



Declaration in relation to assistance for the acquisition of shares

155(6)a

Please do not
write in this
margin

Pursuant to section 155(6) of the Companies Act 1985

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

To the Registrar of Companies
(Address overleaf - Note 5)

For official use

Company number

— — — — —

02065958

Note
Please read the notes
on page 3 before
completing this form

Name of company

* Leeds Bradford International Airport Limited (the "Company")

* insert full name
of company

XWe, see appendix 1

Ø insert name(s) and address(es) of all the directors

† delete as appropriate

~~XXXXXXXXXXXX~~ [all the directors] † of the above company do solemnly and sincerely declare that

The business of the company is

§ delete whichever
is inappropriate

[illegible]

(c) something other than the above §

The company is proposing to give financial assistance in connection with the acquisition of shares in the [company] ~~XXXXXXXXXXXXXXXXXX~~ Leeds Bradford International Airport Limited

The assistance is for the purpose of ~~the acquisition of~~ [reducing or discharging a liability incurred for the purpose of that acquisition] †

The number and class of the shares acquired or to be acquired is see appendix 2

Presentor's name address and
reference (if any)
Addleshaw Goddard
Sovereign House
Sovereign Street
Leeds
LS1 1HQ

12004 Leeds
ELLIEA 327453/2 1921780-2

For official Use
General Section

THURSDAY



A22

A6YCIS55

16/08/2007

COMPANIES HOUSE

359

The assistance is to be given to (note 2) LBIA Holding Limited (a company registered in England and Wales with registered number 06023657 and registered office at White House Lane, Leeds, West Yorkshire LS19 7TU) (the "Purchaser")

Please do not
write in this
margin

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

The assistance will take the form of

see appendix 3

The person who [has acquired] ~~100%~~ † the shares is

† delete as
appropriate

LBIA Holding Limited

The principal terms on which the assistance will be given are

see appendix 4

The amount of cash to be transferred to the person assisted is £ see appendix 5

The value of any asset to be transferred to the person assisted is £ Nil

The date on which the assistance is to be given is within 8 weeks of the date hereof

Appendix 1 to Form 155(6)a given by Leeds Bradford International Airport Limited (registered number 02065958)

Directors

Name Catherine Alice Mason

Address Lodge House Farm,
Colton,
Tadcaster,
North Yorkshire,
LS24 8EP

Name Edmund John Seward Anderson

Address 65 Main Street,
Thorner,
Leeds,
LS14 3BU

Name Peter Willis

Address Rhyddings Cottage,
Rhyddings, Gardens Grange Close,
Ilkley,
West Yorkshire,
LS29 8NS

Name Sir Graham Joseph Hall

Address Rosedale Manor,
Kirk Hammerton Lane,
Green Hammerton,
York

Name Alan Stuart Lewis

Address Southfield Farm,
Farleigh Road,
Backwell,
North Somerset

Name Adrian Jonathan Mark Williams

Address 11 Elms Road,
London

um

Appendix 2 to Form 155(6)a given by Leeds Bradford International Airport Limited (registered number 02065958)

Number and class of shares

Terms defined in this statutory declaration (including in the Appendices) have the same meaning in this Appendix unless otherwise stated or the context requires otherwise

14,999,999 ordinary shares of £1 00 each in the capital of the Company

Appendix 3 to Form 155(6)a given by Leeds Bradford International Airport Limited (registered number 02065958)

Form of Assistance

Terms defined in this statutory declaration (including in the Appendices) have the same meaning in this Appendix unless otherwise stated or the context requires otherwise

The assistance will take the form of the execution, delivery and performance by the Company of the following documents (as the same may be amended, varied, supplemented or substituted from time to time)

- 1 an accession letter (the **Company Senior Accession Letter**) to be entered into between the Company, the Purchaser and the Senior Agent whereby the Company agrees to become a Senior Additional Guarantor and to be bound by the terms of the Senior Facilities Agreement as a Senior Additional Guarantor pursuant to Clause 30.4 of the Senior Facilities Agreement,
- 2 an accession letter (the **Company Mezzanine Accession Letter**) to be entered into between the Company, the Purchaser and the Mezzanine Agent whereby the Company agrees to become a Mezzanine Additional Guarantor and to be bound by the terms of the Mezzanine Facility Agreement as a Mezzanine Additional Guarantor pursuant to Clause 26.2 of the Mezzanine Facility Agreement,
- 3 an accession letter (the **Company Debt Service Accession Letter**) to be entered into between the Company, the Purchaser and the Debt Service Agent whereby the Company agrees to become a Debt Service Additional Guarantor and to be bound by the terms of the Debt Service Facility Agreement as a Debt Service Additional Guarantor pursuant to Clause 26.2 of the Debt Service Facility Agreement,
- 4 a deed of accession (the **Company Security Deed of Accession**) to be entered into between the Company, the Purchaser and the Security Agent whereby the Company agrees to become a Chargor under the Security Agreement,
- 5 an accession agreement (the **Company Intercreditor Deed of Accession**) to be entered into between the Company and the Security Agent whereby the Company agrees to be bound by the Intercreditor Agreement as an Obligor pursuant to Clause 19.2 of the Intercreditor Agreement, and
- 6 an intra-group loan agreement (the **Intra-Group Loan Agreement**) for the provision of loan facilities to be made available by the Company and Yorkshire International Airport Limited (registered in England with company number 04728123) (the **Subsidiary**) to the Purchaser and to be made between the Purchaser, the Company and the Subsidiary

LM

Appendix 4 to Form 155(6)a given by Leeds Bradford International Airport Limited (registered number 02065958)

Principal Terms

Terms defined in this statutory declaration (including the other Appendices) have the same meaning in this Appendix unless otherwise stated or the context otherwise requires

The principal terms on which assistance will be given are as follows

1 The Company Senior Accession Letter and the Senior Facilities Agreement

Under the terms of the Company Senior Accession Letter and the Senior Facilities Agreement

- (a) the Company irrevocably and unconditionally jointly and severally (with each other Senior Guarantor)
 - (i) guarantees to each Senior Finance Party punctual performance by each Senior Borrower of all that Senior Borrower's obligations under the Senior Finance Documents,
 - (ii) undertakes with each Senior Finance Party that whenever Senior Borrower does not pay any amount when due under or in connection with any Senior Finance Document, it shall immediately on demand pay that amount as if it was the principal obligor, and
 - (iii) indemnifies each Senior Finance Party immediately on demand against any cost, loss or liability suffered by that Senior Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Senior Finance Party would otherwise have been entitled to recover
- (b) the obligations of the Company as described in paragraph (a) above will not be affected by an act, omission, matter or thing which, but for Clause 23 of the Senior Facilities Agreement as set out in this paragraph (b), would reduce, release or prejudice any of its obligations described in paragraph (a) above (without limitation and whether or not known to it or any Senior Finance Party) including
 - (i) any time, waiver or consent granted to, or composition with, any Senior Obligor or other person,
 - (ii) the release of any other Senior Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group,
 - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Senior Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
 - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Senior Obligor or any other person,

- (v) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Senior Finance Document or any other document or security,
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Senior Finance Document or any other document or security, or
 - (vii) any insolvency or similar proceedings
- (c) the Company gives various representations, warranties, undertakings and indemnities to the Senior Finance Parties and agrees to pay certain costs fees and expenses to the Senior Finance Parties

2 The Company Mezzanine Accession Letter and the Mezzanine Facility Agreement

Under the terms of the Company Mezzanine Accession Letter and the Mezzanine Facility Agreement

- (a) the Company irrevocably and unconditionally jointly and severally (with each other Mezzanine Guarantor)
 - (i) guarantees to each Mezzanine Finance Party punctual performance by the Purchaser of all the Purchaser's obligations under the Mezzanine Finance Documents,
 - (ii) undertakes with each Mezzanine Finance Party that whenever the Purchaser does not pay any amount when due under or in connection with any Mezzanine Finance Document, it shall immediately on demand pay that amount as if it was the principal obligor, and
 - (iii) indemnifies each Mezzanine Finance Party immediately on demand against any cost, loss or liability suffered by that Mezzanine Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Mezzanine Finance Party would otherwise have been entitled to recover
- (b) The obligations of the Company as described in paragraph (a) above will not be affected by an act, omission, matter or thing which, but for Clause 19 of the Mezzanine Facility Agreement as described in this paragraph (b), would reduce, release or prejudice any of its obligations described in paragraph (a) above (without limitation and whether or not known to it or any Mezzanine Finance Party) including
 - (i) any time, waiver or consent granted to, or composition with, any Mezzanine Obligor or other person,
 - (ii) the release of any other Mezzanine Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group,
 - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Mezzanine Obligor or other person or any non-presentation or

non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,

- (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Mezzanine Obligor or any other person,
 - (v) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Mezzanine Finance Document or any other document or security,
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Mezzanine Finance Document or any other document or security, or
 - (vii) any insolvency or similar proceedings
- (c) the Company gives various representations, warranties, undertakings and indemnities to the Mezzanine Finance Parties and agrees to pay certain costs fees and expenses to the Mezzanine Finance Parties

3 The Company Debt Service Accession Letter and the Debt Service Facility Agreement

Under the terms of the Company Debt Service Accession Letter and the Debt Service Facility Agreement

- (a) the Company irrevocably and unconditionally jointly and severally (with each other Debt Service Guarantor)
 - (i) guarantees to each Debt Service Finance Party punctual performance by the Purchaser of all the Purchaser's obligations under the Debt Service Finance Documents,
 - (ii) undertakes with each Debt Service Finance Party that whenever the Purchaser does not pay any amount when due under or in connection with any Debt Service, that Debt Service Guarantor shall immediately on demand pay that amount as if it was the principal obligor, and
 - (iii) indemnifies each Debt Service Finance Party immediately on demand against any cost, loss or liability suffered by that Debt Service Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Debt Service Finance Party would otherwise have been entitled to recover
- (b) The obligations of the Company as described in paragraph (a) above will not be affected by an act, omission, matter or thing which, but for Clause 19 of the Debt Service Facility Agreement as described in this paragraph (b), would reduce, release or prejudice any of its obligations described in paragraph (a) above (without limitation and whether or not known to it or any Debt Service Finance Party) including
 - (i) any time, waiver or consent granted to, or composition with, any Debt Service Obligor or other person,

- (ii) the release of any other Debt Service Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group,
 - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Debt Service Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
 - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of a Debt Service Obligor or any other person,
 - (v) any amendment, novation, supplement, extension (whether of maturity or otherwise) or restatement (in each case, however fundamental and of whatsoever nature) or replacement of a Debt Service Finance Document or any other document or security,
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Debt Service Finance Document or any other document or security, or
 - (vii) any insolvency or similar proceedings
- (c) the Company gives various representations, warranties, undertakings and indemnities to the Debt Service Finance Parties and agrees to pay certain costs fees and expenses to the Debt Service Finance Parties

4 The Company Security Deed of Accession and the Security Agreement

(a) Accession to Security Agreement

Subject to the terms of the Security Agreement, with effect from the date of the Company Security Deed of Accession, the Company

- (i) is a party to the Security Agreement as a Chargor,
- (ii) is bound by all the terms of the Security Agreement which are expressed to be binding on a Chargor and has all the rights expressed to be granted on a Chargor thereunder, and
- (iii) in particular, creates the Security referred to in Clause 2 (Creation of Security) of the Security Agreement

(b) Covenant to pay

Under the terms of the Security Agreement, the Company must pay or discharge the Secured Liabilities in the manner provided for in the Secured Debt Finance Documents

(c) Fixed Charges

Under the terms of the Security Agreement, the Company 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 Company a right to acquire, occupy or use property, this includes any specified in Part 1 of the schedule to the Company Security Deed of Accession,
- (ii) (to the extent that they are not the subject of a mortgage under paragraph (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 Company a right to occupy or use property,

A reference in the Security Agreement to any freehold or leasehold property includes

- (A) all buildings, erections, fixtures and fittings (including trade fixtures and fittings) and fixed plant and machinery on that property owned by the Company, and
 - (B) the benefit of any covenants for title given or entered into by any predecessor in title of the Company in respect of that property and any moneys paid or payable in respect of those covenants,
- (iii) by way of a first legal mortgage all shares in any member of the Group (other than the Company) owned by it or held by any nominee on its behalf, this includes any specified in Part 2 of the schedule to the Company Security Deed of Accession,
 - (iv) (to the extent that they are not the subject of a mortgage under paragraph (iii) 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,

A reference in the Security Agreement to any share, stock, debenture, bond, warrant, coupon or other security or investment includes

- (A) any dividend, interest or other distribution paid or payable,
 - (B) 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,
 - (C) any right against any clearance system, and
 - (D) any right under any custodian or other agreement,
- in relation to that share, stock, debenture, bond, warrant, coupon or other security or investment,
- (v) 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,

- (vi) 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,
- (vii) 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,
- (viii) by way of a first fixed charge all of its rights in respect of
 - (A) the Shareholders' Agreement,
 - (B) any letter of credit issued in its favour, and
 - (C) any bill of exchange or other negotiable instrument held by it,
- (ix) by way of a first fixed charge all of its rights in respect of any Intellectual Property Rights, this includes any specified in Part 4 of the schedule to the Company Security Deed of Accession,
- (x) 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

(d) **Assignments**

Under the terms of the Security Agreement, the Company

- (i) 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,
- (ii) to the extent that they are not effectively assigned under paragraph (i) above, the Company charges by way of first fixed charge all amounts and rights described in paragraph (i) above

A reference in the Security Agreement 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

(e) **Floating Charge**

Under the terms of the Security Agreement, the Company

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

(f) **Indemnities**

Under the terms of the Security Agreement, the Company must

- (i) immediately on demand pay all costs and expenses (including legal fees) incurred in connection with the Security Agreement by any Secured Creditor, Receiver, attorney, manager, agent or other person appointed by the Security Agent under the Security Agreement including any arising from any actual or alleged breach by any person of any law or regulation, whether relating to the environment or otherwise, and
- (ii) keep each of those persons indemnified against any failure or delay in paying those costs and expenses

(g) **Further Assurance**

Under the terms of the Security Agreement, the Company must, at its own expense, take whatever action the Security Agent or a Receiver may require for

- (i) creating, perfecting or protecting any security intended to be created by or pursuant to the Security Agreement,
- (ii) facilitating the realisation of any Security Asset,
- (iii) 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
- (iv) creating and perfecting security in favour of the Security Agent (equivalent to the security intended to be created by the Security Agreement) over any

assets of the Company located in any jurisdiction outside England and Wales

This includes

- (A) the re-execution of the Security Agreement,
- (B) 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
- (C) 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

(h) Waiver of Defences

Under the terms of the Security Agreement, the obligations of the Company under the Security Agreement will not be affected by any act, omission or thing which, but for Clause 21.3 of the Security Agreement as described in this paragraph (h), would reduce, release or prejudice any of its obligations under the Security Agreement (whether or not known to it or any Secured Creditor). This includes

- (i) any time or waiver granted to, or composition with, any person,
- (ii) any release of any person under the terms of any composition or arrangement,
- (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person,
- (iv) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security,
- (v) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person,
- (vi) any amendment of a Secured Debt Finance Document or any other document or security,
- (vii) any unenforceability, illegality, invalidity or non-provability of any obligation of any person under any Secured Debt Finance Document or any other document or security or the failure by any member of the Group to enter into or be bound by any Secured Debt Finance Document, or
- (viii) any insolvency or similar proceedings

5 The Company Intercreditor Deed of Accession and the Intercreditor Agreement

- (a) Accession to the Intercreditor Agreement

With effect from the date of the Company Intercreditor Deed of Accession, the Company agrees to be an Intercreditor Obligor under the Intercreditor Agreement and to be bound by the terms of the Intercreditor Agreement as an Intercreditor Obligor

(b) Guarantee

Under the terms of the Intercreditor Agreement, the Company irrevocably and unconditionally jointly and severally guarantees to each Hedging Bank performance by each other Intercreditor Obligor of all that Intercreditor Obligor's obligations under the Hedging Documents on the same terms as are set out in clause 23 (Guarantee and Indemnity) of the Senior Facilities Agreement (as described in paragraph 1 above)

For this purpose, any reference in that paragraph

- (i) to a Senior Finance Party will be construed as a reference to a Hedging Bank,
- (ii) to a Senior Borrower will be construed as a reference to the counterparty in respect of that Hedging Debt, and
- (iii) to the Senior Finance Documents will be construed as a reference to the Hedging Documents

6 The Intra-Group Loan Agreement

Under the terms of the Intra-Group Loan Agreement the Company and the Subsidiary will grant to the Purchaser, upon the terms and conditions of the Intra-Group Loan Agreement, loan facilities to enable the Purchaser to, amongst other things

- (a) make payments when due under and in accordance with the Senior Facilities Agreement,
- (b) make payments when due under and in accordance with the Mezzanine Facility Agreement,
- (c) make payments when due under and in accordance with the Debt Service Facility Agreement, or
- (d) for any other purpose agreed by the Company or the Subsidiary (provided that such purpose is permitted under the terms of the Intercreditor Agreement, the Senior Facilities Agreement, the Mezzanine Facility Agreement and the Debt Service Facility Agreement),

in each case to the extent permitted by the Senior Facilities Agreement, the Mezzanine Facility Agreement, the Debt Service Facility Agreement and the Intercreditor Agreement

CM

Appendix 5 to Form 155(6)a given by Leeds Bradford International Airport Limited (registered number 02065958)

Amount of Cash to be Transferred

Terms defined in this statutory declaration (including the other Appendices) have the same meaning in this Appendix unless otherwise stated or the context otherwise requires

Nil at the date of this statutory declaration, but such sums (if any) to be advanced by the Company to the Purchaser under the Intra-Group Loan Agreement up to a maximum amount of £200,000,000

Appendix 6 to Form 155(6)a given by Leeds Bradford International Airport Limited (registered number 02065958)

Definitions and interpretation

Any reference in this statutory declaration (including in the Appendices) to any agreement or instrument is a reference to such agreement or instrument as from time to time amended, novated, restated, varied, assigned from time to time (however fundamentally)

Terms used in this statutory declaration (including in the Appendices) have the following meanings

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 by the Senior Agent, or after the Senior Debt Discharge Date but on or prior to the Mezzanine Debt Discharge Date, the Mezzanine Agent, or after the later of the Senior Debt Discharge and the Mezzanine Debt Discharge Date, the Debt Service Agent

Acquisition means the acquisition by the Purchaser, of the Target Shares on the terms of the Acquisition Documents

Acquisition Agreement means the agreement dated on or around the 2 May, 2007 relating to the sale and purchase of the Target Shares and made between the Purchaser and the Vendors

Acquisition Documents means the Acquisition Agreement, the Disclosure Letter, the Shareholders' Agreement, the memorandum and articles of association of the Company, 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 Purchaser and the Senior Agent (in relation to the Senior Facilities Agreement), Mezzanine Agent (in relation to the Mezzanine Facility Agreement) or the Debt Service Agent (in relation to the Debt Service Facility Agreement)

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

Acquisition Facility Commitment means

- (a) in relation to a Senior 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

Additional Chargor means a member of the Group which becomes a Chargor by executing a Security Deed of Accession

Arranger means The Royal Bank of Scotland plc as mandated lead arranger

Base Currency means pounds sterling (£)

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

Capex Facility means the term loan facility made available under 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 a Senior 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

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 (as defined in the Senior Facilities Agreement, the Mezzanine Facility Agreement and the Debt Service Facility Agreement) on not more than 30 days' notice, or
- (f) any other debt security approved by the Senior Majority Lenders (in relation to the Senior Facilities Agreement), the Mezzanine Majority Lenders (in relation to the Mezzanine Facility Agreement) or the Debt Service Majority Lenders (in relation to the Debt Service Facility Agreement) 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)

Chargor means the Original Chargor and any Additional Chargor

Closing Date means the date on which Completion occurs

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

Debt Service Accession Letter means a document substantially in the form set out in Schedule 7 (Form of Accession Letter) of the Debt Service Facility Agreement

Debt Service Additional 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

Debt Service Agent means The Royal Bank of Scotland plc as agent of the other Debt Service Finance Parties

Debt Service Commitment means

- (a) in relation to a Debt Service Original 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 the Debt Service Facility Agreement,

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

Debt Service Compliance Certificate means a certificate substantially in the form set out in Schedule 9 (Form of Compliance Certificate) of the Debt Service Facility Agreement

Debt Service Creditor means a Debt Service Finance Party

Debt Service Debt means all Liabilities payable or owing by any Debt Service Obligor to a Debt Service Creditor under or in connection with the Debt Service Finance Documents

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

Debt Service Facility means the term loan facility made available under the Debt Service Facility Agreement as described in Clause 2.1 (The Facility) of the Debt Service Facility Agreement

Debt Service Facility Agreement means the debt service facility agreement dated 02 May, 2007 and made between, amongst others, the Purchaser (as the borrower) and The Royal Bank of Scotland plc as the Debt Service Agent, the Arranger and the Security Agent

Debt Service Fee Letter means any letter or letters dated on or about the date of the Debt Service Facility Agreement between the Arranger and the Purchaser (as the borrower under the Debt Service Facility Agreement) (or the Debt Service Agent and the Purchaser or the Security Agent and the Purchaser) setting out any of the fees referred to in Clause 13 (Fees) of the Debt Service Facility Agreement

Debt Service Finance Document means the Debt Service Facility Agreement, the Debt Service Letter of Credit, the Mandate Letter, the Deed of Covenant, any Debt Service Accession Letter, any Debt Service Compliance Certificate, any Debt Service Fee Letter, the Intercreditor Agreement, any Debt Service Resignation Letter, any Debt Service Selection Notice, any Transaction Security Document, any Debt Service 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 Purchaser 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 Arranger, the Security Agent or a Debt Service Lender

Debt Service Guarantor means a company who has become a Debt Service Guarantor in accordance with Clause 26 (Changes to the Obligors) of the Debt Service Facility Agreement, 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) any Debt Service Original Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a party to the Debt Service Facility Agreement 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 party to the Debt Service Facility Agreement in accordance with the terms of the Debt Service Facility Agreement

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

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

Debt Service Obligor means the Purchaser (as the borrower under the Debt Service Facility Agreement) or a Debt Service Guarantor

Debt Service Original Lender means the financial institutions listed in Schedule 1 (The Original Lenders) in the Debt Service Facility Agreement as lenders

Debt Service Resignation Letter means a letter substantially in the form set out in Schedule 8 (Form of Resignation Letter) of the Debt Service Facility Agreement

Debt Service Selection Notice means a notice substantially in the form set out in Part 2 of Schedule 3 (Requests) of the Debt Service Facility Agreement (in accordance with Clause 11 (Interest Periods) of the Debt Service Facility Agreement) in relation to the facility defined in Clause 2 1 (The Facility) of the Debt Service Facility Agreement

Debt Service Total Commitments means the aggregate of the Debt Service Commitments, being £2,700,000 at the date of the Debt Service Facility Agreement

Debt Service Utilisation Request means a notice substantially in the relevant form set out in Part 1 of Schedule 3 (Requests) of the Debt Service Facility Agreement or in such other form as may be agreed between the Purchaser (as the borrower under the Debt Service Facility Agreement) and the Debt Service Agent

Deed of Covenant means a deed of covenant in the agreed form between the Company (1), Leeds City Council and Bradford Metropolitan District Council (2) and The Royal Bank of Scotland plc (3) relating to the land registered with title number WYK461796

Disclosure Letter means the disclosure letter dated on or around the 2 May, 2007 relating to the Acquisition Agreement

Event of Default has the meaning given to that term in the Senior Facilities Agreement, the Mezzanine Facility Agreement or the Debt Service Facility Agreement (as appropriate)

Excess Senior Debt means any Senior Debt created in breach of Clause 2 3 (Limit on Senior Debt) of the Senior Facilities Agreement

Group means the Purchaser, the Company 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 a Senior Borrower, or as the case may be, the Purchaser (as borrower under the Mezzanine Facility Agreement) and a Hedging Bank for the purpose of hedging interest rate liabilities in relation to the Senior Term Facilities, or as the case may be, the Mezzanine Facility in accordance with the Hedging Letter delivered to the Senior Agent, the Mezzanine Agent and the Debt Service Agent under Clause 4 1 (Initial conditions precedent) of the Senior Facilities Agreement, Clause 4 1 (Initial conditions precedent) of the Mezzanine Facility Agreement and Clause 4 1 (Initial conditions precedent) of the Debt Service Facility Agreement respectively

Hedging Bank means a person which has become a party to the Intercreditor Agreement as a Hedging Bank in accordance with the provisions of the Intercreditor Agreement

Hedging Debt means, subject to Clause 8.2 (Hedging Documents) of the Intercreditor Agreement, all Liabilities payable or owing by the Purchaser to a Hedging Bank under or in connection with the Hedging Documents

Hedging Document means

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

Hedging Letter has the meaning given to that term in the Senior Facilities Agreement and the Mezzanine Facility Agreement (as applicable)

Intellectual Property Rights means, in relation to any 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 Additional Obligor means a member of the Group which becomes a party to the Intercreditor Agreement after the date of the Intercreditor Agreement

Intercreditor Agreement means the intercreditor agreement dated 02 May, 2007 and made between, amongst others, the Purchaser, The Royal Bank of Scotland plc as Security Agent, Senior Agent, Mezzanine Agent, Debt Service Agent and Arranger, the Senior Lenders, the Debt Service Lenders, the Mezzanine Lenders, the Hedging Banks and the Investors (as defined therein)

Intercreditor Obligor means

- (a) the Purchaser, or
- (b) an Intercreditor Additional Obligor

Investors mean Bridgepoint Capital (Nominees) Limited and its or any subsequent successors or assignees or transferees

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

Mandate Letter means the letter dated on or around the date of the Debt Service Facility Agreement between the Arranger, the Purchaser and Bridgepoint relating to the appointment of the Arranger

Mezzanine Accession Letter means a document substantially in the form set out in Schedule 7 (Form of Accession Letter) of the Mezzanine Facility Agreement

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

Mezzanine Agent means The Royal Bank of Scotland plc as agent of the other Mezzanine Finance Parties

Mezzanine Commitments means

- (a) in relation to a Mezzanine Original 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 Compliance Certificate means a certificate substantially in the form set out in Schedule 9 (Form of Compliance Certificate) of the Mezzanine Facility Agreement

Mezzanine Creditor means a Mezzanine Finance Party

Mezzanine Debt means all Liabilities payable or owing by any Mezzanine Obligor to a Mezzanine Creditor (other than a Hedging Bank) and, on and following the Senior 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 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 under and as defined in the Mezzanine Facility Agreement 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 02 May, 2007 and made between, amongst others, the Purchaser (as borrower) and The Royal Bank of Scotland plc as the Mezzanine Agent, the Arranger and the Security Agent

Mezzanine Fee Letter means any letter or letters dated on or about the date of the Mezzanine Facility Agreement between the Arranger and the Purchaser (as borrower under the Mezzanine Facility Agreement) (or the Mezzanine Agent and the Purchaser or the Security Agent and the Purchaser) setting out any of the fees referred to in Clause 13 (Fees) of the Mezzanine Facility Agreement

Mezzanine Finance Document means the Mezzanine Facility Agreement, the Mandate Letter, the Deed of Covenant, any Mezzanine Accession Letter, any Mezzanine Compliance Certificate, any Mezzanine Fee Letter, the Hedging Letter, any Hedging Agreement, the Intercreditor Agreement, any Mezzanine Resignation Letter, any Mezzanine Selection Notice, any Transaction Security Document, any Mezzanine 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 Purchaser (as borrower under the Mezzanine Facility Agreement) and (prior to the Senior Debt Discharge Date) the Senior Facility Agent

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

Mezzanine Guarantor means a company which becomes a Mezzanine Guarantor in accordance with Clause 26 (Changes to the Obligors) of the Mezzanine Facility Agreement, 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) any Mezzanine Original Lender, and
- (b) any bank, financial institution, trust, fund or other entity which has become a party to the Mezzanine Facility Agreement in accordance with Clause 25 (Changes to the Lenders) of the Mezzanine Facility Agreement,

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

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

Mezzanine Obligor means the Purchaser (as borrower under the Mezzanine Facility Agreement) or a Mezzanine Guarantor

Mezzanine Original Lender means the financial institutions listed in Schedule 1 (The Original Lenders) in the Mezzanine Facility Agreement as lenders

Mezzanine Resignation Letter means a letter substantially in the form set out in Schedule 8 (Form of Resignation Letter) of the Mezzanine Facility Agreement

Mezzanine Selection Notice means a notice substantially in the form set out in Part 2 of Schedule 3 (Requests) of the Mezzanine Facility Agreement (in accordance with Clause 11 (Interest Periods) of the Mezzanine Facility Agreement) in relation to the facility defined in Clause 2.1 (The Facility) of the Mezzanine Facility Agreement

Mezzanine Total Commitments means the aggregate of the Mezzanine Commitments, being £7,500,000 at the date of the Mezzanine Facility Agreement

Mezzanine Utilisation Request means a notice substantially in the relevant form set out in Part 1 of Schedule 3 (Requests) of the Mezzanine Facility Agreement or in such other form as may be agreed between the Purchaser (as borrower under the Mezzanine Facility Agreement) and the Mezzanine Agent

Obligor means each Senior Obligor, Mezzanine Obligor and Debt Service Obligor

Original Chargor means the Purchaser

Overage Deed means the overage deed dated on or around 2 May, 2007 between the Company, 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 Company

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

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

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

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

Secured Liabilities means 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 Security Agreement contravening any law (including section 151 of the Companies Act 1985)

Security means any mortgage, charge, pledge, lien or other security interest securing any obligations of any person or any other agreement, arrangement having a similar effect

Security Agent means The Royal Bank of Scotland plc as Security Agent for the Secured Creditors

Security Agreement means the security agreement dated 02 May, 2007 between, among others, the Purchaser (as the Original Chargor) and the Security Agent

Security Assets means all assets of each Chargor the subject of the Security created, evidenced or conferred by or under the Security Agreement or any Security Deed of Accession

Security Deed of Accession means a deed substantially in the form of Schedule 5 (Form of Deed of Accession) of the Security Agreement

Senior Accession Letter means a document substantially in the form set out in Schedule 7 (Form of Accession Letter) of the Senior Facilities Agreement

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

Senior Agent means The Royal Bank of Scotland plc as agent of the other Senior Finance Parties

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

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

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

Senior Borrower means the Purchaser (as the Senior Original Borrower under the Senior Facilities Agreement) or an Additional Senior 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 Compliance Certificate means a certificate substantially in the form set out in Schedule 9 (Form of Compliance Certificate) of the Senior Facilities Agreement

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

Senior Creditor means a Senior Finance Party

Senior Debt means all Liabilities payable or owing by any Senior 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 Senior Commitments cancelled

Senior Facilities means a Senior Term Facility or the Revolving Facility

Senior Facilities Agreement means the senior facilities agreement dated 02 May, 2007 and made between, amongst others, the Purchaser (as the original borrower) and The Royal Bank of Scotland plc as the Senior Agent, the Arranger, the Security Agent and Senior Issuing Bank

Senior Fee Letter means

- (a) any letter or letters dated on or about the date of the Senior Facilities Agreement between the Arranger and the Purchaser (as Senior Original Borrower under the Senior Facilities Agreement) (or the Senior Agent and the Purchaser or the Security Agent and the Purchaser) setting out any of the fees referred to in Clause 17 (Fees) of the Senior Facilities Agreement, and
- (b) any agreement setting out fees payable to a Senior Finance Party referred to in Clause 17 5 (Fees payable in respect of Letters of Credit) of the Senior Facilities Agreement or Clause 17 6 (Interest, commission and fees on Ancillary Facilities) of the Senior Facilities Agreement or under any other Senior Finance Document

Senior Finance Documents means the Senior Facilities Agreement, the Mandate Letter, the Deed of Covenant, any Senior Accession Letter, any Senior Ancillary Document, any Senior Compliance Certificate, any Senior Fee Letter, the Hedging Letter, any Hedging Agreement, the Intercreditor Agreement, any Senior Resignation Letter, any Senior Selection Notice, any Transaction Security Document, any Senior 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 Purchaser

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

Senior Guarantor means a Senior Original Guarantor or a Senior Additional 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 Issuing Bank means The Royal Bank of Scotland plc and any other Senior Lender which has notified the Senior Agent that it has agreed to the Purchaser's request to be a Senior 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 Senior Issuing Bank) provided that, in respect of a Senior Letter of Credit issued or to be issued pursuant to the terms of the Senior Facilities Agreement, the Senior Issuing Bank shall be the Senior Issuing Bank which has issued or agreed to issue that Senior Letter of Credit

Senior Lender means

- (a) any Senior Original Lender, and

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

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

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

Senior 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 Senior Commitments aggregate more than 66 2/3% of the Senior Total Commitments (or, if the Senior Total Commitments have been reduced to zero, aggregated more than 66 2/3% of the Senior Total Commitments immediately prior to that reduction)

Senior Obligor means a Senior Borrower or a Senior Guarantor

Senior Original Guarantor means the companies listed in Part 1 of Schedule 1 (The Original Parties) of the Senior Facilities Agreement as original guarantors (together with the Purchaser, the Senior Original Guarantors)

Senior Original Lender means the financial institutions listed in Schedule 1 (The Original Lenders) in the Senior Facilities Agreement as lenders

Senior Resignation Letter means a letter substantially in the form set out in Schedule 8 (Form of Resignation Letter) of the Senior Facilities Agreement

Senior Selection Notice means a notice substantially in the form set out in Part 2 of Schedule 3 (Requests) of the Senior Facilities Agreement (in accordance with Clause 11 (Interest Periods) of the Senior Facilities Agreement) in relation to the Senior Term Facility

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

Senior 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 at the date of the Senior Facilities Agreement

Senior Utilisation Request means a notice substantially in the relevant form set out in Part 1 of Schedule 3 (Requests) of the Senior Facilities Agreement or in such other form as may be agreed between the Purchaser and the Senior Agent

Shareholders' Agreement means the shareholders agreement dated 02 May 2007 between the Purchaser, the Company, the City of Bradford Metropolitan District Council and Leeds City Council

Single Purpose Account means in relation to any Chargor

- (a) any account specified in Part 5 of Schedule 1 (Security Assets) of the Security Agreement or in Part 5 of the schedule to any Security Deed of Accession by which it became party to the Security Agreement, and
- (b) any other account which that 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 Company having the rights set out in the articles of association of the Company

Structural Intra-Group Loan Agreement means the loan agreement dated 02 May 2007 between the Purchaser and the Company pursuant to which the Purchaser, will make available a facility to the Company up to a maximum aggregate principal amount equal to £16,000,000 to be used by the Company only for the purposes and at the times set out in the Structure Memorandum

Structural Intra-Group Loan means the loan made by the Purchaser to the Company pursuant to the Structural Intra-Group Loan Agreement

Structure Memorandum means the structure paper entitled "Project Rose Structure Report" and dated on or around the 02 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, Royal Bank of Scotland plc and the other Secured Creditors

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

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

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 a Senior 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

Total Acquisition Facility Commitments means the aggregate of the Acquisition Facility Commitments, being £50,000,000 at the date of the Senior Facilities Agreement

Total Capex Facility Commitments means the aggregate of the Capex Facility Commitments, being £29,000,000 at the date of the Senior Facilities Agreement

Total Revolving Facility Commitments means the aggregate of the Revolving Facility Commitments, being £5,000,000 at the date of the Senior Facilities Agreement

Total Terminal Facility Commitments means the aggregate of the Terminal Facility Commitments, being £21,000,000 at the date of the Senior Facilities Agreement

Transaction Security Documents means

(a) the Security Agreement,

(b) each Security Deed of Accession entered into by a member of the Group, and

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 Senior Obligors, Mezzanine Obligors or Debt Service Obligors under any of the Senior Finance Documents, the Mezzanine Finance Documents or the Debt Service Finance Documents

Utilisation means a Loan or a Letter of Credit

Vendors has the meaning given to it in the Acquisition Agreement

Private and confidential

Leeds Bradford International Airport Limited
Leeds
LS197TU

7 August 2007

Phillip Hilling
Direct tel 0113 298 2260
E-mail philling@uk.ey.com

Dear Sirs

**REPORT OF THE INDEPENDENT AUDITOR TO THE DIRECTORS OF LEEDS
BRADFORD INTERNATIONAL AIRPORT LIMITED PURSUANT TO SECTION 156(4)
OF THE COMPANIES ACT 1985**

We report on the attached statutory declaration of the directors dated 7 August 2007, prepared pursuant to the Companies Act 1985 in line with section 151(2) (reducing or discharging a liability), in connection with the proposal that Leeds Bradford International Airport Limited (the "Company") should give financial assistance to LBIA Holding Limited, in relation to the acquisition of 14,999,999 shares Leeds Bradford International Airport Limited

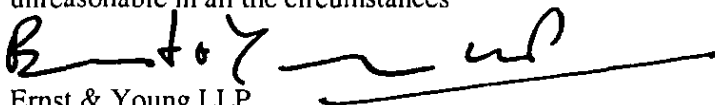
This report is made solely to the directors in accordance with Section 156(4) of the Companies Act 1985. Our work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditors' report under section 156(4) and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, for our audit work, for this report, or for the opinions we have formed.

Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.



Ernst & Young LLP
Registered Auditor
1 More London Place
SE12AF