Parties acknowledge that the Additional Unsecured Debt Obligations owed (if any) by the Additional Unsecured Issuer/Borrower are senior obligations of the Additional Unsecured Issuer/Borrower.

(c) The Parties hereto agree that it is their intention that the guarantees and Transaction Security be identical. Except as expressly permitted in accordance with this Agreement, no Primary Creditor shall take, accept or receive the benefit of any Lien, guarantee, indemnity or other assurance against loss from any person which is not a Debtor in respect of the Obligations or any liabilities of any member of the Group arising under or in connection with any Debt Documents.

(d) Notwithstanding anything to the contrary in this Agreement, the Additional Unsecured Debt shall not be secured by any Liens created over assets of the Group.

2.4 Additional Unsecured Debt .

(a) The Parties acknowledge that, for the avoidance of doubt, the obligations and liabilities owed (if any) by a Holding Company of the Parent in respect of any

Additional Unsecured Debt borrowed or issued by it are senior obligations of such Holding Company of the Parent.

(b) Notwithstanding anything to the contrary in this Agreement, the Additional Unsecured Debt Obligations shall not be secured by any of the Transaction Security.

2.5 Intra-Group Obligations .

(a) Each of the Parties agrees that the Intra-Group Obligations are postponed and subordinated to the Obligations owed by the Debtors to the Primary Creditors.

(b) This Agreement does not purport to rank any of the Intra-Group Obligations as between themselves.

2.6 Singapore Debtor .

Notwithstanding anything to the contrary in this Agreement, the Parties agree that:

(a) the acknowledgements, consents, agreements, representations and warranties by Dover Court International School (Pte.) Ltd. (the " **Singapore Debtor** ") set out in this Agreement shall only be effective and deemed to be given by the Singapore Debtor on and from, but not prior to, such time the Singapore Whitewash Process is completed in accordance with the applicable provisions of the Companies Act, Chapter 50 of Singapore (the " **Singapore Companies Act** "); and

(b) the obligations of the Singapore Debtor under this Agreement shall not at any time extend to or include any liability or obligation which would, if so extended or included, result in any violation of Section 76 of the Singapore Companies Act.

For the purposes of this Section 2.6, " **Singapore Whitewash Process** " means the approval by the shareholders of the Singapore Debtor of the provision of financial assistance (being financial assistance which would otherwise be prohibited by Section 76 of the Singapore Companies Act) by the Singapore Debtor in relation to its undertaking of any obligations under this Agreement and the satisfaction by the Singapore Debtor of all other conditions required to be fulfilled under Singapore law prior to the provision of such financial assistance by the Singapore Debtor, in accordance with the requirements of Section 76 of the Singapore Companies Act.

SECTION 3.

SENIOR SECURED FACILITIES OBLIGATIONS AND PARI PASSU DEBT OBLIGATIONS

3.1 Payments of Senior Secured Facilities Obligations and Pari Passu Debt Obligations . The Debtors may make Payments in respect of the Senior Secured Obligations (other than Hedging Obligations and Cash Management Obligations) at any time in accordance with the provisions of the applicable Senior Secured Facilities Documents and the Pari Passu Debt Documents.

3.2 Amendments and Waivers: Senior Secured Documents . The relevant Senior Secured Creditors and Debtors may amend or waive the terms of the Senior Secured

Documents in accordance with their terms (and subject to any consent required under them) at any time; provided that (i) the terms of the Senior Secured Documents may not be amended or waived if such amendment or waiver would conflict with the provisions of this Agreement and (ii) the definitions of "Enforcement Event", "Obligations", "Pari Passu Debt Agreement", "Pari Passu Creditor", "Pari Passu Debt Obligations", "Secured Creditor Claim" and "Secured Parties" in the Original Senior Secured Credit Agreement (as in effect on the date hereof) may not be amended or waived in a manner materially adverse to the Pari Passu Creditors, without the consent of the Majority Pari Passu Debt Creditors.

3.3 Collateral and Guarantees: Senior Secured Creditors and Pari Passu Creditors . The Senior Secured Creditors and the Pari Passu Creditors may take, accept or receive the benefit of:

(a) any Lien from any member of the Group in respect of the Senior Secured Facilities Obligations or the Pari Passu Debt Obligations (as applicable) in addition to the Transaction Security if and to the extent legally possible at the same time it is also offered either (i) to the Security Agent as trustee and/or security agent and/or as creditor under a parallel debt structure for the other Secured Parties in respect of their Obligations or (ii) in the case of any jurisdiction in which effective Liens cannot be granted in favor of the Security Agent as trustee and/or security agent for the Secured Parties, (A) to the other Secured Parties in respect of their Obligations or (B) to the Security Agent under a parallel debt structure for the benefit of all the Secured Parties and, in each case of clause (i) and (ii), ranks in the same order of priority as that contemplated in Section 2.2, and

(b) any guarantee, indemnity or other assurance against loss from any member of the Group in respect of the Senior Secured Facilities Obligations or the Pari Passu Debt Obligations (as applicable) in addition to those in (i) this Agreement, (ii) any Common Guarantee, (iii) the Original Senior Secured Credit Agreement and (iv) the Senior Secured Note Indenture, if and to the extent legally possible at the same time it is also offered to the other Secured Parties in respect of their Obligations and ranks in the same order of priority as that contemplated in Section 2.1. For the avoidance of doubt, this Section 3.3 shall not require any security or guarantee to be granted in respect of any Additional Unsecured Debt Obligations.

3.4 Limitations on Enforcement: Senior Secured Creditors and Pari Passu Creditors .

(a) No Senior Secured Creditors or Pari Passu Creditor may take any Enforcement Action under clause (c) or (to the extent such action is directly related to the enforcement of Transaction Security) under clause (e) of the definition thereof without the prior written consent of the Majority Senior Secured Creditors.

(b) Notwithstanding paragraph (a) above or anything to the contrary herein, after the occurrence of an Insolvency Event in relation to a Debtor, each Senior Secured Creditor may, to the extent it is able to do so under the relevant Senior Secured Documents, take Enforcement Action under paragraph (e) of the definition thereof and/or claim in the winding up, dissolution, administration, reorganization or similar insolvency event of that Debtor for Senior Secured Obligations owing to it (but, for the avoidance of doubt, may not direct the Security Agent to enforce the Transaction Security in any manner without the prior consent of the Majority Senior Secured Creditors).

3.5 Intercreditor Matters between Senior Secured Creditors and Pari Passu Creditors. Nothing in this Agreement shall be deemed to restrict the entry into other intercreditor and/or subordination agreements (including agreements establishing additional first and second lien tranches) by and among any Senior Secured Creditors and Pari Passu Creditors to the extent the terms of such agreement address (i) matters relating to the payment priority as between such parties (or their representatives), (ii) the ability to exercise any rights granted hereunder to such Creditors, (iii) other matters customary for intercreditor agreements of such type and/or (iv) any other matters related thereto; provided, that such agreement shall not conflict with the terms of this Agreement.

SECTION 4.

HEDGE COUNTERPARTIES AND HEDGING OBLIGATIONS

4.1 Identity of Hedge Counterparties. No person providing hedging arrangements to any Debtor shall be entitled to share in any of the Transaction Security in respect of any of the liabilities and obligations arising in relation to those hedging arrangements unless that person is or becomes a party to this Agreement as a Hedge Counterparty.

4.2 Restriction on Payment: Hedging Obligations. Prior to the Senior Secured Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will, make any Payment of the Hedging Obligations at any time unless, (a) that Payment is permitted under Section 4.3; or (b) the taking or receipt of that Payment is permitted under Section 4.8(c).

4.3 Permitted Payments: Hedging Obligations. The Debtors may make Payments in respect of the Hedging Obligations at any time in accordance with the provisions of the applicable Hedge Agreement, provided that at the time of payment, no scheduled payments due from the Hedge Counterparty to any Debtor under the Hedge Agreements to which they are both party are due and unpaid unless failure to make such payment would thereby cause a default under the relevant Hedge Agreement. For the avoidance of doubt, no payment will be due and unpaid if a Hedge Counterparty is entitled to withhold that payment pursuant to section 2(a)(iii) of the relevant ISDA Master Agreement or any similar provision in any Hedge Agreement that is not based on an ISDA Master Agreement.

4.4 Payment Obligations Continue. No Debtor shall be released from the liability or obligation to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Sections 4.2 and 4.3 even if its obligation to make that Payment is restricted at any time by the terms of any of those Sections.

4.5 [Reserved].

4.6 Limitation on Collateral and Guarantees for Hedge Counterparties. The Hedge Counterparties may not take, accept or receive the benefit of any Liens, guarantee, indemnity or other assurance against loss from any Debtor in respect of the Hedging Obligations other than: (a) the Transaction Security; (b) any guarantee, indemnity or other assurance against loss contained in (i) this Agreement; (ii) any Common Guarantee; (iii) the Original Senior Secured Credit Agreement, (iv) the Senior Secured Notes Indenture or (v) the relevant Hedge Agreement but solely to the extent no greater in extent than any of those

referred to in clauses (i) to (iv) above; (c) as otherwise contemplated by Section 3.3; and (d) the indemnities contained in the ISDA Master Agreements.

4.7 Restriction on Enforcement: Hedge Counterparties . Subject to Section 4.8 and Section 4.9 and without prejudice to each Hedge Counterparty's rights under Sections 13.1 and 13.2, the Hedge Counterparties shall not take any Enforcement Action in respect of any of the Hedging Obligations or any of the hedging transactions under any of the Hedge Agreements at any time.

4.8 Permitted Enforcement: Hedge Counterparties .

(a) A Hedge Counterparty may terminate or close-out in whole or in part any hedging transaction under that Hedge Agreement (i) if, prior to a Distress Event, the Company has certified to that Hedge Counterparty that such termination or close-out would not result in a breach of any term of any Senior Secured Facilities Document, Pari Passu Debt Document, Second Lien Debt Documents or Additional Unsecured Debt Documents, (ii) if a Distress Event has occurred, (iii) if (A) in relation to a Hedge Agreement which is based on the 1992 ISDA Master Agreement: (I) an Illegality or Tax Event or Tax Event Upon Merger (each as defined in the 1992 ISDA Master Agreement); or (II) an event similar in meaning and effect to a Force Majeure Event (as defined in clause (B) below), has occurred in respect of that Hedge Agreement, (B) in relation to a Hedge Agreement which is based on the 2002 ISDA Master Agreement, an Illegality or Tax Event, Tax Event Upon Merger or a Force Majeure Event (each as defined in the 2002 ISDA Master Agreement) has occurred in respect of that Hedge Agreement or (C) in relation to a Hedge Agreement which is not based on an ISDA Master Agreement, any event similar to the events listed in (A) and (B) of this clause, (iv) if an Insolvency Event has occurred in relation to a Debtor which is party to that Hedge Agreement, (v) on or immediately following a refinancing (or repayment) and cancellation in full of the Senior Secured Facilities Obligations, the Pari Passu Debt Obligations, Second Lien Debt Obligations or the Additional Unsecured Debt Obligations, to the extent that such Obligations are the subject of the relevant Hedge Agreement or (vi) subject to Section 4.12, if the relevant Instructing Group (excluding the Hedge Counterparties except after the Senior Secured Facilities Discharge Date and the Pari Passu Debt Discharge Date) give prior consent to that termination or close-out being made.

(b) If a Debtor has defaulted on any Payment due under a Hedge Agreement (after allowing any applicable notice or grace periods) and the default has continued unwaived for more than five days after notice of that failure has been given to the Security Agent, the relevant Hedge Counterparty (i) may, to the extent it is able to do so under the relevant Hedge Agreement, terminate or close-out in whole or in part any hedging transaction under that Hedge Agreement and (ii) unless and until such time as the Security Agent has given notice to that Hedge Counterparty that the Transaction Security is being enforced (or that any formal steps are being taken to enforce the Transaction Security), shall be entitled to exercise any right it might otherwise have to sue for, commence or join legal or arbitration proceedings against any Debtor to recover any Hedging Obligations due under that Hedge Agreement.

(c) After the occurrence of an Insolvency Event in relation to any Debtor, each Hedge Counterparty shall be entitled to exercise any right it may otherwise have in respect of that Debtor to (i) prematurely close-out or terminate any Hedging Obligations of that Debtor, in each case pursuant to and in accordance with the terms of the relevant Hedge Agreement, (ii) make a demand under any guarantee, indemnity or other assurance against

loss given by that Debtor in respect of any Hedging Obligations, to the extent permitted to do so under, and in accordance with, such guarantee, indemnity or other assurance, (iii) exercise any right of set-off or take or receive any Payment in respect of any Hedging Obligations of that Debtor or (iv) claim and prove in any Insolvency Proceeding of that Debtor for the Hedging Obligations owing to it.

4.9 Required Enforcement: Hedge Counterparties .

(a) Subject to paragraph (b) below, a Hedge Counterparty shall promptly terminate or close-out in full any hedging transaction (to the extent it has the right to do so under the applicable Hedge Agreement) under all or any of the Hedge Agreements to which it is party prior to their stated maturity, following (i) the occurrence of a Senior Secured Facilities Acceleration Event or a Pari Passu Debt Acceleration Event which is continuing and delivery to it of a notice from the Security Agent that the relevant Senior Secured Facilities Acceleration Event and/or a Pari Passu Debt Acceleration Event has occurred and is continuing and (ii) delivery to it of a subsequent notice from the Security Agent (acting on the instructions of the relevant Instructing Group) instructing it to do so.

(b) Paragraph (a) above shall not apply to the extent that the Senior Secured Facilities Acceleration Event or Pari Passu Debt Acceleration Event (as applicable) occurred as a result of an arrangement made between any Debtor and any Primary Creditor with the purpose of bringing about that Senior Secured Facilities Acceleration Event or Pari Passu Debt Acceleration Event (as applicable).

4.10 Treatment of Payments Due to Debtors on Termination of Hedging Transactions .

(a) If, on termination of any hedging transaction under any Hedge Agreement occurring after the occurrence and during the continuation of a Distress Event, a settlement amount or other amount (following the application of any Close-Out Netting, Payment Netting or Inter-Hedging Agreement Netting in respect of that Hedge Agreement) falls due from a Hedge Counterparty to the relevant Debtor, then that amount shall be paid by that Hedge Counterparty to the Security Agent, treated as the proceeds of enforcement of the Transaction Security and applied in accordance with the terms of this Agreement.

(b) The payment of that amount by the Hedge Counterparty to the Security Agent in accordance with paragraph (a) above shall discharge the Hedge Counterparty's obligation to pay that amount to that Debtor.

4.11 Terms of Hedge Agreements . The Hedge Counterparties (to the extent party to the Hedge Agreement in question) and the Debtors party to the relevant Hedge Agreements shall ensure that, at all times, (a) each Hedge Agreement documents only hedging arrangements that are Hedging Obligations under the Senior Secured Facilities and that are not otherwise prohibited under the Senior Secured Facilities, (b) in the event of a termination of the hedging transaction entered into under a Hedge Agreement, whether as a result of a termination event or an event of default (or similar event by whatever name), the relevant Hedge Agreement will provide for the payment of an amount by the Debtor that is not significantly in excess of what would be payable if the relevant Hedge Agreement: (i) is or were to be based on a 1992 ISDA Master Agreement that provides for payments under the "Second Method" with no material amendments to section 6(e) of such ISDA Master Agreement; or (ii) is or were to be based on a 2002 ISDA Master Agreement, with no

material amendments to the provisions of section 6(e) of such ISDA Master Agreement and (c) each Hedge Agreement will provide that the relevant Hedge Counterparty will be entitled to designate an Early Termination Date (as defined in the relevant ISDA Master Agreement) (including, for the avoidance of doubt, automatically where "Automatic Early Termination" is specified in the schedule to the ISDA Master Agreement) or otherwise be able to terminate each transaction under such Hedge Agreement following a Senior Secured Facilities Acceleration Event.

4.12 On or After Relevant Discharge Date. At any time on or after the Senior Secured Discharge Date or the Second Lien Debt Discharge Date, any action in respect of the Hedging Obligations which is permitted under any of Section 4.3 or Section 4.8 by reason of the prior consent of the relevant Instructing Group shall be permitted without any further consents being required, provided that the Company has confirmed to the Hedge Counterparty concerned that (i) such action would not result in a breach of any applicable Second Lien Debt Document or Additional Unsecured Debt Document, (ii) the prior Consent of the Second Lien Debt Trustee(s) or Additional Unsecured Debt Representative(s) (as applicable) is obtained or (iii) the Additional Unsecured Debt Discharge Date has occurred.

SECTION 5.

SECOND LIEN DEBT CREDITORS AND SECOND LIEN DEBT DOCUMENTS

5.1 Amendments and Waivers of Second Lien Debt Documents.

(a) Subject to paragraph (b) below, the relevant Second Lien Debt Creditors and the Debtors may amend or waive the terms of the Second Lien Debt Documents in accordance with their terms (and, any relevant consent required in any of them, as applicable) at any time.

(b) No Second Lien Debt Creditor and/or any Debtor shall amend or waive or agree to amend or waive the original maturity date of any Second Lien Debt so as to shorten the original maturity of such Second Lien Debt to be earlier than the date falling six months after the original maturity date of any Senior Secured Creditor Obligations (excluding Hedging Obligations) as in existence at the time the relevant Second Lien Debt was issued, without the prior consent of the Senior Secured Creditors.

5.2 Security: Second Lien Debt Creditors.

(a) Except with the prior consent of the Senior Secured Creditors, the Second Lien Debt Creditors may only take, accept or receive the benefit of any Lien from any member of the Group in respect of the Second Lien Debt Obligations in addition to the Transaction Security or any guarantee, indemnity or other assurance against loss from any member of the Group if and to the extent legally possible, at the same time it is also offered either:

(A) to the Security Agent as agent for the Senior Secured Creditors and the other Second Lien Debt Creditors; or

(B) in the case of any jurisdiction in which an effective Lien cannot be granted in favor of the Security Agent as agent for the Secured Parties:

(I) to the Senior Secured Creditors and the other Second Lien Debt Creditors in respect of their Obligations;

(II) to the Security Agent as agent for the Senior Secured Creditors and the other Second Lien Debt Creditors in respect of their Obligations; and/or

(III) to the Security Agent under a parallel debt joint and several creditorship or equivalent structure for the benefit of the Senior Secured Creditors and the other Second Lien Debt Creditors,

and ranks in the same order of priority as that contemplated in Section 2.2,

if and to the extent legally possible and subject to any Security Principles, at the same time it is also offered to the Senior Secured Creditors and the other Second Lien Debt Creditors in respect of their Obligations and ranks in the same order of priority as that contemplated Section 2.1. For the avoidance of doubt, this Section 5.2 shall not require any security or guarantee to be granted in respect of any Additional Unsecured Debt Obligations.

5.3 Restrictions on Enforcement by Second Lien Debt Creditors . Subject to Section 5.4, until the Senior Secured Discharge Date, except with the prior consent of, or as required by an Instructing Group, no Second Lien Debt Creditor shall be entitled to take any Enforcement Action against any member of the Group or any Subsidiary of the Parent in respect of any of the Second Lien Debt Obligations and/or take any Enforcement Action against the Parent or any Subsidiary of the Parent in respect of any Lien on the Collateral or to give instructions to the Security Agent to enforce or to refrain or cease from enforcing the Transaction Security.

5.4 Permitted Second Lien Debt Enforcement .

(a) Subject to the provisions of Section 5.5, the restrictions in Section 5.3 will not apply:

(i) if:

(A) an Event of Default under the Second Lien Debt Documents (the " **Relevant Second Lien Debt Default** ") is continuing;

(B) the Security Agent has received a notice of the Relevant Second Lien Debt Default specifying the event or circumstance in relation to the Relevant Second Lien Debt Default from the relevant Second Lien Debt Trustee;

(C) a Second Lien Debt Standstill Period has elapsed; and

(D) the Relevant Second Lien Debt Default is continuing at the end of the relevant Second Lien Debt Standstill Period;

(ii) in the circumstance where the Senior Secured Creditors take any Enforcement Action in relation to a particular Second Lien Debt Guarantor, provided that the Second Lien Debt Creditors may only take the same Enforcement Action in relation to such Second Lien Debt Guarantor as the Enforcement Action taken by the Senior Secured Creditors against that Second Lien Debt Guarantor and not against any other Debtor or any other member of the Group;

(iii) in respect of Enforcement Action in relation to a particular Second Lien Debt Guarantor that is the subject of an Insolvency Event (but not, for the avoidance of doubt, against any other Debtor or any other member of the Group); or

(iv) if an Event of Default under the Second Lien Debt Documents has occurred resulting from a failure to pay the principal amount of the Second Lien Debt Obligations at the final maturity date of the relevant Second Lien Debt;

provided , further , that notwithstanding anything herein to the contrary, in no event shall any Second Lien Debt Trustee or any Second Lien Debt Creditor take any Enforcement Action if, notwithstanding the expiration of the Second Lien Debt Standstill Period, the Security Agent or the applicable Senior Secured Creditors shall have commenced and be diligently pursuing an Enforcement Action or other exercise of their rights or remedies in each case with respect to all or a material portion of the Collateral (prompt notice of such exercise to be given to the Second Lien Debt Trustee)

(b) Promptly upon becoming aware of an Event of Default under the Second Lien Debt Documents, the relevant Second Lien Debt Trustee may by notice (a " **Second Lien Debt Enforcement Notice** ") in writing notify the Security Agent of the existence of such Event of Default under the Second Lien Debt Documents.

5.5 Second Lien Debt Standstill Period . In relation to a Relevant Second Lien Debt Default, a " **Second Lien Debt Standstill Period** " shall mean the period beginning on the date (the " **Second Lien Debt Standstill Start Date** ") the relevant Second Lien Debt Trustee serves a Second Lien Debt Enforcement Notice on the Security Agent in respect of such Relevant Second Lien Debt Default and ending on the earliest to occur of:

(a) the date falling 179 days after the Second Lien Debt Standstill Start Date;

(b) the expiry of any other Second Lien Debt Standstill Period outstanding at the date such first mentioned Second Lien Debt Standstill Period commenced; and

(c) the date the relevant Instructing Group consents to the termination of the Second Lien Debt Standstill Period.

5.6 Subsequent Second Lien Debt Defaults . The Second Lien Debt Creditors may take Enforcement Action under Section 5.4 in relation to a Relevant Second Lien Debt Default even if, at the end of any relevant Second Lien Debt Standstill Period or at any later time, a further Second Lien Debt Standstill Period has begun as a result of any other Event of Default under the Second Lien Debt Documents.

5.7 Enforcement on Behalf of Second Lien Debt Creditors .

(a) If the Security Agent has notified the relevant Second Lien Debt Trustee that it is enforcing Security created pursuant to any Security Document over shares of a Second Lien Debt Guarantor or over shares of a Holding Company of a Second Lien Debt Guarantor, no Second Lien Debt Creditor may take any action referred to in Section 5.4 against that Second Lien Debt Guarantor or that Holding Company or any of their respective Subsidiaries while the Security Agent is actively taking steps to enforce that Lien in accordance with the instructions of the relevant Instructing Group where such action might be reasonably likely to adversely affect such enforcement or the amount of proceeds to be derived therefrom.

(b) If the Second Lien Debt Creditors are permitted to give instructions to the Security Agent to require the enforcement of the Transaction Security pursuant to any Security Document in accordance with the provisions of this Section 5.7 such enforcement of the Transaction Security must require the realization of the relevant Transaction Security by way of a sale or disposal conducted in compliance with the provisions of Section 14.3.

(c) If any restrictions in this Section 5 preventing a Second Lien Debt Creditor from suing or bringing or supporting proceeds against any member of the Group would result in such Second Lien Debt Creditor being prevented from suing or bringing or supporting those proceeds by reason of the expiry of any statutory limitation period, that Second Lien Debt Creditor shall be able to sue or bring or support those proceedings against that member of the Group, but only to the extent necessary to prevent loss of the right to sue or bring or support those proceedings.

(d) Until the Senior Secured Discharge Date has occurred, except as set forth in Section 5.4, whether or not any Insolvency Proceeding has been commenced by or against the Company or any other Debtor, the Second Lien Debt Trustee:

(i) will not commence or maintain, or seek to commence or maintain, any Enforcement Action or otherwise exercise any rights or remedies with respect to the Collateral; provided that the Second Lien Debt Trustee may commence an Enforcement Action or otherwise exercise any or all such rights or remedies after the passage of the Second Lien Debt Standstill Period;

(ii) will not contest, protest or object to any foreclosure proceeding or action brought by the Security Agent or any Senior Secured Creditor or any other exercise by the Security Agent or any Senior Secured Creditor of any rights and remedies under the Senior Secured Documents or otherwise relating to the Collateral or the Senior Secured Debt Obligations (including any Enforcement Action initiated by or supported by the Security Agent or any Senior Secured Creditor); and

(iii) subject to their rights under clause (d)(i) above will not object to the forbearance by the Security Agent or the Senior Secured Creditors from bringing or pursuing any foreclosure proceeding or action or any other exercise of any rights or remedies under the Senior Secured Documents or otherwise relating to the Collateral or the Senior Secured Debt Obligations,

in each case so long as any proceeds received by any Security Agent in excess of those necessary to achieve a Senior Secured Discharge Date are distributed in accordance with Section 15 and applicable law.

(e) Until the Senior Secured Discharge Date has occurred, whether or not any Insolvency Proceeding has been commenced by or against the Company or any other Debtor, subject to Section 5.7(d)(i), the Security Agent and the Senior Secured Creditors shall have the exclusive right to commence and maintain an Enforcement Action or otherwise enforce rights, exercise remedies (including set-off, recoupment and the right to credit bid their debt, except that Second Lien Debt Trustee shall have the credit bid rights set forth in Section 5.7(f)(vi), make determinations regarding the release, disposition, or restrictions with respect to the Collateral and the Senior Secured Debt Obligations without any consultation with or the consent of any Second Lien Debt Trustee or any other Second Lien Debt Creditor; provided that any proceeds received by any Security Trustee or Senior Secured Creditor in excess of those necessary to achieve a Senior Secured Discharge Date are distributed in accordance with Section 15 and applicable law. In commencing or maintaining any Enforcement Action or otherwise exercising rights and remedies with respect to the Collateral and the Senior Secured Debt Obligations, the Security Agent and the Senior Secured Creditors may enforce the provisions of the Senior Secured Documents and exercise remedies thereunder, all in such order and in such manner as they may determine in the exercise of their sole discretion in compliance with any applicable law and without consultation with any Second Lien Debt Trustee or any other Second Lien Debt Creditor and regardless of whether any such exercise is adverse to the interest of any Second Lien Debt Creditor. Such exercise and enforcement shall include the rights of an agent appointed by them to sell or otherwise dispose of Collateral and the Senior Secured Debt Obligations, upon foreclosure, to incur expenses in connection with such sale or disposition, and to exercise all the rights and remedies of a secured creditor under applicable law and of a secured creditor under Bankruptcy Laws of any applicable jurisdiction.

(f) Notwithstanding the foregoing, any Second Lien Debt Trustee and any other Second Lien Debt Creditor may:

(i) file a claim or statement of interest with respect to the Second Lien Debt Obligations; provided that an Insolvency Proceeding has been commenced by or against the Company or any other Debtor;

(ii) take any action (not adverse to the priority status of the Liens on the Collateral securing the Senior Secured Obligations, or the rights of the Security Agent or the Senior Secured Creditors to exercise remedies in respect thereof) in order to create, perfect, preserve or protect its Lien on the Collateral;

(iii) file any necessary responsive or defensive pleadings in opposition to any motion, claim, adversary proceeding or other pleading made by any person objecting to or otherwise seeking the disallowance of the claims of the Second Lien Debt Creditors, including any claims secured by the Collateral, if any, in each case in accordance with the terms of this Agreement;

(iv) vote on any plan of reorganization, arrangement, compromise or liquidation, file any proof of claim, make other filings and make any arguments and motions that are, in each case, in accordance with the terms of this Agreement, with respect to the Second Lien Debt Obligations and the Collateral; provided that no filing of any claim or vote, or pleading related to such claim or vote, to accept or reject a disclosure statement, plan of reorganization, arrangement, compromise or liquidation, or any other document, agreement or proposal similar to the foregoing by any Second Lien Debt Trustee or any other Second Lien Debt Creditor, may be inconsistent with the provisions of this Agreement;

(v) exercise any of its rights or remedies after the termination of the Second Lien Debt Standstill Period to the extent permitted by Section 5.7(d)(i); and

(vi) bid for or purchase Collateral at any public, private or judicial foreclosure upon such Collateral initiated by any Senior Secured Creditors, or any sale of Collateral during an Insolvency or Liquidation Proceeding; provided that such bid may not include a "credit bid" in respect of any Second Lien Debt Obligations unless the cash proceeds of such bid are otherwise sufficient to cause the Senior Secured Discharge Date.

(g) Subject to Sections 5.7(d) and 5.7(f) and Section 10.7:

(i) each Second Lien Debt Trustee, for itself and on behalf of each other Second Lien Debt Creditor represented by it, agrees that such Second Lien Debt Trustee and such Second Lien Debt Creditor represented by it will not take any action that would hinder any exercise of remedies under the Senior Secured Documents or is otherwise prohibited hereunder, including any sale, lease, exchange, transfer or other disposition of the Collateral, whether by foreclosure or otherwise;

(ii) each Second Lien Debt Trustee, for itself and on behalf of each other Second Lien Debt Creditor represented by it, hereby waives any and all rights such Second Lien Debt Trustee and such Second Lien Debt Creditors represented by it may have as a junior lien creditor or otherwise to object to the manner in which the Security Agent or any other Senior Secured Creditor

seeks to enforce or collect the Senior Secured Obligations or Liens securing the Senior Secured Obligations granted in any of the Collateral undertaken in accordance with this Agreement, regardless of whether any action or failure to act by or on behalf of the Security Agent or any other Senior Secured Creditor is adverse to the interest of any Second Lien Debt Creditor; and

(iii) each Second Lien Debt Trustee, for itself and on behalf of each other Second Lien Debt Creditor represented by it, hereby acknowledges and agrees that no covenant, agreement or restriction contained in any Second Lien Debt Document (other than this Agreement) shall be deemed to restrict in any way the rights and remedies of the Security Agent or any other Senior Secured Creditor with respect to the Collateral as set forth in this Agreement and the Senior Secured Documents.

(h) Except as specifically set forth in this Agreement, the Second Lien Debt Trustee and the other Second Lien Debt Creditors may exercise rights and remedies as unsecured creditors against the Company or any other Debtor that has guaranteed or granted Liens to secure the Second Lien Debt Obligations in accordance with the terms of the Second Lien Debt Documents and applicable law (other than initiating or joining in an involuntary case or proceeding under any Insolvency Proceeding with respect to any Debtor); provided that in the event that any Second Lien Debt Creditor becomes a judgment Lien creditor in respect of Collateral as a result of its enforcement of its rights as an unsecured creditor with respect to the Second Lien Obligations, such judgment Lien shall be subject to the terms of this Agreement for all purposes (including in relation to the Senior Secured Obligations) in the same manner as the other Liens securing the Second Lien Debt Obligations are subject to this Agreement.

Except as specifically set forth in Sections 5.7(d) and 5.7(g), nothing in this Agreement shall prohibit the receipt by any Second Lien Debt Trustee or any other Second Lien Debt Creditor of the required payments of interest, principal and other amounts owed in respect of the Second Lien Debt Obligations so long as such receipt is not the direct or indirect result of the exercise by any Second Lien Debt Trustee or any other Second Lien Debt Creditor of rights or remedies as a creditor (including set-off and recoupment) or enforcement in contravention of this Agreement or as a result of any other violation by any Second Lien Debt Creditor of the express terms of this Agreement. Nothing in this Agreement impairs or otherwise adversely affects any rights or remedies the Security Agent or any other Senior Secured Creditor may have with respect to the Collateral.

5.8 Option to Purchase: Second Lien Debt .

(a) Subject to Section 5.8(b) below, some or all of the Second Lien Debt Creditors (the " **Second Lien Debt Acquiring Creditors** ") may, after a Distress Event, by giving not less than 30 days' notice to the Security Agent, require the transfer to them (or to a nominee or nominees), in accordance with Section 19, of all, but not part, of the rights and obligations in respect of the Senior Secured Creditor Obligations if:

(i) the transfer is lawful and, subject to Section 5.8(a)(ii) below, otherwise permitted by the terms of the Senior Secured Facilities Documents;

(ii) any conditions relating to such a transfer contained in the Senior Secured Facilities Documents are complied with, other than:

(A) any requirement to obtain the consent of, or consult with, the Debtors or other member of the Group relating to such transfer, which consent or consultation shall not be required; and

(B) to the extent such Second Lien Debt Acquiring Creditors provide cash cover for any letter of credit, the consent of the relevant Issuing Bank relating to such transfer;

(iii) the Administrative Agent, each Second Lien Debt Trustee and each Pari Passu Debt Representative on behalf of the applicable Senior Secured Creditors is paid an amount equal to the aggregate of:

(A) any amounts provided as cash cover by the Second Lien Debt Acquiring Creditors of any letter of credit (as envisaged in Section 5.8(a)(ii)(B) above);

(B) all the Obligations to such Creditors (other than Hedging Obligations) outstanding as at the date that amount is to be paid (whether or not due), including all amounts that would have been payable under the relevant Senior Secured Facilities Document if the relevant Senior Secured Creditor Obligations were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees and expenses) incurred by such Representatives and such Creditors as a consequence of giving effect to that transfer;

(iv) as a result of that transfer, the Senior Secured Creditors have no further actual or contingent liability to any Debtor under the relevant Debt Documents;

(v) an indemnity is provided from each Second Lien Debt Acquiring Creditor (not being a Second Lien Debt Trustee) (or from another third party acceptable to all the Senior Secured Creditors) in a form satisfactory to each Senior Secured Creditor in respect of all losses which may be sustained or incurred by each of them in consequence of any sum received

or recovered by any Senior Secured Creditor from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any Senior Secured Creditor for any reason; and

(vi) the transfer is made without recourse to, or representation or warranty from, the Senior Secured Creditors, except that each Senior Secured Creditor shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorize the making by it of that transfer.

(b) Subject to Section 5.10(b), the Second Lien Debt Acquiring Creditors may only require a Senior Secured Obligations Transfer if, at the same time, they require a Hedge Transfer in accordance with Section 5.10 below and if, for any reason, a Hedge Transfer cannot be made in accordance with Section 5.10 below, no Senior Secured Obligations Transfer may be required to be made.

(c) The Administrative Agent and each relevant Pari Passu Debt Representative in respect of the Senior Secured Creditor Obligations shall, at the request of the relevant Second Lien Debt Acquiring Creditor, notify such Second Lien Debt Acquiring Creditor of:

(i) the sum of the amounts described in Section 5.8(a)(iii)(B) and (C) above; and

(ii) the amount of each letter of credit for which cash cover is to be provided by the applicable Second Lien Debt Acquiring Creditor.

(d) If more than one Second Lien Debt Acquiring Creditor wishes to exercise the option to purchase the Senior Secured Obligations in accordance with paragraph (a) above, each such Second Lien Debt Acquiring Creditor shall:

(i) acquire the Senior Secured Obligations *pro rata* , in the proportion that its Second Lien Debt Credit Participation bears to the aggregate Second Lien Debt Credit Participations of the Second Lien Debt Acquiring Creditors; and

(ii) inform the relevant Second Lien Debt Trustee(s) in accordance with the terms of the relevant Second Lien Debt Document, who will determine (after consultation with each other and acting on the instructions of the applicable Second Lien Debt Acquiring Creditors) the appropriate share of the Senior Secured Obligations to be acquired by each such Second Lien Debt Acquiring Creditor and who shall inform each such Second Lien Debt Acquiring Creditor accordingly,

and such Second Lien Debt Trustee shall as soon as reasonably practicable inform the Security Agent of the applicable Second Lien Debt Acquiring Creditors' intention to exercise the option to purchase the Senior Secured Obligations.

5.9 Second Lien Debt Refinancing .

(a) Notwithstanding any other terms of this Agreement, it is agreed that the Second Lien Debt Obligations may be discharged or exchanged in whole or in part on terms that do not breach this Agreement or the Senior Secured Documents without the consent of any other Creditors, including from:

(i) the proceeds of issues of share capital by any Holding Company or, to the extent not secured by the assets of, or guaranteed by, any member of the Group, subordinated loans made to any Holding Company by its shareholders;

(ii) with equity securities or, to the extent not secured by the assets of, or guaranteed by, any member of the Group, debt securities of any Holding Company; or

(iii) (if prior to the Senior Secured Discharge Date, in each case to the extent permitted by the then outstanding Senior Secured Documents) from the proceeds of an issue by any Holding Company of Second Lien Debt where:

(A) the terms thereof (and any guarantees thereof) comply with, or are not materially less favorable to the Senior Secured Creditors and Hedge Counterparties than, the Second Lien Debt Documents and this Agreement;

(B) the amount of all cash payments on all such securities are no greater than the amount of cash payments on the Second Lien Debt permitted in accordance with the Second Lien Debt Documents (plus any costs, commissions, Taxes, premiums and any expenses incurred in respect of (or reasonably incidental to) such refinancing);

(C) any trustee or representative of the creditors of such Second Lien Debt (a " **Junior Refinancing Agent** ") accedes to this Agreement in accordance with Section 19.8 (*Creditor/Representative Joinder*) on the same terms as the Second Lien Debt Trustee; and

(D) each creditor in relation to such Second Lien Debt (that is not a Junior Refinancing Agent) is deemed to accede to this Agreement pursuant to the terms of its relevant finance documents, in each case on the same terms as a Second Lien Debt Creditor.

5.10 Hedge Transfer: Second Lien Debt Creditors .

(a) The Second Lien Debt Acquiring Creditors may, by giving not less than 30 days' notice to the Security Agent, require a Hedge Transfer:

(i) if either:

(A) the Second Lien Debt Acquiring Creditors require, at the same time, a Senior Secured Obligations Transfer; or

(B) the Second Lien Debt Acquiring Creditors require that Hedge Transfer at any time on or after the latest of the Cash Management Discharge Date, the Pari Passu Debt Discharge Date and the Senior Secured Facilities Discharge Date; and

(ii) if:

(A) that transfer is lawful and otherwise permitted by the terms of the Hedge Agreements, in which case no Debtor or other member of the Group shall be entitled to withhold its consent to that transfer;

(B) any conditions (other than the consent of, or any consultation with, any Debtor or other member of the Group) relating to that transfer contained in the Hedge Agreements are complied with;

(C) each Hedge Counterparty is paid (in the case of a positive number) or pays (in the case of a negative number) an amount equal to the aggregate of (I) the Hedging Purchase Amount in respect of the hedging transactions under the relevant Hedge Agreement at that time and (II) all costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer;

(D) as a result of that transfer, the Hedge Counterparties have no further actual or contingent liability to any Debtor under the Hedge Agreements;

(E) an indemnity is provided from the Second Lien Debt Acquiring Creditors (not being a Second Lien Debt Trustee) which is receiving (or for which a nominee is receiving) that transfer (or from another third party acceptable to the relevant Hedge Counterparty) in a form satisfactory to the relevant Hedge Counterparty in respect of all losses which may be sustained or incurred by that Hedge Counterparty in consequence of any sum received or recovered by that Hedge Counterparty being

required (or it being alleged that it is required) to be paid back by or clawed back from the Hedge Counterparty for any reason; and

(F) that transfer is made without recourse to, or representation or warranty from, the relevant Hedge Counterparty, except that the relevant Hedge Counterparty shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorize the making by it of that transfer.

(b) The Second Lien Debt Acquiring Creditors and any Hedge Counterparty may agree (in respect of the Hedge Agreements (or one or more of them) to which that Hedge Counterparty is a party) that a Hedge Transfer required by the Second Lien Debt Acquiring Creditors pursuant to paragraph (a) above shall not apply to that Hedge Agreement(s) or to the Hedging Obligations and Hedge Counterparty Obligations under that Hedge Agreement(s).

SECTION 6.

CASH MANAGEMENT PROVIDERS AND CASH MANAGEMENT OBLIGATIONS

6.1 Restriction on Payment: Cash Management Obligations. Prior to the Senior Secured Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will, make any Payment of the Cash Management Obligations at any time unless: (a) that Payment is permitted under Section 6.2; or (b) the taking or receipt of that Payment is permitted under Section 6.5.

6.2 Permitted Payments: Cash Management Obligations. The Debtors may make Payments to any Cash Management Provider in respect of the Cash Management Obligations then due to that Cash Management Provider under any Cash Management Agreement in accordance with the terms of that Cash Management Agreement.

6.3 Payment Obligations Continue. No Debtor shall be released from the liability or obligation to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Section 6.1 and 6.2 even if its obligation to make that Payment is restricted at any time by the terms of any of those Sections.

6.4 Limitations on Collateral and Guarantees for Cash Management Providers. The Cash Management Providers may not take, accept or receive the benefit of any Liens, guarantee, indemnity or other assurance against loss from any Debtor in respect of the Cash Management Obligations other than: (a) the Transaction Security; (b) any guarantee, indemnity or other assurance against loss contained in (i) this Agreement; (ii) any Common Guarantee; (iii) the Original Senior Secured Credit Agreement; or (iv) the relevant Cash Management Agreement but solely to the extent no greater in extent than any of those referred to in clauses (i) to (iii) above; and (c) as otherwise contemplated by Section 3.3.

6.5 Limitations on Enforcement: Cash Management Providers .

(a) Cash Management Providers shall not be entitled to take any Enforcement Action unless:

(i) at the same time as, or prior to, that action, Enforcement Action has been taken in respect of the Senior Secured Facilities Obligations, in which case the Cash Management Providers may take the same Enforcement Action as has been taken in respect of those Senior Secured Facilities Obligations,

(ii) that Enforcement Action is taken in respect of Cash Collateral which has been provided in accordance with any Cash Management Agreement,

(iii) at the same time as or prior to, that action, the consent of the relevant Instructing Group to that Enforcement Action is obtained or

(iv) an Insolvency Event has occurred in relation to any Debtor, in which case after the occurrence of that Insolvency Event, each Cash Management Provider shall be entitled (if it has not already done so) to exercise any right it may otherwise have in respect of such Debtor to

(A) accelerate any of such Debtor's Cash Management Obligations or declare them prematurely due and payable on demand,

(B) make a demand under any guarantee, indemnity or other assurance against loss given by such Debtor in respect of any Cash Management Obligations,

(C) exercise any right of set-off or take or receive any Payment in respect of any Cash Management Obligations of such Debtor or

(D) claim and prove in the Insolvency Proceeding of such Debtor for the Cash Management Obligations owing to it.

(b) Section 6.5(a) shall not restrict any right of a Cash Management Provider to:

(i) demand repayment or prepayment of any of the Liabilities owed to it prior to the expiry date of the relevant Cash Management Agreement; or

(ii) net or set off in relation to a Cash Management Agreement,

in accordance with the terms of the relevant Cash Management Agreement and to the extent that the demand is required to reduce, or the netting or set-off represents a reduction

from, the Permitted Gross Outstandings of that Cash Management Agreement to or towards an amount equal to its Designated Net Amount.

6.6 Terms of Cash Management Agreements. The Cash Management Providers and the Debtors party to the relevant Cash Management Agreements shall ensure that, at all times, each Cash Management Agreement documents only cash management arrangements entered into for the purpose of providing the types of services described in the definition of Cash Management Agreement and that no other services, debt facilities or cash management arrangements are carried out under or pursuant to a Cash Management Agreement.

SECTION 7.

ADDITIONAL UNSECURED DEBT CREDITORS AND ADDITIONAL UNSECURED DEBT OBLIGATIONS

7.1 Incurrence of Additional Unsecured Debt. Except as otherwise approved in writing by the Senior Secured Creditors and the Second Lien Debt Creditors, the Company shall procure that no member of the Group shall incur any Additional Unsecured Debt Obligations under an Additional Unsecured Debt Document unless: (a) the Security Agent receives copies of the Additional Unsecured Debt Documents from the Company as soon as practicable after the relevant Additional Unsecured Debt is incurred; (b) (to the extent not already a Party) the relevant Additional Unsecured Debt Representative and each member of the Group which is incurring any Additional Unsecured Debt Obligations execute this Agreement or sign a Debtor Joinder Agreement or Creditor/Representative Joinder, as applicable before or concurrently with the incurrence of such Additional Unsecured Debt Obligations; and (c) the terms of the Additional Unsecured Debt pursuant to which any member of the Group incurs any Additional Unsecured Debt Obligations comply with the requirements (if any) of the Senior Secured Credit Agreement or (if not in compliance with any such requirements) are otherwise approved by the Administrative Agent and (to the extent otherwise prohibited by the terms of any then existing Pari Passu Debt Documents) the Pari Passu Debt Representative(s) and (to the extent otherwise prohibited by the terms of any then existing Second Lien Debt Documents) the Second Lien Debt Trustee(s) and (to the extent otherwise prohibited by the terms of any then existing Additional Unsecured Debt Documents) the Additional Unsecured Debt Representative(s) and the Security Agent has received a certificate signed by a director of the Company (without personal liability) confirming the same.

7.2 Restrictions on Enforcement by Additional Unsecured Debt Creditors. Subject to Section 7.3 and Section 7.6, except with the prior consent of, or as required by an Instructing Group, no Additional Unsecured Debt Creditor shall be entitled to take any Enforcement Action against any member of the Group or the Parent in respect of any of the Additional Unsecured Debt Obligations.

7.3 Permitted Additional Unsecured Debt Enforcement Action.

(a) Subject to Section 7.6, the restrictions in Section 7.2 will not apply in respect of the Additional Unsecured Debt Obligations:

(i) if:

(A) an Additional Unsecured Debt Event of Default (the " **Relevant Additional Unsecured Debt Default** ") is continuing;

(B) the Security Agent has received a written notice of the Relevant Additional Unsecured Debt Default specifying the event or circumstance in relation to the Relevant Additional Unsecured Debt Default from the relevant Additional Unsecured Debt Representative;

(C) an Additional Unsecured Debt Standstill Period has elapsed; and

(D) the Relevant Additional Unsecured Debt Default is continuing at the end of the relevant Additional Unsecured Debt Standstill Period;

(ii) in the circumstance where the Senior Secured Creditors take any Enforcement Action in relation to a particular Additional Unsecured Debt Guarantor, provided that the Additional Unsecured Debt Creditors may only take the same Enforcement Action in relation to such Additional Unsecured Debt Guarantor as the Enforcement Action taken by the Senior Secured Creditors against that Additional Unsecured Debt Guarantor and not against any other Debtor or any other member of the Group;

(iii) in respect of Enforcement Action in relation to a particular Additional Unsecured Debt Guarantor that is the subject of an Insolvency Event (but not, for the avoidance of doubt, against any other Debtor or any other member of the Group); or

(iv) if an Event of Default under the Additional Unsecured Debt Documents has occurred resulting from a failure to pay the principal amount of the Additional Unsecured Debt Obligations at the final maturity date of such Additional Unsecured Debt.

(b) Promptly upon becoming aware of an Additional Unsecured Debt Event of Default, the relevant Additional Unsecured Debt Representative(s) may by notice (an " **Additional Unsecured Debt Enforcement Notice** ") in writing notify the Security Agent of the existence of such Additional Unsecured Debt Event of Default.

7.4 Additional Unsecured Debt Standstill Period . In relation to a Relevant Additional Unsecured Debt Default, an " **Additional Unsecured Debt Standstill Period** " shall mean the period beginning on the date (the " **Additional Unsecured Debt Standstill Start Date** ") the relevant Additional Unsecured Debt Representative serves an Additional Unsecured Debt Enforcement Notice on the Security Agent in respect of such Relevant Additional Unsecured Debt Default and ending on the earliest to occur of:

(a) the date falling 179 days after the Additional Unsecured Debt Standstill Start Date;

(b) the date the Senior Secured Creditors take any Enforcement Action in relation to a particular Debtor which owes any Additional Unsecured Debt Obligations; provided, however, that if an Additional Unsecured Debt Standstill Period ends pursuant to this paragraph (b), the Additional Unsecured Debt Creditors may only take the same Enforcement Action in relation to such Debtor which owes Additional Unsecured Debt Obligations as the Enforcement Action taken by the Senior Secured Creditors against such Debtor which owes Additional Unsecured Debt Obligations and not against any other member of the Group;

(c) the date the relevant Instructing Group consents to the termination of the relevant Additional Unsecured Debt Standstill Period;

(d) the date of an Insolvency Event (other than as a result of any action taken by any Additional Unsecured Debt Creditor) in relation to a particular Debtor which owes Additional Unsecured Debt Obligations against whom Enforcement Action is to be taken;

(e) the expiry of any other Additional Unsecured Debt Standstill Period outstanding at the date such first mentioned Additional Unsecured Debt Standstill Period commenced (unless that expiry occurs as a result of a cure, waiver or other permitted remedy); and

(f) a failure to pay the principal amount outstanding on any Additional Unsecured Debt at the final stated maturity of such Additional Unsecured Debt.

7.5 Subsequent Additional Unsecured Debt Default. The Additional Unsecured Debt Creditors may take Enforcement Action under Section 7.3 in relation to a Relevant Additional Unsecured Debt Default even if, at the end of any relevant Additional Unsecured Debt Standstill Period or at any later time, a further Additional Unsecured Debt Standstill Period has begun as a result of any other Additional Unsecured Debt Event of Default.

7.6 Enforcement on Behalf of Additional Unsecured Debt Creditors.

(a) If the Security Agent has notified the Additional Unsecured Debt Representatives(s) that it is taking steps to enforce Liens created pursuant to any Security Document over shares of a member of the Group which has incurred any Additional Unsecured Debt Obligations, no Additional Unsecured Debt Creditor may take any action referred to in Section 7.3 against that member of the Group which has incurred any Additional Unsecured Debt Obligations while the Security Agent (i) has requested instructions from the applicable Instructing Group in relation to the enforcement of those Liens and the relevant instructions have not been given or (ii) is taking steps to enforce those Liens in accordance with the instructions of the applicable Instructing Group where such action might be reasonably likely to adversely affect such enforcement or the amount of proceeds to be derived therefrom.

(b) If any restrictions in this Section 7 preventing an Additional Unsecured Debt Creditor from suing or bringing or supporting proceeds against any member of the Group would result in such Additional Unsecured Debt Creditor being prevented from suing or bringing or supporting those proceeds by reason of the expiry of any statutory limitation period, that Additional Unsecured Debt Creditor shall be able to sue or bring or support those

proceedings against that member of the Group, but only to the extent necessary to prevent loss of the right to sue or bring or support those proceedings.

7.7 Option to Purchase: Additional Unsecured Debt Creditors .

(a) Subject to paragraph (b) below, Additional Unsecured Debt Creditors holding at least the majority of the principal amount of the then-outstanding Additional Unsecured Debt Obligations (the " **Purchasing Creditors** ") may after a Distress Event, after having given all other Additional Unsecured Debt Creditors the opportunity to participate in such purchase, by giving not less than 30 days' notice to the Security Agent, require the transfer to them (or to a nominee or nominees), in accordance with Section 19.4, of all, but not part, of the rights, benefits and obligations in respect of the Senior Secured Facilities Obligations, the Cash Management Obligations, the Pari Passu Debt Obligations and the Second Lien Debt Obligations if:

(i) that transfer is lawful and, subject to paragraph (ii) below, otherwise permitted by the terms of the relevant Senior Secured Document;

(ii) any conditions relating to such a transfer contained in the relevant Senior Secured Document and any conditions relating to such a transfer contained in the relevant Second Lien Debt Document are complied with, other than:

(A) any requirement to obtain the consent of, or consult with, any Debtor or other member of the Group or any other Creditor or Representative relating to such transfer, which consent or consultation shall not be required; and

(B) to the extent to which the Purchasing Creditors provide cash cover for any letter of credit, the consent of the relevant issuing bank relating to such transfer; and

(C) any condition more onerous than those contained in Section 10.6 of the original form of the Original Senior Secured Credit Agreement;

(iii) the relevant Representative, on behalf of the Senior Secured Creditors (other than the Hedge Counterparties), is paid an amount by the Purchasing Creditors equal to the aggregate of:

(A) any amounts provided as cash cover by the Purchasing Creditors for any letter of credit (as envisaged in paragraph (ii)(B) above);

(B) all of the Senior Secured Obligations (other than Hedging Obligations and Cash Management Obligations) at that time (whether or not due), including all amounts that would have been payable under the relevant Senior Secured Documents if such Senior

Secured Obligations were being prepaid by the relevant Debtors on the date of that payment; and

(C) all costs and expenses (including legal fees) incurred by the relevant Representative and/or the Senior Secured Creditors as a consequence of giving effect to that transfer;

(iv) the relevant Second Lien Debt Trustee, on behalf of the Second Lien Debt Creditors (other than the Hedge Counterparties), is paid an amount by the Purchasing Creditors equal to the aggregate of:

(A) all of the Senior Secured Obligations (other than Hedging Obligations and Cash Management Obligations) at that time (whether or not due), including all amounts that would have been payable under the relevant Second Lien Debt Documents if such Second Lien Debt Obligations were being prepaid by the relevant Debtors on the date of that payment; and

(B) all costs and expenses (including legal fees) incurred by the relevant Second Lien Debt Trustee as a consequence of giving effect to that transfer;

(v) the Cash Management Banks are paid an amount equal to the Cash Management Obligations at that time (whether or not due), including any break costs which may apply as a result of any transfer being made other than on the last day of an interest period and costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer;

(vi) as a result of that transfer the Senior Secured Creditors (other than the Hedge Counterparties) and the Second Lien Debt Creditors have no further actual or contingent liability to any Debtor under the relevant Debt Documents;

(vii) an indemnity is provided from the Purchasing Creditors (not being an Additional Unsecured Debt Representative) (or from another third party acceptable to all the Senior Secured Creditors (other than the Hedge Counterparties) and the Second Lien Debt Trustee(s)), in a form satisfactory to each such Senior Secured Creditor or such Second Lien Debt Trustee on behalf of the Second Lien Debt Creditors, as applicable, in respect of all losses which may be sustained or incurred by any such Senior Secured Creditor or such Second Lien Debt Trustee on behalf of Second Lien Debt Creditor, as applicable, in consequence of any sum received or recovered by any such Senior Secured Creditor or Second Lien Debt Creditor, as applicable, from any person being required (or it being alleged that it is required) to be paid back by or clawed back from any

such Senior Secured Creditor or Second Lien Debt Creditor, as applicable, for any reason; and

(viii) the transfer is made without recourse to, or representation or warranty from, the Senior Secured Creditors or the Second Lien Debt Creditors (including any Second Lien Debt Trustee), except that each Senior Secured Creditor or each Second Lien Debt Creditor, as applicable, shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorize the making by it of that transfer.

(b) Subject to paragraph (b) of Section 7.8, the Purchasing Creditors may only require a Senior Secured Obligations Transfer if, at the same time, they require a Hedge Transfer in accordance with Section 7.8 and if, for any reason, a Hedge Transfer cannot be made in accordance with Section 7.8, no Senior Secured Obligations Transfer may be required to be made.

(c) The relevant Representative in respect of the Senior Secured Obligations (other than the Hedging Obligations) shall, at the request of the Purchasing Creditors notify the Additional Unsecured Debt Creditors or the Purchasing Creditors, as applicable, of:

(i) the sum of the amounts described in paragraphs (a)(iii)(A) and (C) above; and

(ii) the amount of each letter of credit for which cash cover is to be provided by all such Purchasing Creditors.

(d) If more than one Purchasing Creditor wishes to exercise the option to purchase the Secured Obligations in accordance with paragraph (a) above, each such Purchasing Creditor shall:

(i) acquire the Secured Obligations *pro rata* , in the proportion that its Additional Unsecured Debt Obligations bear to the aggregate Additional Unsecured Debt Obligations of all the Purchasing Creditors; and

(ii) inform the relevant Representative(s) in accordance with the terms of the relevant Additional Unsecured Debt Documents, who will determine (after consultation with each other and acting on the instructions of the applicable Purchasing Creditors) the appropriate share of the Secured Obligations (other than Hedging Obligations) to be acquired by each such Purchasing Creditor and who shall inform each such Purchasing Creditor accordingly,

and the relevant Representative(s) shall promptly inform the Security Agent of the applicable Purchasing Creditors' intention to exercise the option to purchase the Senior Secured Obligations.

(e) The Administrative Agent, Pari Passu Debt Representative and Second Lien Debt Trustee(s) shall, at the request of its relevant Purchasing Creditors, notify their relevant Purchasing Creditors of:

(i) the sum of the amounts described in paragraphs (a)(iii)(A) and (C) above; and

(ii) the amount of each letter of credit for which cash cover is to be provided by all the Purchasing Creditors.

7.8 Hedge Transfer: Additional Unsecured Debt Creditors .

(a) The Purchasing Creditors may, by giving not less than 30 days' notice to the Security Agent, require a Hedge Transfer:

(i) if either:

(A) the Purchasing Creditors require, at the same time, a Senior Secured Obligations Transfer; or

(B) the Purchasing Creditors require that Hedge Transfer at any time on or after the latest of the Cash Management Discharge Date, the Pari Passu Debt Discharge Date, the Second Lien Debt Discharge Date and the Senior Secured Facilities Discharge Date; and

(ii) if:

(A) that transfer is lawful and otherwise permitted by the terms of the Hedge Agreements, in which case no Debtor or other member of the Group shall be entitled to withhold its consent to that transfer;

(B) any conditions (other than the consent of, or any consultation with, any Debtor or other member of the Group) relating to that transfer contained in the Hedge Agreements are complied with;

(C) each Hedge Counterparty is paid (in the case of a positive number) or pays (in the case of a negative number) an amount equal to the aggregate of (I) the Hedging Purchase Amount in respect of the hedging transactions under the relevant Hedge Agreement at that time and (II) all costs and expenses (including legal fees) incurred as a consequence of giving effect to that transfer;

(D) as a result of that transfer, the Hedge Counterparties have no further actual or contingent liability to any Debtor under the Hedge Agreements;

(E) an indemnity is provided from the Purchasing Creditors (not being an Additional Unsecured Debt Representative) which is receiving (or for which a nominee is receiving) that transfer (or from another third party acceptable to the relevant Hedge Counterparty) in a form satisfactory to the relevant Hedge Counterparty in respect of all losses which may be sustained or incurred by that Hedge Counterparty in consequence of any sum received or recovered by that Hedge Counterparty being required (or it being alleged that it is required) to be paid back by or clawed back from the Hedge Counterparty for any reason; and

(F) that transfer is made without recourse to, or representation or warranty from, the relevant Hedge Counterparty, except that the relevant Hedge Counterparty shall be deemed to have represented and warranted on the date of that transfer that it has the corporate power to effect that transfer and it has taken all necessary action to authorize the making by it of that transfer.

(b) The Purchasing Creditors and any Hedge Counterparty may agree (in respect of the Hedge Agreements (or one or more of them) to which that Hedge Counterparty is a party) that a Hedge Transfer required by the Purchasing Creditors pursuant to paragraph (a) above shall not apply to that Hedge Agreement(s) or to the Hedging Obligations and Hedge Counterparty Obligations under that Hedge Agreement(s).

SECTION 8.

INTRA-GROUP LENDERS AND INTRA-GROUP OBLIGATIONS

8.1 Restriction on Payment: Intra-Group Obligations . Prior to the Final Discharge Date, the Debtors shall not, and shall procure that no other member of the Group will, make any Payments of the Intra-Group Obligations at any time unless: (a) that Payment is permitted under Section 8.2; or (b) the taking or receipt of that Payment is permitted under Section 8.7(c). For the avoidance of doubt, no release or discharge of any Intra-Group Obligations of a member of the Group in consideration for the issue of shares in that member of the Group shall be restricted by this Section 8.1 unless an Acceleration Event has occurred and is continuing.

8.2 Permitted Payments: Intra-Group Obligations .

(a) Subject to paragraph (b) below, members of the Group may make Payments in respect of the Intra-Group Obligations (whether of principal, interest or otherwise) from time to time.

(b) Payments in respect of the Intra-Group Obligations may not be made pursuant to paragraph (a) above if, at the time of the Payment, an Acceleration Event has occurred and is continuing, unless: (i) prior to the Final Discharge Date, the Administrative Agent, the relevant Pari Passu Debt Representative(s), the relevant Second Lien Debt

Trustee(s) and the relevant Additional Unsecured Debt Representative(s) (as applicable) under the Debt Documents Consent to that Payment being made; (ii) that Payment is made solely to facilitate Payment by a member of the Group of the Senior Secured Obligations or the Second Lien Debt Obligations, the Representative Obligations or Additional Unsecured Debt Obligations (in each case, to the extent permitted by this Agreement to be paid by a member of the Group); or (iii) any director or officer of any Debtor is required by mandatory law to make or demand Payment of the relevant Intra-Group Obligations in order to avoid personal and/or criminal liability.

8.3 Payment Obligations Continue . No Debtor shall be released from the liability or obligation to make any Payment (including of default interest, which shall continue to accrue) under any Debt Document by the operation of Sections 8.1 and 8.2 even if its obligation to make that Payment is restricted at any time by the terms of any of those Sections.

8.4 Acquisition of Intra-Group Obligations .

(a) Subject to paragraph (b) below, each Debtor may, and may permit any other member of the Group to: (i) enter into any Obligations Acquisition; or (ii) beneficially own all or any part of the share capital of a company that is party to an Obligations Acquisition, in respect of any Intra-Group Obligations at any time.

(b) Subject to paragraph (c) below, no action described in clause (a) above may take place in respect of any Intra-Group Obligations if: (i) that action would result in a breach of (A) (prior to the Senior Secured Facilities Discharge Date) any Senior Secured Facilities Documents, (B) (prior to the Pari Passu Debt Discharge Date) the Pari Passu Debt Documents, (C) (prior to the Second Lien Debt Discharge Date) the Second Lien Debt Documents or (D) (prior to the Additional Unsecured Debt Discharge Date) the Additional Unsecured Debt Documents pursuant to which any Additional Unsecured Debt remains outstanding; or (ii) at the time of that action, an Acceleration Event has occurred and is continuing.

(c) The restrictions in paragraph (b) above shall not apply if: (i) (A) prior to the Senior Secured Discharge Date, the Administrative Agent and the relevant Pari Passu Debt Representative(s) (as applicable) under the Debt Documents Consent to that action, (B) prior to the Second Lien Debt Discharge Date, the relevant Second Lien Debt Trustee(s) under the relevant Second Lien Debt Documents Consent to that action; and (C) prior to the Additional Unsecured Debt Discharge Date, the relevant Additional Unsecured Debt Representative(s) under the Additional Unsecured Debt Documents Consent to that action; (ii) that action is taken solely to facilitate Payment by a member of the Group of the Senior Secured Obligations, Second Lien Debt Obligations, Representative Obligations or the Additional Unsecured Debt (in each case, to the extent permitted by this Agreement to be paid by a member of the Group); or (iii) any director or officer of any Debtor is required by mandatory law to enter into any Obligations Acquisition in respect of Intra-Group Obligations in order to avoid personal and/or criminal liability.

8.5 Liens: Intra-Group Lenders . Prior to the Final Discharge Date, the Intra-Group Lenders may not take, accept or receive the benefit of any Liens, guarantee, indemnity or other assurance against loss in respect of the Intra-Group Obligations (other than any Lien arising by operation of law and rights of set-off which cannot be disclaimed) unless: (a) that Lien, guarantee, indemnity or other assurance against loss is, (i) (if prior to the Senior

Secured Facilities Discharge Date), permitted or not prohibited by the Senior Secured Facilities Documents; (ii) (if prior to the Pari Passu Debt Discharge Date), permitted or not prohibited by the Pari Passu Debt Documents (as applicable); (iii) (if prior to the Second Lien Debt Discharge Date), permitted or not prohibited by the Second Lien Debt Documents pursuant to which any Second Lien Debt Obligations remains outstanding; and (iv) (if prior to the Additional Unsecured Debt Discharge Date), permitted or not prohibited by the Additional Unsecured Debt Documents pursuant to which any Additional Unsecured Debt remains outstanding; or (b) prior to the Final Discharge Date, the Administrative Agent, the relevant Pari Passu Debt Representative(s), the relevant Second Lien Debt Trustee(s) and the relevant Additional Unsecured Debt Representative(s) (as applicable) under the Debt Documents Consent to that Lien, guarantee, indemnity or other assurance against loss.

8.6 Restriction on Enforcement: Intra-Group Lenders. Subject to Section 8.7, none of the Intra-Group Lenders shall be entitled to take any Enforcement Action in respect of any of the Intra-Group Obligations at any time prior to the Final Discharge Date except for any Enforcement Action set out in clauses (a)(i), (ii), (iii) and (vi) of the definition of Enforcement Action in respect of any payment in respect of the Intra-Group Obligations which at the time of such Enforcement Action would be permitted by Section 8.2 of this Agreement.

8.7 Permitted Enforcement: Intra-Group Lenders. After the occurrence of an Insolvency Event in relation to any Debtor under any Intra-Group Obligations, each Intra-Group Lender may (unless otherwise directed by the Security Agent (acting on the instructions of the relevant Instructing Group) or unless the Security Agent has taken, or has given notice that it intends to take, action on behalf of that Intra-Group Lender in accordance with Section 10.4), exercise any right it may otherwise have against that person to:

(a) accelerate any of that member of the Group's Intra-Group Obligations or declare them prematurely due and payable or payable on demand;

(b) make a demand under any guarantee, indemnity or other assurance against loss given by that member of the Group in respect of any Intra-Group Obligations;

(c) exercise any right of set-off or take or receive any Payment in respect of any Intra-Group Obligations of that member of the Group; or

(d) claim and prove in the Insolvency Proceeding of that member of the Group for the Intra-Group Obligations owing to it. Nothing in this Section 8.7 shall limit the ability of any Intra-Group Lender from exercising any rights in relation to any Intra-Group Obligations owed to it if and to the extent the exercise of such rights is required to avoid any personal liability of any director or officer of that Intra-Group Lender.

8.8 Representations: Intra-Group Lenders. Each Intra-Group Lender represents and warrants on the date it becomes a party to this Agreement as an Intra-Group Lender to the Primary Creditors and the Representatives that:

(a) it is duly incorporated (or, as the case may be, organized) and validly existing under the laws of the place of its incorporation (or, as the case may be, organization);

(b) it has the power to own its material assets and carry on its business in all material respects as it is being conducted;

(c) subject to the Legal Reservations, its obligations under this Agreement to which it is a party are legal, valid, binding and enforceable; and

(d) the entry into and performance by it, and the transactions contemplated by, this Agreement do not and will not: (i) conflict with any law or regulation applicable to it, or its constitutional documents or conflict with any other agreement or instrument binding upon it or any of its assets; or (ii) constitute a default or termination event (however described) under any agreement or instrument binding on it or any of its assets.

8.9 Limitations .

(a) The obligations of each Intra-Group Lender under this Agreement shall be subject to, and limited by, the Guarantee Limitations *mutatis mutandis* (if any) applicable to such Intra-Group Lender.

(b) Notwithstanding anything to the contrary in this Agreement or any other Debt Document and without imposing any additional obligation or restriction on any member of the Group, nothing shall prevent any capitalization, forgiveness, write-off, waiver, release, transfer or other discharge of any Intra-Group Obligations (or any amounts due, payable or owing in connection therewith) or any other amount due, payable or owing by one member of the Group to another member of the Group, in the case of Intra-Group Obligations unless an Acceleration Event has occurred and is continuing and the Security Agent (acting on the instructions of the relevant Instructing Group) has delivered a written notice to the Company stating that no such action shall be permitted without the prior consent of the relevant Instructing Group (or, on or after the Senior Secured Discharge Date, the Majority Additional Unsecured Debt Creditors); provided that no such written notices shall be required if any member of the Group is subject to an Insolvency Event.

SECTION 9.

INCREMENTAL OBLIGATIONS AND REFINANCINGS

9.1 Additional Senior Secured Obligations, Additional Second Lien Debt Obligations and Additional Unsecured Debt Obligations . To the extent permitted by, and subject to compliance with the requirements of, this Agreement and the other Debt Documents: (a) the Senior Secured Lenders may increase the Senior Secured Facilities and make further loans and/or advances under such Senior Secured Facilities to members of the Group and each such advance or increased amount will be deemed to be made under the terms of the Senior Secured Credit Agreement and rank as Senior Secured Facilities Obligations in the manner described in Section 2.1; (b) a Debtor may incur Pari Passu Debt Obligations under a Pari Passu Debt Document which will rank as Pari Passu Debt Obligations in the manner described in Section 2.1; (c) a Debtor may incur Second Lien Debt Obligations under a Second Lien Debt Document which will rank as Second Lien Debt Obligations in the manner described in Section 2.1; and (d) a Debtor may incur Additional Unsecured Debt Obligations under an Additional Unsecured Debt Document which will rank as Additional Unsecured Debt Obligations in the manner described in Section 2.1 (and such Obligations under clauses (a), (b), (c), and (d) above, are the " **Additional Secured Obligations** ").

9.2 Refinancing of Senior Secured Obligations, Second Lien Debt Obligations and Additional Unsecured Debt Obligations . The Senior Secured Obligations, Additional

Unsecured Debt Obligations and Second Lien Debt Obligations, with the consent of the Parent, may be refinanced or replaced in whole or in part and in each case on terms and in a manner that does not breach the terms of this Agreement, any Senior Secured Facilities Document, any Pari Passu Debt Document, any Second Lien Debt Document or any Additional Unsecured Debt Document without the Consent of any other Creditors and: (a) any Obligations incurred by any Debtor or other member of the Group pursuant to such refinancing or replacement of any Senior Secured Facilities Obligations (" **Senior Secured Lender Refinancing Obligations** "), Pari Passu Debt Obligations (" **Pari Passu Debt Refinancing Obligations** "), Second Lien Debt Obligations (" **Second Lien Debt Refinancing Obligations** ") or Additional Unsecured Debt Obligations (" **Additional Unsecured Debt Refinancing Obligations** " and, together with the Senior Secured Lender Refinancing Obligations, the Pari Passu Debt Refinancing Obligations and the Second Lien Debt Refinancing Obligations, the " **Refinancing Obligations** ") will, to the extent so designated by the Parent: (i) in the case of Senior Secured Lender Refinancing Obligations, rank as Senior Secured Facilities Obligations in the manner described in Section 2.1; (ii) in the case of Pari Passu Debt Refinancing Obligations, rank as Pari Passu Debt Obligations in the manner described in Section 2.1; (iii) in the case of Second Lien Debt Refinancing Obligations, rank as Second Lien Debt Obligations in the manner described in Section 2.1; and (iv) in the case of Additional Unsecured Debt Refinancing Obligations, rank as Additional Unsecured Debt Obligations in the manner described in Section 2.1; (b) subject to the Security Principles and to Section 9.3, the applicable Security Documents shall secure the Senior Secured Lender Refinancing Obligations, the Pari Passu Debt Refinancing Obligations and the Second Lien Debt Refinancing Obligations (the " **Secured Refinancing Obligations** ") and in respect of such Security Documents and any new security granted by any member of the Group to secure such Secured Refinancing Obligations, such Secured Refinancing Obligations will: (i) in the case of Senior Secured Lender Refinancing Obligations, rank as Senior Secured Facilities Obligations in the manner described in Section 2.2; and (ii) in the case of Pari Passu Debt Refinancing Obligations, rank as Pari Passu Debt Obligations in the manner described in Section 2.2; and (iii) in the case of Second Lien Debt Refinancing Obligations, rank as Second Lien Debt Obligations in the manner described in Section 2.2 and (c) this Agreement shall be construed to permit the assumption of any Refinancing Obligations and to give effect to the ranking set out in clauses (a) and (b) above, provided that: (i) any trustee or representative of the creditors of such Refinancing Obligations (a " **Refinancing Representative** ") becomes a party to this Agreement in accordance with Section 19.8 as the applicable Creditor Representative; and (ii) each creditor in relation to such Refinancing Obligations (that is not a Refinancing Representative) becomes a party to this Agreement in accordance with Section 19.8 or is deemed to be a party to this Agreement pursuant to the terms of its relevant finance documents, in each case on the same terms as the applicable Primary Creditor.

9.3 Retaking of Liens .

(a) The Secured Parties hereby agree that if any Transaction Security over any asset under the applicable Security Document is amended, extended, renewed, restated, supplemented or otherwise modified, replaced or released to ensure that the Additional Secured Obligations or Secured Refinancing Obligations described in this Section 9 can be secured with the ranking of such Obligations contemplated under Section 9.1 or Section 9.2, as the case may be, then the Security Agent is hereby authorized, and directed by the Secured Parties, to effect such amendment, extension, renewal, restatement, supplement, modification, replacement or release the applicable Security Documents (as applicable); provided that

(i) immediately upon such release of Transaction Security, new Transaction Security shall be provided in favor of the providers of such Additional Secured Obligations or Secured Refinancing Obligations and the existing Senior Secured Creditors and Second Lien Debt Creditors on terms substantially the same as the terms of the applicable Security Documents released and subject to the same ranking as set out in Section 2.2; and (ii) contemporaneously with such amendment, extension, replacement, restatement, supplement, modification, renewal or release (followed by an immediate retaking of Liens of at least equivalent ranking over the same assets) the Parent delivers to the Security Agent either: (A) a solvency opinion, in form and substance reasonably satisfactory to the Security Agent from an accounting, appraisal or investment banking firm of national standing confirming the solvency of the Parent and its Restricted Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement or release and retaking; (B) a certificate from the chief financial officer or the board of directors of the Company or the Parent (acting in good faith) which confirms the solvency of the Parent and its Restricted Subsidiaries, taken as a whole, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification or replacement or release and retaking; or (C) an opinion of counsel, in form and substance reasonably satisfactory to the Security Agent (subject to customary exceptions and qualifications), confirming that, after giving effect to any transactions related to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking, the Transaction Security created under the applicable Security Documents so amended, extended, renewed, restated, supplemented, modified, replaced or released and retaken is valid and perfected Transaction Security not otherwise subject to any limitation, imperfection or new hardening period, in equity or at law, that such Transaction Security was not otherwise subject to immediately prior to such amendment, extension, renewal, restatement, supplement, modification, replacement or release and retaking.

9.4 Further Assurance . Each Party agrees that it shall promptly execute and each Secured Party hereby authorizes the Security Agent to execute all such documents as may reasonably be considered necessary in order to give effect to the incurrence of any Additional Secured Obligations, Additional Unsecured Debt Obligations, Refinancing Obligations, or Secured Refinancing Obligations, and to give effect to the providing of new Transaction Security as contemplated by this Section 9 in respect of such Additional Secured Obligations or Secured Refinancing Obligations, including any amendment required to the terms of this Agreement and any amendment, consent, waiver or (subject to Section 9.3) release in respect of any Transaction Security Document and any grant of security pursuant to a new Transaction Security Document.

9.5 Second Lien Debt Required Holders. In connection with any issuance of Second Lien Debt, the Parties agree that some or all of the references herein to the Majority Second Lien Debt Creditors (other than as relating to matters of enforcement) may be amended to refer to the Second Lien Debt Required Holders.

SECTION 10.

EFFECT OF INSOLVENCY EVENT

10.1 Payment of Distributions .

(a) After the occurrence of an Insolvency Event in relation to any member of the Group, any Party entitled to receive a distribution out of the assets of such member of

the Group in respect of Obligations owed to that Party shall, to the extent it is able to do so, direct the person responsible for the distribution of the assets of such Debtor to pay that distribution to the Security Agent until the Obligations owing to the Secured Parties have been paid in full.

(b) The Security Agent shall apply distributions paid to it under paragraph (a) above in accordance with Section 15.

10.2 Set-Off. To the extent that any member of the Group's Obligations are discharged by way of set-off (mandatory or otherwise) after the occurrence of an Insolvency Event in relation to that member of the Group, any Creditor which benefited from that set-off shall to the extent legally permissible, pay an amount equal to the amount of the Obligations owed to it which are discharged by that set-off to the Security Agent for application in accordance with Section 15. This Section 10.2 shall not apply to any Close-Out Netting, Payment Netting or Inter-Hedging Agreement Netting by a Hedge Counterparty nor any set-off which gives effect to a payment permitted under Section 8.7(c).

10.3 Non-Cash Distributions. If the Security Agent or any other Primary Creditor receives a distribution in a form other than in cash in respect of any of the Obligations, the Obligations will not be reduced by that distribution until and except to the extent that the realization proceeds are actually applied towards the Obligations.

10.4 Filing of Claims. After the occurrence of an Insolvency Event in relation to any member of the Group, each Creditor irrevocably authorizes the Security Agent (acting in accordance with Section 10.6), on its behalf, to: (a) take any Enforcement Action (in accordance with the terms of this Agreement) against that member of the Group; (b) demand, sue, prove and give receipt for any or all of that member of the Group's Obligations; (c) collect and receive all distributions on, or on account of, any or all of that member of the Group's Obligations; and (d) file claims, take proceedings and do all other things the Security Agent considers reasonably necessary to recover that member of the Group's Obligations.

10.5 Further Assurance; Insolvency Event. Each Creditor will (a) do all things that the Security Agent (acting in accordance with Section 10.6) reasonably requests in order to give effect to this Section 10 and (b) if the Security Agent is not entitled to take any of the actions contemplated by this Section 10 or if the Security Agent (acting in accordance with Section 10.6) reasonably requests that a Creditor take that action, undertake such action in accordance with the instructions of the Security Agent (acting reasonably and in accordance with Section 10.6) or grant a power of attorney to the Security Agent (on such terms as the Security Agent (acting in accordance with Section 10.6) may reasonably require) to enable the Security Agent to take such action.

10.6 Security Agent Instructions. For the purposes of Section 10.1, Section 10.4 and Section 10.5 the Security Agent shall act or shall refrain from acting (a) on the instructions of the relevant Instructing Group or (b) in the absence of any such instructions, as the Security Agent sees fit.

10.7 US Insolvency Proceeding.

(a) If any Debtor commences a US Insolvency Proceeding, then this Agreement, which the Parties hereto expressly acknowledge is a "subordination agreement" under section 510(a) of the US Bankruptcy Code, shall be effective during the US Insolvency

Proceeding of any such Debtor and the relative rights as to the Transaction Security, any other claim and the proceeds thereof and shall continue after any Debtor commences a US Insolvency Proceeding on the same basis as prior to the date of the petition.

(b) *Finance and Sale Issues* : Until the Senior Secured Discharge Date has occurred, if the Company or any other Debtor shall be subject to any Insolvency Proceeding and any Representative for the Senior Secured Obligations (" **Senior Secured Representative** ") shall desire to permit the use of "Cash Collateral" (as such term is defined in Section 363(a) of the Bankruptcy Code) on which such Senior Secured Representative, the Security Agent or any other Senior Secured Creditor has a Lien, or to permit the Company or any other Debtor to obtain financing, whether from the Senior Secured Creditors or any other Person under Section 364 of the US Bankruptcy Code or any similar Bankruptcy Law (**"DIP Financing"**) then each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Trustee represented by it, will not object to such Cash Collateral use or DIP Financing (including any proposed orders for such Cash Collateral use and/or DIP Financing which are acceptable to any Senior Secured Representative) and to the extent the Liens securing the Senior Secured Obligations are subordinated to or *pari passu* with such DIP Financing, the Security Agent will subordinate its Liens in the Collateral securing the Second Lien Debt Obligations to the Liens securing such DIP Financing (and all Obligations relating thereto) and each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, will not request adequate protection or any other relief in connection therewith (except as expressly agreed by the Instructing Group or to the extent permitted by clause (c) of this Section 10.7); provided that the Second Lien Debt Trustee and the other Second Lien Debt Creditors retain the right to object to any ancillary agreements or arrangements regarding Cash Collateral use or the DIP Financing that are materially prejudicial to their interests. Each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, agrees that it will not seek consultation rights in connection with, and it will not object to or oppose, a motion to sell, liquidate or otherwise dispose of Collateral under Section 363 of the US Bankruptcy Code if the requisite Senior Secured Creditors have consented to such sale, liquidation or other disposition. Each Senior Secured Notes Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, further agrees that it will not directly or indirectly oppose or impede entry of any order in connection with such sale, liquidation or other disposition, including orders to retain professionals or set bid procedures in connection with such sale, liquidation or disposition, if the requisite Senior Secured Creditors have consented to (i) such retention of professionals and bid procedures in connection with such sale, liquidation or disposition of such assets and (ii) the sale, liquidation or disposition of such assets, in which event the Second Lien Debt Creditors will be deemed to have consented to the sale or disposition of Collateral pursuant to Section 363(f) of the Bankruptcy Code, so long as such order does not impair the rights of the Second Lien Debt Creditors under Section 363(k) of the US Bankruptcy Code.

(c) *Relief from the Automatic Stay* . Until Senior Secured Discharge Date has occurred, each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, agrees that none of them shall: (i) seek (or support any other Person seeking) relief from the automatic stay or any other stay in any Insolvency Proceeding, without the prior written consent of the Senior Secured Representatives, unless a motion for adequate protection permitted under clause (c) of this Section 10.7 has been denied by a bankruptcy court or (ii) oppose (or support any other

Person in opposing) any request by any Senior Secured Representative or the Security Agent for relief from such stay.

(d) *Adequate Protection* .

(i) Each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, agrees that none of them shall contest (or support any other Person contesting):

(A) any request by any Senior Secured Representative, the Security Agent or other Senior Secured Creditor for adequate protection under any Bankruptcy Law; or

(B) any objection by any Senior Secured Representative, the Security Agent or other Senior Secured Creditor to any motion, relief, action or proceeding based on such Senior Secured Representative, the Security Agent or Senior Secured Creditor claiming a lack of adequate protection.

(ii) Notwithstanding the foregoing provisions in this clause (d), in any Insolvency Proceeding:

(A) if the Senior Secured Creditors (or any subset thereof) are granted adequate protection in the form of additional collateral in connection with any Cash Collateral use or DIP Financing, then the Security Agent, for itself and on behalf of any other Second Lien Debt Creditor represented by it, may seek or request adequate protection in the form of a Lien on such additional collateral, which Lien will be subordinated to the Liens securing the Senior Secured Obligations and such Cash Collateral use or DIP Financing (and all Obligations relating thereto) on the same basis as the other Liens securing the Second Lien Debt Obligations are so subordinated to the Senior Secured Obligations under this Agreement; and

(B) the Second Lien Debt Trustees, the Security Agent, on behalf of the Second Lien Debt Creditors represented by it, and Second Lien Debt Creditors shall only be permitted to seek adequate protection with respect to their rights in the Collateral in any Insolvency Proceeding in the form of (A) additional collateral; provided that as adequate protection for the Senior Secured Obligations, the Security Agent, on behalf of the Senior Secured Creditors represented by it, is also granted a Lien on such additional collateral, which Lien shall be senior to any Lien of the Second Lien Debt Trustees, the Security Agent, on behalf of the Second

Lien Debt Creditors represented by it, and the Second Lien Debt Creditors on such additional collateral; (B) replacement Liens on the Collateral; provided that as adequate protection for the Senior Secured Obligations, the Security Agent, on behalf of the Senior Secured Creditors represented by it, is also granted replacement Liens on the Collateral, which Liens shall be senior to the Liens of the Second Lien Debt Trustees, the Security Agent, on behalf of the Second Lien Debt Creditors represented by it, and the Second Lien Debt Creditors on the Collateral; (C) an administrative expense claim; provided that as adequate protection for the Senior Secured Obligations, each Senior Secured Representative, on behalf of the Senior Secured Creditors represented by it, is also granted an administrative expense claim which is senior and prior to the administrative expense claim of the Second Lien Debt Trustees and the other Second Lien Debt Creditors; and (D) cash payments with respect to interest on the Second Lien Debt Obligations; provided that (1) as adequate protection for the Senior Secured Obligations, each Senior Secured Representative, on behalf of the Senior Secured Creditors represented by it, is also granted cash payments with respect to interest on the Senior Secured Obligation represented by it and (2) such cash payments do not exceed an amount equal to the interest accruing on the principal amount of Second Lien Debt Obligations outstanding on the date such relief is granted at the interest rate under the applicable Second Lien Debt Documents and accruing from the date the applicable Second Lien Debt Trustee is granted such relief. If any Second Lien Debt Creditor receives Post-Petition Interest and/or adequate protection payments in an Insolvency Proceeding (" **Second Lien Adequate Protection Payments** ") and the Senior Secured Creditors do not receive payment in full in cash of all Senior Secured Obligations upon the effectiveness of the plan of reorganization for, or conclusion of, that Insolvency Proceeding, then each Second Lien Debt Creditor shall pay over to the Senior Secured Creditors an amount (the " **Pay-Over Amount** ") equal to the lesser of (i) the Second Lien Adequate Protection Payments received by such Second Lien Debt Creditor and (ii) the amount of the short-fall (the " **Short Fall** ") in payment in full in cash of the Senior Secured Obligations; provided that to the extent any portion of the Short Fall represents payments received by the Senior Secured Creditors in the form of promissory notes, equity or other property equal in value to the cash paid in respect of the Pay-Over

Amount, the Senior Secured Creditors shall, upon receipt of the Pay-Over Amount, transfer those promissory notes, equity or other property, equal in value to the cash paid in respect of the Pay-Over Amount, to the applicable Second Lien Debt Creditors pro rata in exchange for the Pay-Over Amount. Notwithstanding anything herein to the contrary, the Senior Secured Creditors shall not be deemed to have consented to, and expressly retain their rights to object to, the grant of adequate protection in the form of cash payments to the Second Lien Debt Creditors made pursuant to this Section 10.7(d)(ii)(B).

(iii) Each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, agrees that notice of a hearing to approve DIP Financing or use of Cash Collateral on an interim basis shall be adequate if delivered to such Second Lien Debt Trustee and the Security Agent at least two (2) Business Days in advance of such hearing and that notice of a hearing to approve DIP Financing or use of Cash Collateral on a final basis shall be adequate if delivered to such Second Lien Debt Trustee and the Security Agent at least fifteen (15) days in advance of such hearing.

(e) *No Waiver* . Subject to Section 10.7(h)(ii), nothing contained herein shall prohibit or in any way limit any Senior Secured Representative or any other Senior Secured Creditor from objecting in any Insolvency Proceeding or otherwise to any action taken by any Second Lien Debt Trustee or any other Second Lien Debt Creditor, including the seeking by any Second Lien Debt Trustee or any other Second Lien Debt Creditor of adequate protection or the asserting by any Second Lien Debt Trustee or any other Second Lien Debt Creditor of any of its rights and remedies under the Second Lien Debt Documents or otherwise.

(f) *Avoidance Issues* . If any Senior Secured Creditor is required in any Insolvency Proceeding or otherwise to turn over or otherwise pay to the estate of the Company or any other Debtor any amount paid in respect of Senior Secured Obligations (a **"Recovery"** *)* , then such Senior Secured Creditor shall be entitled to a reinstatement of its Senior Secured Obligations with respect to all such recovered amounts on the date of such Recovery, and from and after the date of such reinstatement the Senior Secured Discharge Date shall be deemed not to have occurred for all purposes hereunder. If this Agreement shall have been terminated prior to such Recovery, this Agreement shall be reinstated in full force and effect, and such prior termination shall not diminish, release, discharge, impair or otherwise affect the obligations of the parties hereto from such date of reinstatement. This Section 10.7(f) shall survive termination of this Agreement.

(g) *[Reserved]* .

(h) *Post-Petition Interest* .

(i) None of any Second Lien Debt Trustee, the Security Agent, on behalf of the Second Lien Debt Creditors represented by it, or any other Second Lien Debt Creditor shall oppose or seek to challenge any claim by any Senior Secured Representative, the Security Agent or any other Senior Secured Creditor for allowance in any Insolvency Proceeding of Senior Secured Obligations consisting of Post-Petition Interest to the extent of the value of the Lien of the Security Agent on behalf of the Senior Secured Creditors on the Collateral or any other Senior Secured Creditor's Lien on the Collateral, without regard to the existence of the Liens of the Security Agent on behalf of the Second Lien Debt Creditors or the other Second Lien Debt Creditors on the Collateral.

(ii) None of any Senior Secured Representative, the Security Agent or any other Senior Secured Creditor shall oppose or seek to challenge any claim by any Second Lien Debt Trustee, the Security Agent, on behalf of the Second Lien Debt Creditors represented by it, or any other Second Lien Debt Creditor for allowance in any Insolvency Proceeding of Second Lien Debt Obligations consisting of Post-Petition Interest to the extent of the value of the Lien of the Security Agent, on behalf of the Second Lien Debt Creditors, on the Collateral (after taking into account the amount of the Senior Secured Obligations).

(i) *Waiver* . Each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, waives any claim it may hereafter have against any Senior Secured Creditor arising out of the election of any Senior Secured Creditor of the application of Section 1111(b)(2) of the Bankruptcy Code, and/or out of any cash collateral or financing arrangement or out of any grant of a security interest in connection with the Collateral in any Insolvency Proceeding so long as such actions are not in express contravention of the terms of this Agreement.

(j) *Separate Grants of Security and Separate Classification* . Each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, and each Senior Secured Representative and the Security Agent, for itself and on behalf of each other Senior Secured Creditor represented by it, acknowledges and agrees that because of, among other things, their differing rights in the Collateral, the Second Lien Debt Obligations are fundamentally different from the Senior Secured Obligations and must be separately classified in any plan of reorganization proposed or adopted in an Insolvency Proceeding .

To further effectuate the intent of the parties as provided in the immediately preceding sentence, if it is held that the claims of the Senior Secured Creditors and the Second Lien Debt Creditors in respect of the Collateral constitute only one secured claim (rather than separate classes of senior and junior secured claims), then each of the parties hereto hereby acknowledges and agrees that all distributions shall be made as if there were separate classes of senior and junior secured claims against the Debtors in respect of the Collateral (with the effect being that, to the extent that the aggregate value of the Collateral is sufficient (for this purpose ignoring all claims held by the Second Lien Debt Creditors), the Senior Secured Creditors shall be entitled to receive, in addition to amounts distributed to them in respect of

principal, pre-petition interest and other claims, all amounts owing (or that would be owing if there were such separate classes of senior and junior secured claims) in respect of Post-Petition Interest (including any additional interest payable pursuant to the Senior Secured Documents, arising from or related to a default, which is disallowed as a claim in any Insolvency Proceeding) before any distribution is made in respect of the claims held by the Second Lien Debt Creditors with respect to the Collateral, with each Second Lien Debt Trustee and the Security Agent, for itself and on behalf of each other Second Lien Debt Creditor represented by it, hereby acknowledging and agreeing to turn over to the Security Agent, for itself and on behalf of each other Senior Secured Creditor, Collateral or proceeds of Collateral otherwise received or receivable by them to the extent necessary to effectuate the intent of this sentence, even if such turnover has the effect of reducing the claim or recovery of the Second Lien Debt Creditors).

(k) *Effectiveness in Insolvency or Liquidation Proceedings* . The Parties acknowledge that this Agreement is a "subordination agreement" under Section 510(a) of the Bankruptcy Code, which will be effective before, during and after the commencement of an Insolvency Proceeding. All references in this Agreement to any Debtor will include such Person as a debtor-in-possession and any receiver or trustee for such Person in an Insolvency Proceeding.

SECTION 11.

TURNOVER OF RECEIPTS

11.1 Turnover by the Creditors . Subject to Section 11.2, Section 11.3 and (in the case of a Notes Trustee) Section 26 and to the extent applicable, any relevant Guarantee Limitations, if at any time prior to the Final Discharge Date, any Creditor receives or recovers:

(a) any Payment or distribution of, or on account of or in relation to, any of the Obligations which is not either (i) a Permitted Payment or (ii) made in accordance with Section 15;

(b) other than where Section 10.2 applies, any amount by way of set-off in respect of any of the Obligations owed to it which does not give effect to a Permitted Payment;

(c) notwithstanding paragraph (a) and (b) above, and other than where Section 10.2 applies, any amount: (i) on account of, or in relation to, any of the Obligations: (A) during the continuation of a Distress Event; or (B) as a result of any other litigation or proceedings against a member of the Group (other than during the continuation of an Insolvency Event in respect of that member of the Group); or (ii) by way of set-off in respect of any of the Obligations owed to it during the continuation of a Distress Event;

(d) the proceeds of any enforcement of any Transaction Security, any other claim or the proceeds of any Distressed Disposal, in each case, except in accordance with Section 15; or

(e) other than where Section 10.2 applies, any distribution in cash or in kind or Payment of, or on account of or in relation to, any of the Obligations owed by any member of the Group which is not in accordance with Section 15 and which is made as a result of, or after, the occurrence of an Insolvency Event in respect of such member of the Group,

that Creditor will (i) in relation to receipts and recoveries not received or recovered by way of set-off (A) hold an amount of that receipt or recovery equal to the Relevant Obligations (or if less, the amount received or recovered) on trust for the Security Agent and promptly pay that amount to the Security Agent for application in accordance with the terms of this Agreement and (B) promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Obligations to the Security Agent for application in accordance with the terms of this Agreement and (ii) in relation to receipts and recoveries received or recovered by way of set-off, promptly pay an amount equal to that recovery or receipt to the Security Agent for application in accordance with the terms of this Agreement.

11.2 Exclusions. Section 11.1 shall not apply to any receipt or recovery (a) by way of (i) Close-Out Netting by a Hedge Counterparty, (ii) Payment Netting by a Hedge Counterparty or (iii) Inter-Hedging Agreement Netting by a Hedge Counterparty, (b) by a Cash Management Provider by way of that Cash Management Provider's right of netting or set-off relating to a Cash Management Obligation, (c) made in accordance with Section 16 or (d) in the case of the Second Lien Debt in the form of notes or other debt securities, the Pari Passu Debt in the form of notes or other debt securities or Additional Unsecured Debt in the form of notes or other debt securities, that has been distributed by a Notes Trustee to the Pari Passu Creditors, Second Lien Debt Creditors or Additional Unsecured Debt Creditors (as applicable) in accordance with the Pari Passu Debt Documents, the Second Lien Debt Documents or the Additional Unsecured Debt Documents (as applicable) unless the relevant Notes Trustee had written notice that the receipt or recovery falls within Section 11.1 prior to distribution of the relevant amount, subject, for the avoidance of doubt, to the provisions of Section 25.1(b).

11.3 Permitted Assurance and Receipts. Nothing in this Agreement shall restrict the ability of any Primary Creditor to (a) arrange with any person which is not a member of the Group or a Holding Company of any member of the Group any assurance against loss in respect of, or reduction of its credit exposure to, a Debtor (including assurance by way of credit based derivative or sub-participation) or (b) make any assignment or transfer permitted by Section 19, which: is permitted or not prohibited by (if prior to the Senior Secured Discharge Date) the Senior Secured Facilities Documents and each Pari Passu Debt Document (if prior to the Second Lien Debt Discharge Date), each Second Lien Debt Document, (if prior to the Additional Unsecured Debt Discharge Date) each Additional Unsecured Debt Documents, and that Primary Creditor shall not be obliged to account to any other Party for any sum received by it as a result of that action.

11.4 Sums Received by Debtors. If any of the Debtors receives or recovers any sum which, under the terms of any of the Debt Documents, should have been paid to the Security Agent, that Debtor will (a) hold an amount of that receipt or recovery equal to the Relevant Obligations (or if less, the amount received or recovered) on trust for the Security Agent and, unless otherwise agreed by the Security Agent and subject to receiving payment instructions and any other relevant information from the Security Agent, promptly pay that amount to the Security Agent for application in accordance with the terms of this Agreement; and (b) unless otherwise agreed by the Security Agent and subject to receiving payment instructions and any other relevant information from the Security Agent, promptly pay an amount equal to the amount (if any) by which the receipt or recovery exceeds the Relevant Obligations to the Security Agent for application in accordance with the terms of this Agreement.

11.5 Saving Provision . If, for any reason, any of the trusts expressed to be created in this Section 11 should fail or be unenforceable, the affected Creditor or Debtor will, unless otherwise agreed by the Security Agent and subject to receiving payment instructions and any other relevant information from the Security Agent, promptly pay an amount equal to that receipt or recovery to the Security Agent to be held on trust by the Security Agent for application in accordance with the terms of this Agreement.

SECTION 12.

REDISTRIBUTION

12.1 Recovering Creditor's Rights .

(a) Any amount paid by a Creditor (a " **Recovering Creditor** ") to the Security Agent under Section 10 or Section 11 shall be treated as having been paid by the relevant Debtor and distributed to the Security Agent, the Representatives and the Primary Creditors (each a " **Sharing Creditor** ") in accordance with the terms of this Agreement.

(b) On a distribution by the Security Agent under paragraph (a) above of a Payment received by a Recovering Creditor from a Debtor, as between the relevant Debtor and the Recovering Creditor an amount equal to the amount received or recovered by the Recovering Creditor and paid to the Security Agent (the " **Shared Amount** ") will be treated as not having been paid by that Debtor.

12.2 Reversal of Redistribution .

(a) If any part of the Shared Amount received or recovered by a Recovering Creditor becomes repayable to a Debtor and is repaid by that Recovering Creditor to that Debtor, then: (i) each Sharing Creditor shall, upon request of the Security Agent, pay to the Security Agent for the account of that Recovering Creditor an amount equal to the appropriate part of its share of the Shared Amount (together with an amount as is necessary to reimburse that Recovering Creditor for its proportion of any interest on the Shared Amount which that Recovering Creditor is required to pay) (the " **Redistributed Amount** "); and (ii) as between the relevant Debtor and each relevant Sharing Creditor, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by that Debtor.

(b) The Security Agent shall not be obliged to pay any Redistributed Amount to a Recovering Creditor until it has been able to establish to its satisfaction that it has actually received that Redistributed Amount from the relevant Sharing Creditor.

12.3 Deferral of Subrogation .

(a) Subject to paragraph (d) below, if any Senior Secured Obligations are wholly or partly paid out of any proceeds received in respect of or on account of the Second Lien Debt Obligations or Additional Unsecured Debt Obligations owing to one or more Second Lien Debt Creditors or Additional Unsecured Debt Creditors, those Second Lien Debt Creditors and Additional Unsecured Debt Creditors (as applicable) will to that extent be subrogated to the Senior Secured Obligations so paid (and all securities and guarantees for those Senior Secured Obligations).

(b) Subject to paragraph (d) below, if any Second Lien Debt Obligations are wholly or partly paid out of any proceeds received in respect of or on account of the Additional Unsecured Debt Obligations owing to one or more Additional Unsecured Debt Creditors, those Additional Unsecured Debt Creditors will to that extent be subrogated to the Second Lien Debt Obligations so paid (and all securities and guarantees for those Second Lien Debt Obligations).

(c) Subject to paragraph (d) below, to the extent that any Second Lien Debt Creditor and any Additional Unsecured Debt Creditor (each a " **Subrogated Creditor** ") is entitled to exercise rights of subrogation, each other Creditor (subject in each case to it being indemnified, secured and/or prefunded to its satisfaction against any resulting costs, expenses and liabilities) will give such assistance to enable such rights so to be exercised as such Subrogated Creditor may reasonably request.

(d) No Creditor or Debtor will exercise any rights which it may have by reason of the performance by it of its obligations under the Debt Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights under the Debt Documents of any Creditor which ranks ahead of it in accordance with the priorities set out in Section 2 until such time as all of the Obligations owing to each prior ranking Creditor (or, in the case of any Debtor prior to the Final Discharge Date, owing to each Creditor) have been irrevocably paid in full.

SECTION 13.

ENFORCEMENT OF TRANSACTION SECURITY

13.1 Enforcement Instructions .

(a) The Security Agent may refrain from enforcing the Transaction Security or taking any other Enforcement Action unless instructed otherwise by the relevant Instructing Group at the relevant time that it is entitled to give instructions in accordance with this Section 13.

(b) After the Transaction Security has become enforceable in accordance with its terms, the Majority Senior Secured Creditors, or if required under paragraph (c) below, the Majority Second Lien Creditors, may give or refrain from giving instructions to the Security Agent to enforce or refrain from enforcing the Transaction Security as they see fit.

(c) Prior to the Senior Secured Discharge Date and subject to the Transaction Security becoming enforceable in accordance with its terms:

(i) if the relevant Instructing Group has instructed the Security Agent not to enforce or to cease enforcing the Transaction Security; or

(ii) in the absence of instructions from an Instructing Group subject to any time period for the giving of instructions by an Instructing Group contained in this Agreement,

and, in each case, the relevant Instructing Group has not required any Debtor to make a Distressed Disposal, the Security Agent shall give effect to any instructions to enforce the Transaction Security from the Majority Second Lien Debt Creditors who are then entitled to give enforcement instructions to the Security Agent as permitted under Section 5.4.

(d) Prior to the Senior Secured Discharge Date and the Second Lien Debt Discharge Date and subject to the Transaction Security becoming enforceable in accordance with its terms:

(i) if the relevant Instructing Group, or pursuant to paragraph (c) above the Majority Second Lien Debt Creditors, has instructed the Security Agent not to enforce or to cease enforcing the Transaction Security; or

(ii) in the absence of instructions from an Instructing Group, or pursuant to paragraph (c) above the Majority Second Lien Debt Creditors, subject to any time period for the giving of instructions by an Instructing Group contained in this Agreement,

and, in each case, the relevant Instructing Group, or pursuant to paragraph (c) above the Majority Second Lien Debt Creditors, have not required any Debtor to make a Distressed Disposal, the Security Agent shall give effect to any instructions to enforce the Transaction Security that secures Additional Unsecured Debt from the Majority Additional Unsecured Debt Creditors who are then entitled to give enforcement instructions to the Security Agent as permitted under Section 7.3.

(e) Following the Senior Secured Discharge Date, any Enforcement Instruction with regard to the Transaction Security may be given by the then applicable Instructing Group.

(f) The Security Agent is entitled to exclusively rely on and comply with instructions given in accordance with this Section 13.1.

13.2 Manner of Enforcement . If the Transaction Security is being enforced pursuant to Section 13.1, the Security Agent shall enforce the Transaction Security in such manner (including, without limitation, the selection of any administrator of any Debtor to be appointed by the Security Agent) as the relevant Instructing Group or, in the absence of any such instructions, as the Security Agent sees fit. For the avoidance of doubt, in the absence of instructions from the relevant Instructing Group, the Security Agent will not be required to take any action.

13.3 Exercise of Voting Rights .

(a) Subject to paragraph (c) below and to the extent permitted by applicable law, if any Insolvency Event has occurred and is continuing, each Creditor (other than any Representative) will cast its vote in any proposal put to the vote by or under the supervision of any judicial or supervisory authority in respect of any proceedings relating to any member of the Group subject to such Insolvency Event as instructed by the Security Agent.

(b) Subject to paragraph (c) below, the Security Agent shall give instructions for the purposes of paragraph (a) above in accordance with any instructions given to it by the relevant Instructing Group.

(c) Nothing in this Section 13.3 entitles any party to exercise or require any other Primary Creditor to exercise such power of voting or representation to waive, reduce, discharge, extend the due date for (or change the basis for accrual of any) payment of, or reschedule any of, the Obligations owed to that Primary Creditor.

13.4 Waiver of Rights . To the extent permitted under applicable law and subject to Section 13.1, Section 13.3, Section 15 and Section 14.3(e), each of the Secured Parties, the Debtors and other grantors of Transaction Security waives all rights it may otherwise have to require that the Transaction Security be enforced in any particular order or manner or at any particular time or that any sum received or recovered from any person, or by virtue of the enforcement of any of the Transaction Security or of any other security interest, which is capable of being applied in or towards discharge of any of the Secured Obligations is so applied.

13.5 Enforcement through Security Agent Only .

(a) The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any right, power, authority or discretion arising under the applicable Security Documents except through the Security Agent.

(b) No Security Agent, nor any Primary Creditor shall be responsible to any Intra-group Lender or Debtor for any enforcement or failure to enforce or maximize the proceeds of any enforcement of the Security Documents, to an extent greater than as provided under any applicable governing law of the applicable Security Documents.

(c) Each Debtor authorizes and consents to each other Party to this Agreement to consult with each other or to provide each other with information regarding the financial and business condition of the Parent and the Group or any other matter which such parties deem relevant for purposes of taking Enforcement Action and shall procure that such authorization and consent to the extent necessary is given by any other member of the Group.

13.6 Alternative Enforcement Actions . After the Security Agent has commenced Enforcement, it shall not accept any subsequent instructions as to Enforcement (save for instructions as to Enforcement that the Second Lien Debt Creditors are entitled to give under Section 5.4) from anyone other than the relevant Instructing Group that instructed it to commence such enforcement of the Transaction Security, regarding any other enforcement of the Transaction Security over or relating to shares or assets directly or indirectly the subject of the enforcement of the Transaction Security which has been commenced (and, for the avoidance of doubt, during any enforcement of the Transaction Security only paragraph (ii) of the definition of Instructing Group shall be applicable in relation to any instructions given to the Security Agent by the relevant Instructing Group under this Agreement).

13.7 Transaction Security .

(a) The security interest granted pursuant to each of the Security Documents for the benefit of the Senior Secured Creditors and the Second Lien Debt

Creditors is intended to be treated as two separate and distinct Liens such that such security interest (i) for the benefit of the Senior Secured Creditors is intended to be a "first" priority senior security interest and (ii) for the benefit of the Second Lien Debt Creditors is intended to be a "second" priority security interest, fully junior, subordinated and subject to the security interest granted for the benefit of the Senior Secured Creditors on the terms and conditions set forth in this Agreement notwithstanding the fact that a single security interest may have been granted pursuant to such Security Document.

(b) Each grantor of Transaction Security that is Shared Security or granted for the benefit of both the Senior Secured Creditors and the Second Lien Debt Creditors shall, to the extent possible under applicable law governing such Transaction Security Documents, include language to the effect set forth in paragraph (a) of this Section 13.7.

(c) The Senior Secured Creditors shall be entitled to interest and fees that accrue on the Senior Secured Obligations after the commencement of any Insolvency Event determined as if the Second Lien Debt Obligations were secured by a separate second priority security interest.

13.8 Equalization . Notwithstanding Section 16 (the " **Loss Sharing Provisions** "), if any Second Lien Debt Trustee or other Second Lien Debt Creditor is entitled to or receives any payment of any kind in pursuant to the Loss Sharing Provisions, such amounts shall be subject to Section 15.1 hereof.

SECTION 14.

PROCEEDS OF DISPOSALS

14.1 Non-Distressed Disposals .

(a) If, in respect of a disposal, sale or transfer other than a Distressed Disposal of an asset by a Debtor or any other transaction: (i) the Parent certifies for the benefit of the Security Agent that that disposal, sale or transfer or other transaction where an asset is permitted to be released from the Collateral is permitted under or is not prohibited by the Senior Secured Facilities Documents, the Pari Passu Debt Documents, the Second Lien Debt Documents and the Additional Unsecured Debt Documents (in each case, to the extent such Debt Documents have not been terminated in accordance with the provisions hereof and thereof) or (ii) the relevant Representative authorizes the release in accordance with the terms of the applicable Debt Documents; the Security Agent is irrevocably authorized and obliged (provided that it is satisfied that it has adequate coverage for all costs, fees and expenses in relation to such action) at the cost of the Company and without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or any Debtor, but subject to paragraph (b) below: (A) to release the Transaction Security or any other claim (relating to a Debt Document) over the asset that is subject to the disposal, sale or transfer or other such transaction; (B) where that asset consists of shares in the capital of a Debtor, to release the Transaction Security or any other claim (relating to a Debt Document) over that Debtor's assets and, to the extent that they are at such time being disposed of, the assets of any Subsidiary of that Debtor or against that Debtor and, to the extent that they are at such time being disposed of, the Subsidiaries of that Debtor and their respective assets; and (C) to execute and deliver or enter into any release of the Transaction Security or any claim described in clauses (A) and (B) above and issue any certificates of non-crystallization of any floating charge or any consent to dealing that may, in the discretion of the Security Agent

(acting reasonably), be considered necessary or desirable. For the avoidance of doubt, the Security Agent may, in its absolute discretion, rely on a certification from the Parent that the disposal is as described in each of the sub-clauses of this paragraph (a). In no event shall this Section 14.1(a) be construed to impose any condition to the release of Transaction Security or any other claim that, by the terms of the applicable Debt Documents, is released upon the disposal, sale or transfer of the applicable asset or consummation of the applicable transaction.

(b) In the event of a disposal or transaction provided for in paragraph (a) above (a " **Non-Distressed Disposal** "), each release of Transaction Security or any claim described in paragraph (a) above shall be contingent upon that Non-Distressed Disposal being effected or the fulfillment of such conditions (as relevant), and in the event that such Non-Distressed Disposal is not effected or the conditions for such release are not fulfilled (as relevant), the Transaction Security or claim subject to that release shall continue in full force and effect as if that release had not been effected.

(c) If the proceeds of a Non-Distressed Disposal are required to be applied in mandatory prepayment of any of the Senior Secured Obligations or to be offered to Secured Parties pursuant to the terms of the relevant Senior Secured Documents, the Second Lien Debt Documents or the Additional Unsecured Debt Documents, as applicable, (other than this Agreement) then such proceeds shall be applied in or towards Payment of such Senior Secured Obligations or shall be offered to the relevant Secured Parties in accordance with the terms of the relevant Senior Secured Documents, Second Lien Debt Documents or Additional Unsecured Debt Documents (other than this Agreement) and the consent of any other Party shall not be required for that application.

14.2 Release of Unrestricted Subsidiaries . If a member of the Group is designated as an Unrestricted Subsidiary in accordance with the terms of each of the Senior Secured Facilities Documents, Pari Passu Debt Documents and the Second Lien Debt Documents the Security Agent is irrevocably authorized and obliged (provided that it is satisfied that it has adequate coverage for all costs, fees and expenses in relation to such action) at the cost of the Company and without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or any Debtor: (i) to release the Transaction Security or any other claim (relating to a Debt Document) over that member of the Group's assets and its shares; and (ii) to execute and deliver or enter into any release of the Transaction Security or any claim described in paragraph (i) above and issue any certificates of non-crystallization of any floating charge or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable or as requested by the Company.

14.3 Distressed Disposals .

(a) Subject to paragraph (d) below, if a Distressed Disposal is being effected, the Security Agent is irrevocably authorized (at the cost of the relevant Debtor or the Company) without any consent, sanction, authority or further confirmation from any Creditor, other Secured Party or any Debtor:

(i) to release the Transaction Security or any other claim over the asset subject to the Distressed Disposal and execute and deliver or enter into any release of that Transaction Security or claim and issue any letters of non-crystallization of any floating

charge or any consent to dealing that may, in the discretion of the Security Agent, be considered necessary or desirable;

(ii) if the asset subject to the Distressed Disposal consists of shares in the capital of a Debtor, to release: (A) that Debtor and any Subsidiary of that Debtor from all or any part of: (I) its Borrowing Obligations; (II) its Guarantee Obligations; and (III) its Other Obligations; (B) any Transaction Security granted by (I) that Debtor or any Subsidiary of that Debtor over any of its assets and/or (II) the direct Holding Company over the shares in the capital of that Debtor; and (C) any other claim of an Intra-Group Lender or another Debtor or other grantor of Transaction Security over that Debtor's assets or over the assets of any Subsidiary of that Debtor, on behalf of the relevant Creditors, Debtors, and Representatives;

(iii) if the asset subject to the Distressed Disposal consists of shares in the capital of any Holding Company of a Debtor, to release: (A) that Holding Company and any Subsidiary of that Holding Company from all or any part of: (I) its Borrowing Obligations; (II) its Guarantee Obligations; and (III) its Other Obligations; (B) any Transaction Security granted by that Holding Company and any Subsidiary of that Holding Company over any of its assets; and (C) any other claim of an Intra-Group Lender or another Debtor over the assets of that Holding Company and any Subsidiary of that Holding Company, on behalf of the relevant Creditors, Debtors and Representatives;

(iv) if the asset subject to the Distressed Disposal consists of shares in the capital of a Debtor or the Holding Company of a Debtor and the Security Agent (acting in accordance with paragraph (f) below) decides to dispose of all or any part of: (A) the Obligations or (B) the Debtor Obligations, owed by that Debtor or Holding Company or any Subsidiary of that Debtor or Holding Company then: (I) if the Security Agent (acting in accordance with paragraph (f) below) does not intend that any transferee of those Obligations or Debtor Obligations (the " **Transferee"**) will be treated as a Primary Creditor or a Secured Party for the purposes of this Agreement, to execute and deliver or enter into any agreement to dispose of all or part of those Obligations or Debtor Obligations; provided that notwithstanding any other provision of any Debt Document the Transferee shall not be treated as a Primary Creditor or a Secured Party for the purposes of this Agreement and (II) if the Security Agent (acting in accordance with paragraph (f) below) does intend that any Transferee will be treated as a Primary Creditor or a Secured Party for the purposes of this Agreement, to execute and deliver or enter into any agreement to dispose of: (1) all (and not part only) of the Obligations owed to the

Primary Creditors; and (2) all or part of any other Obligations and the Debtor Obligations, on behalf of, in each case, the relevant Creditors and Debtors; and/or

(v) if the asset subject to the Distressed Disposal consists of shares in the capital of a Debtor or the Holding Company of a Debtor (the " **Disposed Entity** ") and the Security Agent (acting in accordance with paragraph (f) below) decides to transfer (to the extent permitted by applicable law) to another Debtor (the " **Receiving Entity** ") all or any part of the Disposed Entity's obligations or any obligations of any Subsidiary of that Disposed Entity in respect of: (A) the Intra-Group Obligations; or (B) the Debtor Obligations; to execute and deliver or enter into any agreement to: (I) agree to the transfer of all or part of the obligations in respect of those Intra-Group Obligations or Debtor Obligations, on behalf of the relevant Intra-Group Lenders or the Debtors to which those obligations are owed and on behalf of the Debtors which owe those obligations; and (II) accept the transfer of all or part of the obligations in respect of those Intra-Group Obligations or Debtor Obligations on behalf of the Receiving Entity or Receiving Entities to which the obligations in respect of those Intra-Group Obligations or Debtor Obligations are to be transferred.

(b) The net proceeds of each Distressed Disposal (and the net proceeds of any disposal of Obligations or Debtor Obligations pursuant to Section 14.3(a)(iv) above) shall be paid to the Security Agent for application in accordance with Section 15 as if those proceeds were the proceeds of an enforcement of the Transaction Security or any other Obligations and, to the extent that any disposal of Obligations or Debtor Obligations has occurred pursuant to Section 14.3(a)(iv)(II) above), as if that disposal of Obligations or Debtor Obligations had not occurred.

(c) In the case of a Distressed Disposal or a disposal of Obligations or Debtor Obligations pursuant to Section 14.3(a)(iv) above effected by or at the request of the Security Agent (acting in accordance with paragraph (f) below), the Security Agent (acting on the instructions of the relevant Instructing Group) shall take reasonable care to obtain a fair market price in the prevailing market conditions (though the Security Agent shall not have any obligation to postpone any such Distressed Disposal or disposal of Obligations or Debtor Obligations in order to achieve a higher price).

(d) If before the Second Lien Debt Discharge Date, a Distressed Disposal is being effected such that any Second Lien Debt Obligations or any Transaction Security or any other Obligations will be released under paragraph (a) above, it is a further condition to any such release that either (i) the Majority Second Lien Debt Creditors have approved the release or (ii) each of the following conditions are satisfied: (A) the proceeds of such sale or disposal are in cash (or substantially in cash); (B) all claims of the Primary Creditors against any member of the Group and any subsidiary of that member of the Group whose shares that are owned by a Debtor and are pledged in favor of the Primary Creditors are sold or disposed of pursuant to such Distressed Disposal, are unconditionally released and discharged concurrently with such sale (and are not assumed by the purchaser or one of its Affiliates), and all Liens under the Security Documents in respect of the assets that are sold or disposed

of are simultaneously and unconditionally released and discharged concurrently with such sale, provided that in the event of a sale or disposal of any such claim (instead of a release or discharge): (I) the relevant Instructing Group determines, acting reasonably and in good faith, that the Security Agent will recover more than if such claim was released or discharged; and (II) the Representative(s) representing the relevant Instructing Group serves a notice on the Security Agent notifying the Security Agent of the same, in which case the Security Agent shall be entitled immediately to sell and transfer such claim to such purchaser (or an affiliate of such purchaser); (C) such sale or disposal is made: (I) pursuant to a Public Auction; or (II) where a Financial Adviser confirms in an independent opinion that the sale, disposal or transfer price is fair from a financial point of view after taking into account all relevant circumstances giving rise to such sale; provided that there shall be no obligation to postpone any such sale, disposal or transfer in order to achieve a higher price; and (D) the proceeds are applied in accordance with Section 15.

(e) If before the Additional Unsecured Debt Discharge Date, a Distressed Disposal is being effected such that any Additional Unsecured Debt Obligations or any Transaction Security or any other Obligations will be released under paragraph (a) above, it is a further condition to any such release that either (i) the Majority Additional Unsecured Debt Creditors have approved the release or (ii) each of the following conditions are satisfied: (A) the proceeds of such sale or disposal are in cash (or substantially in cash); (B) all claims of the Primary Creditors against any member of the Group and any subsidiary of that member of the Group whose shares that are owned by a Debtor and are pledged in favor of the Primary Creditors are sold or disposed of pursuant to such Distressed Disposal, are unconditionally released and discharged concurrently with such sale (and are not assumed by the purchaser or one of its Affiliates), and all Liens under the Security Documents in respect of the assets that are sold or disposed of are simultaneously and unconditionally released and discharged concurrently with such sale, provided that in the event of a sale or disposal of any such claim (instead of a release or discharge): (I) the relevant Instructing Group determines, acting reasonably and in good faith, that the Security Agent will recover more than if such claim was released or discharged; and (II) the Representative(s) representing the relevant Instructing Group serves a notice on the Security Agent notifying the Security Agent of the same, in which case the Security Agent shall be entitled immediately to sell and transfer such claim to such purchaser (or an affiliate of such purchaser); (C) such sale or disposal is made: (I) pursuant to a Public Auction; or (II) where a Financial Adviser confirms in an independent opinion that the sale, disposal or transfer price is fair from a financial point of view after taking into account all relevant circumstances giving rise to such sale; provided that there shall be no obligation to postpone any such sale, disposal or transfer in order to achieve a higher price; and (D) the proceeds are applied in accordance with Section 15.

(f) For the purposes of paragraph (d) above, the Security Agent shall act: (i) on the instructions of the relevant Instructing Group; or (ii) in the absence of any such instructions, as the Security Agent sees fit, which includes, for the avoidance of doubt, refraining from taking any action.

14.4 Creditors' and Debtors' Actions . Each Creditor and each Debtor will: (a) do all things that the Security Agent requests in order to give effect to this Section 14 (which shall include, without limitation, the execution of any assignments, transfers, releases or other documents that the Security Agent may consider (acting reasonably) to be necessary to give effect to the releases or disposals contemplated by this Section 14); and (b) if the Security Agent is not entitled to take any of the actions contemplated by this Section 14 or if the

Security Agent requests that any Creditor and any Debtor take any such action, take that action itself in accordance with the instructions of the Security Agent; provided that the proceeds of those disposals are applied in accordance with Section 14.3.

14.5 Releases . If the terms of Section 14.1, the Senior Secured Facilities Documents, the Pari Passu Debt Documents and the Second Lien Debt Documents provide for the release of any Transaction Security or any other Obligations, then the Security Agent shall, on request of the Company, execute any documents necessary to effect such release of Transaction Security or any other Obligations, in each case, to the extent provided for and not otherwise prohibited under the Senior Secured Facilities Documents, the Pari Passu Debt Documents and the Second Lien Debt Documents.

SECTION 15.

APPLICATION OF PROCEEDS

15.1 Order of Application . Subject to Section 15.7, all amounts from time to time received or recovered by the Security Agent pursuant to the terms of any Debt Document, including without limitation, all amounts received or recovered by the Security Agent pursuant to the terms of any Debt Document or in connection with the realization or enforcement of all or any part of the Transaction Security or a transaction in lieu of enforcement of Transaction Security, the proceeds of any Distressed Disposal and all amounts received by the Security Agent from another Creditor pursuant to Section 11.1 (for the purposes of this Section 15, the " **Recoveries** ") shall be held by the Security Agent on trust to apply them at any time as the Security Agent (in its discretion) sees fit, to the extent permitted by applicable law (and subject to the provisions of this Section 15), in the following order of priority:

(a) first, in payment or distribution to: (i) the Security Agent, any Receiver or any Delegate for application towards the discharge of any sums owing to any of them from any Party (other than pursuant to Section 17.3); (ii) the Administrative Agent on its own behalf and on behalf of the other Agent Parties for application towards the discharge of the Agent Obligations (in accordance with the terms of the Senior Secured Facilities Documents); and (iii) each Pari Passu Debt Representative on its own behalf for application towards the discharge of the Pari Passu Debt Representative Amounts (in accordance with the Pari Passu Debt Documents), on a pro rata basis and ranking *pari passu* between clauses (i) , (ii) , (iii) and (v) above;

(b) second, in payment or distribution to the Secured Parties of all costs and expenses incurred by any of them in connection with any realization or enforcement of the Transaction Security, in each case undertaken in accordance with the terms of this Agreement;

(c) third, in payment or distribution to: (i) the Administrative Agent on its own behalf and on behalf of the Senior Secured Lenders for which it is the Representative; (ii) the Hedge Counterparties and the Cash Management Providers; and (iii) each Pari Passu Debt Representative on behalf of Pari Passu Creditors it represents, for application towards the Senior Secured Obligations on a pro rata basis and *pari passu* basis between such Senior Secured Obligations;

(d) fourth, in payment or distribution to each Second Lien Debt Trustee on its own behalf and on behalf of the Second Lien Debt Creditors for which it is the Representative, for application towards the Second Lien Debt Obligations on a pro rata basis and *pari passu* basis between such Second Lien Debt Obligations;

(e) fifth, in payment or distribution to each Additional Unsecured Debt Representative on behalf of the Additional Unsecured Debt Creditors it represents for application towards the discharge of the Additional Unsecured Debt Obligations owed to the Additional Unsecured Debt Creditors (in accordance with the terms of the Additional Unsecured Debt Documents); and

(f) sixth, the balance, if any, in payment or distribution to the relevant Debtor or other person entitled to it.

15.2 Prospective Obligations and Permitted Deductions . The Security Agent will (a) following a Distress Event, hold any amount of the Recoveries in a non-interest-bearing trust account in the name of the Security Agent with such financial institution (including itself if applicable) and for so long as the Security Agent shall think fit for later application under Section 15.1 in respect of: (i) any sum to any Security Agent, any Receiver or any Delegate; and (ii) any part of the Obligations, or the Representative Obligations that the Security Agent reasonably considers, in each case, might become due or owing at any time in the future; and (b) (i) set aside by way of reserve amounts required to meet; and (ii) to make and pay, any deductions and withholdings (on account of Taxes or otherwise) which it is or may be required by any applicable law to make from any distribution or payment made by it under this Agreement, and to pay all Taxes which may be assessed against it in respect of any of the Collateral, or as a consequence of performing its duties, or by virtue of its capacity as Security Agent under any of the Debt Documents or otherwise (other than in connection with its remuneration for performing its duties under this Agreement).

15.3 Investment of Proceeds . Prior to the application of the proceeds of the Security Property in accordance with Section 15.1 the Security Agent shall have no obligation to invest or reinvest any Security Property deposited or received hereunder except that the Security Agent shall invest and reinvest the Security Property in any Permitted Investment, in each case at the written direction of an Instructing Group. The Security Agent shall have no responsibility for any investment losses resulting from the investment, reinvestment or liquidation of the Security Property in accordance with the terms of this Agreement. Any interest or other income received on such investment and reinvestment of the Security Property shall become part of the Security Property and any losses incurred on such investment and reinvestment of the Security Property shall be debited against the Security Property. If a Permitted Investment is not chosen and a written investment direction not given to the Security Agent, the Security Property shall remain uninvested in a non-interest bearing trust account and the Security Agent shall have no liability for interest that the Security Property could have accrued. It is agreed and understood that (i) the entity serving as Security Agent may earn fees associated with the investments outlined above in accordance with the terms of such investments and (ii) the Security Agent or its affiliates are permitted to receive additional compensation that could be deemed to be in the Security Agent's economic self-interest for (a) serving as investment adviser, administrator, shareholder servicing agent, custodian or sub-custodian with respect to certain of the investments, (b) using affiliates to effect transactions in certain investments and (c) effecting transactions in investments. Notwithstanding the foregoing, the Security Agent shall have the power to sell or liquidate the foregoing investments whenever the Security Agent shall be

required to release all or any portion of the Security Property pursuant to Section 15.1 hereof. In no event shall the Security Agent (1) be deemed an investment manager or adviser in respect of any selection of Permitted Investments hereunder, and (2) have any responsibility whatsoever to determine that any Security Property is or continues to be a Permitted Investment. Any deposit or written investment direction given by an Instructing Group shall constitute a certification by the Instructing Group to the Security Agent that the assets so deposited or to be purchased pursuant to such written investment direction are Permitted Investments.

15.4 Currency Conversion .

(a) For the purpose of, or pending the discharge of, any of the Secured Obligations the Security Agent may convert any moneys received or recovered by the Security Agent from one currency to another, at the Dollar Equivalent or, with respect to other currencies, using exchange rates prevailing on the date of determination.

(b) The obligations of any Debtor to pay in the due currency hereunder or under any applicable Debt Document shall only be satisfied to the extent of the amount of the due currency purchased after deducting the costs of conversion.

15.5 Good Discharge .

(a) Any payment to be made in respect of the Secured Obligations by the Security Agent: (i) may be made to the relevant Representative on behalf of its Creditors; or (ii) shall be made directly to the Hedge Counterparties or the Cash Management Providers, as applicable, and any payment made in that way shall be a good discharge, to the extent of that payment, by the Security Agent.

(b) The Security Agent is under no obligation to make the payments under paragraph (a) above in the same currency as that in which the Obligations owing to the relevant Creditor are denominated.

15.6 Calculation of Amounts . For the purpose of calculating any person's share of any sum payable to or by it, the Security Agent shall be entitled to: (a) notionally convert the Obligations owed to any person into the Common Currency Amount; and (b) assume that all moneys received or recovered as a result of the enforcement or realization of the Security Property are applied in discharge of the Obligations in accordance with the terms of the Debt Documents under which those Obligations have arisen.

15.7 Limitation on Application of Proceeds . If the application of any recoveries under this Section 15 in or towards the discharge of any Obligations would result in or have the effect of an unlawful payment or discharge under applicable law (the " **Affected Recoveries** "), then those Affected Recoveries will be applied in or towards the discharge in full only of the Obligations (but subject at all times to the provisions of this Agreement) guaranteed or secured by the rights (whether guarantee, indemnity or security (including by way of prefunding)) the enforcement or realization of which gave rise to the Affected Recoveries.

SECTION 16.

LOSS SHARING

16.1 Loss Sharing Definitions . For the purposes of this Section 16:

(a) " **Enforcement Date** " means the first date (if any) on which a Senior Secured Creditor takes enforcement action of the type described in clauses (a)(i), (a)(iii), (a)(iv) or (c) of the definition of Enforcement Action in accordance with the terms of this Agreement.

(b) " **Exposure** " means:

(i) in relation to a Senior Secured Lender, the aggregate amount of its share (if any, and without double counting) in all Senior Secured Obligations outstanding under the Senior Secured Credit Agreement at the Enforcement Date (assuming all contingent obligations which have become actual obligations since the Enforcement Date have been actual obligations at the Enforcement Date (but not including, for these purposes only, any interest that would have accrued from the Enforcement Date to the date of actual maturity in respect of those obligations) and assuming any transfer of claims in respect of amounts outstanding under the Senior Secured Facilities pursuant to the Senior Secured Credit Agreement which has taken place since the Enforcement Date has taken place at the Enforcement Date) together with the aggregate amount of all accrued interest, fees and other obligations owed to it under the Senior Secured Credit Agreement;

(ii) in relation to a Pari Passu Creditor, the aggregate amount of its participation (if any, and without double counting) in all principal amounts outstanding under the applicable Pari Passu Debt Documents at the Enforcement Date (assuming all contingent obligations which have become actual obligations since the Enforcement Date have been actual obligations at the Enforcement Date) together with the aggregate amount of all accrued interest, fees and other amounts owed to it under the Pari Passu Debt Document;

(iii) in relation to a Cash Management Provider, the aggregate amount of its share (if any, and without double counting) in all Cash Management Obligations outstanding under the relevant Cash Management Agreement at the Enforcement Date (assuming all contingent obligations which have become actual obligations since the Enforcement Date have been actual obligations at the Enforcement Date (but not including, for these purposes only, any interest that would have accrued from the Enforcement Date to the date of actual maturity in respect of those obligations)) but excluding: (A) any amount owed to it by a Debtor in respect of any Cash Management Agreement

to the extent that that amount would not be outstanding but for a breach by that Cash Management Provider; and (B) any amount owed to it by a Debtor in respect of any Cash Management Agreement to the extent (and in the amount) that Cash Collateral has been provided by a Debtor in respect of that amount; and

(iv) in relation to a Hedge Counterparty: (A) if that Hedge Counterparty has terminated or closed out any hedging transaction under any Hedge Agreement in accordance with the terms of this Agreement on or prior to the Enforcement Date, the amount, if any, payable to it under that Hedge Agreement in respect of that termination or close-out as of the date of termination or close-out (taking into account any interest accrued on that amount) to the extent that amount is unpaid at the Enforcement Date (that amount to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedge Agreement); and (B) if that Hedge Counterparty has not terminated or closed out any hedging transaction under any Hedge Agreement on or prior to the Enforcement Date pursuant to Section 4.9, then notwithstanding anything to the contrary set forth herein, such Hedge Counterparty shall be disregarded for purposes of determining the Majority Senior Secured Creditors or any consent to any Enforcement Right.

16.2 Implementation of Loss Sharing . The provisions of this Section 16 shall be applied at such time or times after the Enforcement Date as the Security Agent shall consider appropriate. Without prejudice to the generality of the preceding sentence, if the provisions of this Section 16 have been applied before all the Obligations have matured and/or been finally quantified, the Security Agent may elect to re-apply those provisions on the basis of revised Exposures and the relevant Creditors shall make appropriate adjustment payments amongst themselves.

16.3 Loss Sharing . If, for any reason, any Senior Secured Obligations remain unpaid after the Enforcement Date and after the application of Recoveries, as defined in, and in accordance with Section 15.1 and the resulting losses are not borne by the Senior Secured Creditors in the proportions which their respective Exposures in respect of Senior Secured Obligations at the Enforcement Date bore to the aggregate Senior Secured Creditor Obligations of all Senior Secured Creditors with respect to the Senior Secured Obligations at the Enforcement Date, the Senior Secured Creditors will make such payments amongst themselves as the Security Agent shall require to put the Senior Secured Creditors in such a position that (after taking into account such payments) those losses are borne in those proportions.

16.4 Turnover of Enforcement Proceeds . If (i) the Security Agent, the Administrative Agent, any Pari Passu Debt Representative or any Second Lien Debt Trustee is not entitled, for reasons of applicable law, to pay amounts received pursuant to the making of a demand under any guarantee, indemnity or other assurance against loss or the enforcement of the Transaction Security to the Senior Secured Creditors but is entitled to distribute those amounts to Creditors (such Creditors, the " **Receiving Creditors** ") who, in

accordance with the terms of this Agreement, are subordinated in right and priority of payment to the Senior Secured Creditors; and (ii) the Senior Secured Discharge Date has not yet occurred (nor would occur after taking into account such payments), then the Receiving Creditors shall make such payments to the Senior Secured Creditors as the Security Agent shall require to place the Senior Secured Creditors in the position they would have been in had such amounts been available for application against the Senior Secured Obligations.

16.5 Notification of Exposure. Before each occasion on which it intends to implement the provisions of this Section 16, the Security Agent shall send notice to each Senior Secured Creditor (or any applicable Representative on its behalf) requesting that it (or such Representative) notify the Security Agent of, respectively, its Exposure (or, in the case of such Representatives, the Exposure of the Senior Secured Creditors that it represents).

16.6 Default in Payment. If a Creditor fails to make a payment due from it under this Section 16, the Security Agent shall be entitled (but not obliged) to take action on behalf of the Senior Secured Creditor(s) to whom such payment was to be redistributed (subject to being secured, indemnified and/or prefunded to its satisfaction by such Senior Secured Creditor(s) in respect of costs) but shall have no liability or obligation towards such Senior Secured Creditor(s), any other Senior Secured Creditor or Creditor as regards such default in payment and any loss suffered as a result of such default shall lie where it falls.

SECTION 17.

THE SECURITY AGENT

17.1 Appointment.

(a) Each Secured Party (other than the Security Agent) irrevocably and unconditionally appoints the Security Agent to act as agent (with full power to appoint and to substitute and to delegate) on its behalf to do anything upon the terms and conditions set out in this Agreement and authorizes (i) the Security Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to it under or in connection with the relevant Security Documents and this Agreement together with any other incidental rights, powers, authorities and discretions and (ii) to execute this Agreement and each Security Document to be executed by the Security Agent on its behalf or in its own name under each Parallel Debt.

(b) In relation to the Security Documents, the relationship between the Secured Parties (other than the Security Agent) and the Security Agent is that of principal and agent only. The Security Agent shall not have, or be deemed to have, assumed any obligations to or fiduciary relationship with, any party to this Agreement other than those for which specific provision is made by the Security Documents and this Agreement.

For the avoidance of doubt, the provisions of this Section 17 apply equally to the Primary Security Agent and the Hungarian Collateral Agent.

17.2 Trust.

(a) The Security Agent declares that it shall hold the Security Property on trust for the Secured Parties on the terms contained in this Agreement.

(b) Subject to paragraph (c) below, paragraph (a) above shall not apply to any Security Document which is expressed to be or is construed to be governed by any law other than English, Hong Kong, Maltese and Gibraltar law or any other law from time to time designated by the Security Agent and a Debtor or any Security Property arising under any such Security Document.

(c) Paragraph (b) above shall not affect or limit Section 17.3(d) with respect to any Security Document which is expressed to be or is construed to be governed by any law other than English, Hong Kong, Maltese and Gibraltar law or any other law from time to time designated by the Security Agent and a Debtor or any Security Property arising under any such Security Document.

(d) Each of the parties to this Agreement agrees that the Security Agent shall have only those duties, obligations and responsibilities expressly specified in the Debt Documents to which the Security Agent is expressed to be a party (and no others shall be implied). The duties of the Security Agent under the Debt Documents are solely mechanical and administrative in nature.

17.3 Parallel Debt (Covenant to Pay the Security Agent) .

(a) Subject to the Guarantee Limitations, each Debtor hereby irrevocably and unconditionally undertakes to pay to the Security Agent amounts equal to any amounts owing from time to time by that Debtor to any Secured Party under, as applicable, (i) any Senior Secured Document (the " **Senior Parallel Debt** "), (ii) any Second Lien Debt Document (the " **Second Lien Parallel Debt** ") and (iii) any Additional Unsecured Debt Document (the " **Additional Unsecured Parallel Debt** "), respectively, as and when those amounts are due (each a " **Parallel Debt** ").

(b) Each Debtor and the Security Agent acknowledge that the obligations of each Debtor under paragraph (a) above are several and are separate and independent from, and shall not in any way limit or affect, the corresponding obligations of that Debtor to any Secured Party under any Senior Secured Document or any Second Lien Debt Document (its respective " **Corresponding Debt** ") nor shall the amounts for which each Debtor is liable under paragraph (a) above (its relevant Parallel Debt) be limited or affected in any way by its respective Corresponding Debt; provided that (i) the relevant Parallel Debt of each Debtor shall be decreased to the extent that its respective Corresponding Debt has been irrevocably paid or (in the case of guarantee obligations) discharged; and (ii) the Corresponding Debt of each Debtor shall be decreased to the extent that its relevant Parallel Debt has been irrevocably paid or (in the case of guarantee obligations) discharged; and (iii) the amount of the relevant Parallel Debt of a Debtor shall at all times be equal to the amount of its respective Corresponding Debt.

(c) For the purpose of this Section 17.3, the Security Agent acts in its own name and not as a trustee, and its claims in respect of the relevant Parallel Debt shall not be held on trust. The Liens granted under the Security Documents to the Security Agent to secure the relevant Parallel Debt are granted to the Security Agent in its capacity as creditor of the relevant Parallel Debt and shall not be held on trust.

(d) All moneys received or recovered by the Security Agent pursuant to this Section 17.3, and all amounts received or recovered by the Security Agent from or by the

enforcement of any Liens granted to secure the relevant Parallel Debt, shall be applied in accordance with Section 15.1.

(e) Without limiting or affecting the Security Agent's rights against the Debtors (whether under this Section 17.3 or under any other provision of the Senior Secured Documents or the Second Lien Debt Documents), each Debtor acknowledges that: (i) nothing in this Section 17.3 shall impose any obligation on the Security Agent to advance any sum to any Debtor or otherwise under any Senior Secured Document or under any Second Lien Debt Document, except in its capacity as a Primary Creditor; and (ii) for the purpose of any vote taken under any Senior Secured Document or any Second Lien Debt Document, the Security Agent shall not be regarded as having any participation or commitment other than those which it has in its capacity as a Primary Creditor.

(f) The obligations of each Debtor under this Section 17.3 shall be subject to, and limited to the extent set out in, the Guarantee Limitations *mutatis mutandis* (if any) applicable to such Debtor.

17.4 Swiss Security Documents . Without limiting any other rights of the Security Agent under this Agreement, in relation to the Transaction Security Documents governed by the laws of Switzerland (the " **Swiss Security Documents** ") the following shall apply:

(a) the Security Agent holds:

(i) any security constituted by such Swiss Security Document (but only in relation to an assignment or any other non-accessory (*nicht akzessorische*) Security);

(ii) the benefit of this paragraph (a); and

(iii) any proceeds of such security,

as fiduciary (*treuhänderisch*) in its own name but for the account of all relevant Secured Parties which have the benefit of such security in accordance with this Agreement and the respective Swiss Security Document (each a " **Swiss Secured Party** ");

(b) each present and future Swiss Secured Party hereby authorises the Security Agent:

(i) acting for itself and in the name and for the account of such Swiss Secured Party to accept as its direct representative (*direkter Stellvertreter*) any Swiss law pledge or any other Swiss law accessory (*akzessorische*) security made or expressed to be made to such Swiss Secured Party in relation to the Swiss Security Documents, to hold, administer and, if necessary, enforce any such security on behalf of each relevant Swiss Secured Party which has the benefit of such security;

(ii) to agree as its direct representative (*direkter Stellvertreter*) to amendments and alterations to any Swiss Security Document which creates a pledge or any other Swiss law accessory (*akzessorische*) Security;

(iii) to effect as its direct representative (*direkter Stellvertreter*) any release of a security created under a Swiss Security Document in accordance with this Agreement; and

(iv) to exercise as its direct representative (*direkter Stellvertreter*) such other rights granted to the Security Agent hereunder or under the relevant Swiss Security Document;

(c) the Security Agent, when acting in its capacity as creditor of the Parallel Debt, holds:

(i) any Swiss law pledge or any other Swiss law accessory (*akzessorische*) security;

(ii) any proceeds of such security; and

(iii) the benefit of this paragraph and of the Swiss Parallel Debt,

as creditor in its own right but for the benefit of the Swiss Secured Parties in accordance with this Agreement.

17.5 Swiss Share Pledges . For the avoidance of doubt, any Enforcement of the CABS Pledge or the Champittet Pledge shall be subject to the terms of clause 11 of the CABS SPA and clause 8.2 of the Champittet SPA (as applicable) provided that the relevant requirement shall cease if the applicable provision of the CABS SPA and/or the Champittet SPA ceases to be effective.

17.6 No Independent Power . The Secured Parties shall not have any independent power to enforce, or have recourse to, any of the Transaction Security or to exercise any rights or powers arising under the Security Documents except through the Security Agent.

17.7 Instructions to Security Agent and Exercise of Discretion .

(a) Subject to paragraph (d) and (e) below, the Security Agent shall act in accordance with any instructions given to it by the relevant Instructing Group or, if so instructed by the relevant Instructing Group, shall refrain from exercising any right, power, authority or discretion vested in it as Security Agent and shall be entitled to assume that (i) any instructions received by it from a Representative, the Creditors or a group of Creditors are duly given in accordance with the terms of the Debt Documents and (ii) unless it has received actual notice of revocation, that those instructions or directions have not been revoked.

(b) The Security Agent shall be entitled to request instructions, or clarification of any direction, from the relevant Instructing Group as to whether, and in what manner, it should exercise or refrain from exercising any rights, powers, authorities and discretions and the Security Agent may refrain from acting unless and until those instructions or clarification are received by it. The Security Agent may carry out what it, in its discretion, considers to be administrative acts, or acts which are incidental to any instruction, without any instructions (though not contrary to any such instruction). If any instruction is subsequently received which conflicts with any such prior administrative or incidental act, such instruction shall have no effect in relation to such administrative or incidental act.

(c) Save as provided in Section 13, any instructions given to the Security Agent by the relevant Instructing Group shall override any conflicting instructions given by any other Parties.

(d) Clause (a) above shall not apply: (i) where a contrary indication appears in this Agreement; (ii) where this Agreement requires the Security Agent to act in a specified manner or to take a specified action; (iii) in respect of any provision which protects the Security Agent's own position in its personal capacity as opposed to its role of Security Agent for the Secured Parties, including, without limitation, the provisions set out in Section 17.9, Section 17.12, Section 17.14 to Section 17.19 and Sections 17.22 through Section 17.27; (iv) in respect of the exercise of the Security Agent's discretion to exercise a right, power or authority under any of: (A) Section 14.1; (B) Section 15.1; and (C) Section 15.2.

(e) If giving effect to instructions given by the relevant Instructing Group would (in the Security Agent's opinion) have an effect equivalent to an Intercreditor Amendment, the Security Agent shall not act in accordance with those instructions unless consent to it so acting is obtained from each Party (other than the Security Agent) whose consent would have been required in respect of that Intercreditor Amendment.

(f) In exercising any discretion to exercise a right, power or authority under this Agreement where either: (i) it has not received any instructions from the relevant Instructing Group as to the exercise of that discretion; or (ii) the exercise of that discretion is subject to paragraph (d) above, the Security Agent shall do as it considers in its discretion to be appropriate.

(g) In determining the amount of the Senior Secured Facilities Obligations of any Senior Secured Lender or group of Senior Secured Lenders for any purposes under this Agreement whether they are requests from, or made with, the consent of, the relevant Instructing Group have been obtained the Security Agent shall only be required to consider instructions from the Administrative Agent (in accordance with the relevant Senior Secured Facilities Documents) indicating the amount of the Senior Secured Facilities Obligations held by the relevant Senior Secured Lenders requesting or consenting to such action.

(h) In determining the amount of the Pari Passu Debt Obligations of any Pari Passu Creditors or group of Pari Passu Creditors for any purposes under this Agreement whether they are requests from, or made with the consent of, the relevant Instructing Group that have been obtained, the Security Agent shall only be required to consider instructions from the applicable Pari Passu Debt Representative(s) (in accordance with the relevant Pari Passu Debt Documents) indicating the amount of the Pari Passu Debt Obligations held by the relevant Pari Passu Creditors requesting or consenting to such action.

(i) In determining the amount of the Second Lien Debt Obligations of any Second Lien Debt Creditors or group of Second Lien Debt Creditors for any purposes under this Agreement whether they are requests from, or made with the consent of, the Majority Second Lien Debt Creditors and that have been obtained, the Security Agent shall only be required to consider instructions from the applicable Second Lien Debt Trustee (in accordance with the relevant Second Lien Debt Documents) indicating the amount of the Second Lien Debt Obligations held by the relevant Second Lien Debt Creditors requesting or consenting to such action.

(j) In determining the amount of the Additional Unsecured Debt Obligations of any Additional Unsecured Debt Creditors or group of Additional Unsecured Debt Creditors for any purposes under this Agreement whether they are requests from, or made with the consent of, the Majority Additional Unsecured Debt Creditors that have been obtained, the Security Agent shall only be required to consider instructions from the applicable Additional Unsecured Debt Representative(s) (in accordance with the relevant Additional Unsecured Debt Documents) indicating the amount of the Additional Unsecured Debt Obligations held by the relevant Additional Unsecured Debt Creditors requesting or consenting to such action.

(k) Each other Secured Party authorizes the Security Agent to exercise the rights, powers, authorities and discretions specifically given to it under or in connection with the relevant Security Documents and this Agreement together with any other incidental rights, powers, authorities and discretions and to execute this Agreement and each Security Document expressed to be executed by the Security Agent on its behalf.

(l) The Security Agent shall be and is hereby authorized by each of the Primary Creditors (and to the extent it may have any interest therein, every other Party) to execute on behalf of itself and each Primary Creditor and other Party where relevant: (i) following the occurrence of the Final Discharge Date, releases of all Transaction Security or any other claim granted under the Security Documents; and (ii) to the extent permitted (or not prohibited) under each Debt Document, all necessary releases of Liens under the Security Documents or any other claim.

(m) The Security Agent may: (i) rely on any notice or document believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person; (ii) conclusively rely on any statement made by any person regarding any matters which may be assumed to be within its knowledge or within its powers to verify; and (iii) engage, pay for (at the expense of the Borrower to the extent reimbursable pursuant to Section 20.3) and rely on professional advisers selected by it (including those representing a person other than the Security Agent).

17.8 Security Agent's Actions. Without prejudice to the provisions of Section 13 and Section 17.7, the Security Agent may (but shall not be obliged to), in the absence of any instructions to the contrary, take such action in the exercise of any of its powers and duties under the Debt Documents as it considers in its discretion to be appropriate.

17.9 Security Agent's Discretions.

(a) The Security Agent may: (i) assume (unless it has received actual notice to the contrary in its capacity as Security Agent for the Secured Parties from a Hedge Counterparty or from one of the Representatives) that (A) no Event of Default has occurred and no Debtor is in breach of or in default of its obligations under any of the Debt Documents, (B) any right, power, authority or discretion vested by any Debt Document in any person has not been exercised, (C) any right, power, authority or discretion vested in any Party or any group of Creditors has not been exercised and (D) any notice made by the Company is made on behalf of and with the consent and knowledge of all the Debtors; (ii) if it receives any instructions or directions under Section 13 to take any action in relation to the Transaction Security, assume that all applicable conditions under the Debt Documents for taking that action have been satisfied; (iii) engage, pay for (at the expense of the Borrower to the extent reimbursable pursuant to Section 20.3) and rely on the advice or services of any

legal advisers, accountants, tax advisers, surveyors or other experts (whether obtained by the Security Agent or by any other Secured Party) whose advice or services may at any time seem necessary, expedient or desirable and the Security Agent may conclusively rely on the advice or services of any such legal advisers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Security Agent or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying; (iv) conclusively rely upon any communication or document believed by it to be genuine and, as to any matters of fact which might reasonably be expected to be within the knowledge of a Secured Party, any Creditor, or a Debtor, upon a certificate signed by or on behalf of that person; and (v) refrain from acting in accordance with the instructions of any Party (including bringing any legal action or proceeding arising out of or in connection with the Debt Documents) until it has received any indemnification and/or security (including by way of prefunding) that it may in its discretion require (whether by way of payment in advance or otherwise and which may be greater in extent than that contained in the Debt Documents) for all costs, losses and obligations (together with any applicable VAT) which it may incur in so acting.

(b) Unless this Agreement expressly specifies otherwise, the Security Agent may disclose to any other Party any information it reasonably believes it has received as security agent under this Agreement.

(c) Notwithstanding any other provision of any Debt Document to the contrary, the Security Agent is not obliged to do or omit to do anything if it would, or might in its reasonable opinion, constitute a breach of any law or regulation or a breach of a duty of confidentiality.

(d) Notwithstanding any provision of any Debt Document to the contrary, the Security Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

17.10 Security Agent's Obligations . The Security Agent shall promptly (a) copy to (i) each Representative, (ii) each Hedge Counterparty and (iii) each Cash Management Provider the contents of any notice or document received by it from any Debtor under any Debt Document; (b) forward to a Party the original or a copy of any document which is delivered to the Security Agent for that Party by any other Party provided that, except where a Debt Document expressly provides otherwise, the Security Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party; (c) inform (i) each Representative, (ii) each Hedge Counterparty and (iii) each Cash Management Provider of the occurrence of any Event of Default or any default by a Debtor in the due performance of or compliance with its obligations under any Debt Document of which the Security Agent has received notice from any other Party; (d) to the extent that a Party (other than the Security Agent) is required to calculate a Common Currency Amount, and upon a request by that Party, notify that Party of the Dollar Equivalent (and calculation thereof); and (e) the obligations of the Agent Parties under this Agreement are several and not joint.

17.11 Excluded Obligations . Notwithstanding anything to the contrary expressed or implied in the Debt Documents, the Security Agent shall not (a) be bound to enquire as to

(i) whether or not any Event of Default has occurred or (ii) the performance, default or any breach by a Debtor of its obligations under any of the Debt Documents; (b) be bound to account to any other Party for any sum or the profit element of any sum received by it for its own account; (c) be bound to disclose to any other person (including but not limited to any Secured Party) (i) any confidential information or (ii) any other information if disclosure would, or might in its reasonable opinion, constitute a breach of any law; or (d) have or be deemed to have any relationship of trust, agency or fiduciary with, any Debtor.

17.12 Exclusion of Liability. None of the Security Agent, any Receiver nor any Delegate is responsible or liable for (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Security Agent, a Debtor or any other person in or in connection with any Debt Document or the transactions contemplated in the Debt Documents, or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document; (b) the legality, validity, effectiveness, adequacy or enforceability of any Debt Document, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property; (c) any determination as to whether any information provided or to be provided to any Secured Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise; (d) any losses to any person or any liability arising as a result of taking or refraining from taking any action in relation to any of the Debt Documents, the Security Property or otherwise, whether in accordance with an instruction from a Representative or otherwise unless directly caused by its gross negligence or willful misconduct; (e) the exercise of, or the failure to exercise, any right, authority, judgment, discretion or power given to it by, or in connection with, any of the Debt Documents, the Security Property or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, the Debt Documents or the Security Property; (f) any shortfall which arises on the enforcement or realization of the Security Property; (g) without prejudice to the generality of the above clauses, any damages, costs, losses to any person, any diminution in value or any liability whatsoever arising as a result of: (i) taking, or not taking any action, under or in connection with any Debt Documents, the Security Property unless directly caused by its gross negligence or willful misconduct; (ii) any act, event or circumstance not reasonably within its control; or (iii) the general risks of investment in, or the holding of assets in, any jurisdiction, including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalization, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets; breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action; or (h) without prejudice to any provision of any Debt Document excluding or limiting the liability of the Security Agent, any Receiver or Delegate, any liability of the Security Agent, any Receiver or Delegate arising under any Debt Document or the Security Property shall be limited to the amount of actual loss which has been finally judicially determined to have been suffered (as determined by reference to the date of default of the Security Agent, Receiver or Delegate (as the case may be) or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Security Agent, Receiver or Delegate (as the case may be) at any time which increase the amount of that loss. In no event shall the Security Agent, any Receiver or Delegate be liable for any loss of profits, goodwill, reputation,

business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Security Agent, Receiver or Delegate (as the case may be) has been advised of the possibility of such loss or damages. Each of the Debtors agrees that nothing in the Debt Documents or otherwise will be deemed to create an advisory, fiduciary or agency relationship or fiduciary or other implied duty between the Security Agent, on the one hand, and the Debtors and each other member of the Group, or its or their respective affiliates, on the other hand, and to the fullest extent permitted by law, hereby waives and releases any claims that each may have against the Security Agent with respect to any breach or alleged breach of agency or fiduciary duty, if any, that arises out of the Debt Documents in connection with any aspect of any transaction contemplated hereby.

17.13 No Proceedings. No Party (other than the Security Agent, that Receiver or that Delegate) may take any proceedings against any officer, employee or agent of the Security Agent, a Receiver or a Delegate in respect of any claim it might have against the Security Agent, a Receiver or a Delegate or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Debt Document or any Security Property and any officer, employee or agent of the Security Agent, a Receiver or a Delegate may rely on this Section 17.13.

17.14 Information from the Creditors. Each Creditor shall supply the Security Agent with any information that the Security Agent may reasonably specify as being necessary or desirable to enable the Security Agent to perform its functions as Security Agent.

17.15 Own Responsibility.

(a) Without affecting the responsibility of any Debtor for information supplied by it or on its behalf in connection with any Debt Document, each Secured Party confirms to the Security Agent that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Debt Document, including but not limited to: (i) the financial condition, status and nature of each member of the Group; (ii) the legality, validity, effectiveness, adequacy and/or enforceability of any Debt Document, the Security Property and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property; (iii) whether that Secured Party has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Debt Document, the Security Property, the transactions contemplated by the Debt Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document or the Security Property; (iv) the adequacy, accuracy and/or completeness of any information provided by the Security Agent or by any other person under or in connection with any Debt Document, the transactions contemplated by any Debt Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Debt Document; and (v) the right or title of any person in or to, or the value or sufficiency of any part of the Collateral, the priority of any of the Transaction Security or the existence of any Security affecting the Collateral, and each Secured Party warrants to the Security Agent that it has not relied on and will not at any time rely on the Security Agent in respect of any of these matters.

(b) Nothing in this Agreement shall oblige the Security Agent to carry out: (i) any "know your customer" or other checks in relation to any person; or (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for

any Primary Creditor, on behalf of any Primary Creditor, and each Primary Creditor confirms to the Security Agent that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Security Agent.

17.16 No Responsibility to Perfect Transaction Security . The Security Agent shall not be liable for any failure to (a) require the deposit with it of any deed or document certifying, representing or constituting the title of any Debtor to any of the Collateral; (b) obtain any license, consent or other authority for the execution, delivery, legality, validity, enforceability or admissibility in evidence of any Debt Document or the Transaction Security; (c) register, file or record or otherwise protect any of the Transaction Security (or the priority of any of the Transaction Security) under any laws or regulation or to give notice to any person of the execution of any Debt Documents or of the Transaction Security; (d) take, or to require any Debtor to take, any step to perfect its title to any of the Collateral or to render the Transaction Security effective or to secure the creation of any ancillary Liens under any law or regulation; or (e) require any further assurances in relation to any of the Security Documents.

17.17 Insurance by Security Agent .

(a) The Security Agent shall not be under any obligation to insure any of the Collateral, to require any other person to maintain any insurance or to verify any obligation to arrange or maintain insurance contained in the Debt Documents. The Security Agent shall not be responsible for any loss which may be suffered by any person as a result of the lack of or inadequacy of any such insurance.

(b) Where the Security Agent is named on any insurance policy as an insured party, it shall not be responsible for any loss which may be suffered by any person by reason of, directly or indirectly, its failure to notify the insurers of any material fact relating to the risk assumed by such insurers or any other information of any kind.

17.18 Custodians and Nominees . The Security Agent may appoint and pay any person to act as a custodian or nominee on any terms in relation to any assets of the trust as the Security Agent may determine, including for the purpose of depositing with a custodian this Agreement or any document relating to the trust created under this Agreement and the Security Agent shall not be responsible for any loss, liability, expense, demand, cost, claim or proceedings incurred by reason of the misconduct, omission or default on the part of any person appointed by it under this Agreement or be bound to supervise the proceedings or acts of any person.

17.19 Acceptance of Title . The Security Agent shall be entitled to accept without enquiry, and shall not be obliged to investigate, any right and title that any of the Debtors or any other grantor of Transaction Security may have to any of the Collateral and shall not be liable for or bound to require any Debtor or any other grantor of Transaction Security to remedy any defect in its right or title.

17.20 Refrain from Action . Notwithstanding anything to the contrary expressed or implied in the Debt Documents, the Security Agent may refrain from doing anything (a) which in its opinion will or may be contrary to any relevant law, directive or regulation of any jurisdiction and the Security Agent may do anything which is, in its opinion, necessary to comply with any such law, directive or regulation; and (b) until it has received any

indemnification and/or security (including by way of prefunding) that it may in its discretion require (which may be greater in extent than that contained in the Debt Documents and which may include payment in advance) for any cost, loss or liability (together with any applicable VAT) which it may incur.

17.21 No Fiduciary Duties to Debtors. Nothing in this Agreement constitutes the Security Agent as an agent, trustee or fiduciary of any Debtor (unless otherwise expressly provided in this Agreement).

17.22 Business with the Debtors. The Security Agent may accept deposits from, lend money to, and generally engage in any kind of banking or other business with any Debtors.

17.23 No Duty to Account. The Security Agent shall not be bound to account to any other Secured Party for any sum or the profit element of any sum received by it for its own account.

17.24 Winding up of Trust. If the Security Agent, with the approval of each of the Representatives and each Hedge Counterparty, determines that (a) all of the Secured Obligations and all other obligations secured by the Security Documents have been discharged and (b) none of the Secured Parties is under any commitment, obligation or liability (actual or contingent) to make advances or provide other financial accommodation to any Debtor pursuant to the Debt Documents: (i) the trusts set out in this Agreement shall be wound up and the Security Agent shall release, without recourse or warranty, all of the Transaction Security and the rights of the Security Agent under each of the Security Documents; and (ii) any Retiring Security Agent shall release, without recourse or warranty, all of its rights under each of the Security Documents.

17.25 PATRIOT Act Notification. Each Secured Party and each Representative (for itself and on behalf of each other Creditor represented by it) hereby notifies each Debtor that pursuant to the requirements of the PATRIOT Act, it is required to obtain, verify and record information that identifies each Debtor, which information includes the name and address of each Debtor and other information that will allow such Secured Party or such Representative, as applicable, to identify such Debtor in accordance with the PATRIOT Act.

17.26 Intra-Group Lenders and Debtors: Power of Attorney. Each Intra-Group Lender and Debtor by way of security for its obligations under this Agreement irrevocably appoints the Security Agent to be its attorney to do anything which that Intra-Group Lender or Debtor has authorized the Security Agent or any other Party to do under this Agreement or is itself required to do under this Agreement but has failed to do (and the Security Agent may delegate that power on such terms as it sees fit). The Security Agent agrees that the power of attorney granted pursuant to the previous sentence will not be exercised unless an Acceleration Event has occurred and is continuing.

17.27 Joint Security Agent. To the extent required by the laws of, or consistent with customary practice in, the jurisdiction of organization or operation of any Non-US Debtor, as determined by Parent and the Representatives, and without limiting the other provisions of this Agreement, in the case of any Transaction Security Document: Each Senior Secured Notes Creditor confirms the appointment, at any time and from time to time, as reasonably determined to be necessary by the Security Agent consistent with the principles set forth in this Section 17.27, of the Security Agent as a joint collateral agent and administrator for the

purpose of accepting, holding on trust and administering Shared Security pursuant to any Transaction Security Document.

(b) The Security Agent confirms that it accepts such appointment and that it shall hold any applicable Security subject to a Transaction Security Document in trust for all of the Secured Parties on the terms contained in this Agreement and the relevant Debt Documents.

At the request of the Security Agent, each Secured Party shall provide the Security Agent with a separate written power of attorney for the purposes of executing any relevant Transaction Security Documents and documents on their behalf.

SECTION 18.

CHANGE OF SECURITY AGENT AND DELEGATION

18.1 Resignation of the Security Agent .

(a) The Security Agent may at any time give notice of its resignation to the Company and the Primary Creditors without giving any reason for such resignation.

(b) The Security Agent may also resign and appoint one of its Affiliates as successor by giving notice of its resignation to the Company and the Primary Creditors .

(c) Upon receipt of any such notice of resignation, (prior to the Senior Secured Discharge Date and the Second Lien Debt Discharge Date) the Administrative Agent, the Pari Passu Debt Representative(s) the Second Lien Debt Trustee(s) and (after the Senior Secured Discharge Date and the Second Lien Debt Discharge Date and prior to the Additional Unsecured Debt Discharge Date) the Additional Unsecured Debt Representative (in each case subject to the consent of the Company (not to be unreasonably withheld or delayed) so long as no Senior Secured Payment Default or Insolvency Event is continuing, in either case that is a Senior Secured Event of Default) may (but without an obligation to do so) appoint a successor.

(d) If the Administrative Agent, the Pari Passu Debt Representative(s), the Second Lien Debt Trustee(s) and (after the Senior Secured Discharge Date and Second Lien Debt Discharge Date and prior to the Additional Unsecured Debt Discharge Date) the Additional Unsecured Debt Representative(s) have not appointed a successor Security Agent in accordance with paragraph (c) above within 30 days after the retiring Security Agent (the " **Retiring Security Agent** ") gives notice of its resignation, then the Retiring Security Agent may, on behalf of the Primary Creditors, appoint a successor Security Agent meeting the qualifications set forth in paragraph (c) above.

(e) The Retiring Security Agent shall, at its own cost and expense, make available to the successor Security Agent such documents and records and provide such assistance as the successor Security Agent may reasonably request for the purposes of performing its functions as Security Agent under the Debt Documents, including executing any necessary amendments to the Transaction Security and delegating authority to the successor Security Agent (whether by means of a notarized deed or otherwise).

(f) The Security Agent's resignation notice shall only take effect upon (i) the appointment of a successor and (ii) the transfer of all Security Property to that successor.

(g) Upon the acceptance of a successor's appointment as Security Agent hereunder and upon the execution and filing or recording of such financing statements, or amendments thereto, and such amendments or supplements to such other instruments or notices, as may be necessary or desirable, or as the Primary Creditors may request, in order to continue the perfection of the Liens granted or purported to be granted by the Security Documents, such successor Security Agent shall succeed to and become vested with all of the rights, powers, privileges and duties of the Retiring Security Agent, and the Retiring Security Agent shall be discharged from all of its duties and obligations hereunder or under the other Debt Documents (if not already discharged therefrom as provided above in this Section 18.1) (other than its obligations under Section 17.24 and under paragraph (e) above), but shall, in respect of any act or omission by it whilst it was the Security Agent, remain entitled to the benefit of Sections 17, 21.1 and 22.1. Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if that successor had been an original Party.

(h) After consultation with the Company, the Administrative Agent, the Pari Passu Debt Representative(s), the Second Lien Debt Trustee(s) or (after the Senior Secured Discharge Date and the Second Lien Debt Discharge Date and prior to the Additional Unsecured Debt Discharge Date) the Additional Unsecured Debt Representative(s) may, by notice to the Security Agent, require it to resign in accordance with paragraph (a) above. In this event, the Security Agent shall resign in accordance with paragraph (a) above and the Company shall, within three Business Days of demand, reimburse the Retiring Security Agent for the amount of all costs and expenses (including legal fees and amounts in respect of VAT (save to the extent that the Retiring Security Agent reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant Tax authority)) properly incurred by it in making available such documents and records and providing such assistance.

(i) The fees payable by the Company (following the effectiveness of such appointment) to the successor Security Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Company and such successor.

(j) Any entity into which the Security Agent in its individual capacity may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Security Agent in its individual capacity shall be a party, or any corporation to which substantially all of the corporate trust business of the Security Agent in its individual capacity may be transferred, shall be the Security Agent under this Agreement pursuant to this Section 18.1, provided that promptly following any such merger, conversion or consolidation the Security Agent shall have notified Parent, Borrower, the Administrative Agent, the Pari Passu Debt Representative(s) the Second Lien Debt Trustee(s) and (after the Senior Secured Discharge Date and the Second Lien Debt Discharge Date and prior to the Additional Unsecured Debt Discharge Date) the Additional Unsecured Debt Representative.

18.2 Delegation .

(a) Each of the Security Agent, any Receiver and any Delegate may, at any time, delegate by power of attorney or otherwise to any person for any period, all or any of the rights, powers and discretions vested in it by any of the Debt Documents.

(b) That delegation may be made upon any terms and conditions (including the power to sub delegate) and subject to any restrictions that the Security Agent, that Receiver or that Delegate (as the case may be) considers, in its discretion, to be appropriate and it shall not be bound to supervise, or be in any way responsible for, any damages, costs or loss incurred by reason of any misconduct or default on the part of any such delegate or sub delegate.

18.3 Additional Security Agents .

(a) The Security Agent may (at the expense of the Primary Creditors, other than any Notes Trustee in proportions determined in a manner consistent with paragraph (a) of Section 21.2) at any time appoint (and subsequently remove) any person to act as a separate trustee or as a co-trustee jointly with it (i) if it considers that appointment to be appropriate or (ii) for the purposes of conforming to any legal requirements, restrictions or conditions which the Security Agent deems to be relevant or (iii) for obtaining or enforcing any judgment in any jurisdiction, and the Security Agent shall give prior notice to the Company and each of the Representatives of that appointment.

(b) Any person so appointed shall have the rights, powers and discretions (not exceeding those conferred on the Security Agent under or in connection with the Debt Documents) and the duties and obligations that are conferred or imposed by the instrument of appointment.

SECTION 19.

CHANGES TO THE PARTIES

19.1 Assignments and Transfers . No Party may assign any of its rights and benefits or transfer or novate any of its rights, benefits and obligations in respect of any Debt Documents or the Obligations except as permitted by this Section 19.

19.2 New Pari Passu Creditors and Representatives .

(a) In order for indebtedness in respect of any issuance of public debt securities to constitute "Pari Passu Debt" for the purposes of this Agreement, (i) the Company shall designate that issuance of debt securities as "Pari Passu Debt" and confirm in writing to the Representatives of the Primary Creditors that the incurrence of those debt securities as Pari Passu Debt Obligations under this Agreement and the entry into the relevant Pari Passu Debt Documents and the application of proceeds thereunder will not breach the terms of any of its existing Senior Secured Facilities Documents, Pari Passu Debt Documents, Second Lien Debt Documents or Additional Unsecured Debt Documents and (ii) the trustee in respect of those debt securities shall become a party to this Agreement as the Representative in relation to that Pari Passu Debt pursuant to Section 19.8.

(b) In order for indebtedness under any other loan or credit or debt facility to constitute "Pari Passu Debt" for the purposes of this Agreement, (i) the Company shall designate that loan or credit or debt facility as "Pari Passu Debt" and confirm in writing to the Representatives of the Primary Creditors that the incurrence of loan or credit or debit facility as Pari Passu Debt Obligations under this Agreement and the entry into the relevant Pari Passu Debt Documents and the application of proceeds thereunder will not breach the terms of any of its existing Senior Secured Facilities Documents, Pari Passu Debt Documents, Second Lien Debt Documents or Additional Unsecured Debt Documents, and (ii) the facility agent in respect of that loan or credit or debt facility shall become a party to this Agreement as the Representative in relation to that loan or credit or debt facility pursuant to Section 19.8.

(c) No creditor shall be entitled to share in any of the Transaction Security or in the benefit of any provisions of this Agreement as a Pari Passu Creditor unless such creditor (or, as the case may be, the trustee or Representative in relation to the indebtedness held by such creditor) has become a party to this Agreement in accordance with paragraph (a) or (b) above.

19.3 New Additional Unsecured Debt . No member of the Group may incur Additional Unsecured Debt Obligations unless the provisions of Section 7.1 are complied with.

19.4 Change of Senior Secured Lenders, Pari Passu Creditors, Second Lien Debt Creditors and Additional Unsecured Debt Creditors. .

(a) A Pari Passu Creditor (other than a Pari Passu Debt Representative) may assign any of its rights and benefits or transfer by novation any of its rights, benefits and obligations in respect of any Pari Passu Debt Documents or the Pari Passu Debt Obligations if: (i) that assignment or transfer is in accordance with the terms of the Pari Passu Debt Documents to which it is a party; (ii) the relevant Pari Passu Debt Representative is, or has become, a party to this Agreement on behalf of each relevant assignee or transferee of a Pari Passu Creditor and (iii) such person is subject to the terms and conditions of this Agreement as provided under the terms of the relevant Pari Passu Debt Documents.

(b) Any Senior Secured Lender may assign, transfer or novate any of its rights and obligations under the relevant Senior Secured Facilities Documents to any person without the need for such person to execute and deliver to a Security Agent a duly completed Creditor/Representative Joinder, provided that such person is subject to the terms and conditions of this Agreement as provided under the terms of the Senior Secured Credit Agreement.

(c) Any Second Lien Debt Creditor may assign, transfer or novate any of its rights and obligations under the relevant Second Lien Debt Documents to any person without the need for such person to execute and deliver to a Security Agent a duly completed Creditor/Representative Joinder, provided that such person is subject to the terms and conditions of this Agreement as provided under the relevant Second Lien Debt Document.

(d) An Additional Unsecured Debt Creditor (other than an Additional Unsecured Debt Representative) may assign any of its rights and benefits or transfer by novation any of its rights, benefits and obligations in respect of any Debt Documents or the Obligations if: (i) that assignment or transfer is in accordance with the terms of the Additional Unsecured Debt Documents to which it is a party; (ii) any assignee or transferee

has (if not already party to this Agreement as an Additional Unsecured Debt Creditor) become a party to this Agreement, as an Additional Unsecured Debt Creditor, pursuant to Section 19.8 unless an Additional Unsecured Debt Representative is, or has become a party to this Agreement on behalf of each relevant assignee or transferee of an Additional Unsecured Debt Creditor and (iii) such person is subject to the terms and conditions of this Agreement as provided under the terms of the Pari Passu Debt Documents.

19.5 Change of Representative . No person shall become a Representative (other than the Arrangers) until (if not already a Party) it becomes a party to this Agreement as a Representative pursuant to Section 19.8.

19.6 Change of Intra-Group Lender . Subject to Section 8.4 and to the terms of the other Debt Documents, any Intra-Group Lender may assign any of its rights and benefits or transfer any of its rights, benefits and obligations in respect of the Intra-Group Obligations to another member of the Group if that member of the Group has (if not already party to this Agreement as an Intra-Group Lender) become a party to this Agreement as an Intra-Group Lender, pursuant to Section 19.8.

19.7 New Intra-Group Lender . Subject to the Security Principles, if any member of the Group makes any loan to or grants any credit to or makes any other financial arrangement having a similar effect in an aggregate amount in excess of $2,500,000 with any Debtor, the Company will procure that the person giving that loan, granting that credit or making that other financial arrangement (if not already party to this Agreement as an Intra-Group Lender) becomes a party to this Agreement, as an Intra-Group Lender pursuant to Section 19.8.

19.8 Creditor/Representative Joinder . With effect from the date of acceptance by the Security Agent of a Creditor/Representative Joinder duly executed and delivered to the Security Agent by the relevant joining party or, if later, the date specified in that Creditor/Representative Joinder (a) any Party ceasing entirely to be a Creditor or Representative shall be discharged from further obligations towards the Security Agent and other Parties under this Agreement and their respective rights against one another shall be cancelled (except in each case for those rights which arose prior to that date); and (b) as from that date, the replacement or new Creditor or Representative shall assume the same obligations and become entitled to the same rights, as if it had been an original Party to this Agreement in that capacity.

19.9 Additional Debtor .

(a) If any member of the Group (other than any Debtor): (i) incurs any Obligations; or (ii) gives any security, guarantee, indemnity or other assurance against loss in respect of any of the Obligations, the Debtors will procure that the person incurring those Obligations or giving that assurance, becomes a party to this Agreement as a Debtor, in accordance with paragraph (b) below, no later than contemporaneously with the incurrence of those Obligations or the giving of that assurance.

(b) With effect from the date of acceptance by the Security Agent of a Debtor Joinder Agreement, duly executed and delivered to the Security Agent by the relevant Debtor or, if later, the date specified in the Debtor Joinder Agreement, the relevant Debtor shall assume the same obligations and become entitled to the same rights as if it had been an original Party to this Agreement as a Debtor.

(c) Notwithstanding anything to the contrary, a member of the Group shall only be required to accede to this Agreement to the extent that the relevant member of the Group becoming a Debtor would not breach any applicable law or present a material risk of liability for any member of the Group and/or its officers or directors, or give rise to a material risk of breach of fiduciary or statutory duties.

19.10 Additional Parties .

(a) Each of the parties hereto appoints the Security Agent to receive on its behalf each Debtor Joinder Agreement and Creditor/Representative Joinder delivered to the Security Agent and the Security Agent shall, as soon as reasonably practicable after receipt by it, sign and accept the same if it appears on its face to have been completed, executed and, where applicable, delivered in the form contemplated by this Agreement or, where applicable, by the Senior Secured Credit Agreement.

(b) In the case of a Creditor/Representative Joinder delivered to the Security Agent by any new Hedge Counterparty or any Cash Management Provider, the Security Agent shall, as soon as practicable after signing and accepting that Creditor/Representative Joinder in accordance with paragraph (a) above, deliver that Creditor/Representative Joinder to the Administrative Agent.

19.11 Resignation of a Debtor .

(a) The Parent may request that a Debtor cease to be a Debtor by delivering to the Security Agent a Debtor Resignation Request.

(b) The Security Agent shall, promptly upon receipt of a Debtor Resignation Request, request the notifications required in paragraph (c) below and each Party required to give a notification under paragraph (c) below shall, promptly following receipt of the request (and provided the relevant conditions in paragraph (c) below have been met) give such notification.

(c) The Security Agent shall accept a Debtor Resignation Request and notify the Parent and each other Party of its acceptance if:

(i) to the extent that the Senior Secured Facilities Discharge Date has not occurred, the Administrative Agent in relation to each Senior Secured Credit Agreement notifies the Security Agent that that Debtor is not, or has ceased to be (in the case of a Debtor which has both Borrowing Obligations and Guarantee Obligations under such Senior Secured Credit Agreement), (i) a Borrower and a Guarantor (under and as defined in such Senior Secured Credit Agreement), (ii) (in the case of a Debtor which does not have Guarantee Obligations) a Borrower (under and as defined in such Senior Secured Credit Agreement) or (iii) (in the case of a Debtor which does not have Borrowing Obligations) a Guarantor (under and as defined in such Senior Secured Credit Agreement);

(ii) to the extent that the Cash Management Obligations under a Cash Management Agreement have not been discharged, the

Cash Management Provider in respect of that Cash Management Agreement notifies the Security Agent that that Debtor is not, or has ceased to be, a guarantor of those Cash Management Obligations, provided that if such Cash Management Provider has not responded within five Business Days of a request from the Security Agent for such notification such Cash Management Provider shall be deemed to have given such notification;

(iii) to the extent that the Hedging Obligations under a Hedge Agreement have not been discharged, the Hedge Counterparty under that Hedge Agreement notifies the Security Agent that (A) that Debtor is not a counterparty to any Hedge Agreement with such Hedge Counterparty under which there are any outstanding hedging transactions and (B) no payment is due from that Debtor to such Hedge Counterparty in respect of any Hedging Obligations under the Guarantee Agreement or under any such Hedge Agreement, provided that if such Hedge Counterparty has not responded within five Business Days of a request from the Security Agent for such notification such Hedge Counterparty shall be deemed to have given such notification;

(iv) to the extent that any Pari Passu Debt Obligations under a Pari Passu Debt Document have not been discharged, the Pari Passu Debt Representative in respect of those Pari Passu Debt Obligations notifies the Security Agent that the Debtor is not, or has ceased to be, a borrower, issuer and/or guarantor (as applicable) of those Pari Passu Debt Obligations;

(v) to the extent that any Second Lien Debt Obligations under a Second Lien Debt Document have not been discharged, the Second Lien Debt Trustee in respect of those Second Lien Debt Obligations notifies the Security Agent that the Debtor is not, or has ceased to be, a borrower, issuer and/or guarantor (as applicable) of those Second Lien Debt Obligations; and

(vi) to the extent that any Additional Unsecured Debt Obligations under an Additional Unsecured Debt Document have not been discharged, the Additional Unsecured Debt Representative in respect of those Additional Unsecured Debt Obligations notifies the Security Agent that the Debtor is not, or has ceased to be, a borrower, issuer and/or guarantor of those Additional Unsecured Debt Obligations; and

(vii) the Parent confirms that that Debtor is under no actual or contingent obligations in respect of the Intra-Group Obligations.

(d) No Representative may unreasonably withhold or delay any such notification. If a Representative does not provide the required confirmation to the Security

Agent (or notify the Security Agent that the required confirmation cannot be given due to the fact that the relevant conditions set out above are not satisfied) within five Business Days of request by the Parent, such notification shall be deemed given to the Security Agent.

(e) At such time that all required confirmations under paragraph (c) and (d) above have been delivered, or have been deemed to have been given, to the Security Agent, that member of the Group shall automatically cease to be a Debtor and shall have no further rights or obligations under this Agreement as a Debtor, and promptly following such time, the Security Agent shall notify the Company of such resignation. For the avoidance of doubt, if a Debtor ceases to be a member of the Group pursuant to a transaction not prohibited by the Debt Documents (including by reason of that Debtor, or a Holding Company of that Debtor, being designated as an Unrestricted Subsidiary), that Debtor shall automatically cease to be a Debtor for all purposes and shall have no further rights or obligations under this Agreement as a Debtor.

(f) The Security Agent shall notify the other Parties as soon as practicable following the receipt and execution by it on their behalf of any Debtor Joinder Agreement.

19.12 Termination. In each case, without prejudice to any claims that survive the termination in accordance with these terms:

(a) on the Senior Secured Facilities Discharge Date in respect of the Senior Secured Facilities Obligations under a Senior Secured Credit Agreement, the Senior Secured Lenders and Agent Parties under that Senior Secured Credit Agreement (other than the Security Agent) shall cease automatically to be Parties to this Agreement (except to the extent they are otherwise Party to this Agreement as a Primary Creditor);

(b) on the Second Lien Debt Discharge Date in respect of any Second Lien Debt Obligations under a Second Lien Debt Document, the Second Lien Debt Creditors under that Second Lien Debt Document (other than the Security Agent) shall cease automatically to be Parties to this Agreement (except to the extent they are otherwise Party to this Agreement as a Primary Creditor);

(c) upon the Cash Management Obligations under a Cash Management Agreement being discharged, the Cash Management Providers in respect of that Cash Management Agreement shall cease automatically to be Parties to this Agreement (except to the extent they are otherwise Party to this Agreement as a Primary Creditor);

(d) on the discharge of the Hedging Obligations under all Hedge Agreements with respect to a Hedge Counterparty, such Hedge Counterparty shall cease automatically to be a Party to this Agreement (except to the extent they are otherwise Party to this Agreement as a Primary Creditor);

(e) upon any Pari Passu Debt Obligations under a Pari Passu Debt Document being discharged, the Pari Passu Creditors in respect of those Pari Passu Debt Obligations under that Pari Passu Debt Document (other than the Security Agent) shall cease automatically to be Parties to this Agreement (except to the extent they are otherwise Party to this Agreement as a Primary Creditor);

(f) upon any Additional Unsecured Debt Obligations under an Additional Unsecured Debt Document being discharged, the Additional Unsecured Debt Creditors in

respect of those Additional Unsecured Debt Obligations under that Additional Unsecured Debt Document (other than the Security Agent) shall cease automatically to be Parties to this Agreement (except to the extent they are otherwise Party to this Agreement as a Primary Creditor); and

(g) this Agreement shall terminate immediately following the Final Discharge Date, whereupon the Security Agent shall, at the request and cost of the Parent, execute such releases of the Transaction Security as may be reasonably requested by the Parent (without the need for any authorization or consent from any Secured Party or other Primary Creditor).

19.13 Resignation of Hedge Counterparties. In the event that a person party to this Agreement as a Hedge Counterparty is no longer providing any hedging to any of the Debtors under a Hedging Agreement, that person may resign (and will resign if required by the Company) as a Hedge Counterparty by giving notice to the Security Agent and the Company. From the date of receipt by the Security Agent and the Company of any such notice of resignation that person shall cease to be party to this Agreement as a Hedge Counterparty and shall have no further rights or obligations under this Agreement as a Hedge Counterparty.

SECTION 20.

COSTS AND EXPENSES

20.1 Security Agency Fee. The Company shall pay (or procure the payment of) to the Security Agent, for its own account, the fees in the amounts and at the times separately agreed upon by the Company and the Security Agent in writing (together with an amount equal to any applicable VAT for which the Security Agent is liable in respect of the supply for which any such amount is the consideration).

20.2 Security Agent's Ongoing Costs.

(a) Without prejudice to Section 20.1 above, in the event of (i) an Event of Default or (ii) the Security Agent being requested by a Debtor (acting reasonably) or the relevant Instructing Group or any Representative to undertake duties which the Security Agent and the Company (acting reasonably) agree to be of an exceptional or extraordinary in nature and/or outside the scope of the normal duties of the Security Agent under the Debt Documents or (iii) the Security Agent and the Company agreeing that it is otherwise appropriate in the circumstances, the Company shall pay (or procure the payment of) to the Security Agent any additional remuneration (together with an amount equal to any applicable VAT for which the Security Agent is liable in respect of the supply for which such additional remuneration is the consideration) that may be agreed between them.

(b) If the Security Agent and the Company fail to agree upon the nature of the duties or upon the additional remuneration referred to above or whether additional remuneration is appropriate in the circumstances, any dispute shall be determined by an investment bank (acting as an expert and not as an arbitrator) selected by the Security Agent (acting on the instructions of the relevant Instructing Group) and approved by the Company or, failing approval, nominated (on the application of the Security Agent) by the Company (the costs of the nomination and of the investment bank being payable by the Company) and the determination of any investment bank shall be final and binding upon the Parties.

(c) Any amount payable to the Security Agent under Section 21.2 (*Primary Creditors' Indemnity*), Section 20 (*Costs and Expenses*) (other than as covered by the fees specified in Section 20.1) or Section 21.1 (*Debtors' Indemnity*) shall include the cost of utilizing the Security Agent's management time or other resources and will be calculated on the basis of such reasonable daily or hourly rates as the Security Agent may notify to the Company and the Primary Creditors, and is in addition to any other fee paid or payable to the Security Agent.

20.3 Transaction Expenses . The Company shall, within 10 Business Days of demand, pay (or procure the payment of) to the Security Agent the amount of all third party costs and expenses (including legal or other professional fees subject to any applicable arrangements agreed in writing and including amounts in respect of VAT charged to, or incurred by, the Security Agent or any Receiver or Delegate in respect of such costs and expenses (save to the extent that the Security Agent, Receiver or Delegate (as applicable) reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant Tax authority)) reasonably incurred by the Security Agent and any Receiver or Delegate in connection with the negotiation, preparation, printing, execution and perfection of (a) this Agreement and any other documents referred to in this Agreement and the Transaction Security and (b) any other Debt Documents executed after the date of this Agreement.

20.4 Amendment Costs . If a Debtor requests an amendment, waiver or consent, the Company shall, within 10 Business Days of demand, reimburse the Security Agent for the amount of all third party costs and expenses (including legal fees subject to any applicable arrangements agreed in writing and including amounts in respect of VAT charged to, or incurred by, the Security Agent or any Receiver or Delegate in respect of such costs and expenses (save to the extent that the Security Agent, Receiver or Delegate (as applicable) reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant Tax authority)) properly incurred by the Security Agent and any Receiver or Delegate in responding to, evaluating, negotiating or complying with that request or requirement.

20.5 Stamp Taxes . The Company shall pay (or procure the payment of) and, within three Business Days of demand, indemnify the Security Agent against any cost, loss or liability the Security Agent incurs in relation to all stamp duty, registration and other similar Taxes payable in respect of any Debt Document.

20.6 Enforcement and Preservation Costs . The Company shall, within 10 Business Days of demand, pay (or procure the payment of) to the Security Agent the amount of all costs and expenses (including legal fees and including amounts in respect of VAT (save to the extent that the Security Agent reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant Tax authority)) properly incurred by it in connection with the enforcement of or the preservation of any rights under any Debt Document and the Transaction Security and any proceedings instituted by or against the Security Agent as a consequence of taking or holding the Transaction Security or enforcing these rights.

20.7 Transfer Costs and Expenses . Notwithstanding any other term of this Agreement, if a Secured Party assigns or transfers any of its rights, benefits or obligations under the Debt Documents no member of the Group shall be required to pay, or indemnify the Security Agent or any Receiver or Delegate against, any fees, costs, expenses or other

amounts relating to or arising in connection with that assignment or transfer (including, without limitation, any Taxes and any amounts relating to the perfection or amendment of the Transaction Security).

20.8 Cost Details . Notwithstanding any other term of this Agreement, other than in connection with an Enforcement Event, a Distressed Disposal or if an Acceleration Event is continuing, no member of the Group shall be required to pay, or indemnify the Security Agent or any Receiver or Delegate against, any fees, costs, expenses or other amounts (other than principal and interest) unless:

(a) it has first been provided with reasonable details of the circumstances giving rise to such payment and of the calculation of the relevant amount (including, where applicable, details of hours worked, rates and individuals involved); and

(b) in the case of costs and expenses, it has received satisfactory evidence that such costs and expenses have been properly incurred (including that all security costs relate only to Security Documents entered into, or related actions taken, in accordance with the Debt Documents and approved in advance by the Company).

20.9 Exclusions . Notwithstanding any other term of this Agreement and for the avoidance of doubt , no member of the Group shall be required to pay, or indemnify the Security Agent or any Receiver or Delegate against, any fees, costs, expenses or other amounts to the extent that any such amounts (a) arise as a result of any such person's gross negligence or willful misconduct, (b) comprise amounts in respect of VAT where such person reasonably determines it is entitled to credit or repayment in respect of such VAT from the relevant Tax authority or (c) comprise any Tax imposed on, or calculated by reference to, any such person's net income, profits or gains arising from any remuneration payable to any such person.

20.10 Withholding Tax . Notwithstanding any other term of this Agreement, in the case any Party shall be required to transfer, distribute or pay any amount or property to any other Party pursuant to the terms of the Agreement (including a transfer, distribution or payment deemed to occur by the operation of the Tax law of the relevant jurisdiction), before making any such deduction or withholding on account of any Taxes, the transferor shall reasonably notify the transferee in respect of whose account such deduction or withholding is to be made and will reasonably notify and solicit from such transferee any forms, documentation or other information, if any, such party can provide the transferor in order to reduce or eliminate the need for such deduction or withholding. For the avoidance of doubt, for the purposes of this Section 20.10, Taxes shall include FATCA (as defined in the Original Senior Secured Credit Agreement).

SECTION 21.

INDEMNITIES

21.1 Debtors' Indemnity .

(a) Subject to the Guarantee Limitations, each Debtor jointly and severally shall promptly indemnify the Security Agent and every Receiver and Delegate (each an " **Indemnified Person** ") against any cost, loss or liability (including amounts in respect of VAT (save to the extent that the Indemnified Person reasonably determines that it is entitled

to credit or repayment in respect of such VAT from the relevant Tax authority), but excluding any Tax imposed on, or calculated by reference to, the relevant Indemnified Person's net income, profits or gains arising from any remuneration payable to it) incurred by any of them as a result of:

(i) any failure by the Company to comply with its obligations under Section 20 (*Costs and Expenses*);

(ii) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorized;

(iii) the taking, holding, protection or enforcement of the Transaction Security;

(iv) the exercise of any of the rights, powers, discretions, authorities and remedies vested in the Security Agent, each Receiver and each Delegate by the Debt Documents or by law;

(v) any default by any Debtor in the performance of any of the obligations expressed to be assumed by it in the Debt Documents;

(vi) instructing lawyers, accountants, tax advisers, surveyors, a Financial Adviser or other professional advisers or experts as permitted under this Agreement; or

(vii) acting as Security Agent, Receiver or Delegate under the Debt Documents or which otherwise relates to any of the Security Property (otherwise, in each case, than by reason of the relevant Security Agent's, Receiver's or Delegate's gross negligence or willful misconduct),

provided that no Debtor shall be under any obligation to make any payments under this Section 21.1 in respect of any cost, loss or liability referred to above to the extent that the Indemnified Person has already recovered an amount in respect of such cost, loss or liability under any other provision of the Debt Documents.

(b) Each Debtor expressly acknowledges and agrees that the continuation of its indemnity obligations under this Section 21 will not be prejudiced by any release or disposal under Section 13.3 (*Distressed Disposals*) taking into account the operation of that Section 13.3.

(c) The Security Agent and every Receiver and Delegate may, in priority to any payment to the Secured Parties, indemnify itself out of the Security Property in respect of, and pay and retain, all sums necessary to give effect to the indemnity in this clause (c) and shall have a lien on the Transaction Security and the proceeds of the enforcement of the Transaction Security for all moneys payable to it.

21.2 Primary Creditors' Indemnity .

(a) Each Primary Creditor (except the Representatives) shall (in the proportion that the Obligations due to it bears to the aggregate of the Obligations due to all the Primary Creditors for the time being (or, if the Obligations due to each of those Primary Creditors is zero, immediately prior to their being reduced to zero)), indemnify each Indemnified Person, within three Business Days of demand, against any cost, loss or liability (including amounts in respect of VAT (save to the extent that the Indemnified Person reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant Tax authority), but excluding any Tax imposed on, or calculated by reference to, the relevant Indemnified Person's net income, profits or gains arising from any remuneration payable to it) incurred by any of them (otherwise than by reason of the relevant Indemnified Person's gross negligence or willful misconduct) in acting as Security Agent, Receiver or Delegate under the Debt Documents, provided that no Primary Creditor shall be under any obligation to make any payments under this Section 21.2 in respect of any cost, loss or liability referred to above to the extent that the Indemnified Person has already recovered an amount in respect of such cost, loss or liability under any other provision of the Debt Documents.

(b) For the purposes only of paragraph (a) above, to the extent that any hedging transaction under a Hedge Agreement has not been terminated or closed-out, the Hedging Obligations due to any Hedge Counterparty in respect of that hedging transaction will be deemed to be the amount, if any, which would be payable to it under that Hedge Agreement in respect of those hedging transactions, if the date on which the calculation is made was deemed to be an Early Termination Date (as defined in the relevant ISDA Master Agreement) for which the relevant Debtor is the Defaulting Party (as defined in the relevant ISDA Master Agreement); or that amount to be certified by the relevant Hedge Counterparty and as calculated in accordance with the relevant Hedge Agreement that would be due upon early termination of such Hedge Agreement as a result of a default by the relevant debtor.

SECTION 22.

INFORMATION

22.1 Information and Dealing .

(a) Subject to applicable law, the Creditors and Debtors shall provide to the Security Agent from time to time (through their Representatives, as applicable) any information that the Security Agent may reasonably specify as being necessary or desirable to enable the Security Agent to perform its functions as trustee.

(b) Each Senior Secured Lender, each Pari Passu Creditor, each Second Lien Debt Creditor and each Additional Unsecured Debt Creditor shall deal with the Security Agent exclusively through its Representative and the Hedge Counterparties and Cash Management Providers shall deal directly with the Security Agent and shall not deal through any Representative.

(c) No Representative shall be under any obligation to act as agent or otherwise on behalf of any Hedge Counterparty or Cash Management Provider except as expressly provided for in, and for the purposes of, this Agreement.

22.2 Disclosure. Subject to any confidentiality obligations set out in any of the Debt Documents but notwithstanding any other agreement to the contrary, each of the Debtors consents, until the Final Discharge Date, to the disclosure by any of the Primary Creditors, the Representatives and the Security Agent to each other (whether or not through an Agent or the Security Agent) of such information concerning the Debtors as any Primary Creditor, any Representative or the Security Agent shall see fit (acting reasonably), provided such disclosure is made on a confidential 'need to know' basis and (a) does not breach any applicable law or regulation and (b) prior to the taking of an Enforcement Action, would not result in a Noteholder (or any other Primary Creditor which has notified the Representatives and the Security Agent that it does not wish to receive material non-public information) receiving any material non-public information.

SECTION 23.

NOTICES

23.1 Communications in Writing. Any communication to be made under or in connection with this Agreement shall be made in writing and, unless otherwise stated, may be made by electronic communication as set forth in Section 23.6.

23.2 Security Agent's Communications with Primary Creditors. The Security Agent shall be entitled to carry out all dealings (a) with the Senior Secured Lenders, the Pari Passu Creditors, Second Lien Debt Creditors and the Additional Unsecured Debt Creditors through their respective Representatives and may give to the Representatives, as applicable, any notice or other communication required to be given by the Security Agent to a Senior Secured Lender, Pari Passu Creditor, Second Lien Debt Creditor or Additional Unsecured Debt Creditor; (b) with each Hedge Counterparty directly with that Hedge Counterparty; and (c) with each Cash Management Provider directly with that Cash Management Provider.

23.3 Addresses. The address, email and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Agreement is as set forth on the signature page for such party provided hereto or in the applicable Joinder, or any substitute address, email, fax number or department or officer which that Party may notify to the Security Agent (or the Security Agent may notify to the other Parties, if a change is made by the Security Agent) by not less than five Business Days' notice.

23.4 Delivery.

(a) Any communication or document made or delivered by one person to another under or in connection with this Agreement will only be effective: (i) if by way of fax, when received in legible form; or (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address, and, if a particular department or officer is specified as part of its address details provided under Section 23.3, if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Security Agent will be effective only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified in

Section 23.3 (or any substitute department or officer as the Security Agent shall specify for this purpose).

(c) Any communication or document made or delivered to the Company in accordance with this Section 23.4 will be deemed to have been made or delivered to each of the Debtors and each of the Creditors (other than the Primary Creditors).

23.5 Notification of Address and Fax Number . Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to Section 23.3 or changing its own address or fax number, the Security Agent shall notify the other Parties.

23.6 Electronic Communication .

(a) Any communication to be made between the Security Agent and any other Party under or in connection with this Agreement may be made by electronic mail or other electronic means, if the Security Agent and the relevant Party: (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication (with such agreement to be deemed given by each person which is a Party at the date of this Agreement); (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and (iii) notify each other of any change to their address or any other such information supplied by them.

(b) Any electronic communication made between the Security Agent and another Party will be effective only when actually received in readable form and in the case of any electronic communication made to the Security Agent, if it is addressed in such a manner as the Security Agent shall specify for this purpose.

23.7 English Language .

(a) Any notice given under or in connection with this Agreement must be in English.

(b) All other documents provided under or in connection with this Agreement must be: (i) in English; or (ii) if not in English, and if reasonably required by the Security Agent or any Representative, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

23.8 Notices to all Creditors .

(a) Where any request for a Consent, amendment or waiver which requires the Consent of all the Parties to this Agreement or any class of creditors (or percentage thereof) (as the case may be) is made by a Debtor, such Debtor shall provide notice of such request to all Representatives or to the Representative(s) of the relevant class(es) of Creditors at the same time.

(b) Where an instruction is required by an Agent from a class of Creditors (or a percentage thereof), notice of such instruction shall be provided to each Creditor in the relevant class at the same time.

SECTION 24.

PRESERVATION

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

24.2 No Impairment . If, at any time after its date, any provision of a Debt Document (including this Agreement) is not binding on or enforceable in accordance with its terms against a person expressed to be a party to that Debt Document, neither the binding nature nor the enforceability of that provision or any other provision of that Debt Document will be impaired as against the other party(ies) to that Debt Document.

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

24.4 Waiver of Defenses . The provisions of this Agreement will not be affected by an act, omission, matter or thing which, but for this Section 24.4, would reduce, release or prejudice the subordination and priorities expressed to be created by this Agreement including (without limitation and whether or not known to any Party), (a) any time, waiver or consent granted to, or composition with, any Debtor or other person; (b) the release of any Debtor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group; (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Debtor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realize the full value of any Lien; (d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any Debtor or other person; (e) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature, and whether or not more onerous) or replacement of a Debt Document or any other document or security; (f) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Document or any other document or security; (g) any intermediate Payment of any of the Obligations owing to the Primary Creditors in whole or in part; or (h) any Insolvency Proceeding or similar proceedings.

24.5 Priorities Not Affected . Except as otherwise provided in this Agreement the priorities referred to in Section 2 will (a) not be affected by any reduction or increase in the principal amount secured by the Transaction Security in respect of the Obligations owing to the Primary Creditors or by any intermediate reduction or increase in, amendment or variation to any of the Debt Documents, or by any variation or satisfaction of, any of the Obligations or any other circumstances; (b) apply regardless of the order in which or dates upon which this Agreement and the other Debt Documents are executed or registered or notice of them is given to any person; and (c) secure the Obligations owing to the Primary

Creditors in the order specified, regardless of the date upon which any of the Obligations arise or of any fluctuations in the amount of any of the Obligations outstanding.

SECTION 25.

CONSENTS, AMENDMENTS AND OVERRIDE

25.1 Required Consents .

(a) Subject to paragraph (b), (c), (d) and (e) below, Section 9 and Section 25.4, this Agreement may be amended or waived only with the consent of the Company, the Majority Senior Secured Creditors (including by acting through their applicable Representatives), the Majority Second Lien Debt Creditors (including by acting through the applicable Second Lien Debt Trustees), the Majority Additional Unsecured Debt Creditors (including by acting through their applicable Representatives) and the Security Agent.

(b) An amendment or waiver that relates to the rights or obligations of any of the following parties: (i) any Representative; (ii) the Security Agent; (iii) any Hedge Counterparty; or (iv) any Cash Management Provider, shall not be made without the consent of that party and the Company; provided that in the case of an amendment or waiver relating to the rights of a Hedge Counterparty or a Cash Management Provider, no separate consent shall be required in respect of that Hedge Counterparty or Cash Management Provider if its rights are not, as a result, amended or waived other than to the extent the Senior Secured Creditors rights are amended or waived and such amendment or waiver does not disproportionately adversely affect the rights of any Hedge Counterparty or any Cash Management Provider.

(c) An amendment or waiver of this Agreement that has the effect of changing or which relates to: (i) Section 12, Section 15 or this Section 25; or (ii) the order of priority or subordination under this Agreement, shall not be made without the Consent of: (A) the Representatives; (B) each adversely affected Lender under the Senior Secured Facilities (including by acting through their applicable Representative); (C) each adversely affected Pari Passu Creditor (including by action through their Pari Passu Debt Representative(s)); (D) each adversely affected Second Lien Debt Creditor (including by action through the Second Lien Debt Trustee(s)); (E) each Hedge Counterparty (to the extent that the amendment or waiver would adversely affect that Hedge Counterparty); (F) each Cash Management Provider (to the extent that the amendment or waiver would adversely affect that Cash Management Provider); (G) the Security Agent; (H) the Company; and (J) each adversely affected Additional Unsecured Debt Creditor (including by action through their Additional Unsecured Debt Representative(s)).

(d) An amendment that relates to Section 13 may be made by the Majority Senior Secured Creditors, the Majority Second Lien Debt Creditors and the Additional Unsecured Debt Creditors, as applicable, acting through the relevant Representative. A waiver relating to Section 13 may be made by the relevant Instructing Group.

(e) The Security Agent may, without the written consent of any of the parties, agree to amendments of this Agreement with the agreement solely of the Company in connection with the designation of Additional Secured Obligations, Additional Unsecured Debt Obligations and any refinancing of Obligations. Any minor, technical or administrative

amendments, amendments to cure any ambiguity, omission, defect or inconsistency or amendments to improve or increase the rights of the Primary Creditors may also be made solely between the Security Agent and the Company. Subject to Section 25.4, releases of Transaction Security shall require the consents provided for in the Senior Secured Facilities Documents, the Pari Passu Debt Documents and the Second Lien Debt Documents(if any) .

An amendment that has the effect of changing or which relates to: (i) curing defects, omissions or inconsistencies or resolving ambiguities or reflecting changes, in each case of a minor, technical or administrative nature or as otherwise prescribed by the relevant Debt Documents, may be made by the Security Agent and the Company; (ii) the requirements of any person proposing to act as a Representative which are customary for persons acting in such capacity and which would not have a material adverse effect on the other Parties; or (iii) a Permitted Reorganization (as defined in the Original Senior Secured Credit Agreement), may be made by the Security Agent and the Company.

(f) Each Notes Trustee shall, to the extent consented to by the requisite percentage of applicable Pari Passu Creditors or Second Lien Debt Creditors or Additional Unsecured Debt Creditors (as applicable) in accordance with the relevant Notes Finance Document, act on such instructions in accordance therewith unless to the extent any amendments so consented to relate to any provision affecting the rights and obligations of that Notes Trustee in its capacity as such.

(g) Any amendment, waiver or consent which relates only to the rights or obligations applicable to Creditors under a particular Debt Document (and which does not materially and adversely affect the rights or interests of Creditors under other Debt Document) may be approved with only the consent of the Agent Party in respect of that Debt Document (if applicable, acting on the instructions of the requisite Creditors under that Debt Document) and the Company. For the avoidance of doubt, this paragraph (g) is without prejudice to the ability to effect, make or grant any amendment, waiver or consent pursuant to or in accordance with any other provision of this Section 25.

25.2 Amendments and Waivers: Security Documents .

(a) Subject to paragraph (b) below, Section 25.4 and Section 9, and unless the provisions of any Debt Document expressly provide otherwise, and save as otherwise expressly set out in Section 12.1 of the Senior Secured Credit Agreement, and without prejudice to Section 25.1(e), the Security Agent may, if authorized by each Representative of the Senior Secured Creditors (acting in accordance with the relevant Debt Documents), by each Second Lien Debt Trustee, and if the Company consents, amend the terms of, waive any of the requirements of or grant consents under, any of the Security Documents which shall be binding on each Party.

(b) The prior consent of any Additional Unsecured Debt Representative is not required to authorize any amendment or waiver of, or consent under, any Security Document that is entered into only for the benefit of the Secured Parties (for the avoidance of doubt, other than the Additional Unsecured Debt Creditors) (or any of them).

25.3 Effectiveness .

(a) Any amendment, waiver or consent given in accordance with this Section 25 will be binding on all Parties and the Security Agent may effect, on behalf of any

Creditor, any amendment, waiver or consent permitted by this Section 25. Without prejudice to the generality of Section 17.9, the Security Agent may engage, pay for and rely on the services of lawyers in determining the consent level required for and effecting any amendment, waiver or consent under this Agreement (provided that any indemnity and reimbursement expenses hereunder shall be limited to those that are in respect of a single set of legal counsel).

(b) Each Representative and Creditor irrevocably and unconditionally authorizes and instructs the Security Agent (for the benefit of the Security Agent and the Company) to execute any documentation relating to a proposed amendment, waiver or consent as soon as the requisite Creditor consent is received (or on such later date as may be agreed by the Security Agent and the Company).

(c) The Company may effect, as agent for each Debtor and Intra-Group Lender, any amendment, waiver or consent given, made or effected in accordance with any of the provisions of this Section 25 or in accordance with any other term of any Debt Document.

25.4 Exceptions .

(a) Subject to paragraph (b) below, if the amendment, waiver or consent imposes new or additional obligations on or withdraws or reduces the rights of any Party other than: (i) in the case of a Primary Creditor, in a way which affects or would affect Primary Creditors of that Party's class generally; or (ii) in the case of a Debtor, to the extent consented to by the Company under Section 25.2(a), the consent of that Party is required.

(b) Paragraph (a) above shall not apply: (i) to any release of Transaction Security, claim or Obligations; or (ii) to any consent, which, in each case, the Security Agent gives in accordance with Section 14.

25.5 Disenfranchisement of Defaulting Lenders .

(a) For so long as a Defaulting Lender has any Commitment which is outstanding but undrawn under the Senior Secured Credit Agreement, in ascertaining: (i) the Majority Senior Secured Creditors; or (ii) whether: (A) any relevant percentage (including, for the avoidance of doubt, unanimity) of Senior Secured Creditor Obligations; or (B) the agreement of any specified group of Primary Creditors, has been obtained to approve any request for a Consent or to carry any other vote or approve any action under this Agreement, that Defaulting Lender's Commitment shall be reduced by the amount of its Commitment which is outstanding but undrawn under the Senior Secured Credit Agreement and, to the extent that that reduction results in that Defaulting Lender's Commitments being zero, that Defaulting Lender shall be deemed not to be a Senior Secured Lender.

(b) For the purposes of this Section 25.5, the Security Agent may assume that the following Creditors are Defaulting Lenders: (i) any Senior Secured Lender which has notified the Security Agent that it has become a Defaulting Lender; (ii) any Senior Secured Lender which the Administrative Agent has notified the Security Agent is a Defaulting Lender; and (iii) any Senior Secured Lender in relation to which it is aware that any of the events or circumstances referred to in the definition of Defaulting Lender in the Senior Secured Credit Agreement has occurred, unless it has received notice to the contrary from the Senior Secured Lender concerned (together with any supporting evidence

reasonably requested by the Security Agent) or the Security Agent is otherwise aware that the Senior Secured Lender has ceased to be a Defaulting Lender.

25.6 [Reserved] .

25.7 Calculation of Outstanding Amounts .

(a) For the purpose of ascertaining whether any relevant percentage of Senior Secured Creditor Obligations, Second Lien Debt Obligations or Additional Unsecured Debt Obligations has been obtained under this Agreement, the Security Agent may notionally convert the Senior Secured Creditor Obligations, the Second Lien Debt Obligations and/or the Additional Unsecured Debt Obligations (as applicable) into their Common Currency Amounts.

(b) The Administrative Agent will, upon the request of the Security Agent, promptly provide the Security Agent with details of the Senior Secured Creditor Obligations of the Senior Secured Lenders and (if applicable) details of the extent to which such Senior Secured Lenders have been voted for or against any request.

(c) Each Pari Passu Debt Representative will, upon the request of the Security Agent, promptly provide the Security Agent with details of the Senior Secured Creditor Obligations of the Pari Passu Creditors whom it represents and (if applicable) details of the extent to which such Pari Passu Creditors have been voted for or against any request.

(d) Each Second Lien Debt Trustee will, upon the request of the Security Agent, promptly provide the Security Agent with details of the Second Lien Debt Obligations of the Second Lien Debt Creditors whom it represents and (if applicable) details of the extent to which such Second Lien Debt Creditors have been voted for or against any request.

(e) Each Additional Unsecured Debt Representative will, upon the request of the Security Agent, promptly provide the Security Agent with details of the Additional Unsecured Debt Obligations of the Additional Unsecured Debt Creditors whom it represents and (if applicable) details of the extent to which such Additional Unsecured Debt Creditors have been voted for or against any request.

25.8 Deemed Consent . If, at any time prior to the Final Discharge Date, the Primary Creditors give a Consent in respect of the Debt Documents then, if that action was permitted by the terms of this Agreement, the Intra-Group Lenders will (or will be deemed to) (a) give a corresponding Consent in equivalent terms in relation to each of the Debt Documents to which they are a party; and (b) do anything (including executing any document) that the Senior Secured Lenders may reasonably require to give effect to clause (a) above.

25.9 Excluded Consents . Section 25.8 does not apply to any Consent which has the effect of (a) increasing or decreasing the Obligations, (b) changing the basis upon which any Permitted Payments are calculated (including the timing, currency or amount of such Payments), or (c) changing the terms of this Agreement or of any Security Document.

25.10 Additional Unsecured Debt Creditor Administrative Consents . If the Administrative Agent at any time in respect of the Senior Secured Facilities Documents, the Pari Passu Debt Representative(s) in respect of the Pari Passu Debt Documents or the Second

Lien Debt Trustee(s) in respect of the Second Lien Debt Documents (or the relevant Representative(s) on behalf of the Majority Senior Secured Creditors and the Majority Second Lien Debt Creditors) gives or give any Consent of a minor technical or administrative nature which does not adversely affect the interests of the Additional Unsecured Debt Creditors or change the commercial terms contained in the Additional Unsecured Debt Documents then, if that action was permitted by the terms of this Agreement, the Additional Unsecured Debt Creditors will (or will be deemed to) (a) give a corresponding Consent in equivalent terms in relation to each of the Debt Documents to which they are a party, and (b) do anything (including executing any document) that the relevant Representative may reasonably require to give effect to this Section 25.10.

25.11 No Liability . None of the Senior Secured Creditors will be liable to any other Creditor or Debtor for any Consent given or deemed to be given under this Section 25.

25.12 Agreement to Override . Unless expressly stated otherwise in this Agreement, this Agreement overrides anything in the Debt Documents to the contrary. Notwithstanding anything to the contrary in this Agreement, the preceding sentence as between any Creditor and any Debtor or any member of the Group will not cure, postpone, waive or negate in any manner any default or event of default (however described) under any Debt Document as provided in the relevant Debt Document.

SECTION 26.

NOTES TRUSTEES

26.1 Liability .

(a) It is expressly understood and agreed by each Party that this Agreement is executed and delivered by any Notes Trustee not individually or personally but solely in its capacity as trustee in the exercise of the powers and authority conferred and vested in it under the applicable Notes Finance Documents for and on behalf of the relevant Noteholders, and it shall have no liability for acting for itself or in any capacity other than as trustee and nothing in this Agreement shall impose on it any obligation to pay any amount out of its personal assets. Prior to taking any action under this Agreement any Notes Trustee may request and rely upon an officers' certificate and/or an opinion of counsel or opinion of another qualified expert, at the expense of the Company.

(b) Notwithstanding any other provision of this Agreement, each Notes Trustee's respective obligations hereunder (if any) to make any payment or repayment (however described) of any amount or to hold any amount on trust shall be only to make payment or repayment (however described) of such amount to or hold any such amount on trust to the extent that (i) it has received written notification that such obligation has arisen and (ii) it has received and has not distributed to the relevant recipient any such amount.

(c) It is further understood by each Party that in no case shall any Notes Trustee be (i) responsible or accountable in damages or otherwise to any other Party for any loss, damage or claim incurred by reason of any act or omission performed or omitted by any Notes Trustee in good faith in accordance with this Agreement or any of the Debt Documents in a manner such Notes Trustee believed to be within the scope of the authority conferred on it by this Agreement or any of the Debt Documents or by law, or (ii) liable for or on account of any of the statements, representations, warranties, covenants or obligations stated to be

those of any other Party, all such liability, if any, being expressly waived by the Parties and any person claiming by, through or under such Party; provided that, in the case of clauses (i) and (ii) above, each Notes Trustee (or any successor Notes Trustee) shall be liable under this Agreement for its own gross negligence or willful misconduct. Notwithstanding any other provisions of this Agreement or any other Notes Finance Document to which a Notes Trustee is a party to, in no event shall a Notes Trustee be liable for special, indirect, punitive or consequential loss or damages of any kind whatsoever (including but not limited to loss of business, goodwill, opportunity or profits) whether or not foreseeable even if that Notes Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.

(d) It is also acknowledged that no Notes Trustee shall have any responsibility for the actions of any individual Creditor (save in respect of its own actions).

(e) No Notes Trustee shall be charged with actual knowledge of the existence of facts that would impose an obligation on it to make any payment or prohibit it from making any payment unless, not less than two Business Days prior to the date of such payment, written notice is delivered by the Security Agent or the Administrative Agent or other Representative to a Responsible Officer of any Notes Trustee that such payments are required or prohibited by this Agreement. For the purpose of this section, delivery of the notice will be effective only when actually received by a Responsible Officer and then only if it is expressly marked for the attention of a Responsible Officer. Nothing in this paragraph (e) imposes any obligation on the Security Agent or the Administrative Agent or other Representative to deliver any notice of the type referred to herein to a Notes Trustee.

(f) Responsible Officer, when used in this Agreement, means any person who (i) is an officer within the agency and trust, corporate trust or securities services department (however described) of the relevant Notes Trustee, including any director, vice president, assistant vice president, trust officer or any other officer of such Notes Trustee who customarily performs functions similar to those performed by these officers or (ii) is notified by such Notes Trustee as identified herein in accordance with Section 23.3.

26.2 No Fiduciary Duty . No Notes Trustee shall be deemed to owe any fiduciary duty to any Creditor (each a " **Third Party** " and collectively, the " **Third Parties** ") (save in respect of such persons for whom it acts as trustee pursuant to the relevant Notes Finance Documents) and shall not be liable to any Third Party if it shall in good faith mistakenly pay over or distribute to any Third Party or to any other person cash, property or securities to which any other Third Party shall be entitled by virtue of this Agreement or otherwise save to the extent that the same results from its gross negligence or willful misconduct. With respect to any Third Party, each Notes Trustee undertakes to perform or to observe only such of its covenants or obligations as are specifically set forth in the Debt Documents and this Agreement and no implied agreement, covenants or obligations with respect to the other Third Parties shall be read into this Agreement against any Notes Trustee.

26.3 No Action . No Notes Trustee shall have any obligation to take any action under this Agreement unless it is indemnified and/or secured to its satisfaction (whether by way of payment in advance or otherwise) in accordance with the terms of the relevant Notes Finance Documents (together with any associated VAT) provided that this shall not affect any obligation arising under this Agreement to turnover monies received by it. Notwithstanding any other provision of this Agreement or any Debt Document, no Notes Trustee is required to indemnify any person whether or not a Party, in respect of any of the

transactions contemplated by this Agreement. In no event shall the permissive right of a Notes Trustee to take the actions permitted by this Agreement be construed as an obligation or duty to do so.

Notwithstanding anything else herein contained, a Notes Trustee may refrain without liability from doing anything that would or might in its opinion be contrary to any law of any state or jurisdiction (including but not limited to the United States of America) or any directive or regulation of any agency of any such state or jurisdiction or any fiduciary duty and may without liability do anything which is, in its opinion, necessary to comply with any such law, directive or regulation.

26.4 Other Parties Not Affected. This Section 26 is intended to afford protection to each Notes Trustee only. No provision of this Section 26 shall alter or change the rights and obligations as between the other parties to this Agreement in respect of each other.

26.5 Notices.

(a) Each Notes Trustee shall at all times be entitled to and may rely on any notice, consent or certificate given or granted by any other Representative or the Security Agent pursuant to the terms of this Agreement without being under any obligation to enquire or otherwise determine whether any such notice, consent or certificate has been given or granted by the relevant Representative or the Security Agent and shall not be, in any circumstances, held liable for so relying.

(b) In acting under and in accordance with this Agreement and without prejudice to its obligations under this Agreement, each Notes Trustee is entitled to seek instructions from the relevant Noteholders at any time and, where it so acts on the instructions of the requisite percentage of the relevant Noteholders, such Notes Trustee shall not incur any liability to any person for so acting, other than in accordance with the relevant Notes Finance Documents. Each Notes Trustee is not liable to any person for any loss suffered as a result of any delay caused as a result of it seeking instructions from the relevant Noteholders.

26.6 Trustee Obligations. Subject to Section 15.1, no provision of this Agreement shall alter or otherwise affect the rights and obligations of any Debtor to make payments in respect of the applicable Notes Trustee Amounts as and when the same are due and payable or the receipt and retention by any Notes Trustee of the same or taking of any step or action by any Notes Trustee in respect of its rights under the applicable Notes Finance Documents to the same.

26.7 Provisions Survive Termination. The provisions of this Section 26 shall survive the termination of this Agreement or resignation of a Notes Trustee.

26.8 Resignation. Any Notes Trustee may resign or be removed in accordance with the terms of the applicable Notes Finance Documents provided that a replacement notes trustee agrees with the Parties to become the replacement Notes Trustee under this Agreement in accordance with Section 19.5.

26.9 Reliance, Information and Advice .

(a) Any Notes Trustee shall at all times be entitled to and may rely and shall be fully protected in acting or refraining from acting upon any notice or other document reasonably believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person without being under any obligation to enquire or otherwise determine whether any such notice or other document has been given or granted by such party properly acting in accordance with the provision of this Agreement. The Notes Trustees may rely without enquiry on certificates of the Security Agent as to the matters certified therein. Each Creditor confirms that it has not relied exclusively on any information provided to it by any Notes Trustee. No Notes Trustee is obliged to check the adequacy, accuracy or completeness of any document it forwards to another Party.

(b) In addition, a Notes Trustee is entitled to assume without further investigation or inquiry that (i) any payment or other distribution made in respect of the Pari Passu Debt Obligations, Second Lien Debt Obligations or Additional Unsecured Debt Obligations (as applicable) under the applicable Notes Finance Documents has been made in accordance with the provisions of this Agreement; (ii) no default, Event of Default or termination event (however described) has occurred; (iii) any Notes issued after the date of this Agreement comply with the provisions of this Agreement including, without limitation, Section 9; (iv) any refinancing of amounts outstanding under any Notes Finance Documents complies with the provisions of this Agreement including, without limitation, Section 9; and/or (v) the Final Discharge Date has not occurred, unless it has written notice to the contrary. No Notes Trustee is obliged to monitor or enquire whether any default, Event of Default or termination event (however described) has occurred.

(c) Each Notes Trustee may (i) rely on any statement made by any person regarding any matters which may be assumed to be within its knowledge or within its powers to verify, and (ii) engage, pay for and rely on professional advisers selected by it (including those representing a person other than the relevant Notes Trustee).

26.10 Agents . Each Notes Trustee may act through its attorneys and agents and shall not be responsible for the acts or omissions or for the misconduct or negligence of any attorney or agent appointed with due care by it hereunder.

26.11 No Requirement for Bond or Surety . No Notes Trustee shall be required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Agreement.

26.12 Illegality . The Notes Trustees may refrain from taking any action in any jurisdiction if the taking of such action in that jurisdiction would, in its opinion which may be based upon legal advice in the relevant jurisdiction, be contrary to any law of that jurisdiction or, to the extent applicable, the State of New York. Furthermore, the Notes Trustees may also refrain from taking such action if it would otherwise render it liable to any person in that jurisdiction or the State of New York or if, in its opinion which may be based upon such legal advice, it would not have the power to do the relevant thing in that jurisdiction by virtue of any applicable law in that jurisdiction or in the State of New York or if it is determined by any court or other competent authority in that jurisdiction the State of New York that it does not have such power.

26.13 Electronic Communications .

(a) Any communication to be made between a Notes Trustee and another Party under or in connection with the Notes Finance Documents may be made by electronic mail or other electronic means, if such Notes Trustee and the relevant Party (i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication; (ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and (iii) notify each other of any change to their address or any other such information supplied by them.

(b) Any electronic communication made between a Notes Trustee and another Party will be effective only when actually received in readable form and in the case of any electronic communication made by another Party to a Notes Trustee only if it is addressed in such a manner as the relevant Notes Trustee shall specify for this purpose.

26.14 Creditors and the Notes Trustees . In acting pursuant to this Agreement and the applicable Notes Finance Documents, no Notes Trustee is required to have any regard to the interests of the Creditors (other than the Noteholders it represents).

26.15 Departmentalization . In acting as a Notes Trustee, each Notes Trustee shall be treated as acting through its agency division which shall be treated as a separate entity from its other divisions and departments. Any information received or acquired by a Notes Trustee which is received or acquired by some other division or department or otherwise than in its capacity as Notes Trustee may be treated as confidential by that Notes Trustee and will not be treated as information possessed by that Notes Trustee in its capacity as such.

26.16 Security Agent and the Notes Trustees .

(a) No Notes Trustee shall be responsible for appointing or monitoring the performance of the Security Agent.

(b) The Security Agent agrees and acknowledges that it shall have no claim against a Notes Trustee in respect of any fees, costs, expenses and liabilities due and payable to, or incurred by, the Security Agent.

(c) Each Notes Trustee agrees and acknowledges that it shall have no claim against the Security Agent in respect of any fees, costs, expenses and liabilities due and payable to, or incurred by, it in its capacity as a Notes Trustee.

26.17 Disclosure of Information . Each Debtor irrevocably authorizes a Notes Trustee to disclose to the Security Agent and other Representatives any information that is received by the Notes Trustee in its capacity as the Notes Trustee.

26.18 Responsibility of Notes Trustee .

(a) No Notes Trustee shall be responsible to any other Representative, Hedge Counterparty or Cash Management Provider for the legality, validity, effectiveness, enforceability, adequacy, accuracy, completeness or performance of (i) any Debt Document, Hedge Agreement, Cash Management Agreement or any other document; (ii) any statement or information (whether written or oral) made in or supplied in connection with any Debt Document, Hedge Agreement, Cash Management Agreement or any other document; or

(iii) any observance by any Debtor of its obligations under any Debt Document or any other document.

(b) Each Notes Trustee may rely and shall be fully protected in acting or refraining from acting upon any notice, certificate or other document reasonably believed by it to be genuine and correct and to have been signed by, or with the authority of, the proper person.

26.19 Provision of Information . No Notes Trustee is obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party. No Notes Trustee is responsible for (a) providing any Creditor with any credit or other information concerning the risks arising under or in connection with the Debt Documents (including any information relating to the financial condition or affairs of any Debtor or their related entities or the nature or extent of recourse against any Party or its assets) whether coming into its possession before, on or after the date of this Agreement; or (b) obtaining any certificate or other document from any Debtor or the Company.

26.20 Confirmation . Without affecting the responsibility of any Debtor or the Company for information supplied by it or on its behalf in connection with any Debt Document, each Party (other than a Notes Trustee (in its personal capacity) and the Security Agent) confirms that it (a) has made, and will continue to make, its own independent appraisal of all risks arising under or in connection with the Debt Documents, the Cash Management Agreements or the Hedge Agreements (including the financial condition and affairs of each Debtor or their related entities and the nature and extent of any recourse against any Party or its assets); and (b) has not relied on any information provided to it by a Notes Trustee in connection with any Debt Document, Cash Management Agreement or Hedge Agreement.

26.21 Resignation of Notes Trustee . A Notes Trustee may resign or be removed in accordance with the terms of the applicable notes indenture, provided that a replacement Notes Trustee agrees with the Parties to become the replacement trustee under this Agreement by the execution of a Creditor/Agent Accession Undertaking.

SECTION 27.

MISCELLANEOUS

27.1 Counterparts . This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic imaging means), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission (e.g. “pdf” or “tif” format) shall be effective as delivery of a manually executed counterpart hereof.

27.2 Governing Law .

(a) THIS AGREEMENT, AND ANY DISPUTE, CLAIM OR CONTROVERSY ARISING OUT OF OR RELATING TO THIS AGREEMENT (WHETHER ARISING IN CONTRACT, TORT OR OTHERWISE) SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICTS OF

LAW RULES THAT WOULD RESULT IN THE APPLICATION OF A DIFFERENT GOVERNING LAW (OTHER THAN ANY MANDATORY PROVISIONS OF THE UCC RELATING TO THE LAW GOVERNING PERFECTION AND THE EFFECT OF PERFECTION OR PRIORITY OF THE SECURITY INTERESTS).

(b) Each party to this Agreement agrees that this Agreement shall be binding on it notwithstanding the fact that not all the entities expressed to be a party to this Agreement have, at such time, become a party to this Agreement.

27.3 WAIVER OF JURY TRIAL . EACH PARTY HERETO HEREBY IRREVOCABLY 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 ANY OTHER SENIOR SECURED DOCUMENT, SECOND LIEN DEBT DOCUMENT OR ADDITIONAL UNSECURED DEBT DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT, BREACH OF DUTY, COMMON LAW, STATUTE OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON 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 AND THE OTHER SENIOR SECURED DOCUMENTS, THE SECOND LIEN DEBT DOCUMENTS AND THE ADDITIONAL UNSECURED DEBT DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION. EACH PARTY HERETO FURTHER REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

27.4 Jurisdiction .

(a) The courts of the State of New York sitting in the Borough of Manhattan, the courts of the United States for the Southern District of New York sitting in the Borough of Manhattan, and appellate courts from any thereof have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a " **Dispute** ").

(b) The Parties agree that the courts of the State of New York or, to the fullest extent permitted by applicable law, in such federal court are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

(c) The parties agree 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 and that nothing in this Agreement, any other Senior Secured Document, any other Second Lien Debt Document, or any other Additional Unsecured Debt Document shall affect any right that any Secured Party may otherwise have to bring any action or proceeding relating to this Agreement or any other

Senior Secured Document, Second Lien Debt Document or Additional Unsecured Debt Document against such Debtor or any of its assets in the courts of any jurisdiction.

(d) Each party waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any Security Document in any court referred to in Section 27.4(a) (and irrevocably waives to the fullest extent permitted by applicable law the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court).

27.5 Service of Process .

(a) Each Debtor that is organized under the laws of a jurisdiction outside the United States hereby appoints Law Debenture Corporate Services Inc. with an office at 400 Madison Avenue, 4th Floor, New York, New York, as its agent for service of process in any matter related to this Agreement or the other Credit Documents and shall provide written evidence of acceptance of such appointment by such agent on or before the Closing Date.

(b) Each Debtor expressly agrees and consents to the provisions of this Section 27.5 and Section 27.2.

SECTION 28.
PERMITTED REORGANIZATIONS

28.1 General . Notwithstanding anything to the contrary set forth herein, the Parent and its Restricted Subsidiaries may implement a Permitted Reorganization (as defined in the Original Senior Secured Credit Agreement).

[*Signature pages follow*]

IN WITNESS WHEREOF , the parties hereto have caused this Agreement to be duly executed as of the date first above written.

HSBC BANK USA, N.A. , as Term Administrative Agent and Primary Security Agent

By: /s/ Joseph A. Lloret
Name: Joseph A. Lloret
Title: Vice President

HSBC BANK PLC , as Hungarian Collateral Agent

By: /s/ Julie Fort
Name: Julie Fort
Title: Authorised Signatory

CITICORP INTERNATIONAL LIMITED , as Senior Secured Notes Trustee

By: /s/ Rufus Southwood
Name: Rufus Southwood
Title: Vice President

ACKNOWLEDGED AND AGREED TO:

NORD ANGLIA EDUCATION FINANCE LLC , as Company, Debtor and Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

NORD ANGLIA EDUCATION, INC., as Parent, Debtor and Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **NORD ANGLIA EDUCATION (UK) HOLDINGS PLC,**
as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

Executed and Delivered as a Deed by NAE HONG KONG LIMITED , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

For and on behalf of **NORD ANGLIA EDUCATION LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **NA SCHOOLS LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **NA EDUCATIONAL SERVICES LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **NORD ANGLIA EDUCATION DEVELOPMENT SERVICES LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice

Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **NORD ANGLIA VOCATIONAL EDUCATION AND TRAINING SERVICES LTD,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **NORD INTERNATIONAL SCHOOLS LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice

Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BRITISH INTERNATIONAL SCHOOL FOUNDATION , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chairman of the Board of Trustees

THE BRITISH SCHOOL SP. Z O.O. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Member of the Management Board

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Member of the Management Board

[*Signature Page to Nord Anglia Intercreditor Agreement*]

COLLÈGE ALPIN BEAU-SOLEIL SA , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

LA CÔTE INTERNATIONAL SCHOOL SA , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

COLLÈGE CHAMPITTET SA , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

EEE ENTERPRISE LIMITED , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

Executed and Delivered as a Deed by RICE EDUCATION HONG KONG LIMITED , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

For and on behalf of **WCL HOLDCO LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice

Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **WCL GROUP LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **WCL INTERMEDIATE HOLDINGS LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **WCL SERVICES LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **WCL SCHOOL MANAGEMENT SERVICES LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice

Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

For and on behalf of **FIELDWORK EDUCATION LIMITED ,** as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice

Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BRITISH SCHOOLS OF AMERICA, LLC , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BRITISH SCHOOL OF WASHINGTON, L.L.C. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BRITISH SCHOOL OF BOSTON, L.L.C. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BRITISH SCHOOL OF CHICAGO, L.L.C. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BRITISH SCHOOL OF HOUSTON, L.P. , as a Debtor and as an Intra-Group Lender

By: British Schools of Texas, L.L.C., as General Partner

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BSA RESOURCE SOLUTIONS, LLC , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BST HOLDING, L.L.C. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BRITISH SCHOOLS OF TEXAS, L.L.C. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

BRITISH AMERICAN SCHOOL OF CHARLOTTE, L.L.C. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

WCL ACADEMY OF NEW YORK LLC , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer and Secretary

[*Signature Page to Nord Anglia Intercreditor Agreement*]

WCL INTERMEDIATE HOLDINGS SPAIN, S.L.U. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Attorney

[*Signature Page to Nord Anglia Intercreditor Agreement*]

INTERNATIONAL COLLEGE 2, S.L.U. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Attorney

[*Signature Page to Nord Anglia Intercreditor Agreement*]

INTERNATIONAL COLLEGE SPAIN, S.A.U. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Attorney

[*Signature Page to Nord Anglia Intercreditor Agreement*]

Executed and Delivered as a Deed by BSG LIMITED , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

B I S LTD. , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

OASIS DEVELOPMENT MANAGEMENT LIMITED , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

UMA EDUCATION HOLDINGS LIMITED , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

Executed and Delivered as a Deed by UMA EDUCATION HONG KONG LIMITED , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

Executed and Delivered as a Deed by NAE HK HOLDINGS LIMITED , as a Debtor and as an Intra-Group Lender

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

By: /s/ Graeme Robert Halder
Name: Graeme Robert Halder
Title: Director

in the presence of:

Witness: /s/ James Fawcett

Name: James Fawcett

Address: 99 Bishopsgate, London EC2M 3XF

Occupation: Trainee Solicitor

EDUCATION OVERSEAS QATAR L.L.C. , as a Debtor and as an Intra-Group Lender

By: /s/ George Ghantous

Name: George Ghantous
Title: Regional Managing Director
Europe and Middle East

[*Signature Page to Nord Anglia Intercreditor Agreement*]

DOVER COURT INTERNATIONAL SCHOOL (PTE.) LTD. , as a Debtor and as an Intra-Group Lender

By: /s/ Robert Walls
Name: Robert Walls
Title: Director

[*Signature Page to Nord Anglia Intercreditor Agreement*]

EXHIBIT 1

FORM OF DEBTOR JOINDER AGREEMENT

THIS JOINDER AGREEMENT (this " **Agreement** ") is made on **[** date **]** and made

BETWEEN :

(1) **[** Insert Full Name of Additional Debtor **]** (the " **Additional Debtor** "); and

(2) **[** Insert Full Name of current Security Agent **]** (the " **Security Agent** "), for itself and each of the other parties to the intercreditor agreement referred to below.

This Agreement is made in relation to the intercreditor agreement (the " **Intercreditor Agreement** ") dated June 25, 2015 between, among others, Nord Anglia Education Finance LLC, as the Company, Nord Anglia Education, Inc., as the Parent, HSBC Bank USA, N.A., as the Original Administrative Agent and the Security Agent, the Creditors and the Debtors party thereto (each as defined in the Intercreditor Agreement).

The Additional Debtor intends to **[** incur Obligations under the following documents **]** / **[** give a guarantee, indemnity or other assurance against loss in respect of Obligations under the following documents **]** :

[*Insert details (date, parties and description) of relevant documents* **]**

the " **Relevant Documents** ".

IT IS AGREED as follows:

1. Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Agreement, bear the same meaning when used in this Agreement.

2. The Additional Debtor and the Security Agent agree that the Security Agent shall hold:

(a) [any Lien in respect of Obligations created or expressed to be created pursuant to the Relevant Documents;

(b) all proceeds of that Lien; and **]** [1]

(c) all obligations expressed to be undertaken by the Additional Debtor to pay amounts in respect of the Obligations to the Security Agent as trustee and/or security agent for the Secured Parties (in the Relevant Documents or otherwise) and secured by the Transaction Security together with all representations and warranties expressed to be given by the Additional Debtor (in the Relevant Documents or otherwise) in favor of the Security Agent as trustee and/or security agent for the Secured Parties,

on trust for the Secured Parties on the terms and conditions contained in the Intercreditor Agreement.

[1] Note - Include to the extent that the Security created in the Relevant Documents is expressed to be granted to the Security Agent as trustee for the Secured Parties.

3. The Additional Debtor confirms that it intends to be party to the Intercreditor Agreement as a Debtor, undertakes to perform all the obligations expressed to be assumed by a Debtor under the Intercreditor Agreement and agrees that it shall be bound by all the provisions of the Intercreditor Agreement as if it had been an original party to the Intercreditor Agreement.

4. **[** In consideration of the Additional Debtor being accepted as an Intra-Group Lender for the purposes of the Intercreditor Agreement, the Additional Debtor also confirms that it intends to be party to the Intercreditor Agreement as an Intra-Group Lender, and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by an Intra-Group Lender and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement **[** subject to the Guarantee Limitations set out below [2] **]** . [3]

[4 **]** / **[** 5 **]** This Agreement and any non-contractual obligations arising out of or in connection with it are governed by New York law.

THIS AGREEMENT has been signed on behalf of the Security Agent and executed as a joinder by the Additional Debtor and is delivered on the date stated above.

[ADDITIONAL DEBTOR]

By: _____
Name:
Title:

[2] Note - Include (along with appropriate Guarantee Limitation provision) if Intra-Group Lender becomes a party and there are no applicable Guarantee Limitations in the Senior Secured Facilities Documents or other Senior Secured Documents.

[3] Note - Include this paragraph in the relevant Debtor Joinder Agreement if the Additional Debtor is also to become a party as an Intra-Group Lender to the Intercreditor Agreement.

Acknowledged and accepted:

[_____], as Security Agent

By: _____
Name:
Title:

EXHIBIT 2

FORM OF CREDITOR/REPRESENTATIVE JOINDER

To: **[** *Insert full name of current Security Agent* **]** for itself and each of the other parties to the Intercreditor Agreement referred to below.

From: **[** *New Creditor/ Representative* **]**

THIS JOINDER is made on **[** *date* **]** by **[** *insert full name of new Pari Passu Creditor/Hedge Counterparty/Cash Management Provider/Administrative Agent/Pari Passu Debt Representative/Intra-Group Lender/Second Lien Debt Trustee* **]** (the " **New [Pari Passu Creditor/Hedge Counterparty/Cash Management Provider/ Administrative Agent/Pari Passu Debt Representative/ Intra-Group Lender/Second Lien Debt Trustee]** ") in relation to the intercreditor agreement (the " **I ntercreditor Agreement** ") dated November 7, 2014 between, among others, Nord Anglia Education Finance LLC, as the Company, Nord Anglia Education, Inc., as the Parent, HSBC Bank USA, N.A., as the Original Administrative Agent and the Security Agent, the Creditors and the Debtors party thereto (each as defined in the Intercreditor Agreement). Terms defined in the Intercreditor Agreement shall, unless otherwise defined in this Joinder, bear the same meanings when used in this Joinder.

In consideration of the New **[** Pari Passu Creditor/Hedge Counterparty/Cash Management Provider/Administrative Agent/Pari Passu Debt Representative **]** being accepted as a **[** Pari Passu Creditor/Hedge Counterparty/Cash Management Provider/Administrative Agent/Pari Passu Debt Representative/Intra-Group Lender/Second Lien Debt Trustee **]** for the purposes of the Intercreditor Agreement, the New **[** Pari Passu Creditor/Hedge Counterparty/Cash Management Provider/Administrative Agent/Pari Passu Debt Representative/Intra-Group Lender/Second Lien Debt Trustee **]** confirms that, as from **[** date **]** , it intends to be party to the Intercreditor Agreement as a **[** Pari Passu Creditor/Hedge Counterparty/Cash Management Provider/Administrative Agent/Pari Passu Debt Representative/Intra-Group Lender/Second Lien Debt Trustee **]** and undertakes to perform all the obligations expressed in the Intercreditor Agreement to be assumed by a **[** Pari Passu Creditor/Hedge Counterparty/Cash Management Provider/Administrative Agent/Pari Passu Debt Representative/Intra-Group Lender/Second Lien Debt Trustee **]** and agrees that it shall be bound by all the provisions of the Intercreditor Agreement, as if it had been an original party to the Intercreditor Agreement.

This Joinder and any non-contractual obligations arising out of or in connection with it are governed by New York law.

[Remainder of page intentionally left blank]

THIS JOINDER has been entered into on the date stated above **[** and is executed as a joinder by the New [Intra-Group Lender] and is delivered on the date stated above **]** .

New **[** Creditor /Representative **]**

[insert full name of New
[Creditor/Representative **]]**

By: _____
Name:
Title:

Address: _____

Fax: _____

Acknowledged and Accepted :

[_____], as Administrative Agent

By: _____
Name:
Title:

Acknowledged and Accepted :

[_____] , as Security Agent

By: _____

Name:
Title:

EXHIBIT 3

FORM OF DEBTOR RESIGNATION REQUEST

To: **[ ]** as Security Agent

From: **[** *resigning Debtor* **]** and **[** *Company* **]**

Dated:

Dear Sirs,

[ ] — Intercreditor Agreement dated November 7, 2014 (the "Intercreditor Agreement")

1. We refer to the Intercreditor Agreement. This is a Debtor Resignation Request. Terms defined in the Intercreditor Agreement have the same meaning in this Debtor Resignation Request unless given a different meaning in this Debtor Resignation Request.

2. Pursuant to Section 19.11 of the Intercreditor Agreement we request that [*resigning Debtor*] be released from its obligations as a Debtor under the Intercreditor Agreement.

3. We confirm that:

(a) no Default is continuing or would result from the acceptance of this request; and

(b) **[** *resigning Debtor* **]** is under no actual or contingent obligations in respect of the Intra-Group Obligations.

4. This letter and any non-contractual obligations arising out of or in connection with it are governed by New York law.

[*Name of Company*]

By: _____
Name:
Title:

[*Name of Resigning Debtor*]

By: _____
Name:
Title:

SCHEDULE 1

Original Debtors and Original Intra-Group Lenders

PART I – ORIGINAL DEBTORS

Entity Name	Jurisdiction of Organization
EEE Enterprise Limited	British Virgin Islands
Uma Education Holdings Limited	British Virgin Islands
B I S Ltd.	British Virgin Islands
Oasis Development Management Limited	British Virgin Islands
BSG Limited	Hong Kong
NAE Hong Kong Limited	Hong Kong
Rice Education Hong Kong Limited	Hong Kong
Uma Education Hong Kong Limited	Hong Kong
British International School Foundation	Hungary
The British School Sp. z o.o.	Poland
Education Overseas Qatar L.L.C.	Qatar
Dover Court International School (Pte.) Ltd.	Singapore
International College 2, S.L.U.	Spain
International College Spain, S.A.U.	Spain
WCL Intermediate Holdings Spain, S.L.U.	Spain
Collège Alpin Beau-Soleil SA	Switzerland
Collège Champittet SA	Switzerland
La Côte International School SA)	Switzerland
Fieldwork Education Limited	England and Wales
NA Schools Limited	England and Wales
NA Educational Services Limited	England and Wales
Nord Anglia Education (UK) Holdings PLC	England and Wales
Nord Anglia Education Development Services Limited	England and Wales
Nord Anglia Education Limited	England and Wales
Nord Anglia Vocational Education and Training Services Ltd	England and Wales
Nord International Schools Limited	England and Wales
WCL Group Limited	England and Wales
WCL Holdco Limited	England and Wales
WCL Intermediate Holdings Limited	England and Wales
WCL School Management Services Limited	England and Wales
WCL Services Limited	England and Wales
British Schools of America, LLC	Delaware
BSA Resource Solutions, LLC	Delaware
British School of Washington, L.L.C.	Delaware
British School of Boston, L.L.C.	Delaware
British School of Chicago, L.L.C.	Delaware
BST Holding, L.L.C.	Delaware
British Schools of Texas, L.L.C	Delaware
British American School of Charlotte, L.L.C.	Delaware
WCL Academy of New York, LLC	Delaware
British School of Houston, L.P.	Texas
NAE HK Holdings Limited	Hong Kong

PART II — ORIGINAL INTRA-GROUP LENDERS

Entity Name	Jurisdiction of Organization
EEE Enterprise Limited	British Virgin Islands
Uma Education Holdings Limited	British Virgin Islands
B I S Ltd.	British Virgin Islands
Oasis Development Management Limited	British Virgin Islands
BSG Limited	Hong Kong
NAE Hong Kong Limited	Hong Kong
Rice Education Hong Kong Limited	Hong Kong
Uma Education Hong Kong Limited	Hong Kong
British International School Foundation	Hungary
The British School Sp. z o.o.	Poland
Education Overseas Qatar L.L.C.	Qatar
International College 2, S.L.U.	Spain
International College Spain, S.A.U.	Spain
WCL Intermediate Holdings Spain, S.L.U.	Spain
Collège Alpin Beau-Soleil SA	Switzerland
Collège Champittet SA	Switzerland
La Côte International School SA	Switzerland
Fieldwork Education Limited	England and Wales
NA Schools Limited	England and Wales
NA Educational Services Limited	England and Wales
Nord Anglia Education (UK) Holdings PLC	England and Wales
Nord Anglia Education Development Services Limited	England and Wales
Nord Anglia Education Limited	England and Wales
Nord Anglia Vocational Education and Training Services Ltd	England and Wales
Nord International Schools Limited	England and Wales
WCL Group Limited	England and Wales
WCL Holdco Limited	England and Wales
WCL Intermediate Holdings Limited	England and Wales
WCL School Management Services Limited	England and Wales
WCL Services Limited	England and Wales
British Schools of America, LLC	Delaware
BSA Resource Solutions, LLC	Delaware
British School of Washington, L.L.C.	Delaware
British School of Boston, L.L.C.	Delaware
British School of Chicago, L.L.C.	Delaware
BST Holding, L.L.C.	Delaware
British Schools of Texas, L.L.C	Delaware
British American School of Charlotte, L.L.C.	Delaware
WCL Academy of New York, LLC	Delaware
British School of Houston, L.P.	Texas
NAE HK Holdings Limited	Hong Kong

Exhibit 8.1

Subsidiaries of the Registrant

Name of Company	Place of Incorporation
B I S Ltd.	British Virgin Islands
British American School of Charlotte, L.L.C.	Delaware, USA
British International School Bratislava s.r.o.	Slovakia
British International School Foundation	Hungary
British International School LLC	Abu Dhabi, UAE
British School of Beijing	China
British School of Boston, L.L.C.	Delaware, USA
British School of Chicago, L.L.C.	Delaware, USA
British School of Guangzhou	China
British School of Houston, L.P.	Texas, USA
British School of Washington, L.L.C.	Delaware, USA
British Schools of America, LLC	Delaware, USA
British Schools of Texas, L.L.C.	Delaware, USA
BSA Resource Solutions, LLC	Delaware, USA
BSG Limited	Hong Kong
BST Holding, L.L.C.	Delaware, USA
Camplife, Ltd.	Florida, USA
Chengdu Sterling Educational Consulting Ltd.	China
Collège Alpin Beau-Soleil SA	Switzerland
Collège Champittet SA	Switzerland
Collège du Léman Sàrl	Switzerland
Collegiate Prep Realty, LLC	Delaware, USA
Dover Court International School (Pte.) Ltd.	Singapore
Education Overseas Qatar L.L.C.	Qatar
EEE Enterprise Limited	British Virgin Islands
English International School Prague, s.r.o.	Czech Republic
Fieldwork Education Limited	UK
Guangzhou Yingkai Investment & Consulting Co., Ltd.	China
Instituto de Desarrollo Educacion y Aprendizaje, S.C.	Mexico
International College Spain, S.A.U.	Spain
KG (Beijing) Investment Consultant Co., Ltd.	China
KG Investments Limited	Jersey, Channel Islands
La Côte International School SA	Switzerland
Meritas (Gibraltar) Holdings Limited	Gibraltar
MERITAS CH SARL	Switzerland
Meritas Luxembourg Holding S.à r.l.	Luxembourg
Meritas Malta Holdings Limited	Malta
Meritas México, S. de R.L. de C.V.	Mexico
Meritas MX, LLC	Florida, USA
NA Schools Limited	UK
NAE (Chengdu Holdings) Ltd.	Cayman Islands
NAE Chengdu Holdings Limited	Hong Kong
NAE HK Holdings Limited	Hong Kong
NAE Hong Kong Limited	Hong Kong
Neptune Education Holdings Limited	Hong Kong
Nord Anglia (Beijing) Consulting Limited	China
Nord Anglia (Shanghai) Business and Information Consulting Co., Ltd.	China
Nord Anglia Education (UK) Holdings plc	UK
Nord Anglia Education Finance LLC	Delaware, USA
Nord Anglia Education Limited	UK
Nord Anglia International School L.L.C	Dubai, UAE
Nord Anglia International School, Hong Kong Limited	Hong Kong
Nord Anglia Middle East Holding S.P.C	Bahrain
Nord Anglia Middle East Holding S.P.C (Abu Dhabi Branch)	N/A
Nord Anglia School (Hong Kong) Limited	Hong Kong

Nord International Schools Limited	UK
North Broward Preparatory Schools, LLC	Florida, USA
Northbridge International School (Cambodia) Limited	Cambodia
Oasis Development Management Limited	British Virgin Islands
Regent Pattaya Campus Management Co., Ltd.	Thailand
Rice Education Hong Kong Limited	Hong Kong
Saint Andrews International School Sukhumvit Campus Co., Ltd.	Thailand
Saturn Education Holdings Limited	Abu Dhabi Global Market, UAE
The British International School Company Limited	Vietnam
The British International School, Shanghai	China
The British School Sp. z o.o.	Poland
The Léman International School — Chengdu	China
Thien Huong Education Joint Stock Company	Vietnam
Thien Huong Investment Company Limited	Vietnam
Uma Education Holdings Limited	British Virgin Islands
Uma Education Hong Kong Limited	Hong Kong
Viking C Corporation	Delaware, USA
Viking Holdco, Inc.	Delaware, USA
Viking Holding Company, LLC	Delaware, USA
Village Real Estate LLC	Texas, USA
WCL Academy of New York LLC	Delaware, USA
WCL Holdco Limited	UK
WCL School Management Services Limited	UK

Exhibit 12.1

Certification by the Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Andrew Fitzmaurice, certify that:

1. I have reviewed this annual report on Form 20-F of Nord Anglia Education, Inc. (the "Company");

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 Company as of, and for, the periods presented in this report;

4. The Company'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 Company 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 Company, 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 Company's disclosure controls and procedures 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 Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

Date: December 31, 2015

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer

Exhibit 12.2

Certification by the Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Graeme Halder, certify that:

1. I have reviewed this annual report on Form 20-F of Nord Anglia Education, Inc. (the "Company");

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 Company as of, and for, the periods presented in this report;

4. The Company'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 Company 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 Company, 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 Company's disclosure controls and procedures 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 Company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and

5. The Company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors and the audit committee of the Company'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 Company'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 Company's internal control over financial reporting.

Date: December 31, 2015

By: /s/ Graeme Halder
Name: Graeme Halder
Title: Chief Financial Officer

Exhibit 13.1

Certification by the Chief Executive Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the annual report of Nord Anglia Education, Inc. (the "Company") on Form 20-F for the fiscal year ended August 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Andrew Fitzmaurice, 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 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.

Date: December 31, 2015

By: /s/ Andrew Fitzmaurice
Name: Andrew Fitzmaurice
Title: Chief Executive Officer

Exhibit 13.2

Certification by the Chief Financial Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the annual report of Nord Anglia Education, Inc. (the "Company") on Form 20-F for the fiscal year ended August 31, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Graeme Halder, 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 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.

Date: December 31, 2015

By: /s/ Graeme Halder
Name: Graeme Halder
Title: Chief Financial Officer

Exhibit 15.1

羅兵咸永道

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-195020) and on Form F-3 (No. 333-204586) of Nord Anglia Education, Inc. of our report dated 31 December 2015 relating to the financial statements, which appears in this Form 20-F.

/s/PricewaterhouseCoopers
Hong Kong, 31 December 2015

PricewaterhouseCoopers,22/F Prince's Building, Central Hong Kong
T: +852 2289 8888, F: +852 2810 9888, www.pwchk.com

Exhibit 15.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-195020) and on Form F-3 (No. 333-204586) of Nord Anglia Education, Inc. of our report dated 4 December 2013, except for the effects of the change in the manner in which the Company accounts for rent and depreciation expenses for premium schools as described in Note 1, as to which the date is 29 May 2015 and the manner in which it presents bank overdrafts, as described in Note 1, as to which the date is 31 December 2015 relating to the financial statements, which appears in this Form 20-F.

/s/PricewaterhouseCoopers LLP
East Midlands, United Kingdom
31 December 2015