

M

COMPANIES FORM No. 395

Particulars of a mortgage or charge

2058681/13

395

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

CHFP025

Please do not write in this margin

Please complete legibly, preferably in black type, or bold block lettering

*Insert full name of Company

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use

Company number

1112

02065958

Name of company

* Leeds Bradford International Airport Limited (the **Chargor**)

Date of creation of the charge

14 August 2007

Description of the instrument (if any) creating or evidencing the charge (note 2)

A security agreement (the **Deed**) between LBIA Holding Limited (as the **Original Chargor**) and The Royal Bank of Scotland plc (as the **Security Agent**) dated 2 May 2007, and a Deed of Accession to the Deed dated 14 August 2007 between the Chargor, the Original Chargor and the Security Agent (the **Security Deed of Accession**)

Amount secured by the mortgage or charge

All present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to any Secured Creditor under any Secured Debt Finance Document, except for any obligation or liability which, if it were so included, would result in the Deed contravening any law (including section 151 of the Companies Act 1985) (the **Secured Liabilities**)

Names and addresses of the mortgagees or persons entitled to the charge

The Royal Bank of Scotland plc
Level 5, 135 Bishopsgate, London as agent and trustee for each of the Secured Creditors

Postcode EC2M 3UR

Presenter's name address and reference (if any)

Allen & Overy LLP
One Bishops Square
London E1 6AO

For official Use (06/2005)

Mortgage Section

Post room

THURSDAY



LD3

16/08/2007
COMPANIES HOUSE

462

Time critical reference

Short particulars of all the property mortgaged or charged

Please see continuation sheets

Please do not
write in
this margin

**Please complete
legibly, preferably
in black type, or
bold block
lettering**

Particulars as to commission allowance or discount (note 3)

Nil

Signed

Allen & Overy LLP

Date

16 August 2007

On behalf of ~~XXXXXXXXXXXX~~ [chargee] †

*A fee is payable
to Companies
House in
respect of each
register entry
for a mortgage
or charge
(See Note 5)*

*† delete as
appropriate*

Notes

- 1 The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the Registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situated in Scotland or Northern Ireland) and Form No 398 is submitted.
- 2 A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage", or "Legal charge", etc, as the case may be, should be given.
- 3 In this section there should be inserted the amount or rate per cent of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his,
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
- 4 If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
- 5 A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders must be made payable to **Companies House**.
- 6 The address of the Registrar of Companies is **Companies House, Crown Way, Cardiff CF14 3UZ**.

1. SHORT PARTICULARS OF ALL THE PROPERTY MORTGAGED OR CHARGED

Pursuant to the Deed

1.1 General

(a) All the Security

- (i) is created in favour of the Security Agent,
- (ii) is security for the payment, discharge and performance of all the Secured Liabilities, and
- (iii) is made with full title guarantee in accordance with the Law of Property (Miscellaneous Provisions) Act 1994

(b) If the Chargor charges (by way of a first fixed charge) an authorisation (statutory or otherwise) under the Deed and the charge breaches a term of that authorisation because a third party's consent has not been obtained

- (i) the Chargor must notify the Security Agent immediately,
- (ii) the charge will not take effect until that consent is obtained,
- (iii) unless the Security Agent otherwise requires, the Chargor must use its reasonable endeavours to obtain the consent as soon as practicable, and
- (iv) the Chargor must promptly supply to the Security Agent a copy of the consent obtained by it

(c) The Security Agent holds the benefit of the Deed on trust for the Secured Creditors

(d) The fact that no or incomplete details of any Security Asset are inserted in schedule 1 (Security Assets) of the Deed or in the schedule to any Deed of Accession (if any) by which any Chargor became party to the Deed does not affect the validity or enforceability of the Security

1.2 Land

(a) The Chargor charges

- (i) by way of a first legal mortgage all estates or interests in any freehold or leasehold property owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to acquire, occupy or use property, this includes any specified in part 1 of schedule 1 (Security Assets) of the Deed or in part 1 of the schedule to any Deed of Accession by which it became party to the Deed, and
- (ii) (to the extent that they are not the subject of a mortgage under the Deed as referred to in subparagraph (i) above) by way of first fixed charge all estates or interests in any freehold or leasehold property owned by it and all rights under any licence or other agreement or document which gives the Chargor a right to occupy or use property

(b) A reference in the Deed to any freehold or leasehold property includes

- (i) all buildings, erections, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery on that property owned by the Chargor, and

- (ii) the benefit of any covenants for title given or entered into by any predecessor in title of the Chargor in respect of that property and any moneys paid or payable in respect of those covenants

The real property specified in part 1 of the schedule to the Security Deed of Accession is as follows

Freehold/Leasehold	Description
All that freehold and leasehold land and buildings at Leeds Bradford International Airport registered at HM Land Registry with Title Numbers	
Freehold	WYK698436
Freehold	WYK297373
Freehold	WYK543408
Freehold	WYK664667
Freehold	WYK655575
Freehold	WYK463793
Freehold	WYK357031
Freehold	WYK259694
Freehold	WYK643079
Freehold	WYK263072
Freehold	WYK395678
Freehold	WYK657177
Freehold	WYK624715
Freehold	WYK547071
Freehold	WYK698270
Freehold	WYK461796
Freehold	WYK500833
Freehold	WYK547070
Freehold	WYK657180
Freehold	WYK500834
Leasehold	WYK501284
Freehold	WYK657178
Freehold	WYK706576
Freehold	WYK723309
Freehold	WYK574741
Freehold	WYK232726
Freehold	WYK286303
Freehold	WYK275282

Freehold/Leasehold	Description
Freehold	WYK269721
Freehold	WYK570873
Freehold	WYK775942
Freehold	WYK512407
Freehold	WYK806314
Freehold	WYK831477
Freehold unregistered land	All that Land contained in a Transfer dated 2 May 2007 between Leeds City Council and City of Bradford Metropolitan District Council (1) and Leeds Bradford International Airport Limited (2)

1.3 Investments

(a) The Chargor charges

- (i) by way of a first legal mortgage all shares in any member of the Group (other than the Original Chargor) owned by it or held by any nominee on its behalf, this includes any specified in part 2 of schedule 1 (Security Assets) of the Deed or in part 2 of the schedule to any Deed of Accession by which it became party to the Deed, and
- (ii) (to the extent that they are not the subject of a mortgage under the Deed as referred to in subparagraph (i) above) by way of a first fixed charge its interest in all shares, stocks, debentures, bonds, warrants, coupons or other securities and investments (including all Cash Equivalent Investments) owned by it or held by any nominee on its behalf

(b) A reference in the Deed to any share, stock, debenture, bond, warrant, coupon or other security or investment includes

- (i) any dividend, interest or other distribution paid or payable,
- (ii) any right, money or property accruing or offered at any time by way of redemption, substitution, exchange, bonus or preference, under option rights or otherwise,
- (iii) any right against any clearance system, and
- (iv) any right under any custodian or other agreement,

in relation to that share, stock, debenture, bond, warrant, coupon or other security or investment

The shares specified in part 2 of the schedule to the Security Deed of Accession are as follows

Name of company in which shares are held	Name of nominee (if any) by whom shares are held	Class of shares held	Number of shares held
Yorkshire Airport Limited		Ordinary	100
Yorkshire International		Ordinary	1000

Airport Limited			
-----------------	--	--	--

1.4 Plant and machinery

The Chargor charges by way of a first fixed charge all Plant and Machinery owned by it and its interest in any Plant and Machinery in its possession

There is no Plant and Machinery specified in the schedule to the Security Deed of Accession

1.5 Credit balances

The Chargor charges by way of a first fixed charge all of its rights in respect of any amount standing to the credit of any Single Purpose Account it has with any person and the debt represented by that account

There are no Single Purpose Accounts specified in the schedule to the Security Deed of Accession

1.6 Book debts etc.

The Chargor charges by way of a first fixed charge

- (a) all of its book and other debts,
- (b) all other moneys due and owing to it, and
- (c) the benefit of all rights, securities and guarantees of any nature enjoyed or held by it in relation to any item under paragraph (a) or (b) above

1.7 Insurances

- (a) The Chargor assigns absolutely, subject to a proviso for reassignment on redemption, all amounts payable to it under or in connection with each of its Insurances and all of its rights in connection with those amounts
- (b) To the extent that they are not effectively assigned under the Deed as referred to in paragraph (a) above, the Chargor charges by way of first fixed charge all amounts and rights described in paragraph (a) above
- (c) A reference in this subclause to any amounts excludes all amounts received or receivable under or in connection with any third party liability Insurance and required to settle a liability of an Obligor to a third party

1.8 Other contracts

- (a) The Chargor charges by way of a first fixed charge all of its rights in respect of
 - (i) the Shareholders' Agreement,
 - (ii) any letter of credit issued in its favour, and
 - (iii) any bill of exchange or other negotiable instrument held by it

1.9 Intellectual property

The Chargor charges by way of a first fixed charge all of its rights in respect of any Intellectual Property Rights

Pursuant to the Security Deed of Accession, the Chargor charges by way of a first fixed charge all of its rights in respect of any Intellectual Property Rights specified in part 3 of the schedule to the Security Deed of Accession



The Intellectual Property Rights specified in part 3 of the schedule to the Security Deed of Accession are as follows

Trademarks

TM Number	Mark Text	Type	Date	Status	Classes
2217024	Leeds Bradford International Airport	DW	11 12 1999	Registered	09 16 18 25 35 36 37 39 41 42
2217038		DO	11 12 1999	Registered	09 16 18 25 35 36 37 39 41 42
2327806	Yorkshire International Airport	DW	27 03 2003	Registered	09 16 18 25 35 36 37 39 41 43 45

1.10 Miscellaneous

The Chargor charges by way of a first fixed charge

- (a) its goodwill, 
- (b) the benefit of any authorisation (statutory or otherwise) held in connection with its business which as a matter of any applicable law is capable of being charged or the use of any Security Asset,
- (c) the right to recover and receive compensation which may be payable to it in respect of any authorisation referred to in paragraph (b) above, and
- (d) its uncalled capital 

1.11 Floating charge

- (a) The Chargor charges by way of a first floating charge all of its assets whatsoever and wheresoever not otherwise effectively mortgaged, charged or assigned under the Deed
- (b) Except as provided below, the Security Agent may by notice to the Chargor convert the floating charge created by the Chargor under the Deed into a fixed charge as regards any of the Chargor's assets specified in that notice, if
 - (i) an Event of Default is continuing,

- (ii) the Security Agent (acting in good faith) considers those assets to be in danger of being seized or sold under any form of distress, attachment, execution or other legal process or to be otherwise in jeopardy, or
 - (iii) the Chargor fails to comply, or takes or threatens to take any action which, in the reasonable opinion of the Security Agent, is likely to result in it failing to comply with its obligations under clause 4 (Restrictions on Dealings) of the Deed
- (c) The floating charge created under the Deed may not be converted into a fixed charge solely by reason of
 - (i) the obtaining of a moratorium, or
 - (ii) anything done with a view to obtaining a moratorium,under section 1A to the Insolvency Act 1986
- (d) The floating charge created under the Deed will (in addition to the circumstances in which the same will occur under general law) automatically convert into a fixed charge over all of the Chargor's assets
 - (i) if an administrator is appointed or the Security Agent receives notice of an intention to appoint an administrator, or
 - (ii) on the convening of any meeting of the members of the Chargor to consider a resolution to wind the Chargor up (or not to wind the Chargor up)
- (e) The floating charge created under the Deed is a **qualifying floating charge** for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986
- (f) The giving by the Security Agent of a notice under paragraph (b) above in relation to any asset of the Chargor will not be construed as a waiver or abandonment of the Security Agent's rights to give any other notice in respect of any other asset or of any other right of any other Secured Creditor under the Deed or any other Secured Debt Finance Document

2. RESTRICTIONS ON DEALINGS

The Chargor may not

- (a) create or allow to exist any Security on any of its assets, or
- (b) either in a single transaction or in a series of transactions and whether related or not and whether voluntarily or involuntarily sell, transfer, licence, lease or otherwise dispose of all or any part of its assets,

unless expressly permitted under the Senior Facilities Agreement, the Mezzanine Facility Agreement and the Debt Service Facility Agreement

3. VOTING RIGHTS

- (a) Before the Security has become enforceable and after the Security has become enforceable to the extent that and for so long as the Security Agent has notified the Chargor that it does not intend (for the time being) to exercise its rights under subclause 6 6(c) of the Deed (as set out in paragraph 3(c) below) the Chargor may continue to exercise the voting rights, powers and other rights in respect of its Investments

- (b) Before the Security becomes enforceable, if the relevant Investments have been registered in the name of the Security Agent or its nominee
- (i) the Security Agent (or that nominee) must exercise the voting rights, powers and other rights in respect of the Investments in any manner which the Chargor may direct in writing and the Security Agent (or that nominee) will execute any form of proxy or other document which the Chargor may reasonably require for this purpose,
 - (ii) all dividends and other income or distributions paid or payable in relation to any Investments must be paid to the Chargor and the Security Agent or its nominee will promptly execute any dividend mandate necessary to ensure that payment is made direct to the Chargor or, if payment is made directly to the Security Agent (or its nominee), the Security Agent (or that nominee) will promptly pay that amount to the Chargor, and
 - (iii) the Security Agent shall use its reasonable endeavours to promptly forward to the Chargor all material notices, correspondence and/or other communication it receives in relation to the Investments
- (c) After the Security has become enforceable, the Security Agent or its nominee may exercise or refrain from exercising
- (i) any voting rights, and
 - (ii) any other powers or rights which may be exercised by the legal or beneficial owner of any Investment, any person who is the holder of any Investment or otherwise,
- in each case, in the name of the Chargor, the registered holder or otherwise and without any further consent or authority on the part of the Chargor and irrespective of any direction given by the Chargor
- (d) To the extent that the Investments remain registered in the name of the Chargor, the Chargor irrevocably appoints the Security Agent or its nominee as its proxy to exercise all voting rights in respect of those Investments at any time after the Security has become enforceable
- (e) The Chargor must indemnify the Security Agent against any loss or liability incurred by the Security Agent as a consequence of the Security Agent acting in respect of its Investments on the direction of the Chargor

4. CONTINUING SECURITY

The Security is a continuing security and will extend to the ultimate balance of the Secured Liabilities, regardless of any intermediate payment or discharge in whole or in part

5. FURTHER ASSURANCES

The Chargor must, at its own expense, take whatever action the Security Agent or a Receiver may require for

- (a) creating, perfecting or protecting any security intended to be created by or pursuant to the Deed,
- (b) facilitating the realisation of any Security Asset,

- (c) facilitating the exercise of any right, power or discretion exercisable by the Security Agent or any Receiver or any of their respective delegates or sub-delegates in respect of any Security Asset, or
- (d) creating and perfecting security in favour of the Security Agent (equivalent to the security intended to be created by the Deed) over any assets of the Chargor located in any jurisdiction outside England and Wales

This includes

- (i) the re-execution of the Deed,
- (ii) the execution of any legal mortgage, charge, transfer, conveyance, assignment or assurance of any property, whether to the Security Agent or to its nominee, and
- (iii) the giving of any notice, order or direction and the making of any filing or registration,

which, in any such case, the Security Agent may think expedient

6. WHEN SECURITY BECOMES ENFORCEABLE

6.1 Timing

The Security will become immediately enforceable if an Event of Default is continuing and the Security Agent gives notice to the Chargor that the Security is enforceable

6.2 Enforcement

After the Security has become enforceable, the Security Agent may in its absolute discretion enforce all or any part of the Security in any manner it sees fit or as the Majority Lenders (or, subject to the terms of the Intercreditor Agreement, the Majority Mezzanine Lenders) direct

7. DEFINITIONS

The capitalised terms used in this Companies Form 395 have the meaning set out below

Acceptable Bank means

- (a) a bank or financial institution which has a rating for its long-term unsecured and non credit-enhanced debt obligations of A1 or higher by Standard & Poor's Rating Services or Fitch Ratings Ltd or P1 or higher by Moody's Investor Services Limited or a comparable rating from an internationally recognised credit rating agency, or
- (b) any other bank or financial institution approved, on or prior to the Senior Debt Discharge Date, by the Senior Agent (as defined in the Senior Facilities Agreement) or, after the Senior Debt Discharge Date but on or prior to the Mezzanine Debt Discharge Date, the Mezzanine Agent (as defined in the Mezzanine Facility Agreement) or, after the later of the Senior Debt Discharge Date and the Mezzanine Debt Discharge Date, the Debt Service Agent

Accession Letter means a document substantially in the form set out in schedule 7 (Form of Accession Letter) of the Senior Facilities Agreement, Mezzanine Facility Agreement or Debt Service Facility Agreement (as appropriate)

Accountants' Report means the report by Ernst & Young LLP dated 1 March 2007 relating to the Chargor and its Subsidiaries and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Accounting Principles means generally accepted accounting principles in the United Kingdom including IFRS

Acquisition means the acquisition by the Original Chargor of the Target Shares on the terms of the Acquisition Documents

Acquisition Agreement means the agreement dated on or around the date of the Senior Facilities Agreement relating to the sale and purchase of the Target Shares and made between the Original Chargor and the Vendors

Acquisition Costs means all fees, costs and expenses, stamp, registration and other Taxes incurred by the Original Chargor or any other member of the Group in connection with the Acquisition or the Transaction Documents

Acquisition Documents means the Acquisition Agreement, the Disclosure Letter, the Shareholders' Agreement, the memorandum and articles of association of the Chargor, the Overage Deed, all transfers including, without limitation, transfers of Real Property and other instruments made pursuant to the Acquisition Agreement and any other document designated as an **Acquisition Document** by the Senior Agent and the Original Chargor

Acquisition Facility means the term loan facility made available under the Senior Facilities Agreement as described in paragraph (a)(1) of clause 2.1 (The Facilities) of the Senior Facilities Agreement

Acquisition Facility Commitment means

- (a) in relation to the Original Lender, the amount in the Base Currency set opposite its name under the heading "Acquisition Facility Commitment" in part 2 of schedule 1 (The Original Parties) of the Senior Facilities Agreement and the amount of any other Acquisition Facility Commitment transferred to it under the Senior Facilities Agreement, and
- (b) in relation to any other Senior Lender, the amount in the Base Currency of any Acquisition Facility Commitment transferred to it under the Senior Facilities Agreement,

to the extent not cancelled, reduced or transferred by it under the Senior Facilities Agreement

Acquisition Facility Loan means a loan made or to be made under the Acquisition Facility or the principal amount outstanding for the time being of that loan

Acquisition Proceeds means the proceeds of a claim (a **Recovery Claim**) against the Vendors or any of their Affiliates (or any employee, officer or adviser of any of the foregoing) in relation to the Acquisition Documents or against the provider of any Report (in its capacity as a provider of that Report) except for Excluded Acquisition Proceeds, and after deducting

- (i) any reasonable expenses which are incurred by any member of the Group to persons who are not members of the Group, and
- (ii) any Tax incurred and required to be paid by a member of the Group (as reasonably determined by the relevant member of the Group on the basis of existing rates and taking into account any available credit, deduction or allowance),

in each case in relation to that Recovery Claim

Additional Borrower means a company which becomes a Senior Borrower in accordance with clause 30 (Changes to the Obligors) of the Senior Facilities Agreement

Additional Debt Service Guarantor means a company which becomes a Debt Service Guarantor in accordance with clause 26 (Changes to the Obligors) of the Debt Service Facility Agreement

Additional Mezzanine Guarantor means a company which becomes a Mezzanine Guarantor in accordance with clause 26 (Changes to the Obligors) of the Mezzanine Facility Agreement

Additional Senior Guarantor means a company which becomes a Senior Guarantor in accordance with clause 30 (Changes to the Obligors) of the Senior Facilities Agreement

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company

Agreed Cash Injection means an amount equal to £4,000,000 invested by way of a subscription for Preference Shares

Agreed Costs means costs of the type specified in paragraph 3 on slide 6 of the Business Plan, in each case up to the maximum permitted amount (the **Agreed Cost Amount**) for costs of that type as specified in paragraph 3 on slide 6 of the Business Plan, provided that if the Original Chargor notifies the Senior Agent that the aggregate costs incurred or to be incurred (the **Actual Cost Amount**) in respect of any type of such costs is less than the Agreed Cost Amount applicable to that type of costs, an amount equal to the difference between the relevant Agreed Cost Amount and Actual Cost Amount may be applied by the Original Chargor for any other purpose

Airport West means the freehold land registered at H M Land Registry with title number WYK547071

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

Ancillary Facility means any ancillary facility made available by an Ancillary Lender in accordance with clause 9 (Ancillary Facilities) of the Senior Facilities Agreement

Ancillary Lender means each Senior Lender which makes available an Ancillary Facility in accordance with clause 9 (Ancillary Facilities) of the Senior Facilities Agreement

Ancillary Outstandings means, at any time, in relation to an Ancillary Lender and an Ancillary Facility the aggregate (without double counting) of the equivalents (as calculated by that Ancillary Lender) in the Base Currency of the following amounts outstanding under that Ancillary Facility then in force

- (a) the principal amount under each overdraft facility and on-demand short term loan facility (net of any credit balances on any account of any Senior Borrower of an Ancillary Facility with the Ancillary Lender making available that Ancillary Facility to the extent that such credit balance is freely available to be set off by that Ancillary Lender against liabilities owed to it by that Senior Borrower under that Ancillary Facility),
- (b) the face amount of each guarantee, bond and letter of credit under that Ancillary Facility, and

- (c) the amount fairly representing the aggregate exposure (excluding interest and similar charges) of that Ancillary Lender under each other type of accommodation provided under that Ancillary Facility,

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

Arranger means the Senior Arranger, the Mezzanine Arranger and the Debt Service Arranger

Base Case Model means the financial model in agreed form relating to the Group (for these purposes assuming completion of the Acquisition) delivered by the Original Chargor to the Senior Agent pursuant to clause 4.1 (Initial conditions precedent) of the Senior Facilities Agreement together with the Business Plan in agreed form, in each case prepared by Bridgepoint

Base Currency means Sterling

Borrowings means, at any time, the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum premium payable on prepayment or redemption) of any indebtedness of members of the Group for or in respect of

- (a) moneys borrowed and debit balances at banks or other financial institutions,
- (b) any acceptances under any acceptance credit or bill discount facility (or dematerialised equivalent),
- (c) any note purchase facility or the issue of bonds (but not trade instruments), notes, debentures, loan stock or any similar instrument,
- (d) any Finance Lease,
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirements for de-recognition under the Accounting Principles),
- (f) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (i) an underlying liability of an entity which is not a member of the Group which liability would fall within one of the other paragraphs of this definition or (ii) any liabilities of any member of the Group relating to any post-retirement benefit scheme,
- (g) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind the entry into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 90 days after the date of supply,
- (h) any amount raised under any other transaction (including any forward sale or purchase agreement, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles, and
- (i) (without double counting) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (a) to (h) above

Bridgepoint means Bridgepoint Capital Limited, a company registered in England and Wales with company number 03220373

Business Acquisition means 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 the incorporation of a company

Business Plan means the business plan in agreed form delivered by the Original Chargor to the Senior Agent pursuant to clause 4.1 (Initial conditions precedent) of the Senior Facilities Agreement, the Mezzanine Facility Agreement and the Debt Service Facility Agreement and shall include the Capex Plan

Capex Contribution means an amount equal to £2,000,000 invested by way of a subscription for Preference Shares

Capex Facility means the term loan facility made available under the Senior Facilities Agreement as described in paragraph (a)(ii) of clause 2.1 (The Facilities) of the Senior Facilities Agreement

Capex Facility Commitment means

- (a) in relation to the Original Lender, the amount in the Base Currency set opposite its name under the heading "Capex Facility Commitment" in part 2 of schedule 1 (The Original Parties) of the Senior Facilities Agreement and the amount of any other Capex Facility Commitment transferred to it under the Senior Facilities Agreement, and
- (b) in relation to any other Senior Lender, the amount in the Base Currency of any Capex Facility Commitment transferred to it under the Senior Facilities Agreement,

to the extent not cancelled, reduced or transferred by it under the Senior Facilities Agreement

Capex Facility Loan means a loan made or to be made under the Capex Facility or the principal amount outstanding for the time being of that loan

Capex Plan means the capex plan in agreed form delivered by the Original Chargor to the Senior Agent pursuant to clause 4.1 (Initial conditions precedent) of the Senior Facilities Agreement, the Mezzanine Facility Agreement and the Debt Service Facility Agreement as part of the Business Plan as updated by the Original Chargor with the prior written consent of the Majority Lenders, the Majority Mezzanine Lenders or the Majority Debt Service Lenders (as appropriate) (acting reasonably)

Capex Report means the report by TPS Consult Ltd dated 22 February 2007 relating to the Acquisition and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Capital Expenditure means any expenditure or obligation (other than expenditure or obligations in respect of Business Acquisitions) in respect of expenditure which, in accordance with the Accounting Principles, is treated as capital expenditure (and including the capital element of any expenditure or obligation incurred in connection with a Finance Lease)

Cash means, at any time, cash denominated in the Base Currency or euro in hand or at bank and (in the latter case) credited to an account in the name of an Obligor with an Acceptable Bank and to which an Obligor is alone (or together with other Obligors) beneficially entitled and for so long as

- (a) that cash is repayable on demand,

- (b) repayment of that cash is not contingent on the prior discharge of any other indebtedness of any member of the Group or of any other person whatsoever or on the satisfaction of any other condition,
- (c) there is no Security over that cash except for Transaction Security or any Permitted Security constituted by a netting or set-off arrangement entered into by members of the Group in the ordinary course of their banking arrangements, and
- (d) the cash is freely and immediately available to be applied in repayment or prepayment of the Facilities

Cash Equivalent Investments means at any time

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

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

Cashflow means, subject to clause 26.5 (Cashflow Adjustment) of the Senior Facilities Agreement, in respect of any Relevant Period, EBITDA for that Relevant Period after

- (a) adding the amount of any decrease (and deducting the amount of any increase) in Working Capital for that Relevant Period,
- (b) adding the amount of any Cash receipts (and deducting the amount of any Cash payments) during that Relevant Period in respect of any Exceptional Items not already taken account of in calculating EBITDA for any Relevant Period (other than, in the case of Cash receipts, Relevant Proceeds),
- (c) (in respect of each Relevant Period ending on or prior to 31 March 2009 only) to the extent not added under paragraph (b) above, adding the lesser of
 - (i) the amount of any Cash receipts received in respect of the disposal of Airport West on or prior to 31 March 2008, and
 - (ii) the amount by which Cashflow for the Relevant Period ending 31 March 2008 exceeds Net Total Finance Charges for the same period,
- (d) adding the amount of any Cash receipts during that Relevant Period in respect of any Tax rebates or credits and deducting the amount actually paid or due and payable in respect of Taxes during that Relevant Period by any member of the Group,
- (e) adding (to the extent not already taken into account in determining EBITDA) the amount of any dividends or other profit distributions received in Cash by any member of the Group during that Relevant Period from any entity which is itself not a member of the Group and deducting (to the extent not already deducted in determining EBITDA) the amount of any dividends paid in Cash during the Relevant Period to minority shareholders in members of the Group,
- (f) adding the amount of any Cash paid to a member of the Group in the Relevant Period that represents repayment of any loan made to a Joint Venture,
- (g) adding the amount of any increase in provisions, other non-Cash debits and other non-Cash charges (which are not Current Assets or Current Liabilities) and deducting the amount of any non-Cash credits (which are not Current Assets or Current Liabilities) in each case to the extent taken into account in establishing EBITDA,
- (h) (in respect of each Relevant Period ending on or prior to 31 March 2008 only) adding the amount of Cash held in any bank account of any member of the Group on the Closing Date,
- (i) deducting the amount of any Agreed Costs and any Capital Expenditure actually made during that Relevant Period by any member of the Group and the aggregate of any Cash consideration paid for, or the Cash cost of, any Business Acquisitions and the amount of any Joint Venture investments in Cash except (in each case) to the extent funded from
 - (i) the proceeds of Disposals or insurance claims permitted to be retained for this purpose,
 - (ii) Retained Excess Cashflow,
 - (iii) the Capex Facility,

- (iv) the Terminal Facility,
- (v) New Shareholder Injections,
- (j) deducting the amount of any Cash costs of Pension Items during that Relevant Period to the extent not taken into account in establishing EBITDA,
- (k) deducting the amount of any Completion Costs actually paid during that Relevant Period,
- (l) adding an amount equal to the amount (if any) of the Completion Costs Overfunding Amount which is spent during the Relevant Period on Completion Costs, provided that, at the end of each Financial Quarter, the Original Chargor notifies the Senior Agent of the amount of the Completion Costs Overfunding Amount which has been so applied and the purpose for which such amount was applied,
- (m) adding an amount equal to any amount of the Overfunding Amount permitted to be added in accordance with clause 26.5(a) (Cashflow Adjustment and Overfunding) of the Senior Facilities Agreement, and
- (n) adding the aggregate amount of any Debt Service Loans drawn down and used to fund Debt Service during the Relevant Period,

and so that no amount shall be added (or deducted) more than once and there shall be excluded, other than to the extent specified in paragraphs (k) and (l) above, the effect of all Cash movements associated with the Acquisition and the Acquisition Costs

Certificate of Title means

- (a) the certificate of title, prepared by PwC Legal, and
- (b) the certificate of title, prepared by Gordons,

in each case relating to the Properties and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Change of Control means Bridgepoint Capital (Nominees) Limited or any funds managed by Bridgepoint cease to control directly or indirectly the Original Chargor. For the purposes of this definition

control of the Original Chargor means the power (whether by way of legal, beneficial or equitable ownership of shares, proxy, contract, agency or otherwise) to

cast, or control the casting of, more than 50 per cent of the maximum number of votes that might be cast at a general meeting of the Original Chargor, or

appoint or remove all, or the majority, of the directors or other equivalent officers of the Original Chargor.

Closing Date means the date on which Completion occurs

Commitment means an Acquisition Facility Commitment, a Capex Facility Commitment, a Terminal Facility Commitment or Revolving Facility Commitment

Company Intra-Group Loan Agreement means the loan agreement in the agreed form between the Original Chargor and the Chargor pursuant to which the Chargor has or will make available a

facility to the Original Chargor up to a maximum aggregate principal amount equal to the aggregate principal amount of (plus interest on) the Facilities, the Mezzanine Facility and the Debt Service Facility

Completion means the completion of the Acquisition in accordance with clause 6 of the Acquisition Agreement and sections 1 to 3 (inclusive) of the Structure Memorandum

Completion Costs means

- (a) the purchase price (including stamp duty) paid by the Original Chargor at Completion in respect of the Option Land,
- (b) bonus payments payable to members of the management of the Chargor in connection with the Acquisition where such payments were agreed to be made prior to the Acquisition,
- (c) the Vendors fees (and Vendors advisers fees) in connection with the Acquisition,
- (d) Environment Agency fines accrued prior to the Acquisition,
- (e) amounts payable to creditors of the Chargor in respect of Capital Expenditure which accrued for payment prior to Completion,
- (f) fees incurred by the Original Chargor or Chargor in connection with the Acquisition,
- (g) stamp duty and other Taxes incurred by the Chargor in connection with the Acquisition, and
- (h) any other costs relating to the Acquisition designated as Completion Costs by the Original Chargor and the Senior Agent, Mezzanine Agent or Debt Service Agent (as appropriate) (acting reasonably)

Completion Costs Overfunding Amount means an amount equal to £12,415,249 94 invested by way of a subscription for Preference Shares at Completion and identified as such in the Funds Flow Statement

Compliance Certificate means a certificate substantially in the form set out in schedule 9 (Form of Compliance Certificate) of the Senior Facilities Agreement, Mezzanine Facility Agreement or Debt Service Facility Agreement (as appropriate)

Constitutional Documents means the memorandum and articles of association of the Original Chargor

Cure Equity Contribution means any subscription for ordinary shares or Preferences Shares in the Original Chargor that does not result in the occurrence of a Change of Control, in each case for the purpose specified in clause 26 4 (Equity Cure) of the Senior Facilities Agreement, clause 22 4 (Equity Cure) of the Mezzanine Facility Agreement and clause 22 4 (Equity Cure) of the Debt Service Facility Agreement

Current Assets means the aggregate (on a consolidated basis) of all inventory, work in progress, trade and other receivables of each member of the Group including prepayments in relation to operating items and sundry debtors (but excluding Cash and Cash Equivalent Investments) maturing within twelve months from the date of computation but **excluding** amounts in respect of

- (a) receivables in relation to Tax,
- (b) Exceptional Items and other non-operating items,

- (c) insurance claims,
- (d) any interest owing to any member of the Group, and
- (e) amounts owed by the Vendors in connection with the Acquisition

Current Liabilities means the aggregate (on a consolidated basis) of all liabilities (including trade creditors, accruals and provisions) of each member of the Group) falling due within twelve months from the date of computation but **excluding** amounts in respect of

- (a) liabilities for Borrowings and Total Finance Charges,
- (b) liabilities for Tax,
- (c) Exceptional Items and other non-operating items,
- (d) insurance claims,
- (e) liabilities in relation to dividends declared but not paid by the Original Chargor or by a member of the Group in favour of a person which is not a member of the Group, and
- (f) amounts owed to the Vendors in connection with the Acquisition

Debt Service means, in respect of any Relevant Period, the aggregate of

- (a) Net Total Finance Charges for that Relevant Period,
- (b) the aggregate of all scheduled and mandatory repayments of Borrowings falling due and any voluntary prepayments made during that Relevant Period but excluding
 - (i) any amounts falling due under any overdraft or revolving facility (including, without limitation, the Revolving Facility and any Ancillary Facility) and which were available for simultaneous redrawing according to the terms of that facility,
 - (ii) any mandatory prepayment made pursuant to clause 12.2 (Disposal, Insurance and Acquisition Proceeds and Excess Cashflow) of the Senior Facilities Agreement, clause 8.2 (Disposal, Insurance and Acquisition Proceeds and Excess Cashflow) of the Mezzanine Facility Agreement or clause 8.2 (Disposal, Insurance and Acquisition Proceeds and Excess Cashflow) of the Debt Service Facility Agreement,
 - (iii) any such obligations owed to any member of the Group,
 - (iv) any prepayment of Borrowings existing on the Closing Date which is required to be repaid under the terms of the Senior Facilities Agreement, the Mezzanine Facility Agreement or the Debt Service Facility Agreement, and
- (c) the amount of the capital element of any payments in respect of that Relevant Period payable under any Finance Lease entered into by any member of the Group,

and so that no amount shall be included more than once

Debt Service Agent means The Royal Bank of Scotland plc as facility agent for the lenders under the Debt Service Facility Agreement

Debt Service Arranger means The Royal Bank of Scotland plc as mandated lead arranger under the Debt Service Facility Agreement

Debt Service Commitment means

- (a) in relation to an Original Debt Service Lender, the amount in Sterling set opposite its name under the heading "Commitment" in schedule 1 (The Original Lender) of the Debt Service Facility Agreement and the amount of any other Debt Service Commitment transferred to it under the Debt Service Facility Agreement, and
- (b) in relation to any other Debt Service Lender, the amount in Sterling of any Debt Service Commitment transferred to it under this Agreement,

to the extent not cancelled, reduced or transferred by it under this Agreement

Debt Service Creditor means a Debt Service Finance Party

Debt Service Facility means the debt service loan facility made available under the Debt Service Facility Agreement

Debt Service Facility Agreement means the debt service facility agreement dated 2 May 2007 and made between, amongst others, the Original Chargor, the Debt Service Lenders, the Debt Service Agent, the Debt Service Arranger and the Security Agent

Debt Service Finance Document means the Debt Service Facility Agreement, the Debt Service Letter of Credit, the Mandate Letter, the Deed of Covenant, any Accession Letter, any Compliance Certificate, any Fee Letter, the Intercreditor Agreement, any Resignation Letter, any Selection Notice, any Transaction Security Document, any Utilisation Request, any deed entered into by the Security Agent pursuant to clause 2.6 (Grant of Security) of the Shareholders' Agreement and any other document designated as a "Finance Document" by the Debt Service Agent, the Original Chargor and (prior to the Senior Debt Discharge Date) the Senior Agent and (prior to the Mezzanine Debt Discharge Date) the Mezzanine Agent

Debt Service Finance Party means the Debt Service Agent, the Debt Service Arranger, the Security Agent or a Debt Service Lender

Debt Service Guarantor means an Additional Debt Service Guarantor, unless it has ceased to be a Debt Service Guarantor in accordance with clause 26 (Changes to the Obligors) of the Debt Service Facility Agreement

Debt Service Lender means

- (a) the Original Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a Debt Service Party in accordance with clause 25 (Changes to the Lenders) of the Debt Service Facility Agreement,

which in each case has not ceased to be a Debt Service Party in accordance with the terms of the Debt Service Facility Agreement

Debt Service Letter of Credit means the letter of credit dated 2 May 2007 issued by National Westminster Bank plc in favour of the Debt Service Agent

Debt Service Loan means a loan made or to be made under the Debt Service Facility or the principal amount outstanding for the time being of that loan

Debt Service Party means a party to the Debt Service Facility Agreement

Deed of Accession means a deed substantially in the form of schedule 5 (Form of Deed of Accession) of the Deed

Deed of Covenant means a deed of covenant in the agreed form between the Chargor (1), Leeds City Council and Bradford Metropolitan District Council (2) and the Security Agent (3) relating to the land registered with title number WYK461796

Disclosure Letter means the disclosure letter dated 2 May 2007 relating to the Acquisition Agreement

Disposal means a sale, lease, licence, transfer, loan or other disposal by a person of any asset, undertaking or business (whether by a voluntary or involuntary single transaction or series of transactions)

Disposal Proceeds means the consideration receivable by any member of the Group (including any amount receivable in repayment of intercompany debt) for any Disposal made by any member of the Group except for Excluded Disposal Proceeds and after deducting

- (i) any reasonable expenses which are incurred by any member of the Group with respect to that Disposal to persons who are not members of the Group, and
- (ii) any Tax incurred and required to be paid by the seller in connection with that Disposal (as reasonably determined by the seller, on the basis of existing rates and taking account of any available credit, deduction or allowance)

EBIT means, in respect of any Relevant Period, the consolidated operating profit of the Group before taxation (excluding the results from discontinued operations)

- (a) **before deducting** any Total Finance Charges,
- (b) **not including** any accrued interest owing to any member of the Group,
- (c) **before taking into account** any Exceptional Items and Completion Costs,
- (d) **before deducting** any Acquisition Costs,
- (e) **after deducting** the amount of any profit (or adding back the amount of any loss) of any member of the Group which is attributable to minority interests,
- (f) plus or minus the Group's share of the profits or losses (after finance costs and tax) of Non-Group Entities;
- (g) **before taking into account** any unrealised gains or losses on any derivative instrument (other than any derivative instrument which is accounted for on a hedge accounting basis),
- (h) **before taking into account** any gain or loss arising from an upward or downward revaluation of any other asset at any time after 31 March 2006,
- (i) before taking into account any Pension Items, and

(j) **excluding** the charge to profit represented by the expensing of stock options,

in each case, to the extent added, deducted or taken into account, as the case may be, for the purposes of determining operating profits of the Group before taxation

EBITDA means, in respect of any Relevant Period, EBIT for that Relevant Period **after adding back** any amount attributable to the amortisation, depreciation or impairment of assets of members of the Group (and taking no account of the reversal of any previous impairment charge made in that Relevant Period)

Environmental Report means an environmental report prepared by Environmental Resources Management Ltd (ERM) and dated 22 February 2007 relating to the Acquisition and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

euro means the single currency of the Participating Member States

Event of Default means any event or circumstance specified as such in clause 28 (Events of Default) of the Senior Facilities Agreement, clause 24 (Events of Default) of the Mezzanine Facility Agreement or clause 24 (Events of Default) of the Debt Service Facility Agreement (as appropriate)

Exceptional Items means any exceptional, one off, non-recurring or extraordinary items, any material items of an unusual or non-recurring nature which represent gains or losses including those arising on

- (i) the restructuring of the activities of an entity and reversals of any provisions for the cost of restructuring,
- (ii) disposals, revaluations or impairment of non-current assets, and
- (iii) disposals of assets associated with discontinued operations

Excess Cashflow means, for any period for which it is being calculated, Cashflow for that period less (except to the extent already deducted in calculating Cashflow) Debt Service for that period

Excess Senior Debt means any Senior Debt created in breach of clause 2.3 (Limit on Senior Debt) of the Intercreditor Agreement

Excluded Acquisition Proceeds means any proceeds of a Recovery Claim to the extent that the amount of such Recovery Claim when aggregated with the amount of all other Recovery Claims is less than £500,000 or which the Original Chargor notifies the Senior Agent are, or are to be, applied

- (i) to satisfy (or reimburse a member of the Group which has discharged) any liability, charge or claim upon a member of the Group by a person which is not a member of the Group, or
- (ii) in the replacement, reinstatement and/or repair of assets of members of the Group which have been lost, destroyed or damaged,

in each case as a result of the events or circumstances giving rise to that Recovery Claim, if those proceeds are so applied within 365 days or committed to be so applied within 365 days and are so applied within 547 days after receipt

Excluded Disposal Proceeds means

- (i) any Disposal Proceeds which relate to any Disposal permitted pursuant to paragraphs (a) to (i) (inclusive) of the definition of Permitted Disposals,

- (ii) any Disposal Proceeds from a single Disposal (and a series or linked or related transactions shall be considered a single Disposal) which are less than £250,000 but only to the extent that the aggregate Disposal Proceeds received in the relevant Financial Year are less than £2,000,000,
- (iii) any Disposal Proceeds to the extent that the amount of such Disposal Proceeds when aggregated with the amount of all other Disposal Proceeds received in the same Financial Year is less than £2,000,000, and
- (iv) any Disposal Proceeds which the Original Chargor notifies the Senior Agent, the Mezzanine Agent or the Debt Service Agent (as appropriate) are, or are to be, applied by a member of the Group in purchasing any asset useful to it in its day-to-day operations (or to immediately reimburse a member of the Group for any such expenditure incurred in the 6 months preceding the receipt of the relevant Disposal Proceeds) within, in the case of a purchase but not a reimbursement, 365 days or committed to be so applied within 365 days and are so applied within 547 days

Excluded Insurance Proceeds means any proceeds of an insurance claim to the extent that the amount of such proceeds when aggregated with the amount of all other proceeds of insurance claims is less than £500,000 or which the Original Chargor notifies the Senior Agent, the Mezzanine Agent or the Debt Service Agent (as appropriate) are, or are to be, applied

- (i) to meet a third party claim,
- (ii) to cover operating losses in respect of which the relevant insurance claim was made, or
- (iii) to the replacement, reinstatement and/or repair of the assets or otherwise in amelioration of the loss in respect of which the relevant insurance claim was made,

in each case within 365 days or committed to be so applied within 365 days and are so applied within 547 days after receipt

Facility means a Term Facility or the Revolving Facility

Fee Letter means

- (k) the letter dated 2 May 2007 between the Arranger and Senior Agent and the Original Chargor setting out the fees referred to in clause 17 (Fees) of the Senior Facilities Agreement, clause 13 (Fees) of the Mezzanine Facility Agreement and clause 13 (Fees) the Debt Service Facility Agreement, and
- (l) any agreement setting out fees payable to a Finance Party referred to in clause 17 5 (Fees payable in respect of Letters of Credit) or clause 17 6 (Interest, commission and fees on Ancillary Facilities) of the Senior Facilities Agreement or under any other Finance Document

Finance Lease means any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease

Finance Party means a Senior Finance Party, a Mezzanine Finance Party or a Debt Service Finance Party

Financial Indebtedness means any indebtedness for or in respect of

- (a) moneys borrowed and debit balances at banks or other financial institutions,
- (b) any acceptance under any acceptance credit or bill discounting facility (or dematerialised equivalent),
- (c) any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument,
- (d) the amount of any liability in respect of Finance Lease,
- (e) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis and meet any requirement for de-recognition under the Accounting Principles),
- (f) any Treasury Transaction (and, when calculating the value of that Treasury Transaction, only the marked to market value (or, if any actual amount is due as a result of the termination or close-out of that Treasury Transaction, that amount) shall be taken into account),
- (g) any counter-indemnity obligation in respect of a guarantee, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution in respect of (i) an underlying liability of an entity which is not a member of the Group which liability would fall within some of the other paragraphs of this definition or (ii) any liabilities of any member of the Group relating to any post-retirement benefit scheme,
- (h) any amount raised by the issue of redeemable shares which are redeemable (other than at the option of the issuer) before the latest Termination Date or are otherwise classified as borrowings under the Accounting Principles),
- (i) any amount of any liability under an advance or deferred purchase agreement if (i) one of the primary reasons behind entering into the agreement is to raise finance or to finance the acquisition or construction of the asset or service in question or (ii) the agreement is in respect of the supply of assets or services and payment is due more than 180 days after the date of supply,
- (j) any amount raised under any other transaction (including any forward sale or purchase, sale and sale back or sale and leaseback agreement) having the commercial effect of a borrowing or otherwise classified as borrowings under the Accounting Principles, and
- (k) the amount of any liability in respect of any guarantee for any of the items referred to in paragraphs (a) to (j) above

Financial Quarter has the meaning given to that term in clause 26 1 (Financial definitions) of the Senior Facilities Agreement, clause 22 1 (Financial definitions) of the Mezzanine Facility Agreement and clause 22 1 (Financial definitions) of the Debt Service Facility Agreement

Financial Year has the meaning given to that term in clause 26 1 (Financial definitions) of the Senior Facilities Agreement, clause 22 1 (Financial definitions) of the Mezzanine Facility Agreement and clause 22 1 (Financial definitions) of the Debt Service Facility Agreement

Funds Flow Statement means a funds flow statement in agreed form

Group means the Original Chargor, the Chargor and each of their respective Subsidiaries for the time being

Hedging means any interest rate or currency swap, derivative transaction or hedging facility

Hedging Agreement means any master agreement, confirmation, schedule or other agreement in agreed form entered into or to be entered into by the Original Chargor or the Chargor and a Hedging Bank for the purpose of hedging interest rate liabilities in relation to the Term Facilities and the Mezzanine Facility in accordance with the Hedging Letter

Hedging Bank means any bank or financial institution which becomes a party to the Intercreditor Agreement under clause 8.1 (Hedging Banks) of the Intercreditor Agreement in its capacity as a provider of Hedging to the Original Chargor or the Chargor under a Hedging Document

Hedging Document means

- (a) any Hedging Agreement, or
- (b) the Intercreditor Agreement, or
- (c) any Transaction Security Document

Hedging Letter means the letter between the Senior Agent, the Mezzanine Agent, the Chargor and the Original Chargor dated 24 May 2007 describing the hedging arrangements to be entered into in respect of the interest rate liabilities of the Chargor and the Original Chargor

Holding Company means, in relation to any person, any other person in respect of which it is a Subsidiary

IFRS means the International Financial Reporting Standards issued by the International Accounting Standards Board

Insurance means the material contracts and material policies of insurance taken out by or on behalf of any member of the Group in accordance with clause 27.24 (Insurance) of the Senior Facilities Agreement or (to the extent of its interest) in which a member of the Group has an interest, it being agreed that each contract or policy of insurance taken out by or on behalf of any member of the Group (or in which a member of the Group has an interest) in respect of construction all risks, advance loss of profit/delay in start-up, all risks relating to fixed assets, business interruption and third party liability will be material contracts and material policies of insurance or in order to comply with any law or regulation

Insurance Proceeds means the proceeds of any insurance claim received by any member of the Group except for Excluded Insurance Proceeds and after deducting any reasonable expenses in relation to that claim which are incurred by any member of the Group to persons who are not members of the Group

Insurance Report means an insurance report prepared by Marsh Limited and dated 22 February 2007 and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Intellectual Property means

- (a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, and
- (b) the benefit of all applications and rights to use such assets of each member of the Group

Intellectual Property Rights means, in relation to the Chargor, all of the Chargor's letters, patents, trade marks, service marks, designs, utility models, copyrights, design rights, applications for registration of any of the foregoing and rights to apply for them in any part of the world, inventions, confidential information, know-how and rights of like nature arising or subsisting anywhere in the world in relation to any of the foregoing whether registered or unregistered

Intercreditor Agreement means the intercreditor agreement dated 2 May 2007 between, amongst others, the Obligors, the Secured Creditors, the Investors, the Mezzanine Agent, the Debt Service Agent, the Senior Agent and the Security Agent and others, providing for the ranking and relative priorities of the claims of certain creditors of certain members of the Group

Investor means

- (a) an Original Investor, or
- (b) any person who becomes an Investor after 2 May 2007

Investments means

- (a) the Shares, and
- (b) all other shares, stocks, debentures, bonds, warrants, coupons and other securities and investments,

which the Chargor purports to mortgage or charge under the Deed

Issuing Bank means The Royal Bank of Scotland and any other Senior Lender which has notified the Senior Agent that it has agreed to the Original Chargor's request to be an Issuing Bank pursuant to the terms of the Senior Facilities Agreement (and if more than one Senior Lender has so agreed, such Senior Lenders shall be referred to, whether acting individually or together, as the **Issuing Bank**) **provided that**, in respect of a Letter of Credit issued or to be issued pursuant to the terms of the Senior Facilities Agreement, the Issuing Bank shall be the Issuing Bank which has issued or agreed to issue that Letter of Credit

Joint Venture means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity

Legal Due Diligence Report means

- (a) the legal due diligence report dated 5 March 2007, and
- (b) the update to the legal due diligence report dated on or about 2 May 2007,

in each case prepared by Addleshaw Goddard LLP in relation to the Acquisition and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Lender means a Senior Lender, a Mezzanine Lender or a Debt Service Lender

Letter of Credit means

- (a) a letter of credit, substantially in the form set out in schedule 12 (Form of Letter of Credit) of the Senior Facilities Agreement or in any other form requested by the Original Chargor and agreed by the Senior Agent and the Issuing Bank, or

- (b) any guarantee, indemnity or other instrument in a form requested by a Senior Borrower (or the Original Chargor on its behalf) and agreed by the Senior Agent and the Issuing Bank

Liability means any present or future liability (actual or contingent), together with

- (a) any refinancing, deferral or extension of that liability,
- (b) any further advance which may be made under any agreement expressed to be supplemental to any document in respect of that liability, together with all related interest, fees and costs,
- (c) any claim for damages or restitution in the event of rescission of that liability or otherwise,
- (d) any claim flowing from any recovery by a payment or discharge in respect of that liability on the grounds of preference or otherwise, and
- (e) any amount (such as post-insolvency interest) which would be included in any of the above but for its discharge, non-provability, unenforceability or non-allowability in any insolvency or other proceedings

Loan means a Term Loan or a Revolving Facility Loan

Majority Lenders means

- (a) (for the purposes of paragraph (a) of clause 40 1 (Required consents) of the Senior Facilities Agreement in the context of a waiver in relation to a proposed Utilisation under the Revolving Facility (other than a Utilisation on the Closing Date) of the condition in clause 4 2 (Further conditions precedent) of the Senior Facilities Agreement, a Senior Lender or Senior Lenders whose Revolving Facility Commitments aggregate more than 66 2/3% of the Total Revolving Facility Commitments, and
- (b) (in any other case), a Senior Lender or Senior Lenders whose Commitments aggregate more than 66 2/3% of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 66 2/3% of the Total Commitments immediately prior to that reduction)

Majority Debt Service Lenders means a Debt Service Lender or Debt Service Lenders whose Debt Service Commitments aggregate more than 66 2/3% of the Total Debt Service Commitments (or, if the Total Debt Service Commitments have been reduced to zero, aggregated more than 66 2/3% of the Total Debt Service Commitments immediately prior to that reduction)

Majority Mezzanine Lenders means a Mezzanine Lender or Mezzanine Lenders whose Mezzanine Commitments aggregate more than 66 2/3% of the Total Mezzanine Commitments (or, if the Total Mezzanine Commitments have been reduced to zero, aggregated more than 66 2/3% of the Total Mezzanine Commitments immediately prior to that reduction)

Mandate Letter means the letter dated 2 May 2007 between the Arranger, the Original Chargor and Bridgepoint relating to the appointment of the Arranger

Mezzanine Agent means The Royal Bank of Scotland plc as facility agent for the lenders under the Mezzanine Facility Agreement

Mezzanine Arranger means The Royal Bank of Scotland plc as mandated lead arranger under the Mezzanine Facility Agreement

Mezzanine Commitment means

- (a) in relation to the Original Mezzanine Lender, the amount in Sterling set opposite its name under the heading "Commitment" in schedule 1 (The Original Lenders) of the Mezzanine Facility Agreement and the amount of any other Mezzanine Commitment transferred to it under the Mezzanine Facility Agreement, and
- (b) in relation to any other Mezzanine Lender, the amount in Sterling of any Mezzanine Commitment transferred to it under the Mezzanine Facility Agreement,

to the extent not cancelled, reduced or transferred by it under the Mezzanine Facility Agreement

Mezzanine Creditor means a Mezzanine Finance Party

Mezzanine Debt means all Liabilities payable or owing by any Obligor to a Mezzanine Creditor (other than a Hedging Bank) and, on and following the Senior Bank Debt Discharge Date, a Hedging Bank under or in connection with the Mezzanine Finance Documents (other than the Hedging Documents) and, on and following the Senior Bank Debt Discharge Date, the Hedging Documents

Mezzanine Debt Discharge Date means the date on which all the Mezzanine Debt has been unconditionally and irrevocably paid and discharged in full, as determined by the Mezzanine Agent and all Mezzanine Commitments cancelled

Mezzanine Facility means the term loan facility made available under the Mezzanine Facility Agreement as described in clause 2 1 (The Facility) of the Mezzanine Facility Agreement

Mezzanine Facility Agreement means the mezzanine facility agreement dated 2 May 2007 between, amongst others, the Original Chargor, the Mezzanine Lenders, the Mezzanine Agent, the Mezzanine Arranger and the Security Agent

Mezzanine Finance Document means the Mezzanine Facility Agreement, the Mandate Letter, the Deed of Covenant, any Accession Letter, any Compliance Certificate, any Fee Letter, the Hedging Letter, any Hedging Agreement, the Intercreditor Agreement, any Resignation Letter, any Selection Notice, any Transaction Security Document, any Utilisation Request, any deed entered into by the Security Agent pursuant to clause 2 6 (Grant of Security) of the Shareholders' Agreement and any other document designated as a "Finance Document" by the Mezzanine Agent, the Original Chargor and (prior to the Senior Debt Discharge Date) the Senior Agent

Mezzanine Finance Party means the Mezzanine Agent, the Mezzanine Arranger, the Security Agent, a Hedging Bank or a Mezzanine Lender

Mezzanine Guarantor means an Additional Mezzanine Guarantor, unless it has ceased to be a Mezzanine Guarantor in accordance with clause 26 (Changes to the Obligors) of the Mezzanine Facility Agreement

Mezzanine Lender means

- (a) the Original Mezzanine Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a Mezzanine Party in accordance with clause 25 (Changes to the Lenders) of the Mezzanine Facility Agreement,

which in each case has not ceased to be a Mezzanine Party in accordance with the terms of the Mezzanine Facility Agreement

Mezzanine Party means a party to the Mezzanine Facility Agreement

Model Audit Report means the report prepared by Ernst & Young LLP dated on or about 2 May 2007 in relation to its audit of the Base Case Model and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Net Total Finance Charges means, for any Relevant Period, the Total Finance Charges for that Relevant Period after **deducting** any interest payable in that Relevant Period to any member of the Group on any Cash or Cash Equivalent Investment

New Shareholder Injections means the aggregate amount subscribed for by any person (other than a member of the Group) for ordinary shares in the Original Chargor by way of a Cure Equity Contribution pursuant to clause 26.4 (Equity Cure) of the Senior Facilities Agreement, clause 22.4 (Equity Cure) of the Mezzanine Facility Agreement and clause 22.4 (Equity Cure) of the Debt Service Facility Agreement

Non-Group Entity means any investment or entity (which is not itself a member of the Group (including associates and Joint Ventures)) in which any member of the Group has an ownership interest

Obligor means the Chargor, the Original Chargor, a Senior Borrower, a Senior Guarantor, a Mezzanine Guarantor or a Debt Service Guarantor

Option Land means (i) the land shaded purple, shaded blue, shaded green, shaded grey and cross-hatched black on Plan 1 and (ii) the land registered with title number WYK777297

Optional Currency means a currency (other than the Base Currency) which complies with the conditions set out in clause 4.3 (Conditions relating to Optional Currencies) of the Senior Facilities Agreement

Original Borrower means the Original Chargor

Original Chargor means LBIA Holding Limited, a company incorporated under the laws of England and Wales with registered number 06023657

Original Debt Service Lender means The Royal Bank of Scotland plc

Original Guarantor means the Original Chargor

Original Investors means Bridgepoint Capital Limited and Bridgepoint Capital (Nominees) Limited

Original Lender means the Royal Bank of Scotland plc

Original Mezzanine Lender means The Royal Bank of Scotland plc

Overage Deed means the overage deed dated on or around 2 May 2007 between the Chargor, Leeds City Council, City of Bradford Metropolitan District Council, Calderdale Council, City of Wakefield Metropolitan Council and Kirklees Metropolitan Council relating to part of the Real Property of the Chargor

Overfunding Amount means £6,000,000 being the proceeds of the Agreed Cash Injection and the Capex Contribution

Participating Member State means any member state of the European Communities that adopts or has adopted the euro as its lawful currency in accordance with legislation of the European Community relating to Economic and Monetary Union

Party means a party to the Deed

Pension Items means any income or charge attributable to a post-employment benefit scheme other than the current service costs and any past service costs and curtailments and settlements attributable to the scheme

Pensions Report means the pensions report prepared by Lane, Clarke & Peacock and dated 2 March 2007 and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Permitted Disposal means any sale, lease, licence, transfer or other disposal which, except in the case of paragraph (b), is on arm's length terms

- (a) of trading stock or Cash made by any member of the Group in the ordinary course of trading of the disposing entity,
- (b) of any asset by a member of the Group (the **Disposing Company**) to another member of the Group (the **Acquiring Company**), but if
 - (i) the Disposing Company is an Obligor, the Acquiring Company must also be an Obligor,
 - (ii) the Disposing Company had given Security over the asset, the Acquiring Company must give equivalent Security over that asset, and
 - (iii) the Disposing Company is a Senior Guarantor, Mezzanine Guarantor or Debt Service Guarantor (as appropriate), the Acquiring Company must be a Guarantor guaranteeing at all times an amount no less than that guaranteed by the Disposing Company;
- (c) of assets (other than shares, businesses, Real Property/Intellectual Property) in exchange for other assets comparable or superior as to type, value or quality,
- (d) of obsolete or redundant vehicles, plant and equipment for cash,
- (e) of Cash Equivalent Investments for Cash or in exchange for other Cash Equivalent Investments,
- (f) constituted by a licence of intellectual property rights permitted by clause 27 28 (Intellectual Property) of the Senior Facilities Agreement, clause 23 28 (Intellectual Property) of the Mezzanine Facility Agreement or clause 23 28 (Intellectual Property) of the Debt Service Facility Agreement (as appropriate),
- (g) of assets (other than shares or businesses) to a Joint Venture, to the extent permitted by clause 27 9 (Joint ventures) of the Senior Facilities Agreement, clause 23 9 (Joint ventures) of the Mezzanine Facility Agreement and clause 23 9 (Joint ventures) of the Debt Service Facility Agreement (as appropriate),

- (h) of Airport West,
- (i) arising as a result of any Permitted Security, and
- (j) of assets (other than shares or businesses) for Cash where the higher of the market value and net consideration receivable (when aggregated with the higher of the market value and net consideration receivable for any other sale, lease, licence, transfer or other disposal not allowed under the preceding paragraphs or as a Permitted Transaction) does not exceed £5,000,000 (or its equivalent) in total during the term of the Senior Facilities Agreement, Mezzanine Facilities Agreement or Debt Service Facilities Agreement (as appropriate) and does not exceed £2,000,000 (or its equivalent) in any Financial Year of the Original Chargor

If in any Financial Year (the **Original Financial Year**) the aggregate value of the disposals made under paragraph (i) above (as calculated in accordance with paragraph (i) above) is less than £2,000,000 or its equivalent (the difference being referred to below as the **Unused Amount**), then the permitted maximum value per Financial Year for the purposes of paragraph (i) above for the immediately following Financial Year (the **Carry Forward Year**) shall be increased by an amount (the **Permitted Carry Forward Amount**) equal to the Unused Amount, subject at all times to the maximum permitted amount of £5,000,000 (or its equivalent) in total during the term of the Senior Facilities Agreement, Mezzanine Facilities Agreement or Debt Service Facilities Agreement (as appropriate). In any Carry Forward Year, the original permitted value specified in paragraph (i) above shall be treated as having been incurred after any Permitted Carry Forward Amount carried forward into that Carry Forward Year.

Permitted Financial Indebtedness means Financial Indebtedness

- (a) arising under any of the Senior Finance Documents, Mezzanine Finance Documents, the Debt Service Finance Documents, and the Company Intra-Group Loan Agreement, in each case as in force on the 2 May 2007 and subject always to the terms of the Senior Facilities Agreement, the Mezzanine Facilities Agreement and the Debt Service Facilities Agreement (as appropriate) and the Intercreditor Agreement,
- (b) to the extent covered by a Letter of Credit or other letter of credit, guarantee or indemnity issued under an Ancillary Facility,
- (c) arising under a foreign exchange transaction for spot or forward delivery entered into in connection with protection against fluctuation in currency rates where that foreign exchange exposure arises in the ordinary course of trade or in respect of Utilisations made in Optional Currencies, but not a foreign exchange transaction for investment or speculative purposes,
- (d) arising under a Permitted Loan or a Permitted Guarantee or as permitted by clause 27 32 (Treasury Transactions) of the Senior Facilities Agreement, clause 23 32 (Treasury Transactions) of the Mezzanine Facility Agreement and clause 23 32 (Treasury Transactions) of the Debt Service Facility Agreement,
- (e) of any person acquired by a member of the Group after the Closing Date which is incurred under arrangements in existence at the date of acquisition, but not incurred or increased or its maturity date extended in contemplation of, or since, that acquisition, and outstanding only for a period of three months following the date of acquisition,
- (f) under finance or capital leases of vehicles, plant, equipment or computers, **provided that** the aggregate capital value of all such items so leased under outstanding leases by members of the Group does not exceed £2,500,000 (or its equivalent in other currencies) at any time, and

- (g) not permitted by the preceding paragraphs or as a Permitted Transaction and the outstanding principal amount of which does not exceed £1,000,000 (or its equivalent) or, if the Senior Leverage as most recently determined under clause 26 (Financial Covenants) of the Senior Facilities Agreement is less than 80x, £2,000,000 (or its equivalent) in aggregate for the Group at any time

Permitted Guarantee means

- (a) the endorsement of negotiable instruments in the ordinary course of trade,
- (b) any performance or similar bond guaranteeing performance by a member of the Group under any contract entered into in the ordinary course of trade,
- (c) any guarantee of a Joint Venture to the extent permitted by clause 27.9 (Joint ventures) of the Senior Facilities Agreement, clause 23.9 (Joint ventures) of the Mezzanine Facility Agreement or clause 23.9 (Joint ventures) of the Debt Service Facility Agreement (as appropriate),
- (d) any guarantee permitted under clause 27.22 (Financial Indebtedness) of the Senior Facilities Agreement, clause 23.22 (Financial Indebtedness) of the Mezzanine Facility Agreement or clause 23.22 (Financial Indebtedness) of the Debt Service Facility Agreement (as appropriate), or
- (e) any guarantee given in respect of the netting or set-off arrangements permitted pursuant to paragraph (b) of the definition of Permitted Security

Permitted Loan means

- (a) any trade credit extended by any member of the Group to its customers on normal commercial terms and in the ordinary course of its trading activities,
- (b) Financial Indebtedness which is referred to in the definition of, or otherwise constitutes, Permitted Financial Indebtedness (except under paragraph (d) of that definition),
- (c) a loan made to a Joint Venture to the extent permitted under clause 27.9 (Joint ventures) of the Senior Facilities Agreement, clause 23.9 (Joint ventures) of the Mezzanine Facility Agreement or clause 23.9 (Joint ventures) of the Debt Service Facility Agreement (as appropriate),
- (d) any loan made under the terms of the Company Intra-Group Loan Agreement for the purposes of enabling an Obligor to meet its payment obligations under the Senior Finance Documents and/or the Mezzanine Finance Documents and/or the Debt Service Finance Documents if such payments are permitted by the Intercreditor Agreement,
- (e) a loan made by an Obligor to another Obligor or made by a member of the Group which is not an Obligor to another member of the Group,
- (f) any loan made by an Obligor to a member of the Group which is not an Obligor so long as the aggregate amount of the Financial Indebtedness under any such loans does not exceed £500,000 (or its equivalent) at any time,
- (g) a loan made by a member of the Group to an employee or director of any member of the Group if the amount of that loan when aggregated with the amount of all loans to employees

and directors by members of the Group does not exceed £300,000 (or its equivalent) at any time, and

- (h) any loan (other than a loan made by a member of the Group to another member of the Group) so long as the aggregate amount of the Financial Indebtedness under any such loans does not exceed £100,000 (or its equivalent) at any time,

so long as in the case of paragraphs (e) and (f) above

- (i) the creditor of such Financial Indebtedness shall (if it is an Obligor) grant security over its rights in respect of such Financial Indebtedness in favour of the Senior Lenders on terms acceptable to the Senior Agent (acting on the instructions of the Majority Lenders), in favour of the Mezzanine Lenders on terms acceptable to the Mezzanine Agent (acting on the instructions of the Majority Mezzanine Lenders) or in favour of the Debt Service Lenders on terms acceptable to the Debt Service Agent (acting on the instructions of the Majority Debt Service Lenders) (as appropriate), and
- (ii) the creditor and (if the debtor is a member of the Group) the debtor of such Financial Indebtedness shall be party to the Intercreditor Agreement as intercompany creditor and intercompany debtor respectively

Permitted Security means

- (a) any lien arising by operation of law and in the ordinary course of trading and not as a result of any default or omission by any member of the Group,
- (b) any netting or set-off arrangement entered into by any member of the Group in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances of members of the Group (including an Ancillary Facility which is an overdraft comprising more than one account) but only so long as (i) such arrangement does not permit credit balances of Obligors to be netted or set off against debit balances of members of the Group which are not Obligors and (ii) such arrangement does not give rise to other Security over the assets of Obligors in support of liabilities of members of the Group which are not Obligors except, in the case of (i) and (ii) above, to the extent such netting, set-off or Security relates to, or is granted in support of, a loan permitted pursuant to paragraph (f) of the definition of **Permitted Loan**,
- (c) any Security or Quasi-Security over or affecting any asset acquired by a member of the Group after the Closing Date if
- (i) the Security or Quasi-Security was not created in contemplation of the acquisition of that asset by a member of the Group,
- (ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset by a member of the Group, and
- (iii) the Security or Quasi-Security is removed or discharged within 3 months of the date of acquisition of such asset,
- (d) any Security or Quasi-Security over or affecting any asset of any company which becomes a member of the Group after the Closing Date, where the Security or Quasi-Security is created prior to the date on which that company becomes a member of the Group if

- (iv) the Security or Quasi-Security was not created in contemplation of the acquisition of that company,
- (v) the principal amount secured has not increased in contemplation of or since the acquisition of that company, and
- (vi) the Security or Quasi-Security is removed or discharged within 3 months of that company becoming a member of the Group,
- (e) any Security arising under any retention of title, hire purchase or conditional sale arrangement or arrangements having similar effect in respect of goods supplied to a member of the Group in the ordinary course of trading and on the supplier's standard or usual terms and not arising as a result of any default or omission by any member of the Group,
- (f) any Security or Quasi-Security (existing as at 2 May 2007) over assets of any member of the Target Group so long as the Security or Quasi-Security is irrevocably removed or discharged by no later than the Closing Date,
- (g) any Quasi-Security arising as a result of a disposal which is a Permitted Disposal,
- (h) any Security or Quasi-Security arising as a consequence of any finance or capital lease permitted pursuant to paragraph (f) of the definition of **Permitted Financial Indebtedness**, or
- (i) any Security securing indebtedness the outstanding principal amount of which (when aggregated with the outstanding principal amount of any other indebtedness which has the benefit of Security given by any member of the Group other than any permitted under paragraphs (a) to (h) above) does not exceed £100,000 (or its equivalent in other currencies)

Permitted Transaction means

- (a) any disposal required, Financial Indebtedness incurred, guarantee, indemnity or Security or Quasi-Security given, or other transaction arising, under the Senior Finance Documents, Mezzanine Finance Documents or Debt Service Finance Documents (as appropriate),
- (b) the solvent liquidation or reorganisation of any member of the Group which is not an Obligor so long as any payments or assets distributed as a result of such liquidation or reorganisation are distributed to other members of the Group,
- (c) transactions (other than (i) any sale, lease, license, transfer or other disposal and (ii) the granting or creation of Security or the incurring or permitting to subsist of Financial Indebtedness) conducted in the ordinary course of trading on arm's length terms; or
- (d) any payments or other transactions contemplated by the Structure Memorandum

Plan 1 means the plan labelled "PLAN 1" attached at part 2 (Plans) of appendix 2 (Property) to the update to the legal due diligence report referred to in paragraph (b) of the definition of Legal Due Diligence Report

Plant and Machinery means in relation to the Chargor any plant, machinery, computers, office equipment or vehicles specified in part 3 of schedule 1 (Security Assets) of the Deed or in part 3 of the schedule to any Deed of Accession by which it became party to the Deed

Preference Shares means the preference shares constituted or to be constituted under the articles of association of the Original Chargor which by their terms are not redeemable other than at the option of the Original Chargor

Properties means each of the properties listed in any Transaction Security Document and any other Real Property acquired by an Obligor after 2 May 2007. A reference to a **Property** is a reference to any of the Properties

Quasi-Security has the meaning given to that term in clause 27.15 (Negative pledge) of the Senior Facilities Agreement, clause 23.15 (Negative pledge) of the Mezzanine Facility Agreement and clause 23.15 (Negative pledge) of the Debt Service Facility Agreement

Real Property means

- (a) any freehold, leasehold or immovable property, and
- (b) any buildings, fixtures, fittings, fixed plant or machinery from time to time situated on or forming part of that freehold, leasehold or immovable property

Receiver means an administrative receiver, a receiver and manager or a receiver, in each case, appointed under the Deed

Recovery Claim is defined within the definition of **Acquisition Proceeds** above

Relevant Period means

- (a) in respect of Senior Leverage and Total Leverage, each period of twelve months ending on the last day of a Financial Quarter, and
- (b) in respect of Senior Cashflow Cover and Total Cashflow Cover, each period of twelve months ending on the last day of a Financial Quarter or, in the case of the Relevant Period ending 31 March 2008 only, the shorter period commencing on the Closing Date and ending on 31 March 2008

Relevant Proceeds means Acquisition Proceeds, Disposal Proceeds or Insurance Proceeds

Reports means the Accountants' Report, the Legal Due Diligence Report, the Environmental Report, the Insurance Report, the Traffic Report, the Vendors Reports, the Capex Report, the Revenues Report, the Pensions Report, the Certificates of Title, the Model Audit Report and the Structure Memorandum and any supplement or update to any of the foregoing.

Resignation Letter means a letter substantially in the form set out in schedule 8 (Form of Resignation Letter) of the Senior Facilities Agreement, Mezzanine Facility Agreement or Debt Service Facility Agreement (as appropriate)

Retained Excess Cashflow means Excess Cashflow which is not required to be applied in making any prepayment under the Senior Finance Documents, Mezzanine Finance Documents or Debt Service Finance Documents (as appropriate)

Revenues Report means the report prepared by Concession Planning International Ltd (CPI) dated 14 February 2007 relating to the Acquisition and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Revolving Facility means the revolving credit facility made available under the Senior Facilities Agreement as described in paragraph (a)(iv) of clause 2.1 (The Facilities) of the Senior Facilities Agreement

Revolving Facility Commitment means

- (a) in relation to the Original Lender, the amount in the Base Currency set opposite its name under the heading "Revolving Facility Commitment" in part 2 of schedule 1 (The Original Parties) of the Senior Facilities Agreement and the amount of any other Revolving Facility Commitment transferred to it under the Senior Facilities Agreement, and
- (b) in relation to any other Senior Lender, the amount in the Base Currency of any Revolving Facility Commitment transferred to it under the Senior Facilities Agreement,

to the extent not cancelled, reduced or transferred by it under the Senior Facilities Agreement

Revolving Facility Loan means a loan made or to be made under the Revolving Facility or the principal amount outstanding for the time being of that loan

Secured Creditor means a Senior Creditor, Hedging Bank, Mezzanine Creditor or a Debt Service Creditor

Secured Debt Finance Documents means the Senior Finance Documents, the Mezzanine Finance Documents and the Debt Service Finance Documents

Security means any mortgage, pledge, lien or other security interest securing any obligations of any person created, evidenced or conferred by or under the Deed or any Deed of Accession

Security Assets means all assets of the Chargor the subject of the Security

Selection Notice means a notice substantially in the form set out in part 2 of schedule 3 (Requests) of the Senior Facilities Agreement, Mezzanine Facility Agreement or Debt Service Facility Agreement (in accordance with clause 15 (Interest Periods) of the Senior Facilities Agreement in relation to a Term Facility, clause 11 (Interest Periods) of the Mezzanine Facility Agreement in relation to the Mezzanine Facility or clause 11 (Interest Periods) of the Debt Service Facility Agreement in relation to the Debt Service Facility)

Senior Agent means The Royal Bank of Scotland plc as facility agent for the lenders under the Senior Facilities Agreement

Senior Arranger means The Royal Bank of Scotland plc as mandated lead arranger under the Senior Facilities Agreement

Senior Bank Debt Discharge Date means the date on which all Liabilities payable or owing by any Obligor to a Senior Creditor (other than a Hedging Bank) under or in connection with the Senior Finance Documents (other than the Hedging Documents) have been unconditionally and irrevocably paid and discharged in full, as determined by the Senior Agent and all Commitments cancelled

Senior Borrower means the Original Borrower or an Additional Borrower unless it has ceased to be a Senior Borrower in accordance with clause 30 (Changes to the Obligors) of the Senior Facilities Agreement

Senior Cashflow Cover means the ratio of Cashflow to Senior Net Finance Charges in respect of any Relevant Period

Senior Creditor means a Senior Finance Party

Senior Debt means all Liabilities payable or owing by any Obligor to a Senior Creditor (other than a Hedging Bank) and, prior to the Senior Bank Debt Discharge Date, a Hedging Bank under or in connection with the Senior Finance Documents (other than the Hedging Documents) and, prior to the Senior Bank Debt Discharge Date, the Hedging Documents

Senior Debt Discharge Date means the date on which all the Senior Debt (other than Excess Senior Debt) has been unconditionally and irrevocably paid and discharged in full, as determined by the Senior Agent and all Commitments under and as defined in the Senior Facilities Agreement cancelled

Senior Facilities Agreement means the senior term and multi-currency revolving facilities agreement dated 2 May 2007 between, amongst others, the Original Chargor, the Senior Lenders, the Senior Agent and the Security Agent

Senior Finance Document means the Senior Facilities Agreement, the Mandate Letter, the Deed of Covenant, any Accession Letter, any Ancillary Document, any Compliance Certificate, any Fee Letter, the Hedging Letter, any Hedging Agreement, the Intercreditor Agreement, any Resignation Letter, any Selection Notice, any Transaction Security Document, any Utilisation Request, any deed entered into by the Security Agent pursuant to clause 2.6 (Grant of Security) of the Shareholders' Agreement and any other document designated as a "Finance Document" by the Senior Agent and the Original Chargor

Senior Finance Party means the Senior Agent, the Senior Arranger, the Security Agent, a Senior Lender, the Issuing Bank, a Hedging Bank or any Ancillary Lender

Senior Guarantor means the Original Guarantor or an Additional Senior Guarantor, unless it has ceased to be a Senior Guarantor in accordance with clause 30 (Changes to the Obligors) of the Senior Facilities Agreement

Senior Lender means

- (a) the Original Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a Senior Party in accordance with clause 29 (Changes to the Lenders) of the Senior Facilities Agreement,

which in each case has not ceased to be a Senior Party in accordance with the terms of the Senior Facilities Agreement

Senior Leverage means, in respect of any Relevant Period, the ratio of Senior Total Net Debt on the last day of that Relevant Period to EBITDA in respect of that Relevant Period

Senior Net Finance Charges means, in respect of any Relevant Period, the Net Total Finance Charges for that Relevant Period *less* that part of the Net Total Finance Charges for that Relevant Period attributable to the Mezzanine Facility and the Debt Service Facility and without taking into account any commissions, fees, discounts and other finance payments receivable or payable under any interest rate hedging in respect of the Mezzanine Facility or the Debt Service Facility

Senior Party means a party to the Senior Facilities Agreement

Senior Total Net Debt means, at any time, the Total Net Debt *after deducting* that part of Total Net Debt attributable to the Debt Service Facility and the Mezzanine Facility

Shareholders' Agreement means the shareholders agreement in agreed form between the Original Chargor, the Chargor, the City of Bradford Metropolitan District Council and Leeds City Council

Shares means the Target Shares and all shares in any member of the Group (other than the Original Chargor) the subject of the Security.

Single Purpose Account means in relation to the Chargor

- (a) any account specified in part 5 of schedule 1 (Security Assets) of the Deed or in part 5 of the schedule to any Deed of Accession by which it became party to the Deed, and
- (b) any other account which the Chargor and the Security Agent have designated a Single Purpose Account

Special Share means the special rights preference share of £1 in the capital of the Chargor having the rights set out in the articles of association of the Chargor

Sterling means the lawful currency for the time being of the U K

Structural Intra-Group Loan Agreement means the loan agreement dated on or about 2 May 2007 in the agreed form between the Original Chargor and the Chargor pursuant to which the Original Chargor will make available a facility to the Chargor up to a maximum aggregate principal amount equal to £16,000,000 to be used by the Chargor only for the purposes and at the times set out in the Structure Memorandum

Structure Memorandum means the structure paper entitled "Project Rose Structure Report" and dated on or around 2 May 2007 describing the Group and the Acquisition and prepared by Ernst & Young LLP in the agreed form and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Subsidiary means a subsidiary undertaking within the meaning of Section 258 of the Companies Act 1985

Target Group means the Chargor and its Subsidiaries

Target Shares means all of the shares of the Chargor other than the Special Share

Tax means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same)

Term Facility means the Acquisition Facility, the Capex Facility or the Terminal Facility

Term Loan means an Acquisition Facility Loan, a Capex Facility Loan or a Terminal Facility Loan

Terminal Facility means the term loan facility made available under the Senior Facilities Agreement as described in paragraph (a)(iii) of clause 2.1 (The Facilities) of the Senior Facilities Agreement

Terminal Facility Commitment means.

- (a) in relation to the Original Lender, the amount in the Base Currency set opposite its name under the heading "Terminal Facility Commitment" in part 2 of schedule 1 (The Original Parties) of the Senior Facilities Agreement and the amount of any other Terminal Facility Commitment transferred to it under the Senior Facilities Agreement, and

- (b) in relation to any other Senior Lender, the amount in the Base Currency of any Terminal Facility Commitment transferred to it under the Senior Facilities Agreement,

to the extent not cancelled, reduced or transferred by it under the Senior Facilities Agreement

Terminal Facility Loan means a loan made or to be made under the Terminal Facility or the principal amount outstanding for the time being of that loan

Termination Date means, in respect of the Senior Facilities Agreement and Debt Service Facility Agreement, the seventh anniversary of the Closing Date and in respect of the Mezzanine Facility Agreement, the eighth anniversary of the Closing Date

Total Acquisition Facility Commitments means the aggregate of the Acquisition Facility Commitments, being £50,000,000 on 2 May 2007

Total Capex Facility Commitments means the aggregate of the Capex Facility Commitments, being £29,000,000 on 2 May 2007

Total Cashflow Cover means the ratio of Cashflow to Net Total Finance Charges in respect of any Relevant Period

Total Commitments means the aggregate of the Total Acquisition Facility Commitments, the Total Capex Facility Commitments, the Total Terminal Facility Commitments and the Total Revolving Facility Commitments, being £105,000,000 on 2 May 2007

Total Debt Service Commitments means the aggregate of the Debt Service Commitments, being £2,700,000 on 2 May 2007

Total Finance Charges means, for any Relevant Period, the aggregate amount of the accrued interest, commission, fees, discounts, prepayment fees, premiums or charges and other finance payments in respect of Borrowings whether paid, payable or capitalised by any member of the Group (calculated on a consolidated basis) in respect of that Relevant Period

- (a) **including** the interest (but not the capital) element of payments in respect of Finance Leases,
- (b) **including** any commission, fees, discounts and other finance payments payable by (and deducting any such amounts payable to) any member of the Group under any interest rate hedging arrangement,
- (c) **excluding** any Acquisition Costs,
- (d) if a Joint Venture is accounted for on a proportionate consolidation basis, after **adding** the Group's share of the finance costs or interest receivable of the Joint Venture,
- (e) taking no account of any unrealised gains or losses on any derivative instruments other than any derivatives instruments which are accounted for on a hedge accounting basis, and
- (f) **excluding** any interest capitalised in accordance with clause 10 2(b) (Payment of interest) of the Mezzanine Facility Agreement,

together with the amount of any Cash dividends or distributions paid or made by the Original Chargor in respect of that Relevant Period and so that no amount shall be added (or deducted) more than once

Total Leverage means, in respect of any Relevant Period, the ratio of Total Net Debt (after deducting that part of Total Net Debt attributable to the Debt Service Facility) on the last day of that Relevant Period to EBITDA in respect of that Relevant Period

Total Mezzanine Commitments means the aggregate of the Mezzanine Commitments, being £7,500,000 on 2 May 2007

Total Net Debt means, at any time, the aggregate amount of all obligations of members of the Group for or in respect of Borrowings at that time but

- (a) **excluding** any such obligations to any other member of the Group,
- (b) **including**, in the case of Finance Leases only, their capitalised value, and
- (c) **deducting** the aggregate amount of Cash and Cash Equivalent Investments held by any Obligor at that time,

Total Revolving Facility Commitments means the aggregate of the Revolving Facility Commitments, being £5,000,000 on 2 May 2007

Total Terminal Facility Commitments means the aggregate of the Terminal Facility Commitments, being £21,000,000 on 2 May 2007

Traffic Report means

- (a) the report dated 16 February 2007, and
- (b) the report dated 10 April 2007,

in each case prepared by Airport Strategy & Marketing (ASM) in relation to the Acquisition and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Transaction Documents means the Senior Finance Documents, the Mezzanine Finance Documents, the Debt Service Finance Documents, the Acquisition Documents, the Company Intra-Group Loan Agreement (once entered into), the Structural Intra-Group Loan Agreement and the Constitutional Documents

Transaction Security means the Security created or expressed to be created in favour of the Security Agent pursuant to the Transaction Security Documents

Transaction Security Documents means

- (a) the Deed,
- (b) each Deed of Accession entered into by a member of the Group, and
- (c) any other document entered into by any member of the Group creating or expressed to create Security over all or any part of its assets in respect of the obligations of any of the Obligors under any of the Senior Finance Documents, the Mezzanine Finance Documents or the Debt Service Finance Documents

Treasury Transactions means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price

Utilisation means a Loan or a Letter of Credit

Utilisation Request means a notice substantially in the relevant form set out in part 1 of schedule 3 (Requests) of the Senior Facilities Agreement, Mezzanine Facility Agreement or Debt Service Facility Agreement (as appropriate) or in such other form as may be agreed between the Original Chargor and the Senior Agent, Mezzanine Agent or Debt Service Agent (as appropriate)

Vendors means the City of Bradford Metropolitan District Council, the Borough Council of Calderdale, Council of the City of Wakefield, The Borough Council of Kirklees and Leeds City Council as set out in schedule 1 of the Acquisition Agreement

Vendors Reports means

- (a) the financial report prepared by PricewaterhouseCoopers LLP dated 24 January 2007,
- (b) the legal report prepared by PricewaterhouseCoopers LLP dated 19 January 2007, and
- (c) any update to a report described in paragraph (a) or (b) above,

in each case relating to the Acquisition and addressed to, and/or capable of being relied upon by, the Arranger and the other Secured Creditors

Working Capital means, on any date, Current Assets less Current Liabilities

8. CONSTRUCTION OF SPECIFIC TERMS

- (a) Unless a contrary indication appears, a reference in this Companies Form 395 to
 - (i) the **Senior Agent**, the **Mezzanine Agent**, the **Debt Service Agent**, any **Arranger**, any **Finance Party**, any **Issuing Bank**, any **Lender**, any **Obligor**, any **Senior Party**, any **Mezzanine Party**, any **Debt Service Party**, any **Secured Creditor**, the **Security Agent** 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 the Secured Debt Finance Documents,
 - (ii) a document in **agreed form** is a document which is previously agreed in writing by or on behalf of the Original Chargor and the Senior Agent, Mezzanine Agent or Debt Service Agent (as appropriate) or, if not so agreed, is in the form specified by the Senior Agent, the Mezzanine Agent or the Debt Service Agent (as applicable),
 - (iii) **assets** includes present and future properties, revenues and rights of every description,
 - (iv) a **Senior Finance Document**, a **Mezzanine Finance Document**, a **Debt Service Finance Document** or a **Transaction Document** or any other agreement or instrument is a reference to that Senior Finance Document, Mezzanine Finance Document, Debt Service Finance Document or Transaction Document or other agreement or instrument as amended, novated, supplemented, extended or restated (but without prejudice to any restriction or prohibition on amending, novating, supplementing, extending or restating any document contained in the Secured Debt Finance Documents),
 - (v) **guarantee** means any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to maintain or assist the ability of such person to meet its indebtedness,

- (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) a **person** includes any person, firm, company, corporation, government, state or agency of a state or any association, trust or partnership (whether or not having separate legal personality) of two or more of the foregoing;
 - (viii) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation,
 - (ix) a provision of law is a reference to that provision as amended or re-enacted,
 - (x) a time of day is a reference to London time,
- (b) The headings in this Companies Form 395 are for ease of reference only
- (c) A Senior Borrower providing **cash cover** for a Letter of Credit or an Ancillary Facility means a Senior Borrower paying an amount in the currency of the Letter of Credit (or, as the case may be,) Ancillary Facility to an interest-bearing account in the name of the Senior Borrower and the following conditions being met
- (i) the account is with the Senior Agent (if the cash cover is to be provided for all the Senior Lenders) or with a Senior Lender or an Ancillary Lender (if the cash cover is to be provided for that Senior Lender or Ancillary Lender),
 - (ii) until no amount is or may be outstanding under that Letter of Credit or Ancillary Facility, withdrawals from the account may only be made to pay a Senior Finance Party amounts due and payable to it under the Senior Facilities Agreement in respect of that Letter of Credit or Ancillary Facility, and
 - (iii) the Senior Borrower has executed a security document over that account, in form and substance satisfactory to the Senior Agent or the Senior Lender or Ancillary Lender with which that account is held, creating a first ranking security interest over that account
- (d) A Default or an Event of Default is **continuing** if it has not been remedied or waived
- (e) A Senior Borrower **repaying or prepaying a Letter of Credit or Ancillary Outstandings** means
- (i) that Senior Borrower providing cash cover for that Letter of Credit or in respect of the Ancillary Outstandings,
 - (ii) the maximum amount payable under the Letter of Credit or Ancillary Facility being reduced or cancelled in accordance with its terms, or
 - (iii) the Issuing Bank or Ancillary Lender being satisfied that it has no further liability under that Letter of Credit or Ancillary Facility,
- and the amount by which a Letter of Credit is, or Ancillary Outstandings are, repaid or prepaid under paragraphs (e)(i) and (ii) above is the amount of the relevant cash cover or reduction
- (f) An amount borrowed includes any amount utilised by way of Letter of Credit or under an Ancillary Facility

(g) A Senior Lender funding its participation in a Utilisation includes a Senior Lender participating in a Letter of Credit

(h) An outstanding amount of a Letter of Credit at any time is the maximum amount that is or may be payable by the relevant Senior Borrower in respect of that Letter of Credit at that time

(i) The term

certificated has the meaning given to it in the Uncertificated Securities Regulations 2001

clearance system means a person whose business is or includes the provision of clearance services or security accounts or any nominee or depository for that person

(j) Any covenant of the Chargor under the Deed (other than a payment obligation) remains in force during the Security Period and is given for the benefit of each Secured Creditor

(k) The terms of the other Secured Debt Finance Documents and of any side letters between any Parties in relation to any Secured Debt Finance Document (as the case may be) are incorporated in the Deed to the extent required to ensure that any purported disposition of any freehold or leasehold property contained in the Deed is a valid disposition in accordance with section 2(1) of the Law of Property (Miscellaneous Provisions) Act 1989

(l) If the Security Agent considers that an amount paid to a Secured Creditor under a Secured Debt Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of the Deed

(m) Unless the context otherwise requires, a reference to a Security Asset includes

(i) any part of that Security Asset,

(ii) any proceeds of that Security Asset, and

(iii) any present and future assets of that type

FILE COPY



CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No 02065958

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A DEED OF ACCESSION TO THE SECURITY AGREEMENT DATED 2 MAY 2007 AND DATED THE 14th AUGUST 2007 AND CREATED BY LEEDS BRADFORD INTERNATIONAL AIRPORT LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM EACH OBLIGOR TO ANY SECURED CREDITOR UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 16th AUGUST 2007

GIVEN AT COMPANIES HOUSE, CARDIFF THE 22nd AUGUST 2007

Pargels



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES