

LOAN AGREEMENT

dated as of April 20, 2017

between

SNC-LAVALIN HIGHWAY HOLDINGS INC.

(as Borrower)

and

CDPQ REVENU FIXE INC.

(as Lender)

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LOAN AGREEMENT

LOAN AGREEMENT (this “**Agreement**”) dated as of April 20, 2017 between SNC-Lavalin Highway Holdings Inc., as Borrower, and CDPQ Revenu Fixe Inc., as Lender.

WHEREAS the Borrower has requested the Lender to provide a loan in a principal amount of \$1,500,000,000;

WHEREAS the Lender is willing to provide such loan to the Borrower on the basis that the Borrower is the registered and beneficial owner of the Opco Shares (as defined below) and has no indebtedness, liabilities or obligations other than as described in this Agreement, and that as a result, the Lender would have recourse against, and, subject to the provisions of this Agreement, would be repaid in priority out of proceeds arising from the Opco Shares including dividends, distributions and disposition proceeds on or from such Opco Shares, whether or not such Opco Shares are pledged to the Lender;

WHEREAS the Borrower has agreed to borrow from the Lender, and the Lender has agreed to advance to the Borrower, such loan upon the terms and subject to the conditions hereinafter set forth;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the premises and the agreements herein and in the other Loan Documents, and in reliance upon the representations and warranties set forth herein and therein, the parties agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

Except as otherwise expressly provided, capitalized terms used in this Agreement and its schedules and exhibits shall have the following meanings:

“**Account**” means the account no. 00001-107320-4 held by Borrower or such other replacement bank account of the Borrower with the Account Bank, in each case, subject to the Blocked Account Agreement to the satisfaction of the Lender;

“**Account Bank**” means Royal Bank of Canada or such other financial institution appointed by the Borrower, and satisfactory to the Lender, to hold the Account;

“**Acquisition**” means the acquisition by the Offeror of all the Target Shares pursuant to the Scheme or, if an Offer Conversion Notice is issued, the Offer;

“**Acquisition Documents**” means the Scheme Documents or, if an Offer Conversion Notice is issued, the Offer Documents and any other document designated in writing as an “**Acquisition Document**” by the Borrower and the Lender;

“**Additional Amount**” has the meaning given in Section 4.5(a);

“**Affiliate**” means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the specified Person;

“**Agreed Form Summary**” means the summary of the provisions of this Agreement for inclusion in the Scheme Document (or, as applicable, the Offer Document) and initialled for identification purposes by or on behalf of the Lender and the Borrower;

“**Applicable Law**” means, in respect of any Person, property, transaction, event or other matter, as applicable, all laws, rules, statutes, regulations, by-laws, treaties, ordinances, orders, judgments and decrees and all official directives, rules, guidelines, orders, decisions, policies and other requirements of any Governmental Authority and will also include any interpretation of the law or any part of the law by any Person having jurisdiction over it or charged with its administration or interpretation, in each case whether or not having the force of law, relating or applicable to such Person, property, transaction, event or other matter;

“**Applicable Margin**” means, with respect to each Tranche, the margin set out in Schedule A;

“**Arm’s Length**” has the meaning ascribed to such term in Section 251 of the *Income Tax Act* (Canada);

“**Articles of Amendment**” has the meaning given in Section 5.2(a)(iii);

“**Authorized Officer**” means in relation to the Borrower and any communication to be made on behalf of the Borrower or any document to be executed or certified by the Borrower, any of the President, Senior Vice President, Asset Management or Vice President and Corporate Secretary of the Borrower, or such other Person as is acceptable to the Lender;

“**Base Rate**” means, on any day, the greater of: (a) the CDOR Rate on such day; and (b) 0.9%;

“**Blocked Account Agreement**” means the blocked account agreement among the Borrower, the Lender and the Account Bank in respect of the Account, in form and substance satisfactory to the Lender;

“**Borrower**” means SNC-Lavalin Highway Holdings Inc. and its successors and permitted assigns;

“**Borrower Shares**” means all of the issued and outstanding shares in the share capital of the Borrower held by Parent from time to time;

“**Bridge Credit Agreements**” means collectively: (i) the credit agreement dated on or about the date hereof among, Group, as borrower, Bank of Montreal, as administrative agent and the several lenders party thereto from time to time providing for a \$800,000,000 credit facility; (ii) the credit agreement dated on or about the date hereof among Group, as borrower, Bank of Montreal, as administrative agent and the several lenders party thereto from time to time providing for a £400,000,000 credit facility; and (iii) the credit agreement dated on or about the date hereof between Group, as borrower, and the Lender, as lender, providing for a \$400,000,000

credit facility, in each case, as amended, restated, supplemented, replaced or otherwise modified from time to time;

“**Bridge Financing**” means the bridge financings made available pursuant to the Bridge Credit Agreements in connection with the Acquisition;

“**Brokers**” means, collectively, RBC Dominion Securities Inc., BMO Nesbitt Burns Inc. and TD Securities Inc.;

“**Business Day**” means any day on which banks are open for business in Montréal, Québec;

“**Caisse**” means Caisse de dépôt et placement du Québec;

“**Capitalized Interest**” has the meaning given in Section 3.1(c);

“**Capital Lease**” means, with respect to any Person, any lease or other arrangement relating to property or assets which, in accordance with GAAP, would be accounted for as a capital lease obligation on a statement of financial position of such Person, but excluding leases which are or would be classified as operating leases in accordance with GAAP as in effect on the date of this Agreement. The amount of any Capital Lease at any time will be the amount of the obligation in respect thereof which would be included at such time in such statement of financial position;

“**Casualty Event**” means, with respect to any property or assets of any Person, any damage to, or any loss or destruction of, such property or assets, including as a result of a force majeure, or any condemnation, expropriation or other taking (including by any Governmental Authority) of such property or assets;

“**CDOR Rate**” means, on any day, the rate for Canadian Dollar bankers’ acceptances for a period of three (3) months (or in respect of an Interest Period comprising less than 60 days, the rate for Canadian Dollar bankers’ acceptances for a period of one (1) month) displayed and identified as such on the display as “CDOR” (being the average rate) on the Bloomberg page “BTMM CA” (or such other page as may replace that page on that service for the purpose of displaying Canadian dollar bankers’ acceptance rates or as may be used to display average rates) as of 10:00 A.M. Montréal, Québec local time on such day and, if such day is not a Business Day, then on the immediately preceding Business Day (as adjusted by the Lender after 10:00 A.M. Montréal, Québec local time to reflect any error in a posted rate of interest or in the posted average annual rate of interest with notice of such adjustment in reasonable detail evidencing the basis for such determination being concurrently provided to the Borrower). If such Bloomberg page shall cease to be published, the rate shall be determined by using an alternative service provider selected by the Lender, acting reasonably;

“**Certain Funds Period**” means the period commencing on the Execution Date and ending on the earliest of: (a) the last date on which payment is made to Target Shareholders under the terms of the Offer or the Scheme; (b) the date on which the Offer or the Scheme lapses, is withdrawn or cancelled (or, in the case of the Scheme, is rejected by the Court); and (c) the Outside Date;

“**Change of Control**” means any transaction or series of transactions resulting in Parent holding less than seventy percent (70%) of all of the issued and outstanding shares of the Borrower of

each class which percentage shall be reduced correspondingly with any increase to the percentage of shares of the Borrower that, pursuant to the Opco Shareholders Agreement, may be sold to a third party without requiring the transfer of the Opco Shares back to the Parent; provided, however, that Parent shall at all times own more than fifty percent (50%) of all of the issued and outstanding shares of the Borrower of each class;

“**Change of Law**” has the meaning given in Section 4.7(a);

“**Charged Property**” means, at any time, the property and assets charged or purported to be charged at such time under the Security Documents;

“**Claim**” means any claim, litigation, demand, cause of action, suit, action, judgment, assessment, reassessment or proceedings of any kind, including before any Governmental Authority;

“**Collateral**” has the meaning given in Section 5.1;

“**Code**” means the City Code on Takeovers and Mergers of the United Kingdom;

“**Constating Documents**” means, with respect to any Person, its articles or certificate of incorporation or association, amendment, amalgamation or continuance, by-laws, partnership agreement, limited partnership agreement, declaration of trust, trust indenture or other similar document as may be applicable together with any shareholders’ agreements, unanimous shareholder declarations, voting trust agreements or similar agreements or arrangements applicable to such Person’s Equity Securities or other similar rights in such Person’s equity or capital from time to time;

“**Contract**” means any agreement, indenture, contract, lease, deed, licence, option, instrument or other commitment, whether written or oral;

“**Control**” (and correlative terms) means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise;

“**Co-operation Agreement**” means the co-operation agreement (if any) dated on or about the Execution Date between the Offeror and the Target relating to the Acquisition;

“**Court**” means the High Court of Justice in England and Wales;

“**Court Meeting**” means the meeting(s) of Target Shareholders (or of any class thereof) convened by the Court for the purposes of approving the Scheme under Part 26 of the UK Companies Act 2006 (or any adjournment thereof);

“**Court Order**” means the order of the Court confirming the sanction of the Scheme as required by Part 26 of the Companies Act 2006 in connection with the Acquisition;

“**Credit Rating Event**” means, at any time, if at such time any outstanding Opco Debt is rated below the Credit Rating Threshold;

“Credit Rating Threshold” means (a) for any senior Opco Debt, at least A- by all Rating Agencies; (b) for any junior Opco Debt, at least A-, by at least one (1) Rating Agency; and (c) in respect of any other outstanding Opco Debt, at least BBB by all Rating Agencies; provided, however, that, for the purposes of this definition, (i) any unrated Opco Debt shall be deemed to meet the foregoing requirements, unless such Opco Debt is, by its terms, subordinate and junior to the then lowest rated Opco Debt, in which case such unrated Opco Debt shall be considered to be rated below BBB; and (ii) if, at any time, no Opco Debt is rated, then all Opco Debt shall be considered to be rated below BBB;

“DBRS” means Dominion Bond Rating Service Limited, or any successor of the business of such company in the rating of securities;

“Default” means any occurrence, circumstance or event, or any combination thereof, which, with the lapse of time, the giving of notice or both, would constitute an Event of Default;

“Default Notice” has the meaning given in Section 8.7(b);

“Default Rate” means, on any day, the Base Rate on such day, plus the Applicable Margin increased by 2%;

“Disposition” means, with respect to any property or assets of any Person, (a) any direct or indirect sale, lease, assignment, transfer (including any transfer of title or possession), exchange, conveyance, release or gift of such property or assets, or (b) any reorganization, consolidation, amalgamation or merger of such Person pursuant to which such property or assets becomes the property of any other Person, and **“Dispose”** shall have a correlative meaning;

“Distribution” means any payment (in cash or in kind) or any other form of settlement or transfer (including by way of set-off, dividend and any distribution or return of assets, income, capital or profits to any shareholders, partners or members) by or on behalf of any Person in respect of its Equity Securities;

“Documentary Letter of Credit” means a Letter of Credit customarily referred to as a documentary or commercial letter of credit;

“Dollars” and **“\$”** means Canadian dollars;

“Downgrading Event” means, at any time, if Group’s credit rating is downgraded to B+ or below by one (1) Rating Agency;

“Drawdown Notice” means the drawdown notice requesting the advance of the Loan to be delivered by the Borrower to the Lender substantially in the form of Exhibit A;

“EBITDA” has the meaning given to such term in the Syndicated Credit Agreement as in effect on the Execution Date, subject to any amendment thereto in accordance with Section 1.5;

“EDC Agreement” means the Bonding Products Declaration and Indemnity dated March 23, 2017 by Group and certain of its Subsidiaries, including the Borrower, in favour of

Export Development Canada, as amended, restated, supplemented or otherwise modified from time to time;

“Enforcement Action” means any action to enforce the rights and remedies of the Lender under this Agreement or any other Loan Document, including a forced sale of the Opco Shares made in compliance with the Opco Shareholders Agreement;

“Equity Investment” means the \$400,000,000 private placement of subscription receipts by Caisse or any of its Affiliates that would convert into common shares of Group upon the closing of the Acquisition;

“Equity Securities” means, with respect to any Person, any and all shares, stock or units of, interests, participations or rights in, or other equivalents (however designated and whether voting and non-voting) of, such Person’s capital, whether outstanding on the date hereof or issued after the date hereof, including any interest in a partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, debt securities, options or other rights exchangeable for or convertible into any of the foregoing;

“Execution Date” means April 20, 2017;

“Execution Date Certificate” has the meaning given in Section 6.1(a)(vii);

“Event of Default” has the meaning given in Article 11;

“Excess Leverage Event” means, if at any time after the end of six (6) full Fiscal Quarters following the Funding Date, Group’s Leverage Ratio exceeds 2.0x on a trailing 12-month basis at the end of any two (2) consecutive Fiscal Quarters (including the last two (2) Fiscal Quarters during such six (6) quarter period); for greater certainty, such Group’s Leverage Ratio shall be calculated at the end of each such two (2) consecutive Fiscal Quarters;

“Excess Permitted Sale Proceeds” means, in respect of any Permitted Sale With Distribution, an amount equal to (a) the aggregate Net Sale Proceeds from such Permitted Sale With Distribution, less (b) the Mandatory Repayment Amount in respect of such Permitted Sale With Distribution;

“Excluded Taxes” means, with respect to the Lender or any other recipient of any payment to be made by or on account of any obligation of the Borrower under any Loan Document, income or franchise Taxes imposed on (or measured by) its taxable income, branch profits or capital, Taxes imposed on (or measured by) its taxable capital, in each case by Canada, or by the jurisdiction under the laws of which such recipient is organized or in which its principal office is located or in which it carries on business;

“Financial Letter of Credit” means any Letter of Credit other than a Non-Financial Letter of Credit or a Documentary Letter of Credit;

“Financing Transactions” means any combination of (a) the Equity Investment, (b) the Public Financing, (c) the Term Loan and (d) the Bridge Financing, as the case may be, in an aggregate amount equal to the sum of \$1,200,000,000 and £650,000,000;

“Fiscal Quarter” means each successive three (3) month period of a Fiscal Year ending on March 31, June 30, September 30 and December 31;

“Fiscal Year” means the twelve (12) month period ending on December 31 in any year;

“Funding Date” means the date on which the Loan is advanced in accordance with Section 2.5;

“Funding Date Certificate” has the meaning given in Section 6.1(b)(vii);

“GAAP” means International Financial Reporting Standards as adopted by the Canadian Accounting Standards Board or the Financial Accounting Standards Board, as the context may require, applied on a consistent basis;

“Governmental Authority” means any federal, provincial, regional, municipal or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, agency, bureau or entity (including any zoning authority, any central bank or any comparable authority), or any arbitrator with authority to bind a party at law;

“Group” means SNC-Lavalin Group Inc. and its successors and assigns;

“Guarantee” of a Person, means, without duplication, any obligation (howsoever called) of such Person to pay, purchase, provide funds (whether by the advance of money, the purchase of or subscription for shares or other securities, the purchase of assets or services, the indemnification in respect of Letters of Credit issued, or otherwise) for the payment of, or to indemnify against the consequences of default in the payment of, or otherwise to be responsible for, any indebtedness or obligations of any other Person, and **“Guarantor”** and the verb **“Guarantee”** shall have correlative meanings;

“Hedging Agreement” means, with respect to any Person, any foreign exchange contract, any interest rate hedging contract and any other financial or derivative contract or instrument capable of protecting such Person against fluctuations in currencies, interest rates, commodity prices or equity securities;

“Indebtedness for Borrowed Money” of a Person means (without duplication):

- (a) any indebtedness shown in the consolidated statement of financial position of such Person as long-term debt or as short-term debt of such Person, including, whether or not so classified, indebtedness for the deferred purchase price of property (other than goods purchased in the ordinary course of business), obligations under Capital Leases or under or arising from any bond, promissory note or like instrument or any acceptance or note purchase facility or like arrangement, and reimbursement obligations of such Person with respect to bankers’ acceptances and Financial Letters of Credit as well as the negative mark-to-market value of Hedging Agreements; and

- (b) any obligation of another Person of the type listed in clause (a) which is Guaranteed by such first Person or secured by a Lien on any asset of such first Person (whether or not such obligation is assumed by such first Person);

“**Indemnified Taxes**” means Taxes other than Other Taxes and Excluded Taxes;

“**Indemnitee Claims**” has the meaning given in Section 12.7(a)(i);

“**Indemnitees**” has the meaning given in Section 12.7(a);

“**Insolvency Event**” means, with respect to any Person, that:

- (a) such Person makes an assignment for the benefit of creditors, or petitions or applies to any tribunal for the appointment of a receiver, trustee, custodian, conservator or other similar official for it or for any substantial part of its property, or commences any proceedings (including a notice of intention or a proposal under the *Bankruptcy and Insolvency Act* (Canada) and an application for a compromise or an arrangement under the *Companies’ Creditors Arrangement Act* (Canada)) relating to it under any insolvency, bankruptcy, reorganization, insolvency arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction whether now or hereafter in effect, or by any act indicates its consent to, approval of, or acquiescence in, any such proceeding for it or for any substantial part of its property;
- (b) a court or other government authority having jurisdiction issues a decree for the winding up, liquidation or dissolution of such Person or adjudging such Person to be bankrupt or insolvent, or any court or other government authority having jurisdiction issues a decree or order granting any relief or remedy sought in any petition or other legal proceeding for the reorganization, bankruptcy, readjustment of debt, arrangement, composition or similar relief in respect of such Person under any insolvency law or statute of any jurisdiction whether now or hereafter in effect, or any receiver, receiver and manager, custodian, liquidator, trustee in bankruptcy (or any Person with similar powers) is appointed for all or any material part of the property of such Person or proceedings are commenced against such Person with respect to any of the foregoing or seeking issuance of a warrant of attachment, execution, distrain or similar process against all or any substantial party of such Person’s assets, unless such Person is actively and diligently contesting such proceedings and such proceedings are lifted or stayed within forty-five (45) days of their commencement;
- (c) proceedings are commenced for the dissolution, liquidation or winding up of such Person unless such proceedings are being actively and diligently contested in good faith by such Person and are stayed within forty-five (45) days of being commenced; or
- (d) such Person shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due;

“Intercompany Loan Agreement” means the loan agreement dated on or about the Funding Date between the Borrower, as lender, and Group, as borrower, providing for the loan of the proceeds of the Loan by the Borrower to Group, as amended, restated, supplemented, replaced or otherwise modified from time to time, including to assign the rights and obligations of Group thereunder to any wholly-owned subsidiary of Group. For greater certainty, the Borrower shall have no payment obligations under the Intercompany Loan Agreement other than to make the loan of the proceeds of the Loan to Group;

“Interest Payment Date” means, during each Fiscal Year, April 30, July 31, October 31 and January 31, or such other quarterly payment dates agreed to by the Borrower and the Lender from time to time;

“Interest Period” shall mean, with respect to each Tranche, the interest period commencing on (and including) the Funding Date or the first day following the immediately preceding Interest Period, as the case may be, and ending on (but excluding) the next Interest Payment Date;

“Judgment” has the meaning given in Section 7.16;

“Lender” means CDPQ Revenu Fixe Inc. and its successors and assigns;

“Lender’s Account” means the bank account listed in Exhibit K, or such other bank account designated in writing by the Lender to the Borrower from time to time;

“Letter of Credit” means any letter of credit (including any standby letter of credit and any documentary letter of credit) or any letter of guarantee;

“Leverage Ratio” means, at any time, in respect of Group, on a rolling twelve (12) month and consolidated basis, the ratio of (a) the Net Recourse Debt at such time to (b) EBITDA;

“Lien” means any hypothec, security interest, prior claim, pledge, mortgage, deed of trust, lien (statutory or otherwise), charge or encumbrance of any kind, whether or not filed, registered, published or otherwise opposable, perfected or effective under Applicable Law, or any preference, priority or preferential arrangement of any kind or nature whatsoever intended as security including the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement;

“Limited Recourse Guarantee” has the meaning given to it in Section 5.2(b)(iv);

“Liquidity” means, at any time, the cash balance in the Account at such time;

“Loan” means the loan made available by the Lender to the Borrower under this Agreement in the original principal amount of \$1,500,000,000;

“Loan Documents” means, collectively, this Agreement, the Security Documents, the Subordination Agreements, the Parent Letter Agreement and any other documents, agreements or instruments entered into in connection with any of the foregoing;

“**Loan Parties**” means, collectively, the Borrower and any other Person providing any guarantee or Lien to the Lender as security for the payment of the Obligations, and “**Loan Party**” means any one of the Loan Parties;

“**Major Default**” means an Event of Default arising in respect of the Borrower under:

- (a) Section 11.1 (in respect of non-payment of principal, interest or fees payable to the Lender only);
- (b) Section 11.2, but only insofar as such Event of Default relates to a failure to perform, observe or comply with any of the covenants contained in Sections 9.1, 9.2 (except for any breach caused by any subordination agreement referred to in that section not being executed by all parties thereto), 9.4 (but only insofar as such failure relates to any Disposition or issuance of any Opco Shares or any Borrower Shares), 9.5 (but only insofar as such failure relates to incurring monetary liabilities other than Permitted Liabilities), 9.8 or 9.11 (but only in respect of clauses (a) and (b) thereof);
- (c) Section 11.3, but only insofar as such Event of Default relates to a failure to perform, observe, comply with any of the covenants contained in Sections 8.1 (but only in respect of the first sentence thereof), and 10.1 (except for a breach of Sections 10.1(b)(iii); 10.1(b)(iv), 10.1(b)(v), 10.1(b)(viii), 10.1(b)(ix) and 10.1(c));
- (d) Section 11.4, but only insofar as such Event of Default relates to the incorrectness of a Major Representation;
- (e) Section 11.5;
- (f) Section 11.10; and
- (g) Section 11.11(b);

“**Major Representation**” means a representation and warranty with respect to the Borrower under any of:

- (a) Section 7.1;
- (b) Section 7.2;
- (c) Section 7.3;
- (d) Section 7.4 (subject to any qualifications contained in the legal opinions delivered by Borrower’s counsel in connection therewith);
- (e) Section 7.5 (but only in respect of the first sentence and Liens existing at such time, subject to any qualifications contained in any legal opinions delivered by Borrower’s counsel in connection therewith);

(f) Section 7.6 (but only in respect of the first two sentences); and

(g) Section 7.9 (but only in respect of the first two sentences);

“Mandatory Repayment Amount” means, with respect to any Permitted Sale With Distribution, an amount equal to the greater of: **(a)** the result of: (i) the number of Opco Shares sold as part of such Permitted Sale with Distribution, (ii) divided by 130,000,001, being the number of Opco Shares held by the Borrower on the Execution Date (as adjusted for any subdivision, consolidation or reclassification of such Opco Shares after the Execution Date, excluding any stock dividend), (iii) multiplied by \$1,500,000,000, being the original principal amount of the Loan; and **(b)** the minimum repayment amount required for the Opco Implied Value of the Opco Shares that continue to be held by the Borrower after such Permitted Sale With Distribution to be no less than 1.84x of the outstanding amount of the Loan following such repayment; but not exceeding the Net Sale Proceeds of such sale;

“Material Adverse Effect” means: (a) a material adverse effect on the business, operations, results of operations, assets, liabilities or financial condition of the Borrower; (b) a material adverse effect on the ability of the Borrower to pay and perform the Obligations; (c) a material adverse effect on the legality, validity, enforceability or priority of this Agreement or any other Loan Documents or the priority of the Lender against the Collateral; (d) a material adverse effect on the rights of the Borrower to the Opco Shares or the ability of the Borrower to sell the Opco Shares; or (e) a material adverse effect on the rights and remedies of the Lender under the Loan Documents;

“Maturity Date” means the seventh anniversary of the Funding Date;

“Moody’s” means Moody’s Investors Service, Inc. or any successor to the business of such company in the rating of securities;

“Net Recourse Debt” has the meaning given to such term in the Syndicated Credit Agreement as at the Execution Date, subject to any amendment thereto in accordance with Section 1.5. For greater certainty, under the Syndicated Credit Agreement, on the Execution Date, the Net Recourse Debt is calculated subtracting \$250,000,000 from the aggregate amount of Cash and Cash Equivalent Investment (as such terms are defined in the Syndicated Credit Agreement) permitted to be deducted from Indebtedness for Borrowed Money. “Net Recourse Debt” under this Agreement shall also be calculated with such subtraction of \$250,000,000, unless otherwise agreed to pursuant to Section 1.5;

“Net Sale Proceeds” means, with respect to any Disposition of Opco Shares, the sale proceeds from such Disposition actually received by the Borrower (excluding, for greater certainty, any withholding, deduction, holdback, reserve or amounts held in escrow) less the sum of (a) all financial, legal and other advisory fees, costs and expenses and commissions and similar payments payable by the Borrower to third parties in connection with such Disposition, and (b) all Taxes reasonably estimated to be actually payable as a result of such Disposition, provided that if any amount withheld, deducted, held back, reserved or held in escrow from the sale proceeds from any such Disposition is subsequently received by the Borrower, such amount shall be considered sale proceeds from such Disposition at such time;

“Non-Call Period” means the period from the Funding Date until the fourth (4th) anniversary of the Funding Date;

“Non-Financial Letter of Credit” means any Letter of Credit the purpose of which is to guarantee the performance of non-financial obligations under contracts or undertakings, any bid guarantee (including a guarantee of bid submission requirements) and any counter-guarantee of any of the foregoing. In addition, a Letter of Credit which guarantees the obligations of a party under an engineering contract, a construction contract, an operation and maintenance contract, a procurement contract or other similar contract will constitute a Non-Financial Letter of Credit even if the obligations guaranteed include (a) the repayment of advances or down payments or holdbacks, or (b) other monetary obligations provided that they arise from the failure to perform non-financial obligations, such as liquidated damages or penalties;

“Obligations” means and includes all loans, advances, debts, liabilities, and obligations of performance, howsoever arising, owed by the Borrower to the Lender of every kind and description (whether or not evidenced by any note or instrument and whether or not for the payment of money), direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, pursuant to the terms of this Agreement or any of the other Loan Documents, including all principal, interest, fees, charges, expenses, Upfront Fee, Additional Amount, indemnities, legal and other professional fees payable by the Borrower under this Agreement or any of the other Loan Documents;

“Offer” means a takeover offer (as such term is defined in Chapter 3 of Part 28 of the UK Companies Act 2006) proposed to be made by the Offeror to acquire all of the Target Shares not already owned by the Offeror or its Affiliates on the terms set out in the Offer Press Release as such offer may from time to time be amended, added to, revised, renewed or waived in each case to the extent not prohibited by this Agreement;

“Offer Conversion” has the meaning given to it in Section 10.1(a);

“Offer Conversion Notice” has the meaning given to it in Section 10.1(a);

“Offer Circular” means, if any Offer Conversion Notice is issued, the offer document which is sent or to be sent by the Offeror to the Target Shareholders in respect of the Offer;

“Offer Documents” means, if any Offer Conversion Notice is issued, the Offer Press Release, the Offer Circular and any other document designated in writing as an **“Offer Document”** by the Lender and the Borrower;

“Offer Press Release” means a press announcement released by or on behalf of the Offeror announcing that the Acquisition is to be effected by way of an Offer and setting out the terms and conditions of the Offer pursuant to Rule 2.7 of the Code;

“Offeror” means the entity which acquires Target Shares pursuant to the Acquisition, which shall be Group or an Affiliate of Group which is wholly-owned, directly or indirectly, by Group;

“Opco” means 407 International Inc. and its successors and assigns, and includes, as the context may require, all of its Subsidiaries;

“Opco Debt” means, at any time, the sum of the short term and long term debt of Opco as reported in its financial statements for the most recently completed fiscal quarter of Opco in respect of which financial information is available;

“Opco EBITDA” for any twelve (12) month period, refers to the EBITDA reported by Opco for such period; in the event that the Opco EBITDA is not reported for any period, then, for such period, Opco EBITDA shall be calculated in a manner consistent with the reported Opco EBITDA for any previous period;

“Opco Implied Value” means, in respect of any Opco Shares that continue to be held by the Borrower after a sale of part of the Opco Shares to a third party dealing at Arm’s Length with the Borrower, the Net Sale Proceeds that would be received by the Borrower from the sale of such Opco Shares that continue to be held by the Borrower, if such Opco Shares were sold at the same price, assuming the same withholdings, deductions, holdbacks, reserves and escrows and the same fees, costs and expenses and commissions and similar payments (as a percentage of such sale price) in connection with such sale and estimating the Taxes that would be payable as a result of such sale;

“Opco Pledge” means all documents set out in Section 5.3(a);

“Opco Pledge Agreement” means a pledge agreement in the form attached Exhibit M pursuant to which at least the Required Percentage of the Opco Shares held by the Borrower on the Execution Date may, at any time after the Funding Date, in the discretion of the Borrower, be pledged in favour of the Lender pursuant to Section 5.3(a);

“Opco Pledge Effective Date” means the date that is three (3) months and one (1) day after the date on which all of the conditions set out in Section 5.3(a) have been satisfied to the satisfaction of the Lender provided that no Default or an Event of Default has occurred and is continuing;

“Opco Shareholders” means the shareholders of Opco from time to time including the Borrower;

“Opco Shareholders Agreement” means that certain amended and restated subscription and unanimous shareholders’ agreement of Opco dated April 12, 1999 entered into among Capital d’Amérique CDPQ Inc., Cintra Concesiones de Infraestructuras de Transporte, S.A., Grupo Ferrovial, S.A., Parent and 1346292 Ontario Inc., as amended, restated, supplemented or otherwise modified from time to time and in effect at any given time;

“Opco Shares” means all of the Equity Securities of Opco held by the Borrower from time to time. As of the Execution Date, the Opco Shares consist of 130,000,001 common shares in the share capital of Opco;

“Original Press Release” means the Scheme Press Release in its final form prior to release on the Execution Date;

“Outside Date” means August 15, 2017 or such later date agreed to by the Lender in writing;

“Other Taxes” means any and all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Loan Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Loan Document but, for greater certainty, excluding Excluded Taxes;

“Panel” means The Panel on Takeovers and Mergers of the United Kingdom;

“Parent” means SNC-Lavalin Inc. and its successors and assigns;

“Parent Pledge” means the pledge of 20,900 common shares held by Parent in the Borrower in favour of the Lender contemplated in Section 5.2(b)(i) and substantially in the form of Exhibit S;

“Parent Letter Agreement” means the letter agreement dated as of the Execution Date among Group, Caisse and the Lender substantially in the form of Exhibit O;

“Permitted Investments” means: (a) marketable direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the Government of Canada (or by any agency thereof to the extent such obligations are backed by the full faith and credit of the Government of Canada), in each case maturing within one year from the date of acquisition thereof; (b) marketable investments in commercial paper maturing within one year from the date of creation thereof and having, at the date of acquisition, the highest credit rating obtainable from Moody's or S&P; and (c) investments in certificates of deposit, bankers' acceptances, commercial paper and time deposits maturing within one year from the date of acquisition thereof issued or guaranteed by or placed with, and money market deposit accounts issued or offered by, any domestic office of any commercial bank organized under the laws of Canada or of any Canadian province having, at such date of acquisition, a credit rating on its long-term unsecured debt of at least A- by S&P;

“Permitted Liabilities” means, at any time, collectively, the following indebtedness, liabilities or obligations of the Borrower (a) Indebtedness for Borrowed Money under the Subordinated Guarantees that is subordinated to the payment of the Obligations pursuant to the Subordination Agreements (provided, for greater certainty, that such subordination shall not be required before the Funding Date); (b) income Taxes and costs and expenses relating to the annual audit of its financial statements; (c) the Obligations; (d) its obligations under the Opco Shareholders Agreement; (e) its obligations under the Intercompany Loan Agreement; (f) obligations or liabilities to advisors, consultants, counsel and other professionals consistent with the business purpose of the Borrower; (g) obligations or liabilities to investment banks or other professionals retained in connection with a sale of all or part of the Opco Shares; (h) liabilities and obligations under the comfort letter dated as of the Execution Date by Group, the Borrower and SNC-Lavalin (GB) Holdings Limited to RBC Europe Limited, as financial adviser, in connection with the Acquisition, which liabilities and obligations shall terminate in full immediately following (i) the disbursement by the Lender of the full amount of the Loan and (ii) the on-lending of such amount by the Borrower to Group (except for the obligation of the Borrower thereunder not to make any demand for payment, declare any default or otherwise ask for the repayment of the loan made under the Intercompany Loan Agreement); and (i) other indebtedness, liabilities,

obligations other than Indebtedness for Borrowed Money not exceeding in the aggregate \$1,000,000 at any time.

“Permitted Liens” means:

- (a) in respect of the Borrower, collectively (i) any Lien for Taxes not yet due or delinquent or, if due, the validity of which Taxes is being contested or litigated in good faith and provided that any Lien referred to in this clause (i) is not registered or published and the Borrower has not received notice in respect of same in accordance with Applicable Law, or, if such Lien is registered or published or notice thereof has been given to the Borrower in accordance with Applicable Law, which the Borrower shall be contesting diligently and in good faith and, if not discharged within one hundred and twenty (120) days from such registration, publication or notice, for which the Borrower has deposited (or caused to be deposited) with the Lender or an escrow agent an amount in cash (or other form of security satisfactory to the Lender) sufficient to pay whatever may be owing should such contestation be unsuccessful; and (ii) the Liens created pursuant to the Security Documents;
- (b) in respect of the Borrower Shares, (i) any Lien imposed or arising by operation of law, in each case, in respect of obligations which are not delinquent or have been postponed or are being contested in good faith and by appropriate proceedings to the extent in the latter case that adequate reserves are maintained in accordance with GAAP; and (ii) the Liens created pursuant to the Security Documents;

“Permitted Sale With Distribution” means any sale of part of the Opco Shares that satisfies the following conditions: (a) such sale is permitted pursuant to this Agreement; (b) such sale is made to a third party dealing at Arm’s Length with the Borrower, for a cash consideration payable in full on the closing of such sale; (c) such sale is of not more than 39,000,000 Opco Shares (as adjusted for any subdivision, consolidation or reclassification of such Opco Shares after the Execution Date, excluding any stock dividend) in the aggregate after the Execution Date which Opco Shares have not, at the relevant time, been pledged to the Lender pursuant to the Opco Pledge Agreement; and (d) a Distribution of a portion of the net sale proceeds from such sale could be made in accordance with Section 9.6(c) within three (3) Business Days after receipt of the proceeds of such sale (including after the application of a portion such sale proceeds to the repayment of the Loan and any applicable Additional Amount relating to such repayment to satisfy the conditions of Section 9.6(c));

“Permitted Variations” shall mean variations or departures (a) required by the Court, (b) required by the Panel, (c) required by any other law, regulation or regulatory body, or (d) previously consented to by the Lender in writing;

“Person” means any natural person, legal person, corporation, limited liability company, limited partnership, partnership, firm, association, Governmental Authority or any other entity whether acting in an individual, fiduciary or other capacity;

“Proceeding” has the meaning given in Section 7.16;

“Public Financing” means the bought deal public offering of subscription receipts by Group in a minimum amount of \$800,000,000 that would convert into common shares of Group upon the closing of the Acquisition;

“Rating Agencies” means, collectively, S&P, Moody’s and DBRS, or, if any of the foregoing shall not make a rating publicly available, such replacement recognized securities rating agency or agencies suggested by the Borrower and reasonably acceptable to the Lender, which shall be substituted for one or more of S&P, Moody’s and DBRS, and **“Rating Agency”** means any one of the Rating Agencies;

“Register” has the meaning given in Section 2.6;

“Registrar of Companies” means the registrar of companies in England and Wales;

“Remediation Plan” has the meaning given in Section 12.3(a);

“Required Consents” means the consents and waivers required from the lenders under the Syndicated Credit Agreement to the transactions contemplated in this Agreement, the Subordination Agreements and the other Loan Documents;

“Required Percentage” means 70%, as such percentage may be reduced in accordance with the provisions of Section 5.4(b);

“Restricted Payment” means, with respect to the Borrower, any payment by the Borrower (a) of any Distribution on any of its Equity Securities, (b) on account of, or for the purpose of setting apart any property for a sinking or other analogous fund for, the purchase, redemption, retirement or other acquisition of any of its Equity Securities or any warrants, options or rights to acquire any such shares, or the making by such Person of any other distribution in respect of any of its Equity Securities, (c) of any principal of or interest or premium on or of any amount in respect of a sinking or analogous fund or defeasance fund for any Debt of such Person ranking in right of payment subordinate to any liability of such Person under the Loan Documents, (d) of any principal of or interest or premium on or of any amount in respect of a sinking or analogous fund or defeasance fund for any indebtedness of such Person to a shareholder of such Person or any other Person not dealing at Arm’s Length with such Person, or (e) of any management, consulting or similar fee or any bonus payment or comparable payment, or by way of gift or other gratuity, to any Affiliate of such Person or to any director or officer of such Person or to any Person not dealing at Arm’s Length with such first Person;

“Revenues” means all income of the Borrower, including all Distributions received from Opco, but excluding any interest or principal payment received by the Borrower in respect of the Intercompany Loan Agreement;

“S&P” means Standard & Poor’s, a division of the McGraw-Hill Companies, Inc., or any successor of the business of such division in the rating of securities;

“Scheme” means a scheme of arrangement under Part 26 of the UK Companies Act 2006 proposed by the Target to its shareholders in connection with the Acquisition on the terms set out

in the Scheme Press Release, as such scheme may from time to time be amended, added to, revised, renewed or waived, in each case to the extent not prohibited by this Agreement;

“**Scheme Circular**” means the circular to the Target Shareholders to be issued by the Target setting out the terms of the Scheme and convening a Court approved meeting of the Target Shareholders in order to seek their approval of the Scheme;

“**Scheme Date**” means the date on which the Scheme becomes effective in accordance with its terms;

“**Scheme Documents**” means each of the Scheme Press Release, the Scheme Circular, the Scheme Resolutions and any other document designated as a “Scheme Document” by the Lender and the Borrower;

“**Scheme Press Release**” means a press announcement released by or on behalf of the Offeror and/or the Target announcing that the Acquisition is to be effected by way of a Scheme and setting out the terms and conditions of the Acquisition pursuant to Rule 2.7 of the Code;

“**Scheme Resolutions**” means the resolutions to be considered and, if thought fit, approved by the Target Shareholders at the Court Meeting and the Shareholder Meeting in the form set out in the Scheme Circular;

“**Security Documents**” means the documents listed in Section 5.2, and Section 5.3 if the Borrower has granted the Opco Pledge, and any other hypothec, mortgage, deed of trust, security agreement, financing statement and other security documents executed and delivered by any Loan Party from time to time in connection with the Loan;

“**Shareholder Meeting**” means the general meeting of the Target Shareholders convened pursuant to the Scheme Document to consider and, if thought fit, approve resolutions required in connection with the Scheme (or any adjournment thereof);

“**Special Share**” has the meaning given in Section 5.2(b)(v);

“**Squeeze-Out**” means the squeeze-out procedures set out in Chapter 3 of Part 28 of the Companies Act 2006 pursuant to which the Offeror may acquire any remaining Target Shares which are the subject of the Offer that has not accepted the Offer;

“**Squeeze-Out Notice**” means a notice issued to a shareholder of the Target that has not accepted the Offer by the Offeror in accordance with section 979 of the UK Companies Act 2006;

“**Standstill Triggering Notice**” means any notice that triggers the commencement of the standstill period under any Subordination Agreement;

“**Subordinated Creditors**” refers collectively to the creditors under the Subordinated Guarantees;

“**Subordinated Guarantees**” means: (a) the amended and restated guarantee agreement dated as of August 29, 2014 between, *inter alia*, the Borrower and Bank of Montreal, as administrative

agent under the Syndicated Credit Agreement; (b) the guarantee agreement(s) to be entered into by the Borrower in connection with the Bridge Credit Agreements and the Term Loan Agreement; (c) the EDC Agreement in respect of the indemnification obligations of the Borrower thereunder; and (d) any other guarantee agreement entered into from time to time by the Borrower in connection with any other financing provided to Group, in each case, as amended, restated, supplemented or otherwise modified from time to time;

“Subordination Agreements” means the subordination agreements in respect of all of the Subordinated Guarantees in the form of Exhibit T except for such changes required to reflect the particulars of any such Subordinated Guarantees;

“Subsidiary” means, with respect to any Person, (a) any corporation more than 50% of whose Equity Securities of any class or classes having by the terms thereof ordinary voting power to elect a majority of the directors of such corporation is at the time owned by such Person and/or one or more Subsidiaries of such Person, and (b) any partnership, limited liability company, association, joint venture or other entity in which such Person and/or one or more Subsidiaries of such Person has an equity or income interest greater than 50% of all equity or income interests and which is controlled by such Person;

“Syndicated Credit Agreement” means that certain amended and restated credit agreement dated as of August 5, 2016 among Group, as borrower, Bank of Montreal, as administrative agent, and the lenders parties thereto, as amended, restated, supplemented or otherwise modified from time to time, including to increase the amount of the credit facilities therein provided and includes any agreement pursuant to which the credit facilities therein provided are refinanced;

“Target” means WS Atkins plc;

“Target Shares” means all the issued or unconditionally allotted ordinary share capital in the Target and any further such shares which may be issued or unconditionally allotted pursuant to the exercise of any outstanding subscription or conversion rights, options or otherwise;

“Target Shareholders” means all the holders of Target Shares;

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges, premiums, assessments, governmental charges, rents, rates, royalties, withholdings or dues of any kind or nature whatsoever imposed by any Governmental Authority within Canada or any other jurisdiction having power to tax, together with any penalties, fines, additions to tax and interest thereon;

“Term Loan” refers to the £300,000,000 staggered maturities term loan made pursuant to the Term Loan Agreement;

“Term Loan Agreement” means the term loan agreement entered into on or about the date hereof among Group, as Borrower, Bank of Montreal, as administrative agent, and the several lenders party thereto from time to time in connection with the Term Loan, as amended, restated, supplemented, replaced or otherwise modified from time to time;

“Tranche” means any one of Tranche A or Tranche B;

“Tranche A” means a non-revolving term loan in an aggregate principal amount of \$1,000,000,000 established by Section 2.1 of this Agreement;

“Tranche B” means a non-revolving term loan in an aggregate principal amount of \$500,000,000 established by Section 2.1 of this Agreement;

“Triggering Event” means any of the following events:

- (a) if a Downgrading Event occurs and is continuing;
- (b) if Group or any of its Subsidiaries enters into a guilty plea for, or is declared guilty of, or otherwise settles, any penal, criminal, or other proceedings involving allegation of unethical or illegal conduct, and is required to pay fines, penalties or other amounts in the aggregate for all such proceedings in excess of \$1,000,000,000;
- (c) if Group or any of its Subsidiaries (i) is found ineligible to bid for or obtain government contracts under the Government of Canada’s Integrity Regime, or (ii) is found ineligible to bid for or obtain government contracts in any other country, state or province, in both cases of (i) and (ii) where such ineligibility to obtain government contracts would be reasonably expected to have a Material Adverse Effect on Group;
- (d) if any audited financial statements of Group include disclosure of material uncertainties related to events or conditions that may cast significant doubt upon Group’s ability to continue as a “going concern” or any similar qualification or exception; or
- (e) if an “event of default” as defined under the Syndicated Credit Agreement, the EDC Agreement, the Term Loan Agreement or the Bridge Credit Agreements, as the case may be, has occurred and is continuing under the Syndicated Credit Agreement, the EDC Agreement, the Term Loan Agreement or the Bridge Credit Agreements, as the case may be, in each case, if such “event of default” is continuing after the expiry of all applicable cure periods thereunder.

“Upfront Fee” has the meaning given in Section 3.2; and

“Unconditional Date” means the date on which the Offer (if made) becomes or is declared unconditional in all respects by the Offeror.

1.2 Rules of Construction

Except as may be otherwise specifically provided in this Agreement and unless the context otherwise requires, in this Agreement:

- (a) the terms “Agreement”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions refer to this Agreement in its entirety and not to any particular provision hereof;

- (b) references to an “Article”, “Section”, “Schedule” or “Exhibit” followed by a number or letter refer to the specified Article or Section of or Schedule or Exhibit to this Agreement;
- (c) the division of this Agreement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement;
- (d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;
- (e) any reference to this Agreement means this Agreement as amended, modified, replaced or supplemented from time to time;
- (f) any reference to a statute, regulation or rule shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced, and any reference to a statute shall include any regulations or rules made thereunder;
- (g) all dollar amounts refer to Canadian dollars;
- (h) whenever any payment is required to be made, action is required to be taken or period of time is to expire on a day other than a Business Day, such payment shall be made, action shall be taken or period shall expire on the next following Business Day;
- (i) except as otherwise specified herein, a time of day shall be construed as a reference to the time of day in Montréal, Québec time;
- (j) the words “including” and “includes” mean “including (or includes) without limitation”; and
- (k) any reference to any Person shall be construed to include such Person's successors, permitted assigns and legal personal representatives.

1.3 Accounting Principles

Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time. In the event of any change of GAAP, the Borrower and the Lender shall negotiate in good faith to revise (if appropriate) the financial covenants to reflect GAAP as then in effect, in which case all calculations thereafter made for the purpose of determining compliance with the financial covenants contained herein shall be made on a basis consistent with GAAP in existence as at the date of such revision.

1.4 Time of Essence

Time shall be of the essence of this Agreement.

1.5 Amendment to Definitions of EBITDA and Net Recourse Debt

The Lender acknowledges that Group will request amendments to the definitions of EBITDA and Net Recourse Debt and to the calculation of the Leverage Ratio under the Syndicated Credit Agreement. If such amendments are agreed to, the Borrower may request the consent of the Lender to implement the same amendments as have been agreed to under the Syndicated Credit Agreement, such request to be made no later than thirty (30) days after the Funding Date. The Lender has no obligation to consent to such amendments, but if the Lender consents, then all of these amendments shall automatically be incorporated into this Agreement. The Lender does not have the discretion to consent to less than all of the amendments made pursuant to such request.

ARTICLE 2 **THE LOAN**

2.1 Loan

Upon the terms and subject to the conditions of this Agreement, the Lender hereby agrees to make the Loan available to the Borrower.

2.2 Availability

Subject to satisfaction of the conditions precedent set out in Section 6.1, each of Tranche A and Tranche B will be available during the Certain Funds Period by way of a single drawdown by the Borrower to be made on the fifth (5th) Business Days (or such shorter period as the Lender may permit) following the delivery to the Lender by the Borrower of an irrevocable Drawdown Notice. Any amount not drawn by the Borrower under the Loan on the Funding Date shall be cancelled and shall be a permanent reduction of Tranche A or Tranche B, as the case may be.

2.3 Certain Funds Period

During the Certain Funds Period and notwithstanding any other provision of this Agreement, unless a Major Default has occurred and is continuing or it is illegal for the Lender to lend, the Lender shall not be entitled to:

- (a) subject to the satisfaction or waiver of the conditions precedent in Article 6, refuse to make the Loan;
- (b) rescind, terminate or cancel the Loan or this Agreement or exercise any similar right or remedy or make or enforce any claim under the Loan Documents it may have to the extent to do so would prevent or limit the making of the Loan;
- (c) exercise any right of set-off or counterclaim in respect of the Loan to the extent to do so would prevent or limit the making of the Loan; or
- (d) cancel, accelerate or cause repayment or prepayment of any amounts owing under this Agreement or under any other Loan Documents to the extent to do so would prevent or limit the making of the Loan,

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

2.4 Use of Proceeds

The Borrower shall use the proceeds of the Loan to make a loan under the Intercompany Loan Agreement and, to the extent not already paid, pay the Upfront Fee.

2.5 Manner of Advance

Subject to satisfaction of the conditions precedent set out in Section 6.1, and the receipt by the Lender of the Drawdown Notice referred to in Section 2.2, the Lender shall make the Loan available to the Borrower by depositing the same for value prior to 1:00 p.m. (Montréal time) on the date specified in the Drawdown Notice.

2.6 Lender's Records

The Lender shall maintain in accordance with its usual practice a register (the “**Register**”) evidencing: (a) the Indebtedness for Borrowed Money and other obligations of the Borrower to the Lender under this Agreement in respect of the Loan and accrued and capitalized interest thereon, fees in respect thereof, and other amounts payable under this Agreement, and (b) the amounts from time to time paid by the Borrower to the Lender under this Agreement on account of the Loan, interest, fees and other amounts. The Borrower acknowledges, confirms and agrees that the Register and all other records kept by the Lender shall constitute evidence of the matters referred to above, absent manifest error; provided, however, that the failure of the Lender to make any entry or recording in the Register or any such other records shall not limit or otherwise affect the obligations of the Borrower under this Agreement or with respect to the Loan, interest, fees or other amounts owed to the Lender.

ARTICLE 3 **INTEREST AND FEES**

3.1 Interest

- (a) The unpaid principal amount of the Loan shall bear interest accruing quarterly, for the period from and including the Funding Date up to but excluding the date on which the Loan shall be repaid in full, at an interest rate *per annum* in respect of each Tranche and each Interest Period, equal to the Base Rate for such Tranche on the first day of such Interest Period, plus the Applicable Margin on each day during such Interest Period.
- (b) Interest on the Loan shall be calculated and payable in arrears (i) on each Interest Payment Date, (ii) upon the payment or any prepayment of such Tranche (but only on the amount paid or prepaid), and (iii) upon maturity (whether on the Maturity Date or by acceleration).

- (c) Notwithstanding the foregoing, the Borrower shall have the option not to pay the interest accrued on any Tranche (or a portion thereof) due on a particular Interest Payment Date to the extent that the Liquidity is insufficient to pay such interest (or a portion thereof) and such interest (or a portion thereof) applicable to such Tranche shall be added to the principal balance of such Tranche on such Interest Payment Date (interest that is so added to the principal balance of a Tranche shall be referred to herein as “**Capitalized Interest**”). Capitalized Interest shall itself bear interest, from and after the Interest Payment Date on which it is capitalized, at the interest rate set out in Section 3.1(a) and shall be calculated and payable as set out in Section 3.1(b). For greater clarity, all amounts of Capitalized Interest as of each Interest Payment Date shall no longer be considered, for the purposes of this Agreement, to be accrued and unpaid interest on the outstanding principal of the relevant Tranche, but shall be considered principal under the corresponding Tranche until paid, provided, however, that no Additional Amount shall be payable in respect of any payment of Capitalized Interest.
- (d) Each Interest Period for the Loan shall be approximately three (3) months in duration; provided that the initial Interest Period in respect of each Tranche shall be shorter than three (3) months if required so that it expires on the next Interest Payment Date.

3.2 Upfront Fee

The Borrower shall pay to the Lender on the Funding Date an upfront fee in an amount equal to 1.75% of the principal amount of Loan (the “**Upfront Fee**”).

3.3 Calculation of Interest

- (a) All interest in respect of the Loan shall be payable in Dollars.
- (b) All interest payments to be made under this Agreement shall be paid without allowance or deduction for deemed re-investment or otherwise, both before and after maturity and before and after default and/or judgment, if any, until payment of the amount on which such interest is accruing, and interest will accrue on overdue interest, if any.
- (c) Unless otherwise stated, wherever in this Agreement reference is made to a rate of interest “*per annum*”, a rate *per annum* for commitment or other fees or a similar expression is used, such interest and fees will be calculated on the basis of a calendar year of three hundred and sixty-five (365) days.
- (d) For the purposes of the *Interest Act* (Canada) only, the annual rate of interest equivalent to a rate otherwise calculated under this Agreement is equal to the rate so calculated multiplied by the actual number of days included in a given year and divided by three hundred and sixty-five (365) days.

ARTICLE 4

REPAYMENTS AND PREPAYMENTS

4.1 Repayment at Maturity

The Borrower shall repay in full the outstanding principal amount of the Loan, any accrued and unpaid interest thereon (including Capitalized Interest) and all other Obligations on the Maturity Date. The Borrower may not re-borrow the principal amount of the Loan which is repaid or prepaid.

4.2 Repayment upon Triggering Event

If any Triggering Event occurs prior to the Opco Pledge Effective Date, the Borrower shall repay in full the principal amount of the Loan, any accrued and unpaid interest thereon (including Capitalized Interest) and all other Obligations within ten (10) days of the occurrence of such Triggering Event unless, prior to the expiry of such ten (10) day delay, the Borrower delivers a Remediation Plan as contemplated in Section 12.3, in which case, such payment shall occur on the date determined in accordance with Section 12.3. If the Opco Pledge is delivered to the Lender in accordance with Section 5.3, this Section 4.2 shall cease to apply as of the Opco Pledge Effective Date.

4.3 Mandatory Prepayments

- (a) Excess Leverage Event. If an Excess Leverage Event has occurred and is continuing, the Borrower shall make a mandatory repayment of the Loan in an amount equal to the amount or percentage of the outstanding principal amount of the Loan, as applicable, set out in Exhibit L opposite the lowest Leverage Ratio as at the end of the two most recently completed fiscal quarters of Group, within ten (10) days after the compliance certificate for the most recently completed fiscal quarter of Group is delivered or is required to be delivered hereunder unless, (i) prior to the expiry of such ten (10) day period, the Borrower delivers a Remediation Plan as contemplated in Section 12.3, in which case such payment shall occur on the date determined in accordance with Section 12.3 or (ii) a Remediation Plan has previously been delivered in which case the provisions of Section 12.3 shall apply. Any mandatory prepayment required to be made pursuant to this Section 4.3(a) as a result of any Leverage Ratio below 3.0x may be reduced by the amount of any voluntary prepayment previously made by the Borrower in accordance with Section 4.4 and not previously applied in reduction of any other mandatory repayment (for greater certainty, any prepayment made pursuant to this Section 4.3 shall not be considered a voluntary prepayment). If the Opco Pledge is delivered to the Lender in accordance with Section 5.3, this Section 4.3(a) shall cease to apply as of the Opco Pledge Effective Date.
- (b) Net Sale Proceeds. If all or part of the Opco Shares are sold:
 - (i) pursuant to a Permitted Sale With Distribution, the Borrower shall make a mandatory repayment of the Loan in an amount equal to the lesser of (A)

the then outstanding balance of the Loan, and (B) the Mandatory Repayment Amount;

- (ii) in any other circumstance, the Borrower shall make a mandatory repayment of the Loan in an amount equal to the lesser of (A) the then outstanding balance of the Loan, and (B) the Net Sale Proceeds from such sale;

in each case, within three (3) Business Days after such sale.

Where a sale of Opco Shares occurs and constitutes, in part, a Permitted Sale With Distribution, the provisions of clause (i) of this Section 4.3(b) shall apply to the portion of such sale that constitutes a Permitted Sale With Distribution and the provisions of clause (ii) of this Section 4.3(b) shall apply to the other portion of such sale of Opco Shares.

- (c) Dividends from Sale or Casualty Proceeds. If any Distribution in cash is made by Opco to the Borrower from the proceeds of the sale of any property or assets of Opco or any Casualty Event, the Borrower shall make a mandatory repayment of the Loan in an amount equal to such cash Distribution, after deduction of any amount thereof used or reserved to pay interest on the Loan and any Taxes payable by the Borrower in respect of such Distribution, within three (3) Business Days after receipt of such Distribution.
- (d) Cash Flow Sweep. If a Default, an Event of Default, a Credit Rating Event, a Triggering Event or an Excess Leverage Event has occurred and is continuing, the Borrower shall make a mandatory repayment of the Loan in an amount equal to any cash Distribution made by Opco to the Borrower from any sources, including from the operations and activities of Opco or the proceeds of any financing or refinancing of Opco, in excess of the portion thereof used or reserved to pay interest on the Loan and any Taxes payable by the Borrower in respect thereof, within three (3) Business Days after receipt of such payment.

4.4 Voluntary Prepayments

- (a) Tranche A. No voluntary prepayment of Tranche A shall be permitted during the Non-Call Period. After the Non-Call Period, the Borrower may, at its option, upon five (5) days' notice to the Lender, prepay the principal balance of Tranche A, in whole or in part. The Borrower shall not make any voluntary prepayment of any principal amount of Tranche A before Tranche B has been repaid in full.
- (b) Tranche B. The Borrower may at any time and at its option, upon five (5) days' notice to the Lender, prepay the principal balance of Tranche B, in whole or in part.

4.5 Additional Amount

- (a) If Tranche A is prepaid, in whole or in part, at any time during the Non-Call Period as a result of an Event of Default or any mandatory repayment, the Borrower shall also pay to the Lender, concurrently with such repayment, an additional amount (the “**Additional Amount**”) as follows:
 - (i) if such prepayment is required to be made before the first anniversary of the Funding Date, 10% of the principal amount of Tranche A so prepaid (9% if same occurs after the Opco Pledge Effective Date);
 - (ii) if such prepayment is required to be made on or after the first anniversary of the Funding Date, but before the second anniversary of the Funding Date, 7.5% of the principal amount of Tranche A so prepaid (6.5% if same occurs after the Opco Pledge Effective Date);
 - (iii) if such prepayment is required to be made on or after the second anniversary of the Funding Date, but before the third anniversary of the Funding Date, 5% of the principal amount of Tranche A so prepaid (4% if same occurs after the Opco Pledge Effective Date);
 - (iv) if such prepayment is required to be made on or after the third anniversary of the Funding Date, but before the fourth anniversary of the Funding Date, 2.5% of the principal amount of Tranche A so prepaid (1.5% if same occurs after the Opco Pledge Effective Date).
- (b) Notwithstanding the foregoing, no Additional Amount shall be payable by the Borrower with respect to any prepayment of Tranche A during the Non-Call Period: (i) for any portion of such prepayment caused by payments made by Opco from proceeds of any Casualty Event; (ii) if such prepayment was caused by a Triggering Event or Excess Leverage Event; or (iii) if such prepayment was caused by the occurrence of a Credit Rating Event and the aggregate principal amount of Indebtedness for Borrowed Money of Opco and its Subsidiaries had not increased during the period of six (6) months prior to such prepayment.

4.6 Other Payment Terms

- (a) Imputation of Payments. All payments or repayments required or permitted to be made under this Agreement shall be applied: (a) first, to interest accrued and payable on Tranche B; (b) second, to interest accrued and payable on Tranche A; (c) third, to the principal amount of Tranche B (including Capitalized Interest thereunder); and (d) fourth, to the principal amount of Tranche A (including Capitalized Interest thereunder).
- (b) Terms of all Prepayments. Upon the prepayment of any Tranche, the Borrower shall pay to the Lender the principal amount of such prepayment and all accrued interest to the date of such prepayment on the principal amount of such prepayment, calculated by the Lender as of the applicable prepayment date. All

prepayments of Loan will be deemed to be applied first to Capitalized Interest and thereafter to the remaining principal of the Loan. All prepayments shall be applied first to Tranche B until it is repaid in full and then to Tranche A.

- (c) Method and Place of Payment. All payments by the Borrower under a Loan Document shall be made to the Lender at the Lender's Account not later than 4:00 p.m. (Montréal time) for value on the date when due, and shall be made in immediately available funds without set-off or counterclaim (except to the extent of any set-off or counterclaim expressly permitted by the terms of such Loan Document). Any payments received by the Lender after such time shall be deemed to have been received on the next succeeding Business Day.
- (d) Business Day. Whenever any payment due hereunder shall fall due on a day other than a Business Day, such payment shall be due on the next succeeding Business Day and such extension of time in such a case shall be included in the computation of the payment of any interest or fees payable under this Agreement, provided that if such next succeeding Business Day falls in the following month, such payment shall fall due on the immediately preceding Business Day and computation of the payment of any interest or fees payable under this Agreement shall be made accordingly.
- (e) Late Payments. If any amounts required to be paid by the Borrower under this Agreement or the other Loan Documents (including principal or interest payable on the Loan and any fees or other amounts otherwise payable to the Lender) remain unpaid after such amounts are due, the Borrower shall pay interest on the aggregate outstanding balance of such amounts from the date due until those amounts are paid in full at a *per annum* rate equal to the Default Rate.
- (f) Net of Taxes, Etc.
 - (i) Taxes. Any and all payments to the Lender by or on account of any obligation of the Borrower hereunder or under any other Loan Document shall be made free and clear of and without deduction for Indemnified Taxes or Other Taxes; provided that if the Borrower shall be required by Applicable Law to deduct any Tax from such payments, then (A) the sum payable shall be increased as necessary so that after making all such required deductions (including deductions applicable to additional sums payable under this Section 4.6(f)) the Lender receives an amount equal to the sum it would have received had no such deductions been made, (B) the Borrower shall make such deductions, and (C) the Borrower shall pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.
 - (ii) Other Taxes. The Borrower shall pay any Other Taxes properly payable by the Borrower to the relevant Governmental Authority in accordance with Applicable Law.

- (iii) Indemnity. The Borrower shall indemnify the Lender, within ten (10) Business Days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Lender on or with respect to the Loan Documents including any payment by or on account of any obligation of the Borrower thereunder (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 4.6(f)) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. The Lender agrees to use its reasonable efforts to give notice to the Borrower of the assertion of any claim against it, relating to such Indemnified Taxes or Other Taxes reasonably promptly. A certificate as to the amount of such payment or liability delivered to the Borrower by the Lender shall be conclusive absent manifest error.
- (iv) Notice. As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Lender evidence of such payment reasonably satisfactory to the Lender. The Borrower shall compensate the Lender for all losses and expenses actually incurred by the Lender as a result of any failure by the Borrower to so furnish the original or a certified copy of such receipt.
- (v) Refunds. If the Lender receives a refund of any Indemnified Taxes or Other Taxes for which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 4.6(f) (including an actual reduction in Taxes payable by the Lender directly attributable to a foreign tax credit obtained in respect of the payment of any such Indemnified Taxes or Other Taxes), it shall, so long as no Event of Default has occurred and is continuing (unless the Loan has been repaid in full), pay over such refund (or the amount of such actual reduction in Taxes payable) to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 4.6(f) with respect to the Indemnified Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Lender (such out-of-pocket expenses to include Taxes payable in respect of such indemnity payments) and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund, net of Taxes payable on such interest); provided that the Borrower, upon the request of the Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Lender in the event the Lender is required to repay such refund to such Governmental Authority (or such foreign tax credit is subsequently denied). This Section 4.6(f)(v) shall not be construed to require the Lender to make available its tax returns (or any

other information relating to its taxes which it deems confidential) to the Borrower or to any other Person.

- (vi) Survival of Obligations. The obligations of the Borrower and the Lender under this Section 4.6(f) shall survive the termination of this Agreement, the enforcement of the Security Documents or any of them and the satisfaction or discharge of the Obligations.

4.7 Change of Circumstances

- (a) Illegality. If, after the date of this Agreement, the adoption of any Applicable Law, any change in any Applicable Law or the application or requirements thereof (whether such change occurs in accordance with the terms of such Applicable Law as enacted, as a result of amendment, or otherwise), any change in the interpretation or administration of any Applicable Law by any Governmental Authority, or compliance by the Lender or the Borrower with any request or directive (whether or not having the force of law but if not, compliance with which is reasonable and standard) of any Governmental Authority (a “**Change of Law**”) shall make it unlawful or impossible for the Lender to maintain the Loan, the Lender shall promptly notify the Borrower of such Change of Law. Upon receipt of such notice (i) the Lender’s obligations to make or continue such Loan shall terminate, and (ii) the Borrower shall, at the written request of the Lender, within thirty (30) days following such request (or such longer period as permitted by the transitional measures applicable to such Change in Law or such longer delay permitted by the relevant Governmental Authority):
 - (1) specify one or more other financial institutions to become lenders and to assume the Loan and the outstanding obligations thereunder (at par, without taking into account any Additional Amount or other penalty); or
 - (2) repay in full the outstanding principal amount of the Loan, any accrued and unpaid interest thereon (including Capitalized Interest) and all other Obligations, without any Additional Amount or other penalty.
- (b) Increased Costs. If, after the date of this Agreement, any Change of Law:
 - (i) shall impose on the Lender any other condition directly related to the Loan;
 - (ii) and the effect of any such condition is to increase the cost to the Lender of making, issuing, creating, renewing, participating in or maintaining the Loan or to reduce any amount receivable by the Lender hereunder, then the Borrower shall either:

- (1) pay to the Lender additional amounts sufficient to reimburse the Lender for such increased costs or to compensate the Lender for such reduced amounts; or
 - (2) specify one or more other financial institutions to become lenders and to assume the Loan and the outstanding obligations thereunder (at par, without taking into account any Additional Amount or other penalty), provided, however, that in the event of a partial assignment that such other financial institutions shall be approved by the Lender; or
 - (3) repay in full the outstanding principal amount of the Loan, any accrued and unpaid interest thereon (including Capitalized Interest) and all other Obligations without any Additional Amount or other penalty.
- (c) Notice. The Lender will notify the Borrower of any event occurring after the date of this Agreement that will entitle such Lender to compensation pursuant to this Section 4.7, as promptly as is reasonable. Should the Lender be seeking compensation under this Section 4.7, it shall promptly deliver to the Borrower a written statement setting forth in reasonable detail the basis for calculating the additional amounts owed to the Lender under this Section 4.7 which statement shall be *prima facie* evidence of such amount, absent demonstrable error.

4.8 Termination

If the Loan shall not have been advanced by the Lender on or before the Outside Date for any reason other than a default of the Lender, this Agreement shall automatically terminate and be of no further force and effect. Nothing in this Section 4.8 shall affect any liabilities and obligations of the Borrower or the Lender set out in this Agreement or in any other Loan Document which are stated to survive termination of this Agreement or such other Loan Document, as the case may be.

ARTICLE 5 **COLLATERAL AND SECURITY DOCUMENTS**

5.1 Collateral

The Loan is made on the basis that the Lender will have recourse against: (a) all of the properties and assets of the Borrower, including the Opco Shares and all Distributions on account of such Opco Shares, but excluding, however, the Intercompany Loan Agreement and all payments of principal or interest made or payable to the Borrower thereunder; and (b) all of the Borrower Shares held by Parent (collectively, the “**Collateral**”), if an Event of Default occurs and is continuing, in priority over all other creditors of the Borrower. The Liens created under the Security Documents securing the payment and performance of the Obligations charge the Charged Property, but the Lender shall have a claim as unsecured creditor against all the Collateral, whether or not the Lender has exhausted its rights, recourses or remedies against the Charged Property.

5.2 Security Documents

The Borrower shall deliver or cause to be delivered to the Lender (all of which shall be in form and substance satisfactory to the Lender):

- (a) on the Execution Date:
 - (i) Parent shall execute and deliver an indemnity agreement in favour of the Lender substantially in the form of Exhibit N;
 - (ii) the Borrower shall execute and deliver a custodian agreement pursuant to which the Opco Shares are placed with a third-party custodian for safekeeping purposes substantially in the form of Exhibit P, provided that the Borrower may retake possession over such share certificate at any time, in its sole discretion, for any reason;
 - (iii) evidence of filing of articles of amendment of the Borrower (the “**Articles of Amendment**”) pursuant to which the Borrower’s Constating Documents shall have been amended to include the provisions of Section 9.5 in favour of the holder of the Special Share, which Special Share shall be issued on or prior to the Funding Date and be redeemable upon repayment in full of the Obligations or in accordance with Section 5.3(b)(iv);
 - (iv) the Borrower shall execute and deliver, and shall cause the Subordinated Creditors thereunder to execute and deliver, the Subordination Agreement in respect of the Subordinated Guarantee related to the Syndicated Credit Agreement; and
- (b) on or prior to the Funding Date:
 - (i) the Borrower shall execute and deliver a movable hypothec in the form of Exhibit Q and a general security agreement in the form of Exhibit R;
 - (ii) Parent shall execute and deliver the Parent Pledge and deliver to the Lender share certificates representing 20,900 common shares forming part of the Borrower Shares together with transfer forms duly executed in blank;
 - (iii) the Borrower shall execute and deliver, and shall cause Group and Parent to execute and deliver, the Parent Letter Agreement;
 - (iv) Parent shall execute and deliver a limited recourse guarantee in the form of Exhibit I (the “**Limited Recourse Guarantee**”);
 - (v) the Borrower shall issue to the Lender one (1) non-voting, non-participating redeemable special share in the share capital of the Borrower (the “**Special Share**”);

- (vi) the Borrower shall execute and deliver, and shall cause the Subordinated Creditors thereunder to execute and deliver, the requisite Subordination Agreements that have not been previously executed and delivered to the Lender, provided, however, that the Subordination Agreement in respect of the EDC Agreement shall not be required to be executed and delivered before any letter of credit or other instrument in respect of which any indemnity is provided thereunder is issued by or at the request of Export Development Canada; and
- (vii) evidence of filing of articles of amendment of the Borrower pursuant to which the Borrower's registered office shall have been changed from the Province of Ontario to the Province of Québec; and
- (c) no later than thirty (30) days after the Funding Date, the Borrower shall execute and deliver, and shall cause the other parties thereto to execute and deliver, the Blocked Account Agreement(s) with respect to the Account.

5.3 Opco Pledge Alternative

- (a) At any time during the term of the Loan, the Borrower may, at its option, elect to satisfy the following conditions:
 - (i) the Borrower shall deliver to the Lender all consents, amendments, waivers and other documents reasonably requested by the Lender to confirm that the creation of Liens in favour of the Lender and its permitted assignees is permitted under the Opco Shareholders Agreement;
 - (ii) the Borrower shall execute and deliver the Opco Pledge Agreement pursuant to which the Borrower shall pledge in favour of the Lender at least the Required Percentage of the Opco Shares held by the Borrower on the Execution Date;
 - (iii) the Borrower shall deliver to the Lender share certificates evidencing the Opco Shares pledged in favour of the Lender, together with transfer forms duly endorsed in blank; and
 - (iv) the Borrower shall deliver to the Lender such corporate or other resolutions, certificates, legal opinions and such other related documents reasonably requested by the Lender and consistent with the relevant forms and types thereof delivered on the Execution Date or as shall be otherwise reasonably acceptable to the Lender and effect such filings and registrations with the applicable Governmental Authorities as may be requested by the Lender to preserve, render opposable and perfect the Liens created by the Opco Pledge Agreement.
- (b) If the conditions set out in Section 5.3(a) are satisfied to the satisfaction of the Lender, then on the Opco Pledge Effective Date, provided that no Default or Event of Default has occurred and is continuing:

- (i) the Applicable Margin shall be reduced in accordance with Schedule A;
- (ii) the Parent Pledge and the Limited Recourse Guarantee shall be released and terminated by the Lender and the Lender shall cooperate with the Borrower in filing all requisite documents to discharge the Parent Pledge;
- (iii) the standstill period under the Subordination Agreements shall be automatically reduced to nine (9) months;
- (iv) the Special Share shall be redeemed; and
- (v) the mandatory repayments required to be made by the Borrower as a result of a Triggering Event or an Excess Leverage Event shall cease to apply.

5.4 Release of Security

- (a) If (i) the Borrower gives notice to the Lender of its intention to sell any number of Opco Shares, (ii) such sale is made in compliance with this Agreement (including any mandatory repayment required hereunder) and (iii) all Opco Shares that are not subject to the Opco Pledge have either been previously sold or would be sold as part of such sale, the Opco Shares to be sold as part of such sale will be released from the Opco Pledge concurrently with such sale. For greater certainty, the conditions in Section 5.4(b) shall not apply to the release of the Opco Shares contemplated in this Section 5.4(a).
- (b) If the Borrower (i) sells a portion of the Opco Shares and makes the required mandatory repayment of the Loan from the proceeds of such sale as set out in Section 4.3(b)(i), or (ii) at any time makes a voluntary repayment of the Loan as set out in Section 4.4, the Borrower shall be entitled to obtain a release of a portion of the Opco Pledge such that, after such release, the value of the remaining Opco Shares subject to the Opco Pledge (taking into account any Opco Shares released from the Opco Pledge pursuant to Section 5.4(a)), (determined based on the lower of: (A) an initial agreed upon value of \$30 per Opco Share held on the Execution Date (as adjusted for any subdivision, consolidation or reclassification of the Opco Shares held by the Borrower on the Execution Date after the Execution Date, excluding any stock dividend); (B) the value per Opco Share implied by the selling price of any Equity Securities of Opco from a sale to an Arm's Length third party during the previous nine (9) months; and (C) the value per Opco Share derived from the most recent average published valuation from the Brokers of the Borrower's investment in Opco, adding back, to the extent deducted therefrom, the outstanding balance of the Loan) would be equal to at least 1.84x of the then outstanding balance of the Loan, provided that no Default or Event of Default has occurred and is continuing. For greater certainty, the Lender and the Borrower acknowledge that more or less than seventy percent (70%) of the Opco Shares at any time may be subject to the Opco Pledge and the Borrower will not be required to pledge all or part of the thirty percent (30%) of the Opco Shares that are initially not subject to the Opco Pledge.

- (c) The Lender shall, upon the Borrower's request and provided that no Default or Event of Default has occurred and is continuing or will result from such Disposition, promptly execute a release of the Opco Pledge on the Opco Shares that the Borrower proposes to Dispose of, or confirm to the purchaser or a transferee thereof that such Disposition may occur free of the Liens created under the Opco Pledge Agreement, to the extent such Disposition is made in compliance with this Agreement.
- (d) Attached hereto as Exhibit J are examples of the application of Section 5.4(b) for illustrative purposes only.

ARTICLE 6

CONDITIONS PRECEDENT

6.1 Conditions Precedent to the Advance of the Loan

- (a) The following conditions (unless waived in writing by the Lender) shall be satisfied by the Borrower on or prior to the Execution Date, each document referred to below to be reasonably satisfactory to the Lender and counsel to the Lender in form and substance:
 - (i) delivery to the Lender of evidence that all Liens, other than Permitted Liens, charging the assets of the Borrower have been released and discharged;
 - (ii) delivery to the Lender of certified copies of one or more resolutions, authorizations or similar proceedings of each of the Borrower and Parent, certified by an Authorized Officer of the Borrower or Parent, as applicable, as being in full force and effect on the Execution Date, authorizing the execution, delivery and performance of this Agreement, the other Loan Documents and any instruments or agreements required hereunder or thereunder to which the Borrower or Parent, as applicable, is a party;
 - (iii) delivery to the Lender of a certificate from each of the Borrower and Parent, signed by an Authorized Officer of the Borrower or Parent, as applicable, and dated on the Execution Date, as to the incumbency of the natural persons authorized to execute and deliver this Agreement, the other Loan Documents and any instruments or agreements required hereunder or thereunder to which the Borrower or Parent, as applicable, is a party;
 - (iv) delivery to the Lender of (1) copies of certificates of attestation and compliance of each of the Borrower and Parent, and (2) certified copies (by an Authorized Officer of the Borrower) of the Constating Documents of the Borrower;

- (v) execution and delivery to the Lender of this Agreement and the Loan Documents listed in Section 5.2(a);
 - (vi) delivery to the Lender of a certified copy of each of the Syndicated Credit Agreement, the EDC Agreement, the Term Loan Agreement and the Bridge Credit Agreements certified by an Authorized Officer of the Borrower as being in full force and effect on the Execution Date (including, in the case of the Term Loan Agreement and the Bridge Credit Agreements, the covenant of the Subordinated Creditors thereunder to enter into the applicable Subordination Agreement concurrently with the execution and delivery of the applicable Subordinated Guarantee by the Borrower);
 - (vii) delivery to the Lender of a certificate, dated as of the Execution Date, signed by an Authorized Officer of the Borrower, in substantially the form of Exhibit B (the “**Execution Date Certificate**”);
 - (viii) delivery to the Lender of legal opinions of counsel for the Borrower with respect to, *inter alia*, the existence of the Borrower, the due authorization, execution and delivery and enforceability of the Loan Documents listed in Section 5.2(a) to which it is a party and such other opinions as the Lender considers appropriate, acting reasonably;
 - (ix) delivery to the Lender of a fully executed copy, certified by the Borrower, of the Co-operation Agreement (if applicable); and
 - (x) delivery to the Lender of a copy of the Original Press Release.
- (b) The following conditions (unless waived in writing by the Lender) shall be satisfied by the Borrower on or prior to the Funding Date, each document referred to below to be reasonably satisfactory to the Lender and counsel to the Lender in form and substance:
- (i) delivery to the Lender of copies of the Loan Documents listed in Section 5.2(b)(i), 5.2(b)(ii), 5.2(b)(iii) and 5.2(b)(iv) executed by the Borrower or Parent, as applicable, only;
 - (ii) the issuance of the Special Share to the Lender;
 - (iii) delivery to the Lender of the Subordination Agreements executed by the Borrower only;
 - (iv) evidence of filing of articles of amendment of the Borrower pursuant to which the Borrower’s registered office shall have been changed from the Province of Ontario to the Province of Québec;
 - (v) delivery to the Lender of legal opinions of counsel for the Borrower substantially in the form of Exhibit G, provided, however, that to the

extent that any Loan Document has not been executed by all parties thereto or any Lien created under the Security Documents has not been published or perfected on the Funding Date, the legal opinion related thereto shall be delivered at the time that such Loan Document is executed by all parties thereto or such Lien is published or perfected;

- (vi) payment of the Upfront Fee (which, if payment is to be made by deduction from the Loan, shall be satisfied by the delivery of a Drawdown Notice requesting such deduction);
- (vii) delivery to the Lender of a certificate, dated as of the Funding Date, signed by Authorized Officer of the Borrower, in substantially the form of Exhibit U (the “**Funding Date Certificate**”);
- (viii) delivery of an irrevocable Drawdown Notice delivered to the Lender at least five (5) Business Days before the Funding Date;
- (ix) it is not illegal for the Lender to make the Loan as a result of any Change in Law after the Execution Date or any order or decision of any Governmental Authority;
- (x) no Major Default has occurred and is continuing at the time of, or will result from, making the Loan; and
- (xi) delivery to the Lender of a copy of the Scheme Circular (or, as applicable, the Offer Circular).

ARTICLE 7

REPRESENTATIONS AND WARRANTIES

The Borrower makes the following representations and warranties to and in favour of the Lender. Such representations and warranties shall be made on the Execution Date and shall survive the Execution Date and shall be deemed to be repeated by the Borrower on the Funding Date and the first day of each Interest Period as if made on such date (except if such representation and warranty is stated to have been made solely on an earlier date, in which case such representation and warranty shall remain true and correct as of such earlier date).

7.1 Existence

The Borrower: (a) is a corporation duly organized, validly existing, is in good standing under the laws of its jurisdiction of organization and is not a “private company” within the meaning of the Opco Shareholders Agreement; (b) has all necessary corporate power and capacity to own its property and assets and carry on its business as presently carried on; and (c) is duly qualified as a corporation and in good standing under the laws of each jurisdiction where its ownership of its property and assets or the conduct of its business requires such qualification.

7.2 Capacity

The Borrower has all necessary power and capacity to execute and deliver this Agreement and the other Loan Documents to which it is a party and to perform its obligations hereunder and thereunder.

7.3 Authorization

The Borrower has taken all necessary action to authorize the execution and delivery the Loan Documents to which it is a party and the performance of its obligations thereunder. Each of the Loan Documents to which the Borrower is a party has been duly executed and delivered by the Borrower, as the case may be.

7.4 Enforceability

The Loan Documents to which the Borrower is a party constitute valid and legally binding obligations of the Borrower, enforceable against the Borrower, in accordance with their respective terms, subject to applicable bankruptcy, insolvency and other laws of general application limiting the enforceability of creditors' rights. Neither the execution and delivery by the Borrower of any Loan Document to which it is party nor the performance of its obligations thereunder will: (a) require any consent or approval which has not been obtained; (b) result in a violation of, breach of or contravene its Constatting Documents or any Applicable Laws; or (c) result in a breach or violation of any other Loan Document to which it is a party or any other Contract to which it is a party or by which it or any of its property and assets is bound. The Required Consents have been obtained.

7.5 Security

The Security Documents create valid and enforceable first priority or first ranking Liens upon the Collateral described therein on the terms set out therein, and the Borrower has not created or consented to any Liens on its property or assets, other than Permitted Liens. The Borrower is not party to or subject to any Contract restricting or limiting its ability to repay Indebtedness for Borrowed Money or to receive any Distributions from Opco. To the knowledge of the Borrower, neither Opco nor any of its Subsidiaries is party to or subject to any Contract restricting or limiting its ability to pay or make Distributions to the Borrower other than Contracts made available publicly on SEDAR (including Contracts described in Opco's continuous disclosure documents filed on SEDAR) and the Opco Shareholders Agreement.

7.6 Borrower Shares

On the Execution Date, and for greater certainty prior to the issuance of the Special Share, but following the filing of the Articles of Amendment, the authorized capital of the Borrower consists of an unlimited number of common shares and 100 special shares, of which the only shares outstanding are 70,000 common shares, all of which have been duly issued and are outstanding as fully paid and non-assessable. Parent is the registered and beneficial owner of record of the Borrower Shares, free and clear of all Liens other than Permitted Liens. On the Execution Date, none of the Borrower Shares is subject to any voting trust, shareholder agreement or voting agreement. On the Execution Date, no Person has any written or oral

agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option for the purchase or acquisition from Parent of any of the Borrower Shares. On the Execution Date, no Person has any agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, including convertible securities, warrants or convertible obligations of any nature, for the purchase, subscription, allotment or issuance of any unissued shares or other securities of the Borrower. Since the incorporation of the Borrower and the transfer of the Opco Shares to the Borrower on June 8, 2010 up to and including the Execution Date, Parent has been the sole registered and beneficial owner of all of the issued and outstanding shares in the share capital of the Borrower.

7.7 No Investment

The Borrower does not own and is not party to any Contract to acquire, directly or indirectly, any Equity Securities of any Person or acquire or lease any property or assets, other than the Opco Shares and additional Opco Shares acquired after the Execution Date in compliance with Section 9.7, and has not made any advances, loans or extensions of credit to any Person other than under the Intercompany Loan Agreement.

7.8 Corporate Structure

Attached as Exhibit F is a chart showing the corporate structure and ownership interests of the Borrower as at the Execution Date.

7.9 Opco Shares

On the Execution Date, the authorized capital of Opco consists of an unlimited number of common shares, of which the only shares outstanding are 775,000,003, all of which have been duly issued and are outstanding as fully paid and non-assessable. On the Execution Date, the Borrower is the registered and beneficial owner of record of 130,000,001 Opco Shares, free and clear of all Liens other than Permitted Liens. None of the Opco Shares is subject to any voting trust, shareholder agreement or voting agreement other than the Opco Shareholders Agreement. No Person has any written or oral agreement or option or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement or option, including convertible securities, warrants or convertible obligations of any nature, for the purchase or acquisition from the Borrower of any of the Opco Shares other than pursuant to the Opco Shareholders Agreement and for any Disposition made in compliance with Section 9.4.

7.10 No Default or Event of Default

No Default or Event of Default has occurred and is continuing, except after the Funding Date if such Default or Event of Default has been disclosed in writing to the Lender.

7.11 No Triggering Event

No Triggering Event has occurred and is continuing, except after the Funding Date if such Triggering Event has been disclosed in writing to the Lender.

7.12 Title to Collateral

The Borrower has valid, good and marketable title to the Collateral (other than the Borrower Shares), including the Opco Shares, free and clear of any Liens other than Permitted Liens. Parent has valid, good and marketable title to the Borrower Shares, free and clear of any Liens other than Permitted Liens.

7.13 Business

The Borrower does not conduct or engage in, and since its incorporation has not conducted or been engaged in, any activities, business or operations other than acquiring and holding the Opco Shares and activities ancillary thereto. The Borrower does not, and since its incorporation has not, owned, leased or licensed any property or assets, other than the Opco Shares. Opco and its Subsidiaries do not conduct or engage in any activities, business or operations other than the ownership, operation, maintenance and repair of “Highway 407” in the Province of Ontario as described in Opco’s continuous disclosure documents filed on SEDAR.

7.14 No Liabilities

The Borrower has no Indebtedness for Borrowed Money or other liabilities or obligations of any kind or nature whatsoever, direct or indirect, absolute or contingent, other than Permitted Liabilities.

7.15 Contracts

The Borrower is not party to or bound by any Contract other than: (a) the Subordinated Guarantees; (b) the Intercompany Loan Agreement; (c) the Loan Documents; (d) the Opco Shareholders Agreement; (e) Contracts with advisors, consultants, counsel and other professionals consistent with the business purpose of the Borrower; (f) Contracts with investment banks or other professionals retained in connection with a sale of all or part of the Opco Shares, and (g) Contracts in connection with any Disposition of all or part of the Opco Shares permitted under this Agreement.

7.16 Litigation

As of the Execution Date, there is no litigation, proceeding, claim, demand, suit, action, dispute, assessment, re-assessment, appeal, review, contestation, arbitration, alternative dispute resolution process, application or investigation (each a “**Proceeding**”), made or instituted, or to the Borrower’s knowledge, threatened, against, affecting or involving the Borrower or any of its property or assets. After the Execution Date, each Proceeding made or instituted in good faith, or to the Borrower’s knowledge, threatened against, affecting or involving the Borrower or any of its property or assets, has been promptly disclosed in writing to the Lender and none of such Proceedings, if successful, could reasonably be expected to: (a) result in a Default; or (b) have a Material Adverse Effect; provided that where (i) the defense and/or settlement of such Proceeding has been approved by the Lender in writing or (ii) the Borrower is setting aside funds to satisfy any such judgement in full, if successful, or the claim giving rise to such Proceeding is covered by insurance and the amount of such insurance together with any funds, if any, the Borrower is setting aside are sufficient to satisfy any such judgment in full, then such

Proceeding shall be deemed not to reasonably be expected to result in a Default or have a Material Adverse Effect. Except as disclosed to the Lender in writing, there is no judgment, order, award, decision, fine, penal sanction or monetary administrative penalty (each a “**Judgment**”), whether or not outstanding, against, affecting or involving the Borrower or any of its property or assets.

7.17 Taxes

The Borrower has filed or caused to be filed all federal, provincial and local returns, filings, elections and reports which are required with respect to all Taxes and has paid or caused to be paid all Taxes as required by Applicable Law and in accordance with any demand for payment or assessment, except such as may be diligently contested in good faith by appropriate proceedings and for which adequate reserves have been provided.

7.18 Financial Statements

The financial statements of the Borrower have been prepared in accordance with GAAP, applied on a basis consistent with prior periods, are complete and accurate in all material respects and present fairly in accordance with GAAP, the assets, liabilities and financial condition of the Borrower as at their respective dates and the income and results of operations of the Borrower for the respective periods covered by them, subject to year-end auditing adjustments. The Borrower has no liabilities, that, in accordance with GAAP are required to be reflected in financial statements and are not reflected on such financial statements. All information furnished to the Lender by or on behalf of the Borrower was, at the time furnished, complete and correct in all material respects and did not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein not misleading.

7.19 Books and Records

The books and records of the Borrower fairly and correctly set out and disclose in accordance with GAAP the financial position of the Borrower and all financial transactions of the Borrower have been accurately recorded in such books and records. The minute books of the Borrower made available to Lender’s counsel prior to the Execution Date are complete and accurate and reflect all proceedings of the directors of the Borrower (and any committees thereof) and the shareholder(s) of the Borrower since its incorporation.

7.20 Compliance

The Borrower complies, and has complied in all material respects since its incorporation, with its Constating Documents and all Applicable Laws. The Borrower complies and has complied in all material respects since its incorporation, with, and is not in material breach or default and has not been in material breach or default under, the Opco Shareholders Agreement (for greater certainty, any breach or default that has or could reasonably be expected to have an adverse effect on the Lender shall be construed as a material breach or a material default, as applicable). The Borrower complies, and has complied in all material respects since its incorporation, with, and is not in material breach or default and has not been in material breach or default under, any Contract (other than the Opco Shareholders Agreement) to which the Borrower is party or by which the Borrower or any of its property or assets are bound including

the Subordinated Guarantees, except for any non-compliance which could not reasonably be expected to have a Material Adverse Effect.

7.21 Solvency

No Insolvency Event in respect of the Borrower has occurred and is continuing. The Borrower is solvent.

7.22 Employees

The Borrower does not have, and since its incorporation has not had, any employee. The Borrower is not required to establish, operate, administer, contribute to, participate in, or maintain any pension plans and benefit plans pursuant to Applicable Laws and the Borrower has not established, operated, administered, contributed to, is liable under or participates in any such plans.

7.23 No Immunity, Etc.

The Borrower will not be entitled to claim any right of immunity from set-off, suit, execution, attachment or other legal process in respect of its obligations under the Loan Documents or in respect of any of its assets.

7.24 Domicile; Bank Accounts

Exhibit H sets out as of the Execution Date the following: (a) the domicile, registered office, chief executive office, and principal places of business and other offices and domicile and places of business of the Borrower, and (b) a complete and accurate list showing the name of each bank, trust company or similar institution in which the Borrower has accounts or safe deposit boxes, the number or designation of each such account and safety deposit box and the names of all Persons authorized to draw thereon or to have access thereto and showing the name of each Person holding a general or special power of attorney from the Borrower and a summary of the terms thereof. The Borrower does not have any bank accounts, securities accounts, future accounts or similar accounts other than: (a) the Account; (b) a bank account used solely for purposes of receiving payments under the Intercompany Loan Agreement and making Distributions of such amounts to Parent; and (c) accounts entered into pursuant to Section 9.12. The Account is not subject to any consolidation, pooling or similar arrangement and the Account Bank has no right to withdraw or deduct from the Account any amount other than any amount payable by the Borrower in relation to the operation of the Account (excluding, for greater certainty, any amount that the Borrower may be liable for as guarantor, co-debtor or indemnitor of or with any other Person).

7.25 Governmental Authority Approval

There is no requirement to make any filing with or give any notice to any Governmental Authority or to obtain any authorization or approval as a condition to the lawful consummation of the transactions contemplated by this Agreement.

7.26 Transaction with Affiliates

The Borrower has not entered into any transaction or arrangement with any Affiliate, other than the Intercompany Loan Agreement and general accounting, administrative and legal services provided by Affiliates of the Borrower in the ordinary course of business at no cost to the Borrower.

7.27 No Material Adverse Effect

No event, circumstances or condition has occurred or exist which could reasonably be expected to have a Material Adverse Effect.

7.28 Anti-Terrorism and Money Laundering Laws

The Borrower is not in violation of any applicable anti-money laundering laws and regulations. The Borrower has not engaged in or conspired to engage in any transaction that has the purpose of evading or avoiding, or has attempted to violate, any applicable anti-money laundering laws and regulations.

7.29 Acquisition Documents

The Acquisition Documents are or will each be in compliance in all material respects with the Code (or with any consent under, or dispensation in respect of the Code received by the Borrower or the Target in connection with the Acquisition) and all Applicable Laws.

7.30 Full Disclosure

Neither this Agreement nor any document to be delivered pursuant hereto by Parent or the Borrower nor any certificate, report, statement or other document furnished by Parent or the Borrower in connection with the transactions contemplated hereby contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary to make the statements contained herein or therein not misleading.

ARTICLE 8 **AFFIRMATIVE COVENANTS**

So long as this Agreement is in effect or any Obligations remain outstanding, the Borrower covenants and agrees as follows:

8.1 Use of Proceeds and Revenues

The Borrower shall use the proceeds of the Loan solely for the purposes set out in Section 2.4 including to make a loan of the principal amount of the Loan (net of the Upfront Fee to the extent not already paid) to Group under the Intercompany Loan Agreement on the Funding Date. Unless otherwise agreed by the Lender or required under this Agreement, the Borrower shall deposit or cause to be paid in the Account all Revenues (including all Distributions received from Opco) and all Net Sale Proceeds from the sale of any Opco Shares (including any withholding, deduction, holdback, reserve or amounts held in escrow released to the Borrower).

For greater certainty, all payments of principal or interest under the Intercompany Loan Agreement may be deposited in any other account of the Borrower.

8.2 Payments Under Loan Documents

The Borrower shall duly and punctually pay or cause to be paid, as the case may be, (a) the principal, interest and fees due under the Loan, and all other amounts owing in respect of the Loan in the manner required in this Agreement and (b) all other amounts required to be paid by it pursuant to this Agreement and the other Loan Documents.

8.3 Taxes

The Borrower shall pay, or cause to be paid, as and when due and prior to delinquency, all Taxes that may at any time be payable by the Borrower, as the case may be, or that may be lawfully assessed or levied against or with respect to the Borrower or the assets of the Borrower provided that the Borrower need not pay any such Taxes which it contests in good faith diligently and by appropriate proceedings, so long as appropriate reserves have been set aside on its books to the extent and in the amount required under GAAP.

8.4 Litigation

The Borrower shall take all necessary action, acting reasonably, to defend any Claims in relation to the Borrower or the Collateral.

8.5 Compliance with Applicable Laws and Contracts

The Borrower shall comply in all material respects with Applicable Laws. The Borrower shall comply in all material respects with its Constatting Documents. The Borrower (a) shall comply in all material respects and not be in material breach or default under, the Opco Shareholders Agreement (for greater certainty, any breach or default that has or could reasonably be expected to have an adverse effect on the Lender shall be construed as a material breach or a material default, as applicable), and (b) shall comply and shall not be in material breach or default under, any other Contract (including the Subordinated Guarantees) to which the Borrower is party or by which the Borrower or any of its property or assets are bound, except for any such non-compliance, breach or default which could not reasonably be expected to have a Material Adverse Effect.

8.6 Access to Records, Etc.

During normal business hours and from time to time upon reasonable notice and subject to compliance with its confidentiality obligations under the Opco Shareholders Agreement, the Borrower shall provide to the Lender, and any of its officers, employees and agents, access to the accounting books, records and other data with respect to the Borrower in the possession or control of the Borrower. In addition, and subject to its confidentiality obligations under the Opco Shareholders Agreement, the Borrower shall provide (a) all information reasonably requested by the Lender in relation to the assets, liabilities, financial condition, business, operation or prospects of the Borrower promptly following request therefor, (b) the Lender, acting reasonably, with access to management personnel responsible for the Borrower, and (c) the

Lender, acting reasonably, with access to the auditors of the Borrower to clarify any issues relating to its financial statements.

8.7 Notices

- (a) The Borrower shall promptly provide to the Lender:
 - (i) copies of any actions, suits, claims, demands, actions, disputes, assessment, re-assessment, appeal, review, contestation, arbitration, litigations or other proceedings pending or, to the Borrower's knowledge, threatened against, affecting or involving the Borrower or the Collateral, such notice to include (subject to any confidentiality or non-disclosure obligations) copies of all documentation filed in any such matter;
 - (ii) notice of any Default or Event of Default;
 - (iii) notice of any Triggering Event or Excess Leverage Event;
 - (iv) subject to the compliance by the Borrower with its confidentiality obligations under the Opco Shareholders Agreement, notice of any material adverse event affecting Opco including any casualty, damage, loss, force majeure event or expropriation, such notice to include, to the extent possible, copies of all relevant notices, reports, certificates and material documents relating to such material adverse event available to the Borrower at the time of such notice and all material notices, reports, certificates and documents relating to such material adverse event from time to time thereafter;
 - (v) notice of any material change in accounting policies or financial reporting practices of the Borrower;
 - (vi) notice of any event or circumstance that has caused or could reasonably be expected to cause any representations and warranties of the Borrower provided hereunder or in any other Loan Documents to be untrue or inaccurate;
 - (vii) notice of any amendment to the Syndicated Credit Agreement or any Subordinated Guarantee and copies any such amendments; and
 - (viii) notice of the occurrence of any event, act or circumstance having, or that could reasonably be expected to have, a Material Adverse Effect.
- (b) If the Borrower or Parent is provided with a notice of default under the Syndicated Credit Agreement, the EDC Agreement and the Term Loan Agreement (each, a "**Default Notice**"), the Borrower shall provide as soon as reasonably practicable thereafter, a copy of such Default Notice to the Lender with a description of the applicable default or circumstance giving rise thereto and information as to the status of such default or circumstance and the steps taken

and to be taken (as applicable) to cure such default or circumstance, and periodically report back to the Lender any progress in having such default remedied or waived.

8.8 Financial Statements

The Borrower shall deliver to the Lender, in form and detail reasonably satisfactory to the Lender:

- (a) as soon as available, but no later than sixty (60) days after the end of each of the first three (3) Fiscal Quarters of the Borrower in each Fiscal Year, unaudited financial statements of the Borrower including a balance sheet as of the close of such Fiscal Quarter, an income statement and a statement of cash flows (each setting forth the corresponding figures for the Fiscal Quarter ending on such date for the previous Fiscal Year in comparative form (if applicable)), all prepared in accordance with GAAP, subject to year-end audit adjustments and the absence of footnotes;
- (b) as soon as available, but no later than one hundred and twenty (120) days after the end of each Fiscal Year, audited financial statements of the Borrower, including a balance sheet as of the close of such Fiscal Year, an income statement and a statement of cash flows (each setting forth the corresponding figures for the previous Fiscal Year in comparative form (if applicable)), all prepared in accordance with GAAP and including an audit opinion from an independent accounting firm of recognized international standing subject to no qualification other than qualifications that are acceptable to the Lender;
- (c) together with furnishing the financial statements referenced in Sections 8.8(a) and 8.8(b), a certificate of an Authorized Officer of the Borrower, in substantially the form of Exhibit D, certifying that:
 - (i) the information contained in such financial statements is prepared and presented in accordance with GAAP and in a manner consistent with the past practices of the Borrower, that such financial statements are true and correct in all material respects, subject to normal year end audit adjustments in the case of unaudited financial statements, and present fairly the results of operations and changes in the financial position of the Borrower;
 - (ii) that each representation and warranty set out in Article 7 is true and correct in all material respects as if made on the date of such certificate (or if stated to have been made solely as of an earlier date, such representation and warranty shall be true and correct as of such earlier date); and
 - (iii) no Default or Event of Default has occurred and is continuing (or specifying such Default or Event of Default and stating what action, if any, the Borrower is taking in connection therewith).

8.9 Compliance Certificate

The Borrower shall cause Group to deliver to the Lender a compliance certificate substantially in the form of Exhibit C quarterly certifying the Leverage Ratio and providing all required calculations, for each of the first three (3) Fiscal Quarters in each Fiscal Year, within the earlier of the date on which such compliance certificate is required to be delivered under the Syndicated Credit Agreement and sixty (60) days following the end of such Fiscal Quarter and, for each Fiscal Year, within the earlier of the date on which such compliance certificate is required to be delivered under the Syndicated Credit Agreement and one hundred twenty (120) days following the end of such Fiscal Year.

8.10 Reports

The Borrower shall provide to the Lender promptly upon request such reports, statements, lists of property, accounts, performance reports and other information, in the Borrower's possession, concerning the Borrower or Opco and at such times as the Lender shall reasonably request, subject to the compliance by the Borrower with its confidentiality obligations under the Opco Shareholders Agreement.

8.11 Distribution Certificate

The Borrower shall deliver to the Lender on each date on which the Borrower intends to make a Distribution a certificate signed by an Authorized Officer of the Borrower substantially in the form of Exhibit E: (a) setting forth the calculation of the Distribution to be made; and (b) certifying that each of the conditions set out in Section 9.6 are satisfied as of the relevant Distribution date.

8.12 Keeping of Books

The Borrower shall keep proper books and records, in which full and correct entries shall be made of all financial transactions and the assets and business in accordance with GAAP.

8.13 Existence

The Borrower shall maintain and preserve its corporate existence and good standing under the laws of its jurisdiction of organization and shall take all actions required in order not to become a "private company" within the meaning of the Opco Shareholders Agreement.

8.14 Know Your Customer Checks

The Borrower shall promptly provide, upon written request of the Lender, any information that the Lender may be required to obtain, verify and record with respect to the Borrower (including information relating to its directors) under Applicable Laws with respect to client identification and anti-money laundering.

8.15 Account

The Borrower shall maintain the Account with the Account Bank.

8.16 Preservation of Security

The Borrower shall preserve the legality, validity and enforceability of the Security Documents and the priority of the Liens created by the Security Documents as first ranking or first priority, opposable or perfected Liens on the Collateral, subject only to Permitted Liens, and maintain and keep the Liens created by the Security Documents as valid, effective, enforceable and opposable security, for the benefit of the Lender.

8.17 Preservation of Rights; Further Assurances

From time to time as reasonably requested by the Lender, the Borrower shall or shall cause any other Loan Party to: (a) execute, publish, record, register, deliver and/or file all such notices, statements, instruments, agreements, and certificates as may be required to provide the Lender with first ranking or first priority opposable or perfected Liens, subject only to Permitted Liens, on the Charged Property; (b) cause to be delivered by its counsel customary opinions in respect of any document referred to in clause (a); (c) execute such acknowledgements relating to the Loan and other Obligations of the Borrower stating the interest and charges then due and any known Defaults; and (d) take such other steps as may be necessary or advisable to render fully valid and enforceable under all Applicable Laws the Liens of the Lender with respect to the Charged Property and the rights and priorities of the Lender with respect to the Collateral, in each case, in such form and at such times as shall be reasonably required by the Lender.

ARTICLE 9 **NEGATIVE COVENANTS**

The Borrower covenants and agrees that so long as this Agreement is in effect and any Obligations remain outstanding:

9.1 Liens

The Borrower shall not create, assume or suffer to exist any Lien on the Collateral, including the Opco Shares and the Borrower Shares, other than Permitted Liens.

9.2 Indebtedness for Borrowed Money

The Borrower shall not incur, create, assume, issue, guarantee or otherwise become liable for any Indebtedness for Borrowed Money, other than: (a) Indebtedness for Borrowed Money under the Subordinated Guarantees subordinated to the payment of the Obligations pursuant to the Subordination Agreements; and (b) Indebtedness for Borrowed Money under this Agreement. For greater certainty, the Borrower shall not enter into any Hedging Agreement. The Borrower shall cause Parent not to incur, create, assume, issue, guarantee or otherwise become liable for any Indebtedness for Borrowed Money that is not subordinated and postponed in respect of the Collateral held by Parent pursuant to the Subordination Agreements (or otherwise on terms and conditions satisfactory to the Lender, acting reasonably) other than Indebtedness for Borrowed Money not to exceed one hundred million dollars (\$100,000,000) or the equivalent in any other currency, in the aggregate at any time.

9.3 Financial Assistance

The Borrower shall not guarantee the obligations of, or provide any financial assistance (whether by way of loan, guarantee or otherwise) to, any Person, other than pursuant to the Subordinated Guarantees and the Intercompany Loan Agreement.

9.4 Dispositions

The Borrower shall not Dispose (or, during the Certain Funds Period, enter into any Contract in connection with any proposed Disposition) of any property or assets, including any Opco Shares, (whether in a single transaction or a series of transactions and whether voluntarily or involuntarily), whether now owned or hereafter acquired; provided, however, that the Borrower may sell all or any number of the Opco Shares, after the end of the Certain Funds Period, if the following conditions are satisfied:

- (a) no Event of Default has occurred and is continuing or would result therefrom;
- (b) the Net Sale Proceeds from such sale are received by the Borrower in cash in immediately available funds on the closing of such sale;
- (c) the Opco Implied Value of the remaining Opco Shares following such sale, would be sufficient to repay the balance of the Loan following the mandatory repayment of the Loan resulting from such sale;
- (d) the Borrower makes the mandatory repayment required to be made under Section 4.3(b) as a result of such sale;
- (e) such sale is made in compliance with the provisions of the Opco Shareholders Agreement (which may include consents or waivers from other shareholders of Opco) and the Borrower shall provide reasonable evidence of such compliance to the Lender; and
- (f) the Net Sale Proceeds from such sale are deposited into the Account prior to being applied to any mandatory repayment required hereunder.

The Borrower shall not issue any Borrower Shares, permit the Disposition of any Borrower Shares, or enter into any Contract for the issuance or Disposition of any Borrower Shares; provided, however, that Parent may sell part of the Borrower Shares if no Event of Default has occurred and is continuing or would result therefrom including that no Change of Control would result from such sale.

9.5 Prohibited Activities

The Borrower shall not carry on, conduct or engage in, directly or indirectly, any activity, business or operation, and shall not take any action (or omit to take any action where such omission would cause the Borrower to be in breach of this Section 9.5) including to enter into, amend or terminate or permit to remain in effect any Contracts or transactions, or incur, assume

or create or permit to subsist any indebtedness, liabilities, obligations or Liens, or acquire or continue to hold assets other than:

- (a) holding and owning the Opco Shares, exercising its shareholder rights in respect of the Opco Shares, making additional investments in Opco, and making amendments to, or granting waivers under, the Opco Shareholders Agreement, provided that such amendments or waivers have no adverse effect on the Lender;
- (b) incurring obligations under its Constatting Documents;
- (c) incurring the Obligations, entering into this Agreement and the other Loan Documents and making amendments thereto;
- (d) advancing the loan under the Intercompany Loan Agreement, entering into, maintaining and amending the Intercompany Loan Agreement, receiving interest or principal payments thereon from Group and redistributing such interest or principal payments, net of applicable taxes thereon, by way of Distributions to Parent;
- (e) entering into and amending the Subordinated Guarantees, to the extent and provided that such Subordinated Guarantees are subordinated to the Loan and are permitted by the Subordination Agreements (provided, however, that the Subordination Agreement in respect of the EDC Agreement shall not be required to be executed and delivered before any letter of credit or other instrument in respect of which any indemnity is provided thereunder is issued by or at the request of Export Development Canada);
- (f) incurring Permitted Liabilities;
- (g) making any Permitted Investments;
- (h) declaring and paying Distributions to Parent provided that such Distributions are made in compliance with the provisions of this Agreement;
- (i) the sale of all or part of the Opco Shares provided that such sale and the use of proceeds therefrom are made in compliance with the provisions of this Agreement;
- (j) entering into and amending any Contracts permitted under Section 9.9; and
- (k) opening and maintaining accounts and securities accounts in accordance with the provisions of this Agreement.

9.6 Restricted Payments

The Borrower shall not, directly or indirectly, declare, make or pay or agree to declare, make or pay any Restricted Payment, other than:

- (a) any Distribution to Parent from the proceeds of any payment of principal or interest made to the Borrower under the Intercompany Loan Agreement, net of applicable taxes thereon;
- (b) any Distribution to Parent of the net amount of any Distribution received from Opco from any sources other than proceeds from the sale of any property or assets of Opco or any Casualty Event, provided that the following conditions are satisfied:
 - (i) all accrued interest on the Loan has been paid in full (or, to the extent that it has not become payable, reserved for) and any Capitalized Interest has been paid in full;
 - (ii) reasonable reserves have been made for liabilities payable by the Borrower at such time or anticipated to become payable by the Borrower before the next Interest Payment Date;
 - (iii) such Distribution is made on an Interest Payment Date or within five (5) Business Days after an Interest Payment Date, or if such Distribution is made on any other date, the Borrower retains from such Distribution and reserves an amount equal to the amount of interest on the Loan that will be payable on the next Interest Payment Date;
 - (iv) no Default, Event of Default, Credit Rating Event, Triggering Event or Excess Leverage Event has occurred and is continuing or would result therefrom;
 - (v) the ratio of (i) Opco Debt to (ii) the consolidated Opco EBITDA, as of the end of the most recently completed fiscal quarter of Opco in respect of which financial information is available, shall not exceed 9.0x; and
 - (vi) an officer's certificate has been delivered to the Lender in accordance with Section 8.11; andprovided, further, that the conditions set out in Sub-Sections (i), (ii) (iii), (v) and (vi) above shall not apply before the Funding Date;
- (c) any Distribution to Parent of Excess Permitted Sale Proceeds from any Permitted Sale With Distribution provided that the following conditions are satisfied:
 - (i) all of the conditions set out in Section 9.6(b) are satisfied;
 - (ii) the Borrower shall have made a mandatory repayment of the Loan in an amount at least equal to the Mandatory Repayment Amount;
 - (iii) the Opco Implied Value of the Opco Shares that continue to be held by the Borrower after such Permitted Sale With Distribution shall be no less than 1.84x of the then outstanding balance of the Loan; and

- (iv) before the Opco Pledge Effective Date, Tranche B and all accrued interest thereon shall have been repaid in full and the Leverage Ratio as of the end of the most recent Fiscal Quarter shall not exceed 2.0x.

9.7 Investments

The Borrower shall not make or permit to remain outstanding any advances, loans or extensions of credit to, or purchase or own any Equity Securities, bonds, notes, debentures or other securities of any Person other than: (a) the Opco Shares held by the Borrower on the Execution Date; (b) additional Equity Securities in the share capital of Opco acquired or subscribed to by the Borrower, or otherwise issued to the Borrower, from time to time following the Execution Date; (c) the loan made under the Intercompany Loan Agreement; and (d) Permitted Investments.

9.8 Dissolution, Merger, Etc.

The Borrower shall not: (a) liquidate, dissolve or wind-up (or take any steps or proceedings in connection therewith) or permit any such liquidation, dissolution or winding-up or otherwise cease to maintain its existence; or (b) combine, merge, amalgamate, consolidate or otherwise enter into any form of business combination with or into any other Person.

9.9 Contracts

The Borrower shall not enter into, assume, be party to or be bound by or suffer its assets to be bound by any Contract, other than: (a) the Subordinated Guarantees (provided, for greater certainty, that for any Subordinated Guarantee entered into after the Execution Date, the applicable Subordination Agreement is executed and delivered by the Borrower and the Subordinated Creditors thereunder concurrently therewith); (b) the Intercompany Loan Agreement; (c) the Loan Documents; (d) the Opco Shareholders Agreement; (e) Contracts with advisors, consultants, counsel and other professionals consistent with the business purpose of the Borrower; (f) Contracts with investment banks or other professionals retained in connection with a sale of all or part of the Opco Shares or (g) Contracts in connection with any Disposition of all or part of the Opco Shares permitted under this Agreement. The Borrower shall not amend, provide any consent, approval or waiver under, or terminate the Opco Shareholders Agreement, if such amendment, consent, approval, waiver or termination has or could reasonably be expected to have an adverse effect on the Lender. The Borrower shall not amend, provide any consent, approval or waiver under, or terminate any Contract (other than the Opco Shareholders Agreement), if such amendment, consent, approval, waiver or termination could reasonably be expected to have a Material Adverse Effect. Parent shall not enter into, assume, be party to or be bound by any Contract relating to the Borrower Shares or suffer the Borrower Shares to be bound by any Contract other than any Contract in connection with any sale of all or part of the Borrower Shares permitted under this Agreement, provided, however, that such Contract shall not restrict, limit or otherwise affect the rights of Parent in respect of the other Borrower Shares held by Parent or create any obligations on the part of Parent, whether or not conditional, to Dispose of such other Borrower Shares.

9.10 Amendment to Constatting Documents of Opco

The Borrower shall not consent to, approve or vote in favour of any amendment or modification to the Constatting Documents of Opco including any amendment or modification to the rights and privileges attached to the Opco Shares if such amendment or waiver has or could reasonably be expected to have a Material Adverse Effect.

9.11 Modifications to Constatting Documents; Location; Fiscal Year

The Borrower shall not change: (a) its Constatting Documents; (b) the jurisdiction of its domicile, chief executive office and principal place of business (other than to the Province of Quebec before the Funding Date or in anticipation of a sale of the Opco Shares permitted hereunder); (c) its tax status; or (d) its Fiscal Year, which shall end on December 31.

9.12 Securities Accounts and Future Accounts

The Borrower shall not open, acquire or maintain any securities accounts as defined under Applicable Law unless the Borrower has done all acts and things necessary to grant the Lender, and the Lender has received, a valid, effective and opposable first ranking or first priority Lien over any such account. The Borrower shall not acquire any uncertificated securities other than in a securities account subject to a control agreement or similar agreement in form and substance acceptable to the Lender.

9.13 Accounts

The Borrower shall not have any bank accounts, securities accounts, future accounts or similar accounts other than, the Account, a bank account used solely for purposes of receiving payments under the Intercompany Loan Agreement and making Distributions of such amounts to Parent, net of applicable taxes thereon, and accounts opened in compliance with Section 9.12.

9.14 Transactions with Affiliates

The Borrower shall not enter into or be a party to any related party transactions or arrangements with any Affiliate, except the Intercompany Loan Agreement and general accounting, administrative and legal services in the ordinary course of business which shall be provided by Affiliates of the Borrower at no cost to the Borrower.

9.15 Restrictive Agreements; Negative Pledges

The Borrower shall not, directly or indirectly, enter into, incur or permit to exist any agreement that prohibits, restricts or imposes any condition upon (a) the ability of the Borrower to create, incur or permit any Lien in favour of the Lender upon any of its assets or properties, whether now owned or hereafter acquired or (b) the ability of Opco to make Distributions with respect to the Opco Shares, to make or repay loans or advances to the Borrower, to guarantee Indebtedness for Borrowed Money of the Borrower or to transfer any of its property or assets to the Borrower; provided, that the foregoing clauses (a) and (b) shall not apply to restrictions or conditions imposed by Applicable Law, by any Loan Document and by the Opco Shareholders Agreement.

9.16 Anti-Terrorism Laws

The Borrower shall not engage in or conspire to engage in any transaction that has the purpose of evading or avoiding any applicable anti-money laundering laws and regulations. The Borrower will deliver to the Lender any certification or other evidence requested from time to time by the Lender, in its discretion, confirming compliance with this Section by the Borrower.

ARTICLE 10 COVENANTS RELATING TO THE ACQUISITION

10.1 Additional Covenants

(a) The Borrower shall cause the Offeror to implement the Acquisition using a Scheme. Subject to the approval of the Panel, the Borrower may, before the Scheme Date, give written notice (an “**Offer Conversion Notice**”) to the Lender that the Offeror intends to withdraw the Scheme and to launch an Offer. The consent of the Lender shall not be required to withdraw the Scheme and launch an Offer if (i) the Offer is unanimously recommended by the board of directors of the Target, (ii) the Offer is on substantially the same terms and conditions as the Scheme (save for appropriate amendments reflecting the change from the scheme to an Offer); and (iii) the Offer includes a minimum acceptance condition requiring that the Offeror shall have acquired or received valid acceptances in respect of Target shares representing not less than 75 percent of the voting rights carried by the Target Shares. The Borrower shall cause the Offeror within twenty-eight (28) days of the date of the Offer Conversion Notice (or such longer period as permitted by the Panel) to withdraw the Scheme and issue an Offer Press Release (such actions together being an “**Offer Conversion**”).

(b) The Borrower shall:

- (i) ensure that within seven (7) days of the Execution Date, it procures the issue of the Original Press Release in a form which is not materially inconsistent with the Original Press Release delivered to the Lender pursuant to Section 6.1(a)(xi);
- (ii) ensure that the terms of the Scheme Circular (or, as applicable, the Offer Circular) are consistent in all material respects with the terms of the Original Press Release, save for any Permitted Variations;
- (iii) procure that the Offeror keeps the Lender regularly and promptly informed as to the status and progress of the Acquisition, including promptly advising the Lender as soon as practicable after the Offeror becomes aware of the occurrence of any material step or development relating to the Acquisition;
- (iv) obtain the prior written consent of the Lender for any description of any terms of or relating to this Agreement contained in the Scheme Circular (or, as applicable, the Offer Circular that is (1) in terms which are materially inconsistent with or (2) in greater detail than the Agreed Form Summary), such consent not to be unreasonably withheld or delayed;

- (v) where any announcement, press release or publicity material refers to the Lender or the Loan or this Agreement and describes any of them (1) in terms which are materially inconsistent with or (2) in greater detail than the Agreed Form Summary, procure that the Offeror does not release or give its permission for such announcement, press release or publicity material to be released until the Lender has given its consent to such release (such consent not to be unreasonably withheld or delayed) provided that no such consent will be required to make an announcement, press release or publicity material required to be made to comply with the Code or any other relevant laws or regulation (in which case the Borrower shall procure that the Offeror notifies the Lender as soon as practicable upon becoming aware of the requirement and the Borrower shall procure that the Offeror uses reasonable endeavours to consult with the Lender prior to releasing the announcement, press release or publicity material);
- (vi) ensure that the Acquisition Documents and the conduct of the Acquisition comply in all material respects with the Code (or with any consent under, or dispensation in respect of, the Code received by the Offeror or the Target in connection with the Scheme) and all Applicable Laws;
- (vii) procure that the Offeror shall not, without the prior written consent of the Lender:
 - (1) increase the price per Target Share payable by it above the price specified in the Original Press Release;
 - (2) take or permit to be taken any step which would result in the price per Target Share payable by it increasing above the price specified in the Original Press Release;
 - (3) take any action or omit to take any action which would result in it becoming obliged to make a mandatory offer under Rule 9 of the Code;
 - (4) waive or amend or declare or treat as satisfied (in whole or in part) any condition of the Acquisition where such waiver, amendment, declaration or treatment would materially and adversely affect the interest of the Lender (in such capacity) unless such action is required by the Code, the Panel or the Court or other regulatory authority; or
 - (5) declare the Offer unconditional as to acceptances until the Offeror has acquired or received valid acceptances in respect of Target shares representing not less than 75 percent of the voting rights of the Target;
- (viii) procure that the Offeror promptly delivers to the Lender copies of (1) all notices issued by it (or on its behalf) to the Target in relation to the Offer;

(2) all press releases and other public announcements made by itself (or on its behalf) in connection with or in relation to the Offer; and (3) all notices received by or from the Target in connection with the Acquisition (including, any confirmation in relation to the satisfaction of the conditions to the Acquisition); and

- (ix) procure that the Offeror, promptly after becoming entitled so to do, exercises its rights in respect of the Squeeze-Out and ensures that Squeeze-Out Notices are delivered to the relevant holders of shares in Target.

(c) As soon as reasonably practicable after the Execution Date and in any event within sixty (60) days of the Scheme Date (in the case of a Scheme) or ninety (90) days of the Unconditional Date (in the case of an Offer), the Borrower shall cause the Offeror to procure that the Target is delisted from the Official List of the UK Financial Conduct Authority and cancel trading in the Target Shares on the main market for listed securities of the London Stock Exchange in accordance with each of the Code and the Listing Rules of the UK Financial Conduct Authority.

ARTICLE 11

EVENTS OF DEFAULT

The occurrence of any of the following events shall constitute an event of default (individually, an “**Event of Default**”, and collectively, “**Events of Default**”) hereunder:

11.1 Failure to Make Payments

The Borrower shall fail to pay: (a) the principal amount of the Loan, when due, including any prepayment required as a result of a Triggering Event or an Excess Leverage Event; (b) any payment of interest on the Loan (other than interest permitted to be capitalized in accordance with Section 3.1(c)) within five (5) Business Days after the date on which such amount is due; or (c) any fee, cost, expense or other amount, including the Upfront Fee and any Additional Amount, due under this Agreement or any other Loan Document within five (5) Business Days following written notice of the date and amount of the payment that the Borrower failed to make by the Lender to the Borrower.

11.2 Negative Covenant

The Borrower shall fail to perform, observe or comply with any of the negative covenants set out in Article 9 and such failure remains uncured for a period of five (5) Business Days following written notice of such default by the Lender to the Borrower.

11.3 Covenants

The Borrower shall fail to perform, observe or comply with any of the covenants contained in this Agreement or any other Loan Document (other than a failure described in Sections 11.1 or 11.2) to be performed, observed or complied by it and such failure remains

uncured for a period of thirty (30) days following written notice of such default by the Lender to the Borrower.

11.4 Representations and Warranties

Any representation or warranty made or certification made or deemed made by or on behalf of the Borrower or any other Loan Party in this Agreement or any other Loan Document shall prove to be incorrect in any material respect as at the date made or deemed to have been made.

11.5 Insolvency

An Insolvency Event shall occur in respect of the Borrower.

11.6 Interest Payment Deferral

If during four (4) consecutive Fiscal Quarters all ending after the fourth (4th) anniversary of the Funding Date, the Borrower shall have failed to make any payment of interest on the Loan (including any interest permitted to be capitalized in accordance with Section 3.1(c)) and such failure remains uncured for a period of ten (10) days following written notice of such default by the Lender to the Borrower.

11.7 Cross Default

Opco shall fail to pay the principal of, or premium, additional amount or interest on, any Indebtedness for Borrowed Money which is outstanding in an aggregate principal amount of \$100,000,000 or more (or the equivalent amount in any other currency), when such amount becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Indebtedness for Borrowed Money; or any other event shall occur or condition shall exist, and shall continue after the applicable grace period, if any, specified in any agreement or instrument relating to any such Indebtedness for Borrowed Money, if the effect of such event is to accelerate such Indebtedness for Borrowed Money or any such Indebtedness for Borrowed Money shall be declared to be due and payable in accordance with its terms prior to the stated maturity thereof.

11.8 Judgment

If: (a) any final Judgment against, affecting or involving the Borrower or any of its property or assets, is rendered; (b) such Judgment, individually or in the aggregate with any other outstanding Judgment, (i) is in an aggregate amount in excess of \$100,000,000, or (ii) could reasonably be expected to have in a Material Adverse Effect, and (c) such Judgment remains unsatisfied ten (10) days after having become enforceable.

11.9 Enforcement Action

If any Person exercises any enforcement action or remedy against the Borrower or the Collateral, or seizes or takes possession of all or any part of the Collateral, and such action or

remedy is not stayed within ten (10) days and is not being contested diligently and in good faith by appropriate proceedings.

11.10 Change of Control

A Change of Control shall occur.

11.11 Loan Documents

- (a) Any provision of any Loan Document shall cease to be in full force and effect (other than by the termination thereof in accordance with its terms or the consent of the Lender) or the Liens created pursuant to the Security Documents cease to be valid, effective, enforceable and opposable or perfected first ranking or first priority Liens, subject only to Permitted Liens, or any Loan Document or any material provision thereof, shall become wholly or partly void, voidable, unenforceable or illegal; or
- (b) The Borrower shall assert in writing, or engage in any action or inaction based on any such assertion, that (i) any provision of any Loan Document has ceased to be in full force and effect (other than by the termination thereof in accordance with its terms or the consent of the Lender) or has been repudiated by the Borrower or (ii) the Liens created pursuant to the Security Documents has ceased to be valid, effective, enforceable and opposable or perfected first ranking or first priority Liens, subject only to Permitted Liens.

11.12 Subordination Agreement

If any Subordination Agreement is not executed and delivered by the Borrower or the Subordinated Creditors thereunder on or before the date that such Subordination Agreement is required to be executed and delivered in accordance with this Agreement, or shall be repudiated or shall cease to be in full force and effect at any time thereafter (other than by the termination thereof in accordance with its terms or the consent of the Lender). Any Standstill Triggering Notice shall be delivered under any Subordination Agreement. Any Subordination Agreement or any material provision thereof shall become wholly or partly void, voidable, unenforceable or illegal.

11.13 Material Adverse Effect

Any event, circumstances or conditions that could reasonably be expected to have a Material Adverse Effect shall occur or exist.

ARTICLE 12 REMEDIES

12.1 Performance of Obligations by the Lender

Upon the occurrence and during the continuation of an Event of Default and upon a prior written notice of five (5) Business Days, the Lender may, but will not be obligated to, perform or

cause to be performed any obligations of the Borrower pursuant to the Loan Documents. No such performance by the Lender shall relieve the Borrower from any default under the Loan Documents. The costs of all such actions taken by the Lender shall be payable by the Borrower to the Lender forthwith upon demand and, if not paid within thirty (30) days after demand, shall bear interest at the Default Rate.

12.2 Exercise of Remedies

Upon the occurrence and during the continuation of an Event of Default, the Lender may, by written notice to the Borrower, exercise any or all of the following rights and remedies in any combination or order, in addition to such other rights or remedies as the Lender may have hereunder, under the Loan Documents or under Applicable Laws:

- (a) declare and make all sums of accrued and outstanding principal and accrued but unpaid interest remaining under this Agreement together with all unpaid fees, costs, charges and other Obligations hereunder or under any other Loan Document, immediately due and payable, provided that in the event of an Event of Default occurring under Section 11.5 with respect to the Borrower, the Loan shall automatically terminate and all principal, interest, fees and other Obligations shall become immediately due and payable without further notice of default, presentment or demand for payment, protest or notice of non-payment or dishonour, or other notices or demands of any kind, all such notices and demands being waived; and
- (b) take any other Enforcement Action including the enforcement of the Lender's rights with respect to the Collateral.

12.3 Remediation Plan

If a Triggering Event or an Excess Leverage Event occurs:

- (a) the Borrower may deliver within ten (10) days of such Triggering Event or such Excess Leverage Event, as applicable, a plan (the "**Remediation Plan**") describing (i) the measures that the Borrower or Parent intends to take to remedy such Triggering Event or such Excess Leverage Event, as applicable, and/or (ii) the sources of funds or financing that the Borrower would use to make any required mandatory repayment and the timing or schedule of any such mandatory repayment including the details of any proposed sale process for the Opco Shares.
- (b) if a Triggering Event or an Excess Leverage Event occurs and the Remediation Plan delivered by Borrower is approved by the Lender, in its sole discretion, within five (5) days after such Remediation Plan is delivered, the Borrower shall implement such Remediation Plan including making any required mandatory repayment in accordance with such Remediation Plan. If (i) a Remediation Plan delivered by Borrower is not approved by the Lender, in its sole discretion, within five (5) days after such Remediation Plan is delivered or (ii) no Remediation Plan is delivered within the 10-day period to deliver a Remediation Plan referred to above, the Borrower shall make the required mandatory repayment triggered

thereby within thirty (30) days of the end of such 5-day period or 10-day period, as applicable, in the case of a repayment triggered by a Downgrading Event or an Excess Leverage Event or within ten (10) days of the end of such 5-day period or 10-day period, as applicable, in the case of a repayment triggered by a Triggering Event other than a Downgrading Event. For greater certainty, if a Remediation Plan is not approved by the Lender within five (5) days after the delivery of such Remediation Plan, such Remediation Plan shall be deemed not to be approved by the Lender.

- (c) If the Lender approves a Remediation Plan to conduct a sale process to sell all or any number of Opco Shares to make the required repayment as a result of a Triggering Event or an Excess Leverage Event and the selling price for such Opco Shares is insufficient to repay in full the then outstanding Loan, the Lender shall be entitled to refuse to permit such sale at such price and, in such event, the Borrower shall be required to follow the instructions of the Lender, acting reasonably, in respect of the sale process. For greater certainty, the Borrower shall be deemed not to be in Default under this Agreement in such case or in the event that a Triggering Event or the Excess Leverage Event ceases to exist or is otherwise cured.

12.4 Remedies Cumulative

It is expressly understood and agreed that the rights and remedies of the Lender hereunder or under any other Loan Document or other instrument executed pursuant to this Agreement are cumulative and are in addition to and not in substitution for any rights or remedies provided by law or by equity and any single or partial exercise by the Lender of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in this Agreement or any other Loan Document shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Lender may be lawfully entitled for such default or breach.

12.5 Right of Set-Off

The Lender is authorized at any time and from time to time following the occurrence and during the continuance of an Event of Default, to the fullest extent permitted by Applicable Law, to set off and apply any and all indebtedness at any time owing by it to or for the credit or the account of the Borrower against all or part of the Obligations, irrespective of whether or not the Lender has made demand under any of the Loan Documents and although such indebtedness may be unmatured or contingent. Without limiting the generality of the foregoing, upon the occurrence and during the continuance of an Event of Default, all amounts on deposit in, or remitted into, the Account, may be set off and appropriated by the Lender for application in accordance with Article 12. If an obligation is unascertained, the Lender may, in good faith, estimate the obligation and exercise its right of set-off in respect of the estimate, subject to providing the Borrower with an accounting when the obligation is finally determined. The Lender shall promptly notify the Borrower after any set-off and application is made by it, provided that the failure to give notice shall not affect the validity of the set-off and application.

The rights of the Lender under this Section 12.5 are in addition to other rights and remedies (including all other rights of set-off) which the Lender may have.

12.6 Priorities of Payments Derived From Realization of Security

The net proceeds derived from the enforcement of and/or realization upon, the Collateral or any part thereof shall be applied first against any realization costs incurred by the Lender (including any Taxes payable in connection with such realization), secondly against the Obligations until paid in full, with the balance, if any, to be remitted to the Borrower.

12.7 Indemnification

- (a) Without duplication of any other of the Borrower's indemnification obligations hereunder and under any other Loan Documents, the Borrower shall indemnify, defend and hold harmless the Lender and Caisse and their respective officers, directors, employees and agents (collectively, the "**Indemnitees**") from and against and reimburse the Indemnitees for:
 - (i) any and all claims, obligations, liabilities, losses, damages, fines, injuries (to person, property or the environment, including natural resources), penalties, actions, proceedings, suits, judgments, costs and expenses (including legal and consulting fees) of whatever kind or nature asserted against any such Indemnatee by a third party and arising out or in connection with this Agreement or any of the other Loan Documents, including (A) the preservation or enforcement of rights under the Loan Documents and any related amendment, waiver or consent or any enforcement proceedings relating to any of the Loan Documents and (B) the occurrence of a Default or an Event of Default (collectively, "**Indemnitee Claims**"); and
 - (ii) any and all Indemnitee Claims in any way arising out of or in connection with any claims, suits, liabilities, obligations, penalties and actions against the Borrower or any of their Affiliates.
- (b) The foregoing indemnities shall not apply with respect to any Indemnatee, to the extent arising as a result of the gross or intentional fault of such Indemnatee as determined by a final non-appealable judgment of a court of competent jurisdiction, but shall continue to apply to other Indemnitees.
- (c) The provisions of this Section 12.7 shall survive the termination of this Agreement, the enforcement of the Security Documents or any of them and the satisfaction or discharge of the Obligations, and shall be in addition to any other rights and remedies of the Lender.
- (d) In case any Indemnitee Claim shall be brought against any Indemnatee, such Indemnatee shall promptly notify the Borrower of the commencement thereof, and the Borrower shall be entitled, at its expense, acting through counsel acceptable to such Indemnatee, acting reasonably, to participate in, and, to the extent that the

Borrower desires, to assume and control the defence thereof. Such Indemnitee shall be entitled, at its expense, to participate in any Indemnitee Claim the defence of which has been assumed by the Borrower. Notwithstanding the foregoing, the Borrower shall not be entitled to assume and control the defence of any such Indemnitee Claim if and to the extent that, in the reasonable opinion of such Indemnitee and its counsel, such Indemnitee Claim involves the potential imposition of criminal liability upon such Indemnitee or a potential or actual conflict of interest between such Indemnitee and the Borrower, and in such event (other than with respect to disputes between such Indemnitee and another Indemnitee), the Borrower shall pay the expenses of such Indemnitee in such defence; provided that the Borrower shall be entitled, at its expense, to participate in any Indemnitee Claim the defence of which has been assumed by such Indemnitee.

- (e) Where the Borrower has assumed the defence of an Indemnitee Claim, the Borrower shall report to such Indemnitee on the status of such Indemnitee Claim as developments shall occur and at least within thirty (30) days of the previous report. The Borrower shall, unless prohibited by Applicable Law or court order, deliver to such Indemnitee a copy of each document filed or served on any party in such Indemnitee Claim, and each material document which the Borrower possesses relating to such Indemnitee Claim.
- (f) Notwithstanding the Borrower's rights hereunder to control a certain Indemnitee Claim, unless the Borrower has provided the relevant Indemnitee such security as is reasonably adequate, in such Indemnitee's reasonable judgment, to cover any potential unfavourable determination of any such Indemnitee Claim, any Indemnitee against whom any Indemnitee Claim is made shall be entitled to compromise or settle any such Indemnitee Claim if such Indemnitee determines in its reasonable discretion that failure to compromise or settle such Indemnitee Claim could reasonably be expected to have a material adverse effect on such Indemnitee or the Collateral. Any such compromise or settlement shall be binding upon the Borrower for purposes of this Section 12.7.
- (g) Upon payment of any Indemnitee Claim by the Borrower pursuant to this Section 12.7 the Borrower, without any further action, shall be subrogated in and to any and all claims that such Indemnitee may have relating thereto, and such Indemnitee shall cooperate with the Borrower and give such further assurances as are necessary or advisable to enable the Borrower vigorously to pursue such claims.
- (h) Any amounts payable by the Borrower pursuant to this Section 12.7 shall be regularly payable within ten (10) days after the Borrower receives an invoice for such amounts from any applicable Indemnitee and, if not paid within such ten (10) day period, shall bear interest at the Default Rate. The Indemnitee will provide, at the request of the Borrower, all documents necessary to support such invoice which is available to it and that it may disclose under Applicable Law.

ARTICLE 13
GENERAL

13.1 Notices

Any communications between the parties hereto or notices provided herein to be given shall be given to the following addresses:

If to the Lender:

CDPQ Revenu Fixe Inc.
Centre CDP Capital
1000, place Jean-Paul Riopelle
Montréal, Québec H2Z 2B3

Attention: Jérôme Marquis
E-mail: jmarquis@cdpq.com

Attention: Sophie Lussier
E-mail: slussier@cdpq.com

If to the Borrower:

c/o SNC-LAVALIN GROUP INC.
455 René-Lévesque Blvd. West
Montréal, Québec H2Z 1Z3

Attention: Treasurer
E-mail: stephanie.vaillancourt@snclavalin.com

With a copy to: generalcounsel@snclavalin.com
secretairecorporatif@snclavalin.com

All notices or other communications required or permitted to be given hereunder shall be in writing and shall be considered as properly given (a) if delivered in person, (b) if sent by overnight delivery service, (c) in the event overnight delivery services are not readily available, if mailed by first class mail, postage prepaid, registered or certified with return receipt requested, or (d) if sent by e-mail. Notwithstanding the foregoing, any notice hereunder sent by e-mail shall be solely for the distribution of (i) routine communications such as financial statements and (ii) documents and signature pages for execution by the parties hereto, and for no other purpose. Notice so given shall be effective upon receipt by the addressee, provided, however, that if any notice is tendered to an addressee and the delivery thereof is refused by such addressee, such notice shall be effective upon such tender. Any party shall have the right to change its address for notice hereunder to any other location by giving of five (5) Business Days' written notice to the other parties in the manner set forth herein above.

13.2 Amendments

No acceptance or amendment of any provision of any of the Loan Documents, nor consent to any departure by the Borrower or any other Person from such provisions, shall be effective unless in writing and approved by the Lender. Any acceptance, amendment or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

13.3 Delay and Waiver

No delay or omission to exercise any right, power or remedy accruing to the Lender upon the occurrence of any Event of Default or Default or any breach or default of the Borrower or any other Loan Party under this Agreement or any other Loan Document shall impair any such right, power or remedy of the Lender, nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring, nor shall any waiver of any single Event of Default, Default or other breach or default be deemed a waiver of any other Event of Default, Default or other breach or default theretofore or thereafter occurring. Any waiver, indulgence, permit, consent or approval of any kind or character on the part of the Lender of any Event of Default, Default or other breach or default under this Agreement or any other Loan Document, or any waiver on the part of the Lender of any provision or condition of this Agreement or any other Loan Document, must be in writing expressly referencing this Agreement or the relevant Loan Document and shall be effective only to the extent in such writing specifically set forth.

13.4 Costs and Expenses

The Borrower will pay or reimburse to the Lender all the reasonable costs and expenses, including legal fees, incurred by the Lender with third party advisors in connection with the preparation, negotiation, closing, filing and publication the Loan Documents and the Equity Investment and any due diligence review in connection therewith, including the fees, expenses and disbursements of the Lender's legal counsel, and other counsel retained by the Lender as it reasonably considers necessary in connection with the preparation of such, or the negotiation or closing of this Agreement and the other Loan Documents and the Equity Investment, and the fees, expenses and disbursements of any other consultants appointed by the Lender with the consent of the Borrower, not to be unreasonably withheld or delayed, and the travel and out-of-pocket costs incurred by the Lender, whether or not the transactions contemplated by this Agreement and the other Loan Documents proceed, the whole not to exceed an aggregate amount of \$1,000,000 (exclusive of applicable sales taxes). In addition to the foregoing, the Borrower will pay on demand the amount of all reasonable out-of-pocket costs and expenses (including legal and other professional fees of third party advisors) incurred by the Lender in connection with the Loan and the preparation, negotiation and execution of any amendment to or waiver of, and the administration of, the Loan Documents, as well as the reasonable costs and expenses incurred by the Lender in connection with the enforcement of, or the preservation of any rights under, any Loan Documents, provided, however, that if no Default, Event of Default, Triggering Event or Credit Rating Event has occurred and is continuing and Group's Leverage Ratio on a trailing 12-month basis does not exceed 2.0x, any third party advisor other than legal counsel shall be approved by the Borrower, acting reasonably. The Lender shall provide to the

Borrower on demand copies of any relevant detailed invoices or documents available to it supporting claims made under this Section.

13.5 Power of Attorney

Solely for the purpose of allowing the Lender to exercise its rights and remedies provided in Article 11 and Article 12, following the occurrence and during the continuation of an Event of Default, the Borrower hereby irrevocably constitutes and appoints the Lender its true and lawful attorney-in-fact, with full power of substitution, and hereby empowers such attorney or attorneys as follows: (a) to employ such investment banker or broker as shall be reasonably required for the purposes of conducting a sale process with respect to all or part of the Opco Shares; (b) to pay, settle or compromise all claims which are or could reasonably be expected to become Liens against or otherwise affect the priority of the Lender with respect to the Collateral, or any part thereof, unless a bond or other security satisfactory to the Lender has been provided; (c) to prosecute and defend all actions or proceedings in connection with the Collateral or any part thereof and to take such action and require such performance as such attorney reasonably deems necessary under any performance and payment bond and the Loan Documents; (d) to do any and every act which the Borrower might do on its behalf with respect to the Collateral or any part thereof; and (e) to use any funds contained in the Account to pay any Obligations.

13.6 Entire Agreement

This Agreement and the Parent Letter Agreement constitute the entire agreement between the parties with respect to the subject matter hereof and supersede all prior agreements, understandings, negotiations and discussions, whether written or oral, including the term sheet dated January 25, 2017 among Caisse, Parent and the Borrower. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as provided herein.

13.7 Conflicts

In the event of a conflict or inconsistency between the application of any of the provisions of this Agreement and the application of any of the provisions of any of the other Loan Documents, the provisions of this Agreement shall prevail, it being understood that the purpose of this Agreement and any other Loan Document is to add to, and not detract from, the rights granted to the Lender under the Loan Documents.

13.8 Governing Law

This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Québec and the federal laws of Canada applicable therein, without prejudice to or limitation of any other rights or remedies available to the Lender (but not the Borrower) under the laws of any other jurisdiction where property or assets of the Borrower may be located.

13.9 Consent to Jurisdiction

The Borrower irrevocably submits to the non-exclusive jurisdiction of the courts of the Province of Québec, judicial district of Montréal, and irrevocably agrees that, at the Lender's discretion, any claims, actions or proceedings in respect of the Loan Documents will be heard and determined in such courts. The Borrower hereby waives, to the fullest extent it may effectively do so, the defence of an inconvenient forum to the maintenance of any such action or proceeding before such courts. The foregoing is without prejudice to the right of the Lender to, in its discretion, bring claims, actions or proceedings in respect of the Loan Documents before any other court of competent jurisdiction. The Borrower hereby irrevocably consents to the service of any and all process in such action or proceeding by the delivery of such process to it, as the case may be, at its address provided in accordance with Section 13.1.

13.10 Severability

Whenever possible, each provision or portion of any provision of this Agreement will be interpreted in such manner as to be effective and valid under applicable law but the invalidity or unenforceability of any provision or portion of any provision of this Agreement in any jurisdiction shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of this Agreement, including that provision or portion of any provision, in any other jurisdiction. In addition, should a court determine that any provision or portion of any provision of this Agreement is not reasonable or valid, the parties hereto agree that such provision should be interpreted and enforced to the maximum extent which the court deems reasonable or valid and the parties agree to request that the court apply notional severance to give effect to the restrictions in this Agreement to the fullest extent deemed reasonable or valid by the court.

13.11 No Partnership, Etc.

The Lender, on one hand, and the Borrower, on the other hand, intend that the relationship between them shall be solely that of creditor and debtor/guarantor respectively. Nothing contained in this Agreement or in any of the other Loan Documents shall be deemed or construed to create a partnership, joint venture or co-ownership by, between or among the Lender, on one hand, and the Borrower or any other Person, on the other hand. The Lender shall not be in any way responsible or liable for the indebtedness, losses, obligations or duties of the Borrower or any other Person.

13.12 Successors and Assigns

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns. The Borrower shall not assign or otherwise transfer any of its rights or obligations under this Agreement or any other Loan Document.

13.13 Syndication, Assignments and Participations

The Lender shall have the right to sell, assign, participate or sub-participate its interest in the Loan and in the Loan Documents in part to one or more Persons with the prior consent of the

Borrower, not to be unreasonably withheld or delayed, provided, however, that, the Lender and/or one or more of its Affiliates referred to below shall at all times continue to hold at least 51% of the Loan, and provided further that the consent of the Borrower shall not be required for (a) any granting of participation or sub-participation, and (b) any sale or assignment, in each case, to an Affiliate of the Lender as long as such Affiliate is Caisse or a direct or indirect wholly-owned subsidiary of Caisse. The Borrower will execute such further documents and instruments and do such other things as the Lender may request for the purpose of any such syndication, sale, assignment, participation or sub-participation, provided that such documents or instruments or other things do not adversely modify any of the rights of the Borrower under this Agreement or increase any of the obligations or costs of the Borrower under this Agreement. The Lender represents and warrants that it is a wholly-owned subsidiary of Caisse and shall remain a wholly-owned subsidiary of Caisse for as long as it is a Lender hereunder.

13.14 Confidentiality

The Lender agrees to maintain the confidential nature of, and shall not use or disclose the Borrower's financial information or confidential information identified in writing by the Borrower as such without first obtaining the Borrower's prior written consent; provided, that nothing in this Section 13.14 shall require the Lender to obtain any consent of the Borrower in connection with (and the Borrower hereby authorizes the Lender to disclose any financial information or confidential information with respect to the Borrower or any Loan Document or the parties thereto without any consent of the Borrower to the extent reasonably necessary in connection with) (a) exercising its rights under the Loan Documents following the occurrence of an Event of Default and during its continuance, provided such information is disclosed in compliance with the provisions of the Opco Shareholders Agreement, (b) any situation in which the Lender is required by Applicable Law or required by any Governmental Authority to disclose information but then only to the extent so required, (c) providing information to counsel to the Lender in connection with the transactions contemplated by any of the Loan Documents, providing information to any other consultants retained by the Lender in accordance with this Agreement or the other Loan Documents (to the extent such other consultants agree to be bound by the terms of a confidentially agreement substantially similar to this Section 13.14 or are otherwise bound by duty of professional secrecy), (d) any information that is in or becomes part of the public domain otherwise than through a wrongful act of the Lender or any employees or agents thereof, (e) any information that is in the possession of the Lender prior to receipt thereof from the Borrower or any other Person known to the Lender to be acting on behalf of the Borrower, (f) any information that is independently developed by the Lender otherwise than from confidential information provided by the Borrower, and (g) any information that is disclosed to the Lender by a third party that has no obligation of confidentiality with respect to the information disclosed.

13.15 Risks of Superior Force

The Borrower expressly assumes all risks of superior force, such that it shall be bound to timely execute each and every of their obligations under this Agreement notwithstanding the existence or occurrence of any event or circumstance constituting a superior force within the meaning of Article 1693 of the *Civil Code of Québec*.

13.16 Good Faith and Fair Consideration

The Borrower acknowledges and declares that it has entered into this Agreement freely and of its own will. In particular, the Borrower and the Lender acknowledge that this Agreement was negotiated by them in good faith.

13.17 Counterparts

This Agreement may be executed in one or more duplicate counterparts and by facsimile, portable document format (pdf) or similar electronic means and when signed by all of the parties listed below shall constitute a single binding agreement.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed by their officers thereunto duly authorized as of the day and year first above written.

**SNC-LAVALIN HIGHWAY HOLDINGS
INC.**

By: _____
Name:
Title:

By: _____
Name:
Title:

CDPQ REVENU FIXE INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE A

APPLICABLE MARGIN

	Before Opco Pledge Effective Date	On or After Opco Pledge Effective Date
Tranche A		
from the Funding Date until the fourth anniversary of the Funding Date:	5.00%	4.75%
on and after the fourth anniversary of the Funding Date:	5.50%	5.25%
Tranche B		
at any time:	5.75%	5.50%

EXHIBIT A

TO LOAN AGREEMENT

FORM OF DRAWDOWN NOTICE

TO: CDPQ REVENU FIXE INC., AS LENDER

This Drawdown Notice is delivered to you pursuant to Section 2.2 of the Loan Agreement dated as of April 20, 2017 (as amended, modified and supplemented from time to time, the “**Loan Agreement**”), between SNC-Lavalin Highway Holdings Inc., as Borrower, and CDPQ Revenu Fixe Inc., as Lender. All capitalized terms used herein shall have the respective meanings specified in the Loan Agreement unless otherwise defined herein or unless the context requires otherwise.

This Drawdown Notice constitutes a request for an advance of the Loan as set out below:

- (i) The requested date of the advance is ■, 2017, which is a Business Day.
- (ii) The total amount of the requested advance is \$1,500,000,000.
- (iii) The requested advance shall be deposited in the following bank account:

■.

Dated this _____ day of _____, 2017

**SNC-LAVALIN HIGHWAY HOLDINGS
INC.**

By: _____
Name:
Title:

EXHIBIT B

TO LOAN AGREEMENT

FORM OF EXECUTION DATE CERTIFICATE

■, 2017

TO: CDPQ REVENU FIXE INC., AS LENDER

AND: NORTON ROSE FULBRIGHT CANADA LLP

This Execution Date Certificate is being delivered pursuant to Section 6.1(a)(vii) of the Loan Agreement dated as of April 20, 2017 (as amended, modified and supplemented from time to time, the “**Loan Agreement**”), between SNC-Lavalin Highway Holdings Inc., as Borrower, and CDPQ Revenu Fixe Inc., as Lender. All capitalized terms used herein shall have the respective meanings specified in the Loan Agreement unless otherwise defined herein or unless the context requires otherwise.

I, being [*insert title*] of the Borrower, in my capacity as an officer of the Borrower, have read the provisions of the Loan Agreement which are relevant to this Certificate and have made such examinations or investigations as is reasonably necessary to enable myself to express an informed opinion on the matters contained in this Certificate.

I hereby certify in my aforesaid capacity of the Borrower and not in my personal capacity that, as of the date hereof:

1. I am a duly authorized representative of the Borrower, authorized to execute and deliver this Certificate on behalf of the Borrower.
2. No Material Adverse Effect has occurred and is continuing.
3. No event or circumstance has occurred which makes the information provided to the Lender in connection with the Loan false or misleading in any material respect.
4. The Borrower does not have any material liabilities, except Permitted Liabilities.
5. Attached as Schedule “A” are true and complete copies of the Constating Documents of the Borrower which are in full force and effect at this date and have not been amended or waived.
6. Attached as Schedule “B” are true and complete copies of one or more resolutions, authorizations or similar proceedings of the Borrower, in full force and effect on the Funding Date, authorizing the execution, delivery and performance of the Loan Documents and any instruments or agreements required thereunder to which the Borrower is a party, and copies of any approval by any Governmental Authority required in connection with any of the foregoing.

7. Attached as Schedule "C" is a certificate from the Borrower as to the incumbency of the natural persons authorized to execute and deliver the Loan Documents and any instruments or agreements required thereunder to which the Borrower is a party.
8. Attached as Schedule "D" is a copy of the certificate of attestation and compliance of the Borrower.
9. Each representation and warranty set out in Article 7 of the Loan Agreement and the other Loan Documents is true and correct as of the date hereof with the same force and effect as if such representations and warranties had been made on and as of the date hereof (or if stated to have been made solely as of an earlier date, such representation and warranty was true and correct as of such earlier date).
10. No Default or Event of Default has occurred and is continuing.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has duly executed this Execution Date Certificate as of the first date written above.

**[AUTHORIZED OFFICER OF THE
BORROWER]**

By: _____
Name:
Title:

EXHIBIT C

TO LOAN AGREEMENT

FORM OF COMPLIANCE CERTIFICATE

TO: CDPQ REVENU FIXE INC., AS LENDER

This Compliance Certificate is being delivered pursuant to Section 8.9 of the Loan Agreement dated as of April 20, 2017 (as amended, modified and supplemented from time to time, the “**Loan Agreement**”), between SNC-Lavalin Highway Holdings Inc., as Borrower, and CDPQ Revenu Fixe Inc., as Lender. All capitalized terms used herein shall have the respective meanings specified in the Loan Agreement unless otherwise defined herein or unless the context requires otherwise.

I, being [*insert title*] of the Borrower, in my capacity as officer of the Borrower, have read the provisions of the Loan Agreement which are relevant to this Certificate and have made such examinations or investigations as is reasonably necessary to enable myself to express an informed opinion on the matters contained in this Certificate.

I hereby certify in my aforesaid capacity of the Borrower and not in my personal capacity that, as of the date hereof:

1. I am a duly authorized representative of the Borrower, authorized to execute and deliver this Certificate on behalf of the Borrower.
2. As at ■, the Leverage Ratio is ■.
3. Particulars of the calculations of the Leverage Ratio are attached to this Compliance Certificate.

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IN WITNESS WHEREOF, the undersigned have duly executed this Compliance Certificate as of the first date written above.

**[AUTHORIZED OFFICER OF THE
BORROWER]**

By: _____
Name:
Title:

EXHIBIT D

TO LOAN AGREEMENT

FORM OF FINANCIAL STATEMENTS
CERTIFICATE

TO: CDPQ REVENU FIXE INC., AS LENDER

1. This Borrower Certificate (this “**Certificate**”) is delivered to you pursuant to Section 8.8(c) of the Loan Agreement, dated as of April 20, 2017 (as amended, modified and supplemented from time to time, the “**Loan Agreement**”), between SNC-Lavalin Highway Holdings Inc., as Borrower, and CDPQ Revenu Fixe Inc., as Lender. All capitalized terms used herein shall have the respective meanings specified in the Loan Agreement unless otherwise defined herein or unless the context requires otherwise.
2. I, being [*insert title*] of the Borrower, in my capacity as officer of the Borrower, have read the provisions of the Loan Agreement which are relevant to this Certificate and have made such examinations or investigations as is reasonably necessary to enable myself to express an informed opinion on the matters contained in this Certificate.
3. I hereby certify in my aforesaid capacity of the Borrower and not in my personal capacity that, as of the date hereof:
 - 3.1 I am a duly authorized representative of the Borrower, authorized to execute and deliver this Certificate on behalf of the Borrower.
 - 3.2 The information contained in the financial statements delivered on or about the date hereof pursuant to Section [8.8(a) or 8.8(b)] is prepared and presented in accordance with GAAP applied in a manner consistent with the past practices of the Borrower, such financial statements are true and correct in all material respects, subject to normal year-end audit adjustments and the absence of footnotes in the case of unaudited financial statements, and present fairly the results of operations and changes in the financial position of the Borrower.
 - 3.3 Each representation and warranty set out in Article 7 is true and correct in all material respects as if made on the date of this Certificate (or if stated to have been made solely as of an earlier date, such representation and warranty shall be true and correct as of such earlier date).
 - 3.4 No Default or Event of Default has occurred and is continuing.

IN WITNESS WHEREOF, the undersigned has duly executed this Certificate to be duly executed as of the _____ day of _____, _____.

**[AUTHORIZED OFFICER OF THE
BORROWER]**

By: _____
Name:
Title:

EXHIBIT E

TO LOAN AGREEMENT

FORM OF DISTRIBUTION
CERTIFICATE

[Letterhead of Borrower]

TO: CDPQ REVENU FIXE INC., AS LENDER

1. This Distribution Certificate (this “**Certificate**”) is delivered to you pursuant to Section 8.11 of the Loan Agreement, dated as of April 20, 2017 (as amended, modified and supplemented from time to time, the “**Loan Agreement**”), between SNC-Lavalin Highway Holdings Inc., as Borrower, and CDPQ Revenu Fixe Inc., as Lender. All capitalized terms used herein shall have the respective meanings specified in the Loan Agreement unless otherwise defined herein or unless the context requires otherwise.
2. I, being [*insert title*] of the Borrower, in my capacity as officer of the Borrower, have read the provisions of the Loan Agreement which are relevant to this Certificate and have made such examinations or investigations as is reasonably necessary to enable myself to express an informed opinion on the matters contained in this Certificate.
3. I hereby certify in my aforesaid capacity of the Borrower and not in my personal capacity that, as of the date hereof:
 - 3.1 I am a duly authorized representative of the Borrower, authorized to execute and deliver this Certificate on behalf of the Borrower.
 - 3.2 As at (*insert date of distribution*) the following calculations were true and correct:

Amount of Distribution received from Opco / Net Sale Proceeds from Permitted Sale With Distribution:	\$■
<u>Minus</u> : Accrued Interest on the Loan and Capitalized Interest (9.6(b)(i)):	\$■
<u>Minus</u> : Reserves for Liabilities payable by the Borrower (9.6(b)(ii)):	\$■
<u>Minus</u> : Interest payable on the Loan on the next Interest Payment Date (if Distribution is not on an Interest Payment Date or within 5 Business Days thereafter):	\$■
<u>Minus</u> : Mandatory Repayment Amount (if applicable) including any Additional Amount thereon:	\$■
<u>Minus</u> : Additional repayment to the Loan to satisfy the conditions of Section 9.6(c) including any Additional Amount thereon (if applicable):	\$■
<u>Equal</u> : Net Amount of Distribution:	\$■

- 3.3 [If applicable] [As of the end of the most recently completed fiscal quarter of Opco in respect of which financial information is available, the ratio of (i) Opco Debt to (ii) the consolidated Opco EBITDA is [shall not exceed 9.0 x]: ■]
- 3.4 [If applicable] [The ratio of the Opco Implied Value of the Opco Shares that continue to be held by the Borrower after any Permitted Sale with Distribution on the outstanding balance of the Loan is [shall not exceed 1.84 x]: ■]
- 3.5 [If applicable] [As of the end of the most recent Fiscal Quarter, the Leverage Ratio is [shall not exceed 2.0 x]: ■]
- 3.6 The information contained herein is true and correct in all material respects.
- 3.7 Each of the conditions set out in Section 9.6 of the Loan Agreement, as applicable, have been satisfied as of the date hereof.
- 3.8 No Default or Event of Default has occurred and is continuing.

IN WITNESS WHEREOF, the undersigned has duly executed this Certificate as of the _____ day of _____, _____.

**[AUTHORIZED OFFICER OF
BORROWER]**

By: _____
Name:
Title:

EXHIBIT F
TO LOAN AGREEMENT
CORPORATE STRUCTURE AND OWNERSHIP INTERESTS

See attached Exhibit F.

EXHIBIT G
TO LOAN AGREEMENT
FORM OF LEGAL OPINION

See attached.

EXHIBIT H

TO LOAN AGREEMENT

DOMICILE AND PLACES OF BUSINESS

195 The West Mall
Toronto, ON M9C 5K1
Canada

EXHIBIT I
TO LOAN AGREEMENT
LIMITED RECOURSE GUARANTEE

See attached.

EXHIBIT J
TO LOAN AGREEMENT
EXAMPLES OF THE APPLICATION OF SECTION 5.4(B)

See attached.

EXHIBIT K
TO LOAN AGREEMENT
LENDER'S ACCOUNT

CAD

Beneficiary Bank: Banque Royale du Canada
Bank #: 003
Branch: 00001

ROYCCAT2

Beneficiary Name: CDPQ REVENU FIXE INC.
Beneficiary Account number: 1226679
Branch Address: Royal Bank of Canada – Place Ville Marie
1, Place Ville Marie
Montréal, (Québec)
H3C 3B5

EXHIBIT L

TO LOAN AGREEMENT

MANDATORY PREPAYMENT – EXCESS LEVERAGE RATIO

Leverage Ratio of Group	Mandatory Prepayment	
<2.0x	\$0	
>2.0x	\$62,500,000	
>2.5x	\$125,000,000	
>3.0x	1 st payment	25% of the then outstanding principal amount of the Loan
	2 nd payment	33⅓% of the then outstanding principal amount of the Loan
	3 rd payment	50% of the then outstanding principal amount of the Loan
	4 th payment	100% of the then outstanding principal amount of the Loan
>3.5x	100% of the then outstanding principal amount of the Loan	

EXHIBIT M
TO LOAN AGREEMENT
FORM OF OPCO PLEDGE AGREEMENT

See attached.

EXHIBIT N

TO LOAN AGREEMENT

FORM OF PARENT INDEMNITY AGREEMENT

See attached.

EXHIBIT O
TO LOAN AGREEMENT
FORM OF PARENT LETTER AGREEMENT

See attached.

EXHIBIT P

TO LOAN AGREEMENT

FORM OF CUSTODIAN AGREEMENT

See attached.

EXHIBIT Q
TO LOAN AGREEMENT
FORM OF MOVABLE HYPOTHEC

See attached.

EXHIBIT R
TO LOAN AGREEMENT
FORM OF GENERAL SECURITY AGREEMENT

See attached.

EXHIBIT S
TO LOAN AGREEMENT
FORM OF PARENT PLEDGE AGREEMENT

See attached.

EXHIBIT T
TO LOAN AGREEMENT
FORM OF SUBORDINATION AGREEMENT

See attached.

EXHIBIT U

TO LOAN AGREEMENT

FORM OF FUNDING DATE CERTIFICATE

■, 2017

TO: CDPQ REVENU FIXE INC., AS LENDER

This Funding Date Certificate is being delivered pursuant to Section 6.1(b)(vi) of the Loan Agreement

dated as of April 20, 2017 (as amended, modified and supplemented from time to time, the “**Loan Agreement**”), among SNC-Lavalin Highway Holdings Inc., as Borrower, and CDPQ Revenu Fixe Inc., as Lender. All capitalized terms used herein shall have the respective meanings specified in the Loan Agreement unless otherwise defined herein or unless the context requires otherwise.

I, being *[insert title]* of the Borrower, in my capacity as officer of the Borrower and not in my personal capacity, have read the provisions of the Loan Agreement which are relevant to this Certificate and have made such examinations or investigations as is reasonably necessary to enable myself to express an informed opinion on the matters contained in this Certificate.

I hereby certify in my aforesaid capacity of the Borrower and not in my personal capacity that, as of the date hereof:

1. I am a duly authorized representative of the Borrower, authorized to execute and deliver this Certificate on behalf of the Borrower.
2. All of the conditions to funding in respect of the other Financing Transactions have been satisfied or are being satisfied concurrently herewith;
3. The Scheme Date has occurred and attached as Schedule “A” is a copy of the Court Order.
4. All the conditions to the Acquisition have been satisfied or waived in accordance with the terms of the Loan Agreement.
5. No Major Default has occurred and is continuing, or will result from, making the Loan.

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