
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) January 2, 2008

A. M. Castle & Co.

(Exact name of registrant as specified in its charter)

Maryland	1-5415	36-0879160
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
3400 N. Wolf Road, Franklin Park, Illinois		60131
(Address of principal executive offices)		(Zip Code)

Registrant's telephone number including area code 847/455-7111

(Former name or former address if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13 e-4(c) under the Exchange Act (17 CFR 240.13 e-4(c))
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Item 1.01 Entry into a Material Definitive Agreement

On January 2, 2008, A. M. Castle & Co., A. M. Castle & Co. (Canada) Inc. (the “Canadian Subsidiary”) A.M. Castle Metals UK, Limited (the “UK Subsidiary”) and the material domestic subsidiaries of the Company entered into a First Amendment to Credit Agreement with Bank of America, N.A., as U.S. Agent (the “US Agent”), Bank of America, N.A., Canada Branch, as Canadian Agent (the “Canadian Agent”) and the lenders party thereto. This First Amendment amends the Amended and Restated Credit Agreement dated as of September 5, 2006 among the Company, the Canadian Subsidiary, the US Agent, the Canadian Agent and the lenders party thereto (as amended, the “amended senior credit facility”).

On the same date, (i) the Company and its material domestic subsidiaries entered into a First Amendment to Amended and Restated Collateral Agency and Intercreditor Agreement among Bank of America, N.A., as Collateral Agent, The Prudential Insurance Company of America and Prudential Retirement Insurance and Annuity Company and The Northern Trust Company, and (ii) the Company entered into an Amendment No. 2 to Note Agreement with The Prudential Insurance Company of America and Prudential Retirement Insurance and Annuity Company to amend the covenants in its existing note agreement pursuant to which the Company previously issued its long-term notes so as to be substantially the same as the amended senior credit facility.

The amended senior credit facility provides for (i) a \$170.0 million revolving “A” loan (the “U.S. A Revolver”) to be drawn by the Company from time to time, (ii) a \$50.0 million multicurrency revolving “B” loan (the “U.S. B Revolver” and with the U.S. A Revolver, the “U.S. Facility”) to be drawn by the Company or the UK Subsidiary from time to time, and (iii) a Cdn. \$9,784,000 revolving loan (corresponding to \$10,000,000 in U.S. Dollars as of the amendment closing date) (the “Canadian Facility”) to be drawn by the Canadian Subsidiary from time to time. The maturity date of the loans is extended to January 2, 2013.

The obligations of the UK Subsidiary under the U.S. B Revolver are guaranteed by the Company and its material domestic subsidiaries (the “Guarantee Subsidiaries”) pursuant to a U.K. Guarantee Agreement entered into by the Company and the Guarantee Subsidiaries on January 2, 2008 (the “U.K. Guarantee Agreement”).

The U.S. A Revolver provides for a letter of credit subfacility for the issuance of letters of credit in an aggregate amount up to \$20,000,000, an increase of \$5,000,000. The margin on LIBOR loans will initially be 0.875% and may fall as set forth on a grid depending on the Company’s debt-to-total capital ratio as calculated on a quarterly basis. As of January 2, 2008 there were \$8,498,000 in loans outstanding under the U.S. A Revolver, £14,933,088.44 in loans outstanding under the U.S. B Revolver and no revolving loans outstanding under the Canadian Facility.

The UK Subsidiary used a portion of the proceeds from the revolving loans under the U.S. B Revolver to finance the acquisition of Metals UK Group on January 2, 2008.

The foregoing description does not purport to be complete and is qualified in its entirety by each of the following agreements attached hereto as exhibits to this Form 8-K and incorporated herein by reference: amended senior credit facility, First Amendment to Amended and Restated Collateral Agency and Intercreditor Agreement, Amendment No. 2 to Note Purchase Agreement and the U.K. Guarantee Agreement.

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Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

See Item 1.01, which is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

- 10.11 First Amendment to Credit Agreement, dated January 2, 2008, by and between A. M. Castle & Co., A.M. Castle & Co. (Canada) Inc., A.M. Castle Metals UK, Limited, certain subsidiaries of the Company, the lenders party thereto, Bank of America, N.A.. as U.S. Agent and Bank of America, N.A., Canada Branch, as Canadian Agent.
- 10.12 U.K. Guarantee Agreement, dated January 2, 2008, by the Company and the Guarantee Subsidiaries.
- 10.13 First Amendment to Amended and Restated Collateral Agency and Intercreditor Agreement, dated January 2, 2008 by and among A.M. Castle & Co., Bank of America, N.A., as Collateral Agent, The Prudential Insurance Company of America and Prudential Retirement Insurance and Annuity Company and The Northern Trust Company
- 10.14 Amendment No. 2 to Note Agreement, dated January 2, 2008, between the Company and The Prudential Insurance Company of America and Prudential Retirement Insurance and Annuity Company Amendment.

SIGNATURES

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

A. M. CASTLE & CO.

Date: January 4, 2008

/s/ Sherry L. Holland
Vice President, General Counsel & Secretary

FIRST AMENDMENT TO CREDIT AGREEMENT

THIS FIRST AMENDMENT TO CREDIT AGREEMENT (this "Amendment"), dated as of January 2, 2008, is by and among A.M. Castle & Co. (the "U.S. Borrower"), A.M. Castle & Co. (Canada) Inc. (the "Canadian Borrower"), A.M. Castle Metals UK, Limited (the "U.K. Borrower"), certain Subsidiaries of the U.S. Borrower (the "Subsidiary Guarantors"), the Lenders party hereto, Bank of America, N.A., as U.S. Agent and Bank of America, N.A., Canada Branch, as Canadian Agent.

RECITALS

1. The U.S. Borrower, the Canadian Borrower, the Lenders, the U.S. Agent and the Canadian Agent entered into that certain Credit Agreement dated as of September 5, 2006 (the "Existing Credit Agreement"). Capitalized terms used herein which are not defined herein and which are defined in the Amended Credit Agreement (defined herein) shall have the same meanings as therein defined.
2. The Loan Parties have requested that certain provisions of the Existing Credit Agreement be amended.
3. The parties have agreed to amend the Existing Credit Agreement as set forth herein.

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Amendments to Existing Credit Agreement. Effective upon satisfaction of the conditions precedent set forth in Section 2 below, the Existing Credit Agreement is hereby amended as follows:

(A) The Existing Credit Agreement (but not the Schedules and Exhibits thereto, except as otherwise provided in this Amendment) is hereby amended and restated in its entirety as set forth in Annex I attached hereto (such amended and restated document being referred to herein as the "Amended Credit Agreement"). As so amended, the Existing Credit Agreement shall continue in full force and effect.

(B) A new Schedule 1.01B in the form of Schedule 1.01B attached to Annex I attached hereto is hereby added to the Existing Credit Agreement immediately following existing Schedule 1.01.

(C) Schedule 2.01 to the Existing Credit Agreement is hereby deleted in its entirety and a new Schedule 2.01 in the form of Schedule 2.01 attached to Annex I attached hereto is substituted therefor.

(D) Exhibits A, H and I to the Existing Credit Agreement are hereby deleted in their entireties and new Exhibits A, H and I in the form of Exhibits A, H and I attached to Annex I attached hereto are substituted therefor.

2. Conditions Precedent. This Amendment shall become effective upon satisfaction of the following conditions precedent:

(A) receipt by the Agents of counterparts of this Amendment, which collectively shall have been duly executed on behalf of each Loan Party and each Lender;

(B) receipt by the Agents of favorable opinions of legal counsel to the Loan Parties (including Canadian and United Kingdom counsel), addressed to the Agents and each Lender, dated as of the date hereof, and in form and substance reasonably satisfactory to the Agents;

(C) receipt by the Agents of the following, in form and substance satisfactory to the Agents:

(i) copies of the Organization Documents of each Loan Party certified to be true and complete as of a recent date by the appropriate Governmental Authority of the state or other jurisdiction of its incorporation or organization, where applicable, and certified by a secretary or assistant secretary of such Loan Party to be true, correct and in full force and effect as of the date hereof;

(ii) such certificates of board and shareholder resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Agents may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party; and

(iii) such documents and certifications as the Agents may reasonably require to evidence that each Loan Party is duly organized or formed, and is validly existing, in good standing and qualified to engage in business in its state of organization or formation;

(D) receipt by the Agents of Notes executed by the U.K. Borrower in favor of each of the U.S. Revolving B Credit Lenders;

(E) receipt by the Agents of an executed undertaking from Addleshaw Goddard LLP (“AG”), in form and substance satisfactory to the Agents, that obligates AG to transfer the purchase price of the acquisition of all of the Equity Interests of Metals UK Group Limited, Metals UK Limited, K.K.S. (Stainless Steel) Co. Limited, Metals Group, Inc., LOKS Plasma Services Limited, E. Harding & Sons Limited and Aerospace Metals Europe SA (the “Metals Acquisition”) to the sellers upon satisfaction of the conditions precedent in that certain purchase agreement, dated as of the date hereof, by and among the U.S. Borrower or one of its Subsidiaries, as buyer, and Ian Griffiths and others, as sellers (together with all amendments, modifications, supplements and attachments, the “Metals Purchase Agreement”);

(F) receipt by the U.S. Agent of an executed amendment to the existing Collateral Agency and Intercreditor Agreement, in the form of Annex II hereto;

(G) receipt by the U.S. Agent of an executed U.K. Guarantee in the form of Annex III hereto;

(H) receipt by the U.S. Agent of an executed amendment to the Note Agreement in the form of Annex IV hereto;

(I) receipt by the U.S. Agent of an executed amendment to the Amended and Restated Trade Acceptance Purchase Agreement, dated September 5, 2006 between the U.S. Borrower and The Northern Trust Company in the form of Annex V hereto; and

(J) Receipt by the Agents and the Lenders of all fees and expenses required to be paid.

3. Designation of U.K. Borrower as a Borrower. Effective as of the date hereof, the U.K. Borrower shall be a Borrower under the Loan Documents. The U.K. Borrower confirms that it shall have obligations, duties and liabilities toward each of the other parties to the Amended Credit Agreement identical to those which the U.K. Borrower would have had if it had been an original party to the Existing Credit Agreement as a Borrower.

4. Borrowing Minimums for Metals Acquisition. Notwithstanding anything in Section 2.02 of the Credit Agreement, the Agents and the Lenders hereby agree that the minimum incremental borrowing amounts shall not apply to the Borrowings made available to the Borrowers on January 2, 2008 to finance the Metals Acquisition.

5. Lender Cooperation. Each Lender hereby agrees that within 10 Business Days of the Closing Date, it shall complete any procedural formalities necessary for such Lender to become a Qualifying U.K. Lender. If a Lender fails to complete any of the necessary procedural formalities within 10 Business Days, then the U.K. Borrower shall have the option to replace such Lender in accordance with the terms of Section 10.13 of the Credit Agreement.

6. Execution of the other Loan Documents. The Lenders hereby authorize the Agents and the Collateral Agent to execute and deliver the amendments to existing Loan Documents and the new Loan Documents described in clauses (F) and (G) and (J) of Section 2 hereof.

7. Representations and Warranties. The Borrowers hereby represent and warrant to the Agents and the Lenders that, after giving effect to this Amendment, (a) the representations and warranties set forth in Article V of the Amended Credit Agreement are, subject to the limitations set forth therein, true and correct in all material respects as of the date hereof (except for those which expressly relate to an earlier date) and (b) no Default or Event of Default exists under the Amended Credit Agreement or any of the other Loan Documents.

8. Reaffirmation of Obligations. Each Loan Party hereby ratifies the Amended Credit Agreement and the other Loan Documents and acknowledges and reaffirms (a) that it is bound by all terms of the Amended Credit Agreement and the other Loan Documents applicable to it and (b) that it is responsible for the observance and full performance of its respective Obligations.

9. References in Other Loan Documents. At such time as this Amendment shall become effective pursuant to the terms of Section 2 above, all references in the Loan Documents to the "Credit Agreement" shall be deemed to refer to the Amended Credit Agreement.

10. Counterparts/Telecopy. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. This Amendment may be transmitted and/or signed by facsimile. The effectiveness of any such documents and signatures shall, subject to applicable Law, have the same force and effect as manually signed originals and shall be binding on all Loan Parties, the Agents and the Lenders. The Agents may also require that any such documents and signatures be confirmed by a manually signed original thereof; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any facsimile document or signature.

11. Governing Law. THIS AMENDMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

12. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

13. Exiting Lenders.

(a) The Commitments and outstanding Loans of General Electric Capital Corporation (the “Exiting Lender”) under the Credit Agreement are hereby assigned and reallocated among the other Lenders in the manner provided in Schedule 2.01 attached hereto. After giving effect to this Amendment, the Exiting Lender shall no longer have any Commitments or outstanding Loans under the Credit Agreement. The Exiting Lender joins in the execution of this Amendment solely for purposes of acknowledging and consenting to the assignment and reallocation of its Commitments and Loans under the Credit Agreement. Concurrently with the effectiveness of Amendment, the Exiting Lender shall have received payment in full for all outstanding Obligations owing to it under the Credit Agreement.

(b) Notwithstanding anything in the Credit Agreement or any other Loan Document to the contrary, all assignments and reallocations of Loans and Commitments pursuant to this Section 13 shall be deemed to be assignments made subject to and in compliance with Section 10.06 of the Credit Agreement (including, without limitation, the ‘Standard Terms and Conditions’ applicable to Assignments and Assumptions).

IN WITNESS WHEREOF the Loan Parties and the Lenders have caused this Amendment to be duly executed on the date first above written.

BORROWERS:

A.M. CASTLE & CO.,
a Delaware corporation

By: /s/ Michael H. Goldberg
Name: Michael H. Goldberg
Title: President and Chief Executive Officer

A.M. CASTLE & CO. (CANADA) INC.,
a corporation organized under the laws of the Province of Ontario
Canada

By: /s/Larwrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

A.M. CASTLE METALS UK, LIMITED

By: /s/ Michael H. Goldberg
Name: Michael H. Goldberg
Title: Director

**SUBSIDIARY
GUARANTORS:**

DATAMET, INC.,
an Illinois corporation

By: /s/ Larwrence A. Boik
Name: Lawrence A. Boik
Title: Vice President, Treasurer and Assistant Secretary

KEYSTONE TUBE COMPANY, LLC,
a Delaware limited liability company

By: /s/Larwrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

TOTAL PLASTICS, INC.,
a Michigan corporation

By: /s/Larwrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

PARAMONT MACHINE COMPANY, LLC,
a Delaware limited liability company

By: /s/Larwrence A. Boik

Name: Lawrence A. Boik

Title: Vice President

ADVANCED FABRICATING TECHNOLOGY, LLC
a Delaware limited liability company

By: /s/Larwrence A. Boik

Name: Lawrence A. Boik

Title: Vice President

OLIVER STEEL PLATE CO.
a Delaware corporation

By: /s/Larwrence A. Boik

Name: Lawrence A. Boik

Title: Treasurer

TRANSTAR INVENTORY CORP.
a Delaware corporation

By: /s/Larwrence A. Boik

Name: Lawrence A. Boik

Title: Vice President

TRANSTAR METALS CORP.
a Delaware corporation

By: /s/Larwrence A. Boik

Name: Lawrence A. Boik

Title: Vice President

TRANSTAR MARINE CORP.
a Delaware corporation

By: /s/Larwrence A. Boik

Name: Lawrence A. Boik

Title: Vice President

U.S. AGENT:

BANK OF AMERICA, N.A.

By: /s/ Michael Brashler

Name: Michael Brashler

Title: Vice President

CANADIAN AGENT:

BANK OF AMERICA, N.A., CANADA BRANCH

By: /s/ Medina Sales de Andrade

Name: Medina Sales de Andrade

Title: Vice President

LENDERS:

BANK OF AMERICA, N.A., as U.S. Lender

By: /s/ Craig W. McGuire

Name: Craig W. McGuire

Title: Senior Vice President

BANK OF AMERICA, N.A. (CANADA BRANCH),
as Canadian Lender

By: /s/ Medina Sales de Andrade

Name: Medina Sales de Andrade

Title: Vice President

JPMORGAN CHASE BANK, N.A., as U.S. Lender

By: /s/ Kevin J. Foley

Name: Kevin J. Foley

Title: Vice President

JPMORGAN CHASE BANK, N.A., TORONTO BRANCH,
as Canadian Lender

By: /s/ Steve Voigt

Name: Steve Voigt

Title: Senior Vice President

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA,
as U.S. Lender

By: /s/ G. Anthony Coletta

Name: G. Anthony Coletta

Title: Vice President

U.S. BANK, NATIONAL ASSOCIATION, as U.S. Lender

By: /s/ Steven C. Gonzalez

Name: Steven C. Gonzalez

Title: Vice President

FIFTH THIRD BANK, as U.S. Lender

By: /s/ Neil G. Mesch

Name: Neil G. Mesch

Title: Vice President

THE NORTHERN TRUST COMPANY, as U.S. Lender

By: /s/ Keith Burson

Name: Keith Burson

Title: Vice President

EXITING LENDER:

GENERAL ELECTRIC CAPITAL CORPORATION

By: /s/ Bond Harberts

Name: Bond Harberts

Title: Duly Authorized Signatory

ANNEX I
TO
FIRST AMENDMENT TO CREDIT AGREEMENT
DATED AS OF JANUARY 2, 2008

**AMENDED AND RESTATED
CREDIT AGREEMENT**

Dated as of September 5, 2006

among

A. M. CASTLE & CO.,
as U.S. Borrower,

A. M. CASTLE & CO. (CANADA) INC.,
as Canadian Borrower,

BANK OF AMERICA, N.A.,
as U.S. Agent, U.S. Swing Line Lender
and U.S. L/C Issuer,

BANK OF AMERICA, N.A., CANADA BRANCH,
as Canadian Agent and Canadian L/C Issuer

and

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

LASALLE BUSINESS CREDIT, LLC,
as Documentation Agent,

The Other Lenders Party Hereto

BANC OF AMERICA SECURITIES LLC,
as Sole Lead Arranger and Sole Book Manager

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B Canadian Committed Loan Notice
C U.S. Swing Line Loan Notice
D Note
E Compliance Certificate
F Discount Note
G Notice of Drawing
H Assignment and Assumption
I Borrowing Base Certificate

AMENDED AND RESTATED

CREDIT AGREEMENT

AMENDED AND RESTATED CREDIT AGREEMENT (this “Agreement”) is entered into as of September 5, 2006, among **A. M. CASTLE & CO.**, a Maryland corporation (“U.S. Borrower”), **A. M. CASTLE & CO. (CANADA) INC.**, a corporation organized under the laws of the Province of Ontario, Canada (“Canadian Borrower”), each lender from time to time party hereto, **BANK OF AMERICA, N.A.**, as U.S. Agent, U.S. Swing Line Lender and U.S. L/C Issuer and **BANK OF AMERICA, N.A., CANADA BRANCH**, as Canadian Agent and Canadian L/C Issuer.

U.S. Borrower, Canadian Borrower, U.S. Agent, Canadian Agent and a syndicate of lenders entered into a Credit Agreement, dated as of July 29, 2005 (the “Prior Credit Agreement”), pursuant to which certain Lenders provided a revolving credit facility. U.S. Borrower and Canadian Borrower have requested that the Prior Credit Agreement be amended and restated as provided herein and Lenders are willing to do so on the terms and conditions set forth herein. In consideration of the mutual covenants and agreements herein contained, the parties hereto covenant and agree as follows:

ARTICLE I

DEFINITIONS AND ACCOUNTING TERMS

1.01 Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

“Acceptance” means a Draft drawn by Canadian Borrower on a Canadian Lender conforming to the requirements of Section 2.03 and accepted by such Canadian Lender in accordance with Section 2.03(c). As the context shall require, “Acceptance” shall also have the meaning ascribed to it in Section 2.03(j).

“Acceptance Equivalent Loan” means an advance made under this Agreement by a Canadian Lender evidenced by a Discount Note.

“Acceptance Fee” has the meaning assigned to it in Section 2.10(d).

“Acceptance Exposure” means, at any time, the aggregate face amount of the outstanding Acceptances and Acceptance Equivalent Loans at such time. The Acceptance Exposure of any Canadian Lender at any time shall be its Applicable Percentage of the aggregate Acceptance Exposure at such time.

“Account” means an account as defined in the Uniform Commercial Code of the State of Illinois and any account receivable, book debt or other similar chose in action however defined or referenced in any of the Canadian Security Documents or any of the U.K. Security Documents.

“Account Debtor” means any Person obligated on an Account.

“Adjusted Consolidated Net Worth” means Consolidated Stockholders’ Equity less all Restricted Investments that exceed, in the aggregate, 10% of Consolidated Stockholders’ Equity.

“Administrative Agents” or “Agents” means U.S. Agent and Canadian Agent; and, as the context requires, “Agents” shall also include the Collateral Agent.

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

“Affiliate” of any Person means any Person (other than a Subsidiary) (i) who is a director or executive officer of such Person or any Subsidiary, (ii) which directly or indirectly through one or more intermediaries controls, or is controlled by, or is under common control with, such Person, (iii) which beneficially owns or holds securities representing 10% or more of the combined voting power of the Voting Stock of such Person, or (iv) of which securities representing 10% or more of the combined voting power of its Voting Stock (or in the case of a Person not a corporation, 10% or more of its equity) is beneficially owned or held by such Person or any Subsidiary. The term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Agent Fee Letter” has the meaning specified in Section 2.10(b).

“Agent’s Office” means the U.S. Agent’s Office in the case of the U.S. Agent and the Canadian Agent’s Office in the case of the Canadian Agent.

“Agents” means, collectively, the U.S. Agent and the Canadian Agent.

“Aggregate Canadian Commitments” means the Canadian Commitments of all Canadian Lenders.

“Aggregate Commitments” means the Commitments of all Lenders.

“Aggregate Revolving Credit Commitments” means the Aggregate U.S. Revolving A Credit Commitments, the Aggregate U.S. Revolving B Credit Commitments and the Aggregate Canadian Commitments.

“Aggregate U.S. Commitments” means the U.S. Commitments of all U.S. Lenders.

“Aggregate U.S. Revolving A Credit Commitments” means the U.S. Revolving A Credit Commitments of all U.S. Lenders.

“Aggregate U.S. Revolving B Credit Commitments” means the U.S. Revolving B Credit Commitments of all U.S. Lenders.

“Agreement” means this Amended and Restated Credit Agreement.

“Alternative Currency” means each of Euro and Sterling.

“Alternative Currency Equivalent” means, at any time, with respect to any amount denominated in U.S. Dollars, the equivalent amount thereof in the applicable Alternative

Currency as determined by the U.S. Agent or the U.S. L/C Issuer, as the case may be, at such time on the basis of the Exchange Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with U.S. Dollars.

“Applicable Percentage” means (a) in respect of the U.S. Revolving A Credit Facility, with respect to any U.S. Revolving A Credit Lender at any time, the percentage (carried out to the ninth decimal place) of the U.S. Revolving A Credit Facility represented by such U.S. Revolving A Credit Lender’s U.S. Revolving A Credit Commitment at such time, (b) in respect of the U.S. Revolving B Credit Facility, with respect to any U.S. Revolving B Credit Lender at any time, the percentage (carried out to the ninth decimal place) of the U.S. Revolving B Credit Facility represented by such U.S. Revolving B Credit Lender’s U.S. Revolving B Credit Commitment at such time and (c) in respect of the Canadian Committed Loan Facility, with respect to any Canadian Lender at any time, the percentage (carried out to the ninth decimal place) of the Canadian Committed Loan Facility represented by such Canadian Lender’s Canadian Commitment at such time. If the commitment of each U.S. Revolving A Credit Lender to make U.S. Revolving A Credit Loans and the obligation of the U.S. L/C Issuer to make U.S. L/C Credit Extensions have been terminated pursuant to Section 8.02, or if the U.S. Revolving A Credit Commitments have expired, then the Applicable Percentage of each U.S. Revolving A Credit Lender in respect of the U.S. Revolving A Credit Facility shall be determined based on the Applicable Percentage of such U.S. Revolving A Credit Lender in respect of the U.S. Revolving A Credit Facility most recently in effect, giving effect to any subsequent assignments. If the commitment of each U.S. Revolving B Credit Lender to make U.S. Revolving B Credit Loans has been terminated pursuant to Section 8.02, or if the U.S. Revolving B Credit Commitments have expired, then the Applicable Percentage of each U.S. Revolving B Credit Lender in respect of the U.S. Revolving B Credit Facility shall be determined based on the Applicable Percentage of such U.S. Revolving B Credit Lender in respect of the U.S. Revolving B Credit Facility most recently in effect, giving effect to any subsequent assignments. If the commitment of each Canadian Lender to make Canadian Committed Loans and the obligation of the Canadian L/C Issuer to make Canadian L/C Credit Extensions have been terminated pursuant to Section 8.02 or if the Canadian Commitments have expired, then the Applicable Percentage of each Canadian Lender in respect of the Canadian Committed Loan Facility shall be determined based on the Applicable Percentage of such Canadian Lender in respect of the Canadian Committed Loan Facility most recently in effect, giving effect to any subsequent assignments. The initial Applicable Percentage of each Lender in respect of each Facility on the First Amendment Effective Date is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

“Applicable Rate” means, from time to time, the following percentages per annum, based upon the ratio of Consolidated Debt to Consolidated Total Capitalization (the “Debt to Capitalization Ratio”) as set forth in the most recent Compliance Certificate received by Agents pursuant to Section 6.06(c):

Applicable Rate

Pricing Level	Consolidated Debt to Consolidated Total Capitalization Ratio	Commitment Fee	Eurodollar Rate + Acceptance Fee L/C Fee	Base Rate + Canadian Prime Rate +
1	≥50%	0.40%	1.75%	0.75%
2	≥40% but <50%	0.35%	1.25%	0.25%
3	≥30% but <40%	0.30%	1.00%	0%
4	≥20% but <30%	0.25%	0.875%	0%
5	<20%	0.20%	0.75%	0%

Any increase or decrease in the Applicable Rate resulting from a change in the Debt to Capitalization Ratio shall become effective commencing on the 5th Business Day immediately following the date a Compliance Certificate is delivered pursuant to Section 6.06(c); provided, however, that if no Compliance Certificate is delivered when due in accordance with such Section, then Pricing Level 1 shall apply commencing on the 5th Business Day following the date such Compliance Certificate was required to have been delivered and the Applicable Rate will not be eligible for decrease until the 5th Business Day immediately following the date such Compliance Certificate is delivered pursuant to Section 6.06(c). The Applicable Rate in effect from the First Amendment Effective Date through the earlier of (i) the date the Compliance Certificate for the fiscal quarter ending December 31, 2007 is delivered pursuant to Section 6.06(c), or (ii) the date the Compliance Certificate for the fiscal quarter ending December 31, 2007 is required to be delivered pursuant to Section 6.06(c) shall be determined based upon Pricing Level 4.

“Applicable Revolving Credit/Committed Loan Percentage” means, (a) with respect to any U.S. Revolving A Credit Lender at any time, such U.S. Revolving A Credit Lender’s Applicable Percentage in respect of the U.S. Revolving A Credit Facility at such time, (b) with respect to any U.S. Revolving B Credit Lender at any time, such U.S. Revolving B Credit Lender’s Applicable Percentage in respect of the U.S. Revolving B Credit Facility at such time and, (c) with respect to any Canadian Lender at any time, such Canadian Lender’s Applicable Percentage in respect of the Canadian Committed Loan Facility at such time.

“Applicable Time” means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the U.S. Agent or the U.S. L/C Issuer, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

“Approved Fund” means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender, or (c) an entity or Affiliate of an entity that administers or manages a Lender.

“Arranger” means Banc of America Securities LLC, in its capacity as sole lead arranger and sole book manager.

“Assignee Group” means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.06(b)), and accepted by the applicable Agent, in substantially the form of Exhibit H or any other form approved by the applicable Agent.

“Audited Financial Statements” means the audited consolidated balance sheet of U.S. Borrower and its Subsidiaries for the fiscal year ended December 31, 2005, and the related consolidated statements of income or operations, shareholders’ equity and cash flows for such fiscal year of U.S. Borrower and its Subsidiaries, including the notes thereto.

“Availability Period” means the period from and including the Closing Date to the earliest of (a) the Maturity Date, (b) the date of termination of the Aggregate Revolving Credit Commitments pursuant to Section 2.07, and (c) the date of termination of the commitment of each U.S. Revolving A Credit Lender to make U.S. Revolving A Credit Loans, the commitment of each U.S. Revolving B Credit Lender to make U.S. Revolving B Credit Loans and the commitment of each Canadian Lender to make Canadian Committed Loans and of the obligation of U.S. L/C Issuer to make U.S. L/C Credit Extensions and Canadian L/C Issuer to make Canadian L/C Credit Extensions, pursuant to Section 8.02.

“Bank of America” means Bank of America, N.A. and its successors.

“Bank of America Canada” means Bank of America, N.A., Canada Branch and its successors.

“Base Rate” means for any day a fluctuating rate per annum equal to the higher of (a) the Federal Funds Rate plus 1/2 of 1% and (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate.” The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

“Base Rate Committed Loan” means a Committed Loan that is a Base Rate Loan.

“Base Rate Loan” means a Loan that bears interest based on the Base Rate. All Base Rate Loans shall be denominated in U.S. Dollars.

“Base Rate U.S. Revolving A Credit Loan” means a U.S. Revolving A Credit Loan that is a Base Rate Loan.

“Book Value” means, with respect to any Eligible Inventory, an amount equal to (i) the book value of such Eligible Inventory determined in accordance with GAAP plus (ii) the LIFO Reserve, if any, established with respect to such Eligible Inventory in accordance with GAAP minus (iii) without duplication to amounts deducted pursuant to the definition of “Eligible Inventory”, any reserves established by the applicable Loan Party with respect to such Eligible Inventory in accordance with GAAP.

“Borrowers” means, collectively, U.S. Borrower, U.K. Borrower and Canadian Borrower.

“Borrower Materials” has the meaning specified in Section 6.06.

“Borrowing” means a Committed Borrowing or a U.S. Swing Line Borrowing, as the context may require.

“Borrowing Base Certificate” means a certificate, signed by a Senior Financial Officer of the applicable Borrower, in the form of Exhibit I or another form which is acceptable to Agents in their discretion exercised in a commercially reasonable manner.

“Business Day” means, as the context shall require, a U.S. Business Day, a Canadian Business Day, or both.

“Canadian Agent” means Bank of America Canada, in its capacity as administrative agent for Canadian Lenders hereunder, together with its successors and assigns.

“Canadian Agent’s Office” means Canadian Agent’s address and, as appropriate, account as set forth on Schedule 10.02, or such other address or account as Canadian Agent may from time to time notify Canadian Borrower and Canadian Lenders.

“Canadian Availability” means the amount by which the lesser of the Aggregate Canadian Commitments and the Canadian Borrowing Base, exceeds the Total Canadian Outstandings.

“Canadian Borrower” has the meaning specified in the introductory paragraph hereto.

“Canadian Borrowing Base” means, at any time, the sum, expressed in Canadian Dollars, of (a) 80% of Canadian Borrower’s Eligible Accounts at such time, *plus* (b) 50% of the Book Value of Canadian Borrower’s Eligible Inventory, *plus* (c) (i) from July 29, 2007 through and including July 28, 2008, 10% of the Net PP&E of Canadian Borrower, and (ii) from and after July 29, 2008, 0% of the Net PP&E of Canadian Borrower, *minus* (d) the principal amount of all secured Indebtedness of Canadian Borrower, other than the Obligations, *minus*, (e) at such time as Canadian Borrower’s Obligations are not Secured, the sum of (x) 50% of Canadian Borrower’s aggregate accounts payable (other than such accounts payable, if any, which serve as the basis for causing all or any part of any Account of Canadian Borrower to fail to qualify as an Eligible Account), *plus*, (y) the outstanding principal amount of all unsecured Indebtedness of Canadian Borrower, other than the Obligations, with the amounts referred to in clauses (a), (b) and (c) above determined by reference to the most recent Borrowing Base Certificate and applicable financial statements delivered to Canadian Agent by Canadian Borrower.

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

“Canadian Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed in, the province where Canadian Agent’s Office is located and, if such day relates to any Eurodollar Rate Loan, means any such day on which dealings in U.S. Dollar deposits are conducted by and between banks in the London interbank eurodollar market.

“Canadian Commitment” means, as to each Canadian Lender, its obligation to (a) make Canadian Committed Loans to Canadian Borrower pursuant to Section 2.01(c) and (b) purchase participations in Canadian L/C Obligations, in an aggregate principal amount at any one time

outstanding not to exceed the amount set forth opposite such Canadian Lender's name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Canadian Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

“Canadian Committed Borrowing” means a borrowing consisting of simultaneous Canadian Committed Loans of the same Type and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each Canadian Lender pursuant to Section 2.01(c), and shall be deemed to include the acceptance and purchase of Acceptances, where applicable.

“Canadian Committed Loan” has the meaning specified in Section 2.01(c).

“Canadian Committed Loan Facility” means, at any time, the aggregate amount of the Canadian Lenders' Canadian Commitments at such time.

“Canadian Dollar Equivalent” means, with respect to an amount of U.S. Dollars on any date, the amount of Canadian Dollars that may be purchased with such amount of U.S. Dollars at the Exchange Rate with respect to U.S. Dollars on such date.

“Canadian Dollars” and the symbol “Cdn.\$” mean the lawful currency of Canada.

“Canadian Hypothec” means a deed of hypothec granted by Canadian Borrower in favor of Canadian Agent with respect to the universality of its moveable property in the province of Quebec, and any bonds or debentures, pledges of bonds or debentures and other documentation related thereto.

“Canadian L/C Credit Extension” means, with respect to any Canadian Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“Canadian L/C Issuer” means Bank of America Canada in its capacity as issuer of Canadian Letters of Credit hereunder, or any successor issuer of Canadian Letters of Credit hereunder.

“Canadian L/C Obligations” means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Canadian Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings in respect of Canadian Letters of Credit. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Canadian Letter of Credit shall be determined in accordance with Section 1.06. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“Canadian L/C Sublimit” means an amount equal to Cdn. \$2,000,000. The Canadian L/C Sublimit is part of, and not in addition to, the Aggregate Canadian Commitments.

“Canadian Lender” means any Lender that has a Canadian Commitment or any portion of the Total Canadian Outstandings. The Canadian Lenders on the First Amendment Effective Date are listed on Schedule 2.01 under the caption “Canadian Lenders”.

“Canadian Letter of Credit” means any letter of credit issued by Canadian L/C Issuer hereunder. A Canadian Letter of Credit may be a commercial letter of credit or a standby letter of credit.

“Canadian Loan” means an extension of credit by a Canadian Lender to Canadian Borrower under Article II in the form of a Canadian Committed Loan and includes Acceptances.

“Canadian Obligations” means all Obligations relating to Canadian Loans or Canadian Letters of Credit or Swap Contracts between Canadian Borrower and any Canadian Lender or any Affiliate of any Canadian Lender or Treasury Management Obligations of Canadian Borrower to a Canadian Lender or an Affiliate of a Canadian Lender.

“Canadian Prime Rate” means, for any day, a rate per annum equal to the higher of (i) the rate per annum publicly announced from time to time by Bank of America Canada as its prime rate in effect for Canadian Dollar denominated loans made at its principal office in Toronto and (ii) the one-month CDOR Rate plus fifty bps (.50%) per annum. Each change in the Canadian Prime Rate shall be effective on the date after such change is publicly announced.

“Canadian Prime Rate Loan” means a Canadian Loan that bears interest based on the Canadian Prime Rate. All Canadian Prime Rate Loans shall be denominated in Canadian Dollars.

“Canadian Security Documents” means each security agreement, hypothec, debenture, assignment or other security document, by or between Canadian Borrower and Canadian Agent, for the benefit of Canadian Agent and Canadian Lenders, including each Canadian Hypothec, securing the Canadian Obligations, as any of the foregoing may be amended, restated or otherwise modified from time to time.

“Canadian Supermajority Lenders” means, as of any date of determination, Canadian Lenders having more than 66-2/3% of the Aggregate Canadian Commitments or, if the commitment of each Canadian Lender to make Canadian Loans and the obligation of Canadian L/C Issuer to make Canadian L/C Credit Extensions have been terminated pursuant to Section 8.02, Canadian Lenders holding in the aggregate more than 66-2/3% of the Total Canadian Outstandings (with the aggregate amount of each Canadian Lender’s risk participation and funded participation in Canadian L/C Obligations being deemed “held” by such Canadian Lender for purposes of this definition); provided that the Canadian Commitment of, and the portion of the Total Canadian Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Canadian Supermajority Lenders.

“Capital Expenditures” means, with respect to any Person for any period, any expenditure in respect of the purchase or other acquisition of any fixed or capital asset (excluding normal replacements and maintenance which are properly charged to current operations).

“Capitalized Lease” means any lease the obligation for Rentals with respect to which, in accordance with GAAP, would be required to be capitalized on a balance sheet of the lessee or for which the amount of the asset and liability thereunder, as if so capitalized, would be required to be disclosed in a note to such balance sheet.

“Capitalized Lease Obligations” means any amounts required to be capitalized under any Capitalized Lease.

“Cash Collateralize” has the meaning specified in Section 2.04(g).

“Cash Equivalents” means any of the following types of Investments, to the extent owned by U.S. Borrower or any of its Subsidiaries free and clear of all Liens (other than Liens created under the Collateral Documents and other Liens permitted hereunder):

(a) Investments in (A) commercial paper of a domestic issuer maturing in 270 days or less from the date of issuance which is rated P-2 or better by Moody’s or A-2 or better by S&P, (B) certificates of deposit or banker’s acceptances issued by commercial banks or trust companies located in the United States and organized under its laws or the laws of any state thereof each having a combined capital, surplus and undivided profits of \$100,000,000 or more, (C) obligations of or fully guaranteed by the United States or an agency thereof maturing within three years from the date of acquisition, (D) municipal securities maturing within three years from the date of acquisition which are rated in one of the top two rating classifications by at least one national rating agency, or (E) money market instrument programs which are classified as current assets in accordance with GAAP; and

(b) Participations in notes maturing within 60 days which are rated P-2 or better by Moody’s or A-2 or better by S&P.

“CC” means the Civil Code of Quebec.

“CDOR Rate” means, on any day, the annual discount rate which is the rate determined by Canadian Agent as being the arithmetic average (rounded upward to the nearest multiple of 0.01%) of the rates applicable to Canadian Dollar bankers’ acceptances for the applicable period displayed and identified as such on the “Reuters’ Screen CDOR Page” at approximately 10:00 A. M. (Toronto time) on such day for Schedule I chartered banks, or if such day is not a Canadian Business Day then on the immediately preceding Canadian Business Day (as adjusted by a Canadian bank after 10:00 A. M. (Toronto time) to reflect any error in a posted discount rate or in the posted average annual discount rate).

“Change in Law” means the occurrence, after the date of this Agreement or, if later, the date the affected Person became a Lender or L/C Issuer under this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any request, guideline or directive (whether or not having the force of law) by any Governmental Authority.

“Class”, when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Canadian Loans or U.S. Loans, and when used in reference to any Commitment, refers to whether such Commitment is a Canadian Commitment or U.S. Commitment.

“Closing Date” means September 5, 2006.

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

“Collateral” means any and all assets and rights and interests in or to property of Borrowers and each of the other Loan Parties, whether real or personal, tangible or intangible, in which a Lien is granted or purported to be granted pursuant to the Collateral Documents.

“Collateral Access Agreement” means any landlord waiver or other agreement, in form and substance reasonably satisfactory to the applicable Agent, between such Agent and any third party (including any bailee, consignee, customs broker, or other similar Person) in possession of any Collateral or any landlord of any Loan Party for any real property where any Collateral is located, as such landlord waiver or other agreement may be amended, restated, or otherwise modified from time to time.

“Collateral Agency and Intercreditor Agreement” means the Amended and Restated Collateral Agency and Intercreditor Agreement, dated as of September 5, 2006, by and among Collateral Agent, U.S. Agent, the Noteholders (as defined therein), The Northern Trust Company, U.S. Borrower and the Subsidiary Guarantors, as amended, restated, supplemented or otherwise modified from time to time.

“Collateral Agent” means Bank of America, in its capacity as Collateral Agent under the Collateral Agency and Intercreditor Agreement, together with its successors and assigns.

“Collateral Documents” means, collectively, the U.S. Security Documents, the Canadian Security Documents and the U.K. Security Documents.

“Commitments” means, collectively, each Canadian Commitment and each U.S. Commitment.

“Committed Borrowing” means a borrowing consisting of simultaneous Committed Loans of the same Type, in the same currency and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

“Committed Loan” means either a U.S. Committed Loan or a Canadian Committed Loan.

“Committed Loan Notice” means a notice of (a) a Committed Borrowing, (b) a conversion of Committed Loans from one Type to the other, or (c) a continuation of Eurodollar Rate Loans, pursuant to Section 2.02(a), which, if in writing, shall be substantially in the form of Exhibit A, in the case of a U.S. Committed Borrowing, or Exhibit B, in the case of a Canadian Committed Borrowing.

“Compliance Certificate” means a certificate substantially in the form of Exhibit E.

“Consolidated Debt” means Debt of U.S. Borrower and its Subsidiaries consolidated in accordance with GAAP.

“Consolidated EBITDA” means, for any period, the sum of (a) Consolidated Net Income for such period; *plus* (b) to the extent, and only to the extent, that such aggregate amount was deducted in the computation of such Consolidated Net Income, the aggregate amount of (i) income tax expense of U.S. Borrower and its Subsidiaries for such period, *plus* (ii) charges for depreciation, amortization and other non-cash charges of U.S. Borrower and its Subsidiaries for such period, *plus* (iii) Interest Charges for such period.

“Consolidated Net Income” means, for any period, the net income (or deficit) of U.S. Borrower and its Subsidiaries for such period determined on a consolidated basis in accordance with GAAP.

“Consolidated Stockholders’ Equity” means the stockholders’ equity of U.S. Borrower and its Subsidiaries determined on a consolidated basis in accordance with GAAP.

“Consolidated Total Assets” means, at any time, all assets of U.S. Borrower and its Subsidiaries which would be reflected on a consolidated balance sheet of such Persons at such time prepared in accordance with GAAP .

“Consolidated Total Capitalization” means the sum of (i) Consolidated Stockholders’ Equity, (ii) 50% of the LIFO Reserve, and (iii) Consolidated Debt, less Restricted Investments in excess of 10% of Consolidated Stockholders’ Equity.

“Contractual Obligation” means, as to any Person, any provision of any security issued by such Person or of any agreement, instrument or other undertaking to which such Person is a party or by which it or any of its property is bound.

“Credit Extension” means each of the following: (a) a Borrowing and (b) an L/C Credit Extension.

“Current Debt” means, at any time and with respect to any Person, all Indebtedness of such Person outstanding at such time other than Funded Debt of such Person.

“Current Maturities of Funded Debt” means (without duplication), at any time and with respect to any item of Funded Debt, the portion of such Funded Debt outstanding at such time which by the terms of such Funded Debt or the terms of any instrument or agreement relating thereto (a) is due on demand or within 365 days from such time (whether by sinking fund, other required prepayment or final payment at maturity) and (b) (i) is not directly or indirectly renewable, extendible or refundable at the option of the obligor under an agreement or firm commitment in effect at such time to a date 365 days or more from such time or (ii) if so renewable, extendible or refundable at the option of the obligor, the obligor shall have agreed that it will not renew, extend or refund to a date 365 days or more from such time.

“Debt” means all Indebtedness (excluding obligations with respect to bankers’ acceptances and trade acceptance financings to the extent such obligations, in the aggregate, are less than \$5,000,000, but including any such obligations, in the aggregate, in excess of such amount) of U.S. Borrower or any Subsidiary.

“Debtor Relief Laws” means the Bankruptcy Code of the United States, the Companies Creditors Arrangement Act (Canada), the Bankruptcy and Insolvency Act (Canada), and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States, Canada or any province or territory thereof or other applicable jurisdictions from time to time in effect and affecting the rights of creditors generally.

“Default” means any event which, with the lapse of time or the giving of notice, or both, would become an Event of Default.

“Default Rate” means (a) when used with respect to Obligations other than L/C Fees an interest rate equal to (i) the Base Rate or the Canadian Prime Rate, as the case may be, plus (ii) the Applicable Rate, if any, applicable to Base Rate Loans or Canadian Prime Rate Loans, as the case may be, plus (iii) 2% per annum; provided, however, that (x) with respect to a Eurodollar Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Rate and any Mandatory Cost) otherwise applicable to such Loan plus 2% per annum and (y) with respect to Acceptances, the Default Rate shall be the Applicable Rate plus 2% per annum, and (b) when used with respect to L/C Fees, a rate equal to the Applicable Rate plus 2% per annum.

“Defaulting Lender” means any Lender that (a) has failed to fund any portion of the Committed Loans, participations in L/C Obligations or participations in U.S. Swing Line Loans required to be funded by it hereunder within one Business Day of the date required to be funded by it hereunder unless such failure has been cured, (b) has otherwise failed to pay over to the applicable Agent or any other Lender any other amount required to be paid by it hereunder within one Business Day of the date when due, unless the subject of a good faith dispute or unless such failure has been cured, or (c) has been deemed insolvent or become the subject of a bankruptcy or insolvency proceeding.

“Discount Note” means a non-interest bearing, non-negotiable promissory note denominated in Canadian Dollars, issued by Canadian Borrower to a Non-Acceptance Canadian Lender, substantially in the form of Exhibit F.

“Discount Proceeds” means proceeds in respect of any Acceptance to be purchased by a Lender under Section 2.03 on any day, in an amount (rounded to the nearest whole Canadian cent, and with one-half of one Canadian cent being rounded up) calculated on such day by dividing:

(a) the face amount of such Acceptance; by

(b) the sum of one plus the product of:

(i) the Discount Rate (expressed as a decimal) applicable to such Acceptance; and

(ii) a fraction, the numerator of which is the number of days in the term of such Acceptance commencing on the date of acceptance of the Acceptance and ending on, but excluding, the maturity date of such Acceptance, and the denominator of which is 365;

with such product being rounded up or down to the fifth decimal place and .000005 being rounded up.

“Discount Rate” with respect to an issue of Acceptances with the same maturity date, (a) for a Canadian Lender which is a Schedule I Lender, the CDOR Rate for banker’s acceptances with the applicable term and face value and (b) for a Canadian Lender which is not a Schedule I Lender, the rate determined by Canadian Agent based on the arithmetic average (rounded upwards to the nearest multiple of 0.01%) of the actual discount rates, calculated on the basis of a year of 365 days, for Acceptances for such term and face value accepted by such Lender established in accordance with their normal practices at or about 10:00 A. M. (Toronto time) on

the date of issuance of such Acceptances, but not to exceed the actual rate of discount applicable to Acceptances established pursuant to clause (a) for the same Acceptances issued plus ten bps (0.10%) per annum or the rate that would be applicable to such Acceptances if there were a Schedule I Lender.

“Disposition” has the meaning specified in Section 7.06.

“DPS OPCO Inventory” means Inventory of the Transtar Loan Parties (other than INCO Inventory) the records of which are maintained by the Transtar Loan Parties using the DPS software package.

“Draft” means a depository bill as defined and issued in accordance with the Depository Bills and Notes Act (Canada) or a bill of exchange in the form used from time to time by each Canadian Lender, respectively, in connection with the creation of bankers’ acceptances in accordance with the provisions of Section 2.03 and payable in Canadian Dollars.

“Eligible Accounts” means, at any time, the Accounts of the applicable Loan Party except any Account:

(a) which, at any time that the Obligations are Secured, is not subject to a first priority perfected security interest (or as applicable, a first fixed and floating charge) in favor of Collateral Agent, in the case of Accounts of U.S. Borrower or a Subsidiary Guarantor, U.S. Agent, in the case of Accounts of U.K. Borrower or a U.K. Subsidiary Guarantor, or Canadian Agent, in the case of Accounts of Canadian Borrower;

(b) which is subject to any Lien other than (i) a Lien in favor of Collateral Agent, in the case of Accounts of U.S. Borrower or a Subsidiary Guarantor, U.S. Agent, in the case of Accounts of U.K. Borrower or a U.K. Subsidiary Guarantor, or Canadian Agent, in the case of Accounts of Canadian Borrower and (ii) a Permitted Encumbrance which does not have priority over the Lien, if any, in favor of Collateral Agent, in the case of Accounts of U.S. Borrower or a Subsidiary Guarantor, U.S. Agent, in the case of Accounts of U.K. Borrower or a U.K. Subsidiary Guarantor, or Canadian Agent, in the case of Accounts of Canadian Borrower;

(c) with respect to which more than 90 days have elapsed since the date of the original invoice therefor or which is more than 60 days past due;

(d) with respect to which any of the representations, warranties, covenants, and agreements contained in the Collateral Documents are incorrect or have been breached;

(e) with respect to which Account (or any other Account due from such Account Debtor), in whole or in part, a check, promissory note, draft, trade acceptance or other instrument for the payment of money has been received, presented for payment and returned uncollected for any reason;

(f) which represents a progress billing (as hereinafter defined) or as to which the applicable Loan Party has extended the time for payment without the consent of the applicable Agent; for the purposes hereof, “progress billing” means any invoice for goods sold or leased or services rendered under a contract or agreement pursuant to which the

Account Debtor's obligation to pay such invoice is conditioned upon the applicable Loan Party's completion of any further performance under the contract or agreement;

(g) with respect to which any one or more of the following events has occurred to the Account Debtor on such Account: death or judicial declaration of incompetency of an Account Debtor who is an individual; the filing by or against the Account Debtor of a request or petition for liquidation, reorganization, arrangement, adjustment of debts, adjudication as a bankrupt, winding-up, or other relief under the bankruptcy, insolvency, or similar laws of the United States, Canada, any state, province or territory thereof, or any foreign jurisdiction, now or hereafter in effect; the making of any general assignment by the Account Debtor for the benefit of creditors; the appointment of a receiver, trustee, receiver and manager, custodian or liquidator for the Account Debtor or for any of the assets of the Account Debtor, including, without limitation, the appointment of or taking possession by a "custodian," as defined in the Federal Bankruptcy Code of the United States; the institution by or against the Account Debtor of any other type of insolvency proceeding (under the bankruptcy laws of the United States, Canada or otherwise) or of any formal or informal proceeding for the dissolution or liquidation of, settlement of claims against, or winding up of affairs of, the Account Debtor; the sale, assignment, or transfer of all or any material part of the assets of the Account Debtor; the nonpayment generally by the Account Debtor of its debts as they become due; or the cessation of the business of the Account Debtor as a going concern;

(h) which is owed by an Account Debtor with respect to which twenty-five percent (25%) or more of the aggregate U.S. Dollar amount of outstanding Accounts owed at such time by such Account Debtor are classified as ineligible under clause (c) above;

(i) (i) with respect to U.S. Borrower, the Subsidiary Guarantors and Canadian Borrower, which is owed by an Account Debtor which does not maintain its chief executive office in, or is not registered under the laws of, the United States or Canada and (ii) with respect to U.K. Borrower and the U.K. Subsidiary Guarantors, which is owed by an Account Debtor which does not maintain its chief executive office in, or is not organized under the laws of, the United Kingdom, the United States, Canada or, so long as such Account Debtor makes payments into an account over which U.S. Agent has a perfected Lien, any other country that is a Participating Member State, unless in cases of both clauses (i) and (ii) above either (x) such Account is fully backed by an irrevocable letter of credit on terms, and issued by a financial institution, acceptable to the applicable Agent, or (y) such Account is covered by credit insurance issued by an insurance company and having terms and conditions acceptable to the applicable Agent;

(j) owed by an Account Debtor which is an Affiliate or employee of a Borrower;

(k) except as provided in clause (m) below, with respect to which either the perfection, enforceability, or validity of the Collateral Agent's Liens, the U.S. Agent's Liens or the Canadian Agent's Liens, as the case may be, in such Account, or the Collateral Agent's, the U.S. Agent's or the Canadian Agent's, as the case may be, right or ability to obtain direct payment to the Collateral Agent, the U.S. Agent or the Canadian

Agent of the proceeds of such Account, is governed by any federal, state, or local statutory requirements other than those of the UCC, the PPSA or the CC;

(l) owed by an Account Debtor to which the applicable Loan Party or any of its Subsidiaries is indebted in any way, or which is subject to any right of setoff or recoupment by the Account Debtor, unless the Account Debtor has entered into an agreement acceptable to U.S. Agent or Canadian Agent, as the case may be, to waive setoff rights; or if the Account Debtor thereon has disputed liability or made any claim with respect to any other Account due from such Account Debtor; but in each such case only to the extent of such indebtedness, setoff, recoupment, dispute, or claim;

(m) which is owed by (i) the government (or any department, agency, public corporation, or instrumentality thereof) of any country other than the United States, Canada, the United Kingdom or, to the extent approved by U.S. Agent, any other Participating Member State unless such Account is backed by a letter of credit or other credit support acceptable to such Agent, or (ii) the government of the United States, Canada, the United Kingdom or, to the extent approved by U.S. Agent, any other Participating Member State, or any department, agency, public corporation, or instrumentality thereof, unless the Federal Assignment of Claims Act of 1940, as amended (31 U.S.C. § 3727 et seq. and 41 U.S.C. § 15 et seq.) or Part VII of the Financial Administration Act (Canada) relating to the assignment of federal Crown debts or any equivalent Law in the United Kingdom or such other Participating Member State, if applicable, and any other steps necessary to perfect the Lien of the Collateral Agent, in the case of Accounts of U.S. Borrower or a Subsidiary Guarantor, U.S. Agent, or Canadian Agent, in the case of Accounts of Canadian Borrower, in such Account have been complied with to such Person's satisfaction;

(n) which represents a sale on a bill-and-hold, guaranteed sale, sale and return, sale on approval, consignment, or other repurchase or return basis or is issued on a cash on delivery basis;

(o) which is evidenced by a promissory note or other instrument or by chattel paper;

(p) if the U.S. Agent or the Canadian Agent, as the case may be, believes, in the exercise of its reasonable judgment, that the prospect of collection of such Account is impaired or that the Account may not be paid by reason of the Account Debtor's financial inability to pay;

(q) with respect to which the Account Debtor is located in any State of the United States requiring the filing of a Notice of Business Activities Report or similar report in order to permit the applicable Loan Party to seek judicial enforcement in such State of payment of such Account, unless the applicable Loan Party has qualified to do business in such state or has filed a Notice of Business Activities Report or equivalent report for the then current year and except to the extent the applicable Loan Party may qualify subsequently as a foreign entity authorized to transact business in such U.S. State and gain access to courts in such State to seek judicial enforcement of such Account, without incurring any cost or penalty reasonably viewed by U.S. Agent to be material in amount, and such later qualification permits judicial enforcement by such Loan Party of payment of such Account;

(r) which arises out of a sale not made in the ordinary course of the applicable Loan Party's business;

(s) with respect to which the goods giving rise to such Account have not been shipped and delivered to and accepted by the Account Debtor or the services giving rise to such Account have not been performed by the applicable Loan Party, and, if applicable, accepted by the Account Debtor, or the Account Debtor revokes its acceptance of such goods or services;

(t) owed by an Account Debtor which is obligated in respect of Accounts the aggregate unpaid balance of which exceeds fifteen percent (15%) of the aggregate unpaid balance of all Accounts owed to U.S. Borrower and the Subsidiary Guarantors as a whole, to U.K. Borrower and the U.K. Subsidiary Guarantors as a whole, or to Canadian Borrower, as applicable, at such time, but only to the extent of such excess; or

(u) in the case of Accounts owing to U.K. Borrower or a U.K. Subsidiary Guarantor, any Account which fails to meet such other criteria or requirements as established from time to time by the U.S. Agent or the Required U.S. Lenders in the exercise of their reasonable business judgment, with prior consultation with the U.K. Borrower and following 30 days advance written notice.

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 10.06(b)(iii), (v) and (vi) (subject to such consents, if any, as may be required under Section 10.06(b)(iii)).

“Eligible Inventory” means, at any time, the Inventory owned by the applicable Loan Party except any Inventory:

(a) which at any time that the Obligations are Secured is not subject to a first priority (except for any prior landlord's liens) perfected Lien (or, as applicable, a floating charge) in favor of Collateral Agent, in the case of Inventory of U.S. Borrower or a Subsidiary Guarantor, U.S. Agent, in the case of Inventory of U.K. Borrower or a U.K. Subsidiary Guarantor, or Canadian Agent, in the case of Inventory of Canadian Borrower;

(b) which is subject to any Lien other than (i) a Lien in favor of Collateral Agent in the case of Inventory of U.S. Borrower or a Subsidiary Guarantor, U.S. Agent, in the case of Inventory of U.K. Borrower or a U.K. Subsidiary Guarantor, or Canadian Agent in the case of Inventory of Canadian Borrower and (ii) a Permitted Encumbrance that does not have priority (except for any prior landlords' liens) over the Lien, if any, in favor of Collateral Agent, in the case of Inventory of U.S. Borrower or a Subsidiary Guarantor, U.S. Agent, in the case of Inventory of U.K. Borrower or a U.K. Subsidiary Guarantor, or Canadian Agent, in the case of Inventory of Canadian Borrower;

(c) that is not owned by the applicable Loan Party;

(d) that does not consist of finished goods, mill products or raw materials;

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- (e) that consists of scrap metal, work-in-process, chemicals, samples, prototypes, supplies, or packing and shipping materials;
- (f) that is not currently either usable or salable in the normal course of the applicable Loan Party's business, or that is slow moving (other than INCO Inventory), obsolete or stale;
- (g) that is located outside the United States or Canada (or, in the case of Inventory of U.K. Borrower or a U.K. Subsidiary Guarantor, the United Kingdom, the United States or Canada) (or that is in-transit from vendors or suppliers, not including any Loan Party);
- (h) which is located in any location leased by the applicable Loan Party unless (i) the lessor has delivered to the Collateral Agent, U.S. Agent or Canadian Agent, as applicable, a Collateral Access Agreement or (ii) a reserve for two months rent, charges, and other amounts due or to become due with respect to such facility has been established by such Agent in its Permitted Discretion;
- (i) which contains or bears any intellectual property rights licensed to the Loan Parties unless the applicable Agent is satisfied that it may sell or otherwise dispose of such Inventory without (i) infringing the rights of such licensor, (ii) violating any contract with such licensor, or (iii) incurring any liability with respect to payment of royalties other than royalties incurred pursuant to sale of such Inventory under the current licensing agreement;
- (j) that is located at any location in the United States at which the total Inventory at such location has a value of less than \$350,000;
- (k) that is Inventory placed on consignment;
- (l) that represents Inventory not reflected on the applicable Loan Party's general ledger; or
- (m) in the case of Inventory of U.K. Borrower or a U.K. Subsidiary Guarantor, any Inventory which fails to meet such other criteria or requirements as established from time to time by the U.S. Agent or the Required U.S. Lenders in the exercise of their reasonable business judgment, with prior consultation with the U.K. Borrower and following 30 days advance written notice.

“EMU” means the economic and monetary union in accordance with the Treaty of Rome 1957, as amended by the Single European Act 1986, the Maastricht Treaty of 1992 and the Amsterdam Treaty of 1998.

“EMU Legislation” means the legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

“Environmental Laws” means all laws relating to environmental matters, including those relating to (i) fines, orders, injunctions, penalties, damages, contribution, cost recovery compensation, losses or injuries resulting from the Release or threatened Release of Hazardous Materials and to the generation, use, storage, importation, or disposal of Hazardous Materials, in

any manner applicable to U.S. Borrower or any of its Subsidiaries or any of their respective properties, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 *et seq.*), the Hazardous Material Transportation Act (49 U.S.C. § 1801 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq.*), the Safe Drinking Water Act (42 U.S.C. § 300f *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Toxic Substances Control Act (15 U.S.C. § 2601 *et seq.*), the Occupational Safety and Health Act (29 U.S.C. § 651 *et seq.*), and the Emergency Planning and Community Right-to-Know Act (42 U.S.C. § 11001 *et seq.*), and (ii) environmental protection, including the National Environmental Policy Act (42 U.S.C. § 4321 *et seq.*), and comparable state, provincial, territorial and foreign laws, each as amended or supplemented, and any similar or analogous local, state, federal and foreign statutes and regulations promulgated pursuant thereto, each as in effect as of the date of determination.

“Equity Interests” means, with respect to any Person, all of the shares of capital stock of (or other ownership or profit interests in) such Person, all of the warrants, options or other rights for the purchase or acquisition from such Person of shares of capital stock of (or other ownership or profit interests in) such Person, all of the securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person or warrants, rights or options for the purchase or acquisition from such Person of such shares (or such other interests), and all of the other ownership or profit interests in such Person (including partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such shares, warrants, options, rights or other interests are outstanding on any date of determination.

“ERISA” means the Employee Retirement Income Security Act of 1974.

“ERISA Affiliate” means U.S. Borrower and (i) any corporation that is a member of a controlled group of corporations within the meaning of Section 414(b) of the Code of which U.S. Borrower is a member; (ii) any trade or business (whether or not incorporated) which is a member of a group of trades or businesses under common control within the meaning of Section 414(c) of the Code of which U.S. Borrower is a member; and (iii) any member of an affiliated service group within the meaning of Section 414(m) or (o) of the Code of which U.S. Borrower, any corporation described in clause (i) above or any trade or business described in clause (ii) above is a member.

“ERISA Event” means (a) a Reportable Event with respect to a Pension Plan; (b) a withdrawal by a Borrower or any ERISA Affiliate from a Pension Plan subject to Section 4063 of ERISA during a plan year in which it was a substantial employer (as defined in Section 4001(a)(2) of ERISA) or a cessation of operations that is treated as such a withdrawal under Section 4062(e) of ERISA; (c) a complete or partial withdrawal by U.S. Borrower or any ERISA Affiliate from a Multiemployer Plan or notification that a Multiemployer Plan is in reorganization; (d) the filing of a notice of intent to terminate, the treatment of a Plan amendment as a termination under Section 4041 or 4041A of ERISA, or the commencement of proceedings by the PBGC to terminate a Pension Plan or Multiemployer Plan; (e) an event or condition which constitutes grounds under Section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Pension Plan or Multiemployer Plan; or (f) the imposition of any liability under Title IV of ERISA, other than for PBGC premiums due but not delinquent under Section 4007 of ERISA, upon U.S. Borrower or any ERISA Affiliate.

“Euro” and “EUR” mean the lawful currency of the Participating Member States introduced in accordance with the EMU Legislation.

“Eurodollar Base Rate” has the meaning specified in the definition of Eurodollar Rate.

“Eurodollar Rate” means for any Interest Period with respect to a Eurodollar Rate Loan, a rate per annum determined by the applicable Agent pursuant to the following formula:

$$\text{Eurodollar Rate} = \frac{\text{Eurodollar Base Rate}}{1.00 - \text{Eurodollar Reserve Percentage}}$$

Where,

“Eurodollar Base Rate” means, for such Interest Period, the rate per annum equal to the British Bankers Association LIBOR Rate (“BBA LIBOR”), as published by Reuters (or other commercially available source providing quotations of BBA LIBOR as designated by Agent from time to time) (a) in the case of a Eurodollar Rate Loan denominated in Sterling, at approximately 11:00 A.M., London time, on the first day of such Interest Period, for deposits in Sterling with a term equivalent to such Interest Period and (b) in all other cases, at approximately 11:00 A.M., London time, two Business Days prior to the commencement of such Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period. If such rate is not available at such time for any reason, then the “Eurodollar Base Rate” for such Interest Period shall be the rate per annum determined by the applicable Agent to be the rate at which deposits in the relevant currency for delivery on the first day of such Interest Period in Same Day Funds in the approximate amount of the Eurodollar Rate Loan being made, continued or converted by Bank of America or Bank of America Canada, as applicable, and with a term equivalent to such Interest Period would be offered by Bank of America’s London Branch (or other Bank of America branch or Affiliate) to major banks in the London or other offshore interbank market for such currency at their request at approximately 11:00 A.M. (London time) two Business Days prior to the commencement of such Interest Period (or in the case of a Eurodollar Rate Loan denominated in Sterling, on the first day of such Interest Period).

“Eurodollar Rate Loan” means a Committed Loan that bears interest at a rate based on the Eurodollar Rate. U.S. Revolving A Credit Loans that are Eurodollar Rate Loans shall be denominated in U.S. Dollars. U.S. Revolving B Credit Loans that are Eurodollar Rate Loans may be denominated in U.S. Dollars or Alternative Currencies. Canadian Committed Loans that are Eurodollar Rate Loans shall be denominated in U.S. Dollars.

“Eurodollar Reserve Percentage” means, for any day during any Interest Period, the reserve percentage (expressed as a decimal, carried out to five decimal places) in effect on such day, whether or not applicable to any Lender, under regulations issued from time to time by the FRB for determining the maximum reserve requirement (including any emergency, supplemental or other marginal reserve requirement) with respect to Eurocurrency funding (currently referred to as “Eurocurrency liabilities”). The Eurodollar Rate for each outstanding Eurodollar Rate Loan shall be adjusted automatically as of the effective date of any change in the Eurodollar Reserve Percentage.

“Event of Default” has the meaning specified in Section 8.01.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“Exchange Rate” means, on any day, (a) with respect to Canadian Dollars in relation to U.S. Dollars, the spot rate at which U.S. Dollars are offered on such day by Bank of America in New York City for Canadian Dollars at approximately 12:00 p.m. (New York City time), as quoted generally to customers of Bank of America, (b) with respect to U.S. Dollars in relation to Canadian Dollars, the spot rate at which Canadian Dollars are offered on such day by Bank of America in New York City for U.S. Dollars at approximately 12:00 p.m. (New York City time), as quoted generally to customers of Bank of America and (c) in all other cases, the rate determined by U.S. Agent or U.S. L/C Issuer, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that U.S. Agent or U.S. L/C Issuer may obtain such spot rate from another financial institution designated by U.S. Agent or U.S. L/C Issuer if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency; and provided further that U.S. L/C Issuer may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any U.S. Letter of Credit denominated in an Alternative Currency.

“Excluded Collateral” means (i) any property (whether currently existing or subsequently acquired) subject to a Lien permitted under Section 7.04, to the extent the agreement creating such Lien prohibits additional Liens on such property; (ii) cash sufficient to secure U.S. Borrower’s or any of its Subsidiary’s obligations to pay its workmen’s compensation benefits including obligations to any Person providing surety, insurance, letters of credit or other credit support so long as such cash does not secure any obligation for any other purpose; (iii) all properties and assets of Canadian Borrower and any successor holder of such assets; (iv) all property purchased with proceeds of the note issued pursuant to the Loan Agreement, dated as of November 1, 1994, between U.S. Borrower and the City of Hammond, Indiana; (v) other property with a de minimis fair market value, that individually or in the aggregate with all other such property, is not material to the continued business operations of U.S. Borrower or the Subsidiary which owns such property and a security interest therein is not perfected by filing a UCC financing statement; and (vi) any leasehold interest in any real property leased by U.S. Borrower or any Subsidiary the termination of which would not result in a Material Adverse Effect.

“Excluded Taxes” means, with respect to Agents, any Lender, any L/C Issuer or any other recipient of any payment to be made by or on account of any obligation of any Borrower hereunder or under any other Loan Document, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized, has a permanent establishment or in which its principal office is located or, in the case of any Lender, in which its applicable Lending Office is located, (b) any branch profits taxes imposed by the United States or any similar tax imposed by Canada or any other jurisdiction in which such Borrower is located, (c) Excluded U.K. Taxes and (d) except as provided in the following sentence, in the case of a Lender (other than an assignee pursuant to a request by a Borrower under Section 10.13), any withholding tax that is imposed on amounts payable to such Lender at the time such Lender becomes a party hereto (or designates a new Lending Office) or, where relevant, is attributable to such Lender’s failure (other than as a result of a Change in Law) to comply with Section 3.01(e), except to the extent that such Lender (or its assignor, if any) was entitled, at the time of designation of a new Lending Office (or assignment), to receive additional amounts from such Borrower with respect to such withholding tax pursuant to Section 3.01(a).

Notwithstanding anything to the contrary contained in this definition, “Excluded Taxes” shall not include any withholding tax (other than any Excluded U.K. Taxes) for or on account of U.K. Taxes imposed at any time on payments of interest made by the U.K. Borrower under this Loan Document, provided that such Lender shall have complied with Section 3.01(e).

“Excluded U.K. Taxes” means with respect to payments of interest under a Loan Document to any U.S. Lender or U.S. L/C Issuer (a) U.K. Taxes on such payments if, on the date such payment is due, (i) such payment could have been made to such Person without deduction for or on account of U.K. Taxes if such Person were a U.K. Qualifying Lender, but on the date of such payment, such Person is not or has ceased to be a U.K. Qualifying Lender (other than as a result of any Change in Law); (ii) such Person is a U.K. Qualifying Lender under subclause (b) of the definition of “U.K. Qualifying Lender” only and such payment would have been made to such Person without deduction for or on account of U.K. Taxes but for a direction given by an officer of H.M. Revenue & Customs (which has not been revoked) under section 931 of the United Kingdom Income Tax Act 2007 (as such provision had effect on the date on which such Person became a party to this Agreement) relating to such payment and the U.K. Borrower has supplied such Person with a certified copy of the direction; or (iii) such Person is a U.K. Treaty Lender and the U.K. Borrower is able to demonstrate that such payment could have been made to such Person without imposition of U.K. Taxes had such Lender complied with its obligations under Section 3.01(e) and (b) without prejudice to the generality of subclause (a) of this definition, in relation to a new applicable Lending Office designated by the relevant Lender or L/C Issuer, U.K. Taxes that are in effect and would apply at the time of such designation to payments to such Lending Office and which would not have applied had such payments been made without such designation having taken place (but assuming for this purpose that any necessary procedural formalities have been fulfilled).

“Existing Letters of Credit” means the letters of credit listed on Schedule 2.04.

“Facility” means the U.S. Revolving A Credit Facility, the U.S. Revolving B Credit Facility or the Canadian Committed Loan Facility, as the context may require.

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by U.S. Agent.

“Financial Covenant” means any covenant (or substantially equivalent default provision) which requires U.S. Borrower to attain or maintain a prescribed level of financial condition, financial achievement or results of operations or cash flow or prohibits U.S. Borrower from taking specified actions (such as incurring Debt, selling assets, making distributions or making investments) unless it will be in compliance with such a prescribed level immediately thereafter, including, without limitation, covenants of the type contained in Article VII.

“First Amendment Effective Date” means January 2, 2008.

“Foreign Lender” means, with respect to any Borrower, any Lender that is organized under the laws of a jurisdiction other than that in which such Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Subsidiary” means a Subsidiary organized or formed under the laws of a jurisdiction other than a State of the United States or the District of Columbia.

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

“Fund” means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

“Funded Debt” means with respect to any Person, all Debt which would, in accordance with GAAP, be required to be classified as a long term liability on the balance sheet of such Person prepared in accordance with GAAP, and without limiting the generality of the foregoing shall also include, without limitation (i) any Indebtedness which by its terms or by the terms of any instrument or agreement relating thereto matures, or which is otherwise payable or unpaid, more than 365 days from the date of creation thereof, (ii) any Indebtedness outstanding under a revolving credit or similar agreement providing for borrowings (and renewals and extensions thereof) which would, in accordance with GAAP, be required to be classified as a long term liability of such Person, and (iii) any Guaranties of such Person with respect to Funded Debt of another Person.

“GAAP” means generally accepted accounting principles in effect from time to time in the United States.

“Governmental Authority” means (a) the government of (i) the United States or any State or other political subdivision thereof, or (ii) any jurisdiction in which U.S. Borrower or any Subsidiary, including Canadian Borrower, conducts all or any part of its business, or which asserts jurisdiction over any properties of U.S. Borrower or any Subsidiary, including Canadian Borrower, or (b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

“Guaranties” means all obligations (other than endorsements in the ordinary course of business of negotiable instruments for deposit or collection) of a Person guaranteeing, or in effect guaranteeing, any Indebtedness, dividend or other obligation of any other Person in any manner, whether directly or indirectly, including, without limitation, all obligations incurred through an agreement, contingent or otherwise, by such Person: (i) to purchase such Indebtedness or obligation or any property or assets constituting security therefor; (ii) to advance or supply funds (x) for the purchase or payment of such Indebtedness or obligation, (y) to maintain working capital or other balance sheet condition, or (z) otherwise to advance or make available funds for the purchase or payment of such Indebtedness or obligation; (iii) to lease property or to purchase securities or other property or services primarily for the purpose of assuring the owner of such Indebtedness or obligation against loss in respect thereof; or (iv) otherwise to assure the owner of the Indebtedness or obligation against loss in respect thereof. For the purposes of all computations made under this Agreement, Guaranties in respect of any Indebtedness for borrowed money shall be deemed to be Indebtedness equal to the principal amount of such

Indebtedness for borrowed money which has been guaranteed, and Guaranties in respect of any other obligation or liability or any dividend shall be deemed to be Indebtedness equal to the maximum aggregate amount of such obligation, liability or dividend.

“Hazardous Materials” means (i) any chemical, material or substance defined as or included in the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely hazardous waste,” “restricted hazardous waste,” or “toxic substances” or “pollutant” or words of similar import under any Environmental Laws; (ii) any oil, petroleum or petroleum derived substance, any drilling fluid, produced water or other waste associated with the exploration, development or production of crude oil, any flammable substance or explosive, any radioactive material, any hazardous waste or substance, any toxic waste or substance or any other material or pollutant that (x) poses a hazard to any property of U.S. Borrower or any of its Subsidiaries or to Persons on or about such property, or (y) causes such property to be in violation of any Environmental Law; (iii) any friable asbestos, urea formaldehyde foam insulation, electrical equipment which contains any oil or electric fluid with levels of polychlorinated biphenyls in excess of fifty parts per million; and (iv) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any governmental authority.

“INCO Inventory” means pre-2000 extrusion and tubing inventory that was obtained by the Transtar Loan Parties through the acquisition of Tiernay Metals.

“Indebtedness” means for any Person, without duplication, all (i) obligations for borrowed money or to pay the deferred purchase price of property or assets (except trade account payables), (ii) obligations secured by any Lien upon property or assets owned by such Person, whether or not such Person has assumed or become liable for the payment of such obligations, (iii) obligations created or arising under any conditional sale or other title retention agreement with respect to property acquired, notwithstanding the fact that the rights and remedies of the seller, lender or lessor under such agreement in the event of default are limited to repossession or sale of property, (iv) Capitalized Lease Obligations, and (v) Guaranties of obligations of others of the character referred to in the foregoing clauses (i) through (iv).

“Indemnified Taxes” means Taxes other than Excluded Taxes.

“Indemnitees” has the meaning specified in Section 10.04(b).

“Information” has the meaning specified in Section 10.07.

“Interest Charges” means, with respect to any period, the sum (without duplication) of the following (in each case, eliminating all offsetting debits and credits between U.S. Borrower and its Subsidiaries and all other items required to be eliminated in the course of the preparation of consolidated financial statements of U.S. Borrower and its Subsidiaries in accordance with GAAP): (a) all interest in respect of Debt of U.S. Borrower and its Subsidiaries (including, without limitation, imputed interest on Capitalized Lease Obligations) deducted in determining Consolidated Net Income for such period, together with all interest capitalized or deferred during such period and not deducted in determining Consolidated Net Income for such period, and (b) all debt discount and expense amortized or required to be amortized in the determination of Consolidated Net Income for such period.

“Interest Payment Date” means, (a) as to any Loan other than a Base Rate Loan or a Canadian Prime Rate Loan, the last day of each Interest Period applicable to such Loan and the Maturity Date; provided, however, that if any Interest Period for a Eurodollar Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan or a Canadian Prime Rate Loan (including a U.S. Swing Line Loan), the last Business Day of each March, June, September and December and the Maturity Date. Notwithstanding the foregoing, the first Interest Payment Date with respect to U.K. Borrower shall not occur prior to April 30, 2008 (even if the last day of an Interest Period with respect to a Eurodollar Rate Loan made to U.K. Borrower occurs prior to that date).

“Interest Period” means, as to each Eurodollar Rate Loan, the period commencing on the date such Eurodollar Rate Loan is disbursed or converted to or continued as a Eurodollar Rate Loan and ending on the date one, two, three or six months thereafter, as selected by a Borrower in its Committed Loan Notice; provided that:

(a) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;

(b) any Interest Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and

(c) no Interest Period shall extend beyond the Maturity Date.

“Internal Control Event” means a fraud that involves management or other employees who have a significant role in U.S. Borrower’s internal controls over financial reporting.

“Inventory” means inventory as defined in the Uniform Commercial Code of the State of Illinois, in the U.K. Security Documents and in the Canadian Security Documents.

“Investment Grade” means in respect of any obligation that such obligation (i) has a rating of Baa3 or greater by Moody’s or a rating of BBB- or greater by S&P; or (ii) in the judgment of Required U.S. Lenders and the Other Senior Creditors constituting “Majority Secured Parties” (as defined in the Collateral Agency and Intercreditor Agreement), has a credit quality equal to or better than one which would be afforded by either of the ratings described in clause (i) of this definition.

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of Equity Interests of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or interest in, another Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit or all or a substantial part of the business of, such Person. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“IRS” means the United States Internal Revenue Service.

“ISP” means, with respect to any Letter of Credit, the “International Standby Practices 1998” published by the Institute of International Banking Law & Practice (or such later version thereof as may be in effect at the time of issuance).

“Issuer Documents” means with respect to any Letter of Credit, the L/C Application, and any other document, agreement and instrument entered into by a L/C Issuer and a Borrower (or any Subsidiary) or in favor of the applicable L/C Issuer and relating to such Letter of Credit.

“JDE OPCO Inventory” means Inventory of the Transtar Loan Parties (other than the INCO Inventory) the records of which are maintained by the Transtar Loan Parties using the JD Edwards software package.

“Laws” means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations, standards, requirements, policies, directives, orders, judgments, decrees, awards, notices, requests and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“L/C Advance” means, with respect to each U.S. Revolving A Credit Lender and each Canadian Lender, such Lender’s funding of its participation in any L/C Borrowing in accordance with its Applicable Percentage of the U.S. Revolving A Credit Facility, in the case of U.S. Revolving A Credit Lenders, or its Applicable Percentage of the Canadian Committed Loan Facility, in the case of Canadian Lenders. All L/C Advances made in respect of U.S. Letters of Credit shall be denominated in U.S. Dollars. All L/C Advances made in respect of Canadian Letters of Credit shall be denominated in U.S. Dollars or Canadian Dollars, as applicable.

“L/C Application” means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the applicable L/C Issuer.

“L/C Borrowing” means an extension of credit resulting from a drawing under any Letter of Credit which has not been reimbursed on the date when made or refinanced as a Committed Borrowing on such date. All L/C Borrowings made in respect of U.S. Letters of Credit shall be denominated in U.S. Dollars. All L/C Borrowings made in respect of Canadian Letters of Credit shall be denominated in U.S. Dollars or Canadian Dollars, as applicable.

“L/C Credit Extension” means, with respect to any Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“L/C Expiration Date” means the day that is thirty days prior to the Maturity Date then in effect (or, if such day is not a Business Day, the next preceding Business Day).

“L/C Fee” has the meaning specified in Section 2.04(i).

“L/C Issuers” means, collectively, U.S. L/C Issuer and Canadian L/C Issuer.

“L/C Obligations” means, collectively, the Canadian L/C Obligations and the U.S. L/C Obligations.

“Lenders” means U.S. Lenders and Canadian Lenders.

“Lending Office” means, as to any Lender, the office or offices of such Lender described as such in such Lender’s Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify Borrowers and Agents.

“Letter of Credit” means a U.S. Letter of Credit or a Canadian Letter of Credit.

“Lien” means any mortgage, pledge, security interest, encumbrance, lien, hypothec or charge of any kind; including any agreement to grant any of the foregoing, any conditional sale or other title retention agreement, any lease in the nature thereof, including a Capitalized Lease, and the filing of or agreement to file any financing or similar statement under the UCC, PPSA, CC or similar law in connection with any of the foregoing.

“LIFO Reserve” means the difference between the cost of inventory using the last-in, first-out (“LIFO”) method of valuing inventory under GAAP and the cost of inventory using the replacement cost method under GAAP, so long as U.S. Borrower and its Subsidiaries are reporting the value of their inventory under the LIFO method for purposes of GAAP.

“Loan Documents” means this Agreement, each Note, each Acceptance, Draft or Discount Note, each Issuer Document, the Agent Fee Letter, the Collateral Agency and Intercreditor Agreement, each Collateral Document, the Subsidiary Guarantee, the Parent Guarantee Agreement and the U.K. Guarantee.

“Loan Parties” means, collectively, Borrowers, each Subsidiary Guarantor and each U.K. Subsidiary Guarantor.

“Loans” means the Canadian Loans (including Acceptances) and the U.S. Loans.

“Mandatory Cost” means, with respect to any period, the percentage rate per annum determined in accordance with Schedule 1.01B.

“Material Adverse Effect” means (i) a material adverse effect on the business, assets, properties, profits, prospects, operations or condition, financial or otherwise, of U.S. Borrower and its Subsidiaries, on a consolidated basis, (ii) the impairment of the ability of U.S. Borrower, U.K. Borrower or Canadian Borrower to perform their respective obligations under this Agreement, or (iii) the impairment of the ability of Agents and Lenders to enforce Borrowers’ and the other Loan Parties’ obligations under this Agreement or any Loan Document to which it is a party.

“Material Contract” means, with respect to any Person, each contract to which such Person is a party involving aggregate consideration payable to or by such Person of \$20,000,000 or more in any year or otherwise material to the business, condition (financial or otherwise), operations, performance, properties or prospects of such Person.

“Maturity Date” means January 2, 2013; provided, however that if such date is not a Business Day, the Maturity Date shall be the next preceding Business Day.

“Metals Acquisition” means the acquisition by the U.S. Borrower, through a Wholly-Owned Subsidiary, of all of the Equity Interests of Metals UK Group Limited, Metals Group Limited, Aerospace Metals Europe Limited, AMESA Limited, Metals UK Limited, K.K.S. (Stainless Steel) Co. Limited, Metals Group, Inc., LOKS Plasma Services Limited, E. Harding & Sons Limited and Aerospace Metals Europe SA.

“Moodys” means Moody’s Investor Services, Inc.

“Multiemployer Plan” means any employee benefit plan of the type described in Section 4001(a)(3) of ERISA, to which U.S. Borrower or any ERISA Affiliate makes or is obligated to make contributions, or during the preceding five plan years, has made or been obligated to make contributions.

“Net Cash Proceeds” means with respect to the issuance of any Equity Interest by the U.S. Borrower, the excess of (i) the sum of the cash and Cash Equivalents received in connection with such transaction over (ii) the underwriting discounts and commissions, and other reasonable and customary out-of-pocket expenses, incurred by the U.S. Borrower in connection therewith.

“Net PP&E” means, at any time, the net book value of the applicable Borrower’s property, plant and equipment determined in accordance with GAAP as set forth in the most recent financial statements delivered pursuant to Section 6.06.

“Net Working Capital” means the sum of (i) the consolidated current assets of U.S. Borrower and its Subsidiaries determined in accordance with GAAP and (ii) 75% of the LIFO Reserve, less the consolidated current liabilities (excluding Current Debt and Current Maturities of Funded Debt) of U.S. Borrower and its Subsidiaries determined in accordance with GAAP.

“Non-Acceptance Canadian Lender” has the meaning specified in Section 2.03(i).

“Non-U.S. Plan” means any pension, retirement, superannuation or similar policy or arrangement sponsored, maintained or contributed to by a Borrower, any Subsidiary Guarantor or any U.K. Subsidiary Guarantor in a jurisdiction other than the United States.

“Note” means a promissory note made by a Borrower in favor of a Lender evidencing Loans made by such Lender, substantially in the form of Exhibit D.

“Note Agreement” shall mean the Note Agreement, dated as of November 17, 2005, among U.S. Borrower, The Prudential Insurance Company of America and Prudential Retirement Insurance and Annuity Company, as the same may be amended, restated or otherwise modified from time to time.

“Noteholder Indebtedness” shall mean the indebtedness of U.S. Borrower under the Notes issued pursuant to the Note Agreement.

“Notice of Drawing” has the meaning specified in Section 2.03(c).

“Obligations” means all advances to, and debts, liabilities, obligations, covenants and duties of, any Loan Party arising under any Loan Document or otherwise with respect to any Loan or Letter of Credit or under any Swap Contract with any Lender or any Affiliate of any Lender and also including Treasury Management Obligations, whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding.

“Off-Balance Sheet Liabilities” means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with U.S. Borrower is a party, under which the U.S. Borrower or any Subsidiary has:

(a) any obligation under a guarantee contract that has any of the characteristics identified in paragraph 3 of FASB Interpretation No. 45, Guarantor’s Accounting and Disclosure Requirements for Guarantees, including Indirect Guarantees of Indebtedness of Others (November 2002) (“FIN 45”), as may be modified or supplemented, and that is not excluded from the initial recognition and measurement provisions of FIN 45 pursuant to paragraphs 6 or 7 of that Interpretation;

(b) a retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to such entity for such assets;

(c) any obligation, including a contingent obligation, under a contract that would be accounted for as a derivative instrument, except that it is both indexed to U.S. Borrower’s own stock and classified in stockholders’ equity in U.S. Borrower’s statement of financial position, and therefore excluded from the scope of FASB Statement of Financial Accounting Standards No. 133, Accounting for Derivative Instruments and Hedging Activities (June 1998), pursuant to paragraph 11(a) of the Statement, as may be modified or supplemented; or

(d) any obligation, including a contingent obligation, arising out of a variable interest (as referenced in FASB Interpretation No. 46, Consolidation of Variable Interest Entities (January 2003), as may be modified or supplemented) in an unconsolidated entity that is held by, and material to, U.S. Borrower or any Subsidiary, where such entity provides financing, liquidity, market risk or credit risk support to, or engages in leasing, hedging or research and development services with, U.S. Borrower or any Subsidiary.

“Organization Documents” means, (a) with respect to any corporation, the certificate or articles of incorporation and the bylaws and shareholders declaration or unanimous shareholders agreement (or equivalent or comparable constitutive documents with respect to any non-U.S. jurisdiction); (b) with respect to any limited liability company, the certificate or articles of formation or organization and operating agreement; and (c) with respect to any partnership, joint venture, trust or other form of business entity, the partnership, joint venture or other applicable agreement of formation or organization and any agreement, instrument, filing or notice with respect thereto filed in connection with its formation or organization with the applicable

Governmental Authority in the jurisdiction of its formation or organization and, if applicable, any certificate or articles of formation or organization of such entity.

“Other Senior Creditors” means the following parties or their permitted successor and/or assigns: (i) The Prudential Insurance Company of America, (ii) Prudential Retirement Insurance and Annuity Company, (iii) The Northern Trust Company, and (iv) any other holders of Debt of U.S. Borrower incurred after the Closing Date in compliance with Section 7.02.

“Other Senior Debt” means Debt of U.S. Borrower and/or its Subsidiaries (i) owed pursuant to the Note Agreement in an aggregate principal amount not in excess of \$75,000,000, (ii) owed pursuant to the Amended and Restated Trade Acceptance Purchase Agreement, dated as of September 5, 2006, between U.S. Borrower and The Northern Trust Company, as amended, restated, supplemented or otherwise modified from time to time, in an aggregate principal amount not in excess of \$10,000,000, and (iii) Debt of U.S. Borrower incurred after the Closing Date in compliance with Section 7.02.

“Other Taxes” means all present or future stamp, intangible 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.

“Outstanding Amount” means (i) with respect to Committed Loans and U.S. Swing Line Loans on any date, the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of Committed Loans and U.S. Swing Line Loans, as the case may be, occurring on such date; and (ii) with respect to any L/C Obligations on any date, the amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by Borrowers of Unreimbursed Amounts. For purposes of this Agreement (A) when used in reference to Obligations under the U.S. Revolving A Credit Facility or the U.S. Revolving B Credit Facility, “Outstanding Amount” shall be deemed to refer to U.S. Dollar Equivalent amounts and (B) except as expressly provided herein, when used in reference to Obligations under the Canadian Committed Loan Facility, “Outstanding Amount” shall be deemed to refer to Canadian Dollar Equivalent amounts.

“Overnight Rate” means, for any day, (a) with respect to any amount denominated in U.S. Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the U.S. Agent, the Canadian Agent, the U.S. L/C Issuer, or the U.S. Swing Line Lender, as the case may be, in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in any other currency, the rate of interest per annum at which overnight deposits in such currency, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of Bank of America in the applicable offshore interbank market for such currency to major banks in such interbank market.

“Parent Guarantee Agreement” means the Guarantee Agreement, dated as of the date hereof, by U.S. Borrower in favor of Canadian Agent, Canadian L/C Issuer and Canadian Lenders.

“Participant” has the meaning specified in Section 10.06(d).

“Participating Member State” means each state so described in any EMU Legislation.

“PBGC” means the Pension Benefit Guaranty Corporation or any successor thereto.

“Pension Plan” means any “employee pension benefit plan” (as such term is defined in Section 3(2) of ERISA), other than a Multiemployer Plan, that is subject to Title IV of ERISA and is sponsored or maintained by U.S. Borrower or any ERISA Affiliate or to which U.S. Borrower or any ERISA Affiliate contributes or has an obligation to contribute, or in the case of a multiple employer or other plan described in Section 4064(a) of ERISA, has made contributions at any time during the immediately preceding five plan years, and any similar Canadian plan.

“Permitted Discretion” means a determination made by an Agent in its discretion exercised in a commercially reasonable manner.

“Permitted Encumbrance” means Liens permitted by Section 7.04.

“Person” means any individual, corporation, partnership, joint venture, limited liability company, association, joint-stock company, trust, unincorporated organization or government or any governmental authority, agency or political subdivision.

“Plan” means any employee pension benefit plan, as defined in Section 3(2) of ERISA, that has been established by, or contributed to, or is maintained by U.S. Borrower, any Subsidiary or any ERISA Affiliate.

“Platform” has the meaning specified in Section 6.06.

“PPSA” means the Personal Property Security Act as in effect in any applicable jurisdiction.

“Public Lender” has the meaning specified in Section 6.06.

“Receivables Purchase Agreement” means any agreement pursuant to which one or more of U.S. Borrower or any Subsidiary sells its accounts receivable as a means of providing it working capital for its business operations.

“Register” has the meaning specified in Section 10.06(c).

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

“Release” means any release, spill, emission, leaking, pumping, pouring, emptying, dumping, injection, escaping, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment (including the abandonment or disposal of any barrel, container or other closed receptacle containing any Hazardous Material), or into or out of any Facility, including the movement of any Hazardous Material through the air, soil, surface water, groundwater or property.

“Rentals” means as of the date of any determination thereof, all fixed payments (including all payments which the lessee is obligated to make to the lessor on termination of the

lease or surrender of the property) payable by U.S. Borrower or a Subsidiary, as lessee or sublessee under a lease of real or personal property, but exclusive of any amounts required to be paid by U.S. Borrower or a Subsidiary (whether or not designated as rents or additional rents) on account of maintenance, repairs, insurance, taxes, assessments, amortization and similar charges. Fixed rents under any so-called “percentage leases” shall be computed on the basis of the minimum rents, if any, required to be paid by the lessee, regardless of sales volume or gross revenues.

“Reportable Event” means any of the events set forth in Section 4043(c) of ERISA, other than events for which the 30 day notice period has been waived.

“Request for Credit Extension” means (a) with respect to a Borrowing, conversion or continuation of Committed Loans, a Committed Loan Notice, (b) with respect to an L/C Credit Extension, a L/C Application, and (c) with respect to a U.S. Swing Line Loan, a Swing Line Loan Notice.

“Required Canadian Lenders” means, as of any date of determination, Canadian Lenders having more than 50% of the Aggregate Canadian Commitments or, if the commitment of each Canadian Lender to make Loans and the obligation of Canadian L/C Issuer to make Canadian L/C Credit Extensions have been terminated pursuant to Section 8.02, Canadian Lenders holding in the aggregate more than 50% of the Total Canadian Outstandings (with the aggregate amount of each Canadian Lender’s risk participation and funded participation in Canadian L/C Obligations being deemed “held” by such Canadian Lender for purposes of this definition); provided that the Commitment of, and the portion of the Total Canadian Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Canadian Lenders.

“Required Lenders” means, as of any date of determination, Lenders having more than 50% of the Aggregate Commitments or, if the commitment of each Lender to make Loans and the obligation of each L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, Lenders holding in the aggregate more than 50% of the Total Outstandings (with the aggregate amount of each Lender’s risk participation and funded participation in L/C Obligations and U.S. Swing Line Loans being deemed “held” by such Lender for purposes of this definition); provided that the Commitment of, and the portion of the Total Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Lenders. For purposes of determining Required Lenders, any amounts denominated in Canadian Dollars shall be translated into the U.S. Dollar Equivalent at the Exchange Rate in effect on the date of determination thereof.

“Required U.S. Lenders” means, as of any date of determination, U.S. Lenders holding more than 50% of the sum of (a) Total U.S. Outstandings (with the aggregate amount of each U.S. Revolving A Credit Lender’s risk participation and funded participation in U.S. L/C Obligations and U.S. Swing Line Loans being deemed “held” by such U.S. Revolving A Credit Lender for purposes of this definition), (b) the aggregate unused U.S. Revolving A Credit Commitments and (c) the aggregate unused U.S. Revolving B Credit Commitments; provided that the Commitment of, and the portion of the Total U.S. Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required U.S. Lenders.

“Required U.S. Revolving A Credit Lenders” means, as of any date of determination, U.S. Revolving A Credit Lenders holding more than 50% of the sum of (a) Total U.S. Revolving A Credit Outstandings (with the aggregate amount of each U.S. Revolving A Credit Lender’s risk participation and funded participation in U.S. L/C Obligations and U.S. Swing Line Loans being deemed “held” by such U.S. Revolving A Credit Lender for purposes of this definition) and (b) the aggregate unused U.S. Revolving A Credit Commitments; provided that the Commitment of, and the portion of the Total U.S. Revolving A Credit Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required U.S. Revolving A Credit Lenders.

“Required U.S. Revolving B Credit Lenders” means, as of any date of determination, U.S. Revolving B Credit Lenders holding more than 50% of the sum of (a) Total U.S. Revolving B Credit Outstandings and (b) the aggregate unused U.S. Revolving B Credit Commitments; provided that the Commitment of, and the portion of the Total U.S. Revolving B Credit Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required U.S. Revolving B Credit Lenders.

“Responsible Officer” means the chief executive officer, president, chief financial officer, treasurer or assistant treasurer of a Loan Party. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Investments” means any Investments of U.S. Borrower and its Subsidiaries other than:

- (a) Investments in existing and hereafter created or designated Subsidiaries and any Person that concurrently with such Investment becomes a Subsidiary;
- (b) Investments in (A) commercial paper of a domestic issuer maturing in 270 days or less from the date of issuance which is rated P-2 or better by Moody’s or A-2 or better by S&P, (B) certificates of deposit or banker’s acceptances issued by commercial banks or trust companies located in the United States and organized under its laws or the laws of any state thereof each having a combined capital, surplus and undivided profits of \$100,000,000 or more, (C) obligations of or fully guaranteed by the United States or an agency thereof maturing within three years from the date of acquisition, (D) municipal securities maturing within three years from the date of acquisition which are rated in one of the top two rating classifications by at least one national rating agency, or (E) money market instrument programs which are classified as current assets in accordance with GAAP;
- (c) Extensions of credit in the nature of accounts receivable or notes receivable arising from the sale of goods and services in the ordinary course of business;
- (d) Shares of stock, obligations or other securities received in settlement of claims arising in the ordinary course of business;
- (e) Participations in notes maturing within 60 days which are rated P-2 or better by Moody’s or A-2 or better by S&P;

(f) Advances to officers, employees, subcontractors or suppliers not exceeding \$5,000,000 in the aggregate; and

(g) Investments existing as of the date of this Agreement and described in the attached Schedule 1.01.

“Revaluation Date” means (a) with respect to any U.S. Revolving B Credit Loan, each of the following: (i) each date of a Borrowing of a Eurodollar Rate Loan denominated in an Alternative Currency, (ii) each date of a continuation of a Eurodollar Rate Loan denominated in an Alternative Currency pursuant to Section 2.02, and (iii) such additional dates as the U.S. Agent shall reasonably determine or the Required U.S. Lenders shall require; and (b) with respect to any U.S. Letter of Credit, each of the following: (i) each date of issuance of a Letter of Credit denominated in an Alternative Currency, (ii) each date of an amendment of any such Letter of Credit having the effect of increasing the amount thereof (solely with respect to the increased amount), (iii) each date of any payment by the U.S. L/C Issuer under any Letter of Credit denominated in an Alternative Currency, and (iv) such additional dates as the U.S. Agent or the U.S. L/C Issuer shall reasonably determine or the Required U.S. Lenders shall require.

“Revolving Loan Facility” means a loan agreement or similar facility pursuant to which a lender or lenders provides revolving loans to U.S. Borrower or any Subsidiary for the primary purpose of financing such Person’s ongoing business operations, whether such agreement or facility is secured or unsecured. For the avoidance of doubt, no Receivables Purchase Agreement shall constitute a Revolving Loan Facility.

“Same Day Funds” means (a) with respect to disbursements and payments in U.S. Dollars and Canadian Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the U.S. Agent or the U.S. L/C Issuer, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

“Schedule I Lender” means any Canadian Lender named on Schedule I to the Bank Act (Canada).

“SEC” means the Securities and Exchange Commission, or any United States governmental authority succeeding to any of its principal functions.

“Secured” means (i) in the case of U.S. Borrower, the U.S. Obligations of U.S. Borrower are secured by Liens on property of U.S. Borrower and Significant Subsidiaries pursuant to U.S. Security Documents executed and delivered by U.S. Borrower and Significant Subsidiaries pursuant to the Collateral Agency and Intercreditor Agreement, and (ii) in the case of Canadian Borrower, the Obligations of Canadian Borrower are secured by Liens on property of Canadian Borrower in favor of Canadian Agent pursuant to Canadian Security Documents executed and delivered by Canadian Borrower.

“Senior Financial Officer” means the chief financial officer, principal accounting officer, treasurer or comptroller of U.S. Borrower.

“Significant Subsidiary” means all Subsidiaries of U.S. Borrower other than: (i) Foreign Subsidiaries, and (ii) any other Subsidiary of U.S. Borrower which is not required to be a Subsidiary Guarantor pursuant to the provisions of the first sentence of Section 6.12(a) so long as such Subsidiary described in the foregoing has not guaranteed any Debt of U.S. Borrower or any other Subsidiary Guarantor (other than the Debt outstanding under this Agreement and the Other Senior Debt)

“Solvent” and “Solvency” mean, with respect to any Person on any date of determination, that on such date (a) the fair value of the property of such Person is greater than the total amount of liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the assets of such Person is not less than the amount that will be required to pay the probable liability of such Person on its debts as they become absolute and matured, (c) such Person does not intend to, and does not believe that it will, incur debts or liabilities beyond such Person’s ability to pay such debts and liabilities as they mature, (d) such Person is not engaged in business or a transaction, and is not about to engage in business or a transaction, for which such Person’s property would constitute an unreasonably small capital, and (e) such Person is able to pay its debts and liabilities, contingent obligations and other commitments as they mature in the ordinary course of business. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“S&P” means Standard & Poor’s Ratings Services, a division of the McGraw-Hill Companies, Inc., and any successor thereto.

“Sterling” and “£” mean the lawful currency of the United Kingdom.

“Subsidiary” means any Person a majority or more of the shares of Voting Stock of which, or in the case of a Person which is not a corporation a majority or more of the equity of which, is owned or controlled, directly or indirectly, by U.S. Borrower. Unless otherwise specified, all references herein to a “Subsidiary” or “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of a Borrower.

“Subsidiary Guarantee Agreement” means the Guarantee Agreement, dated as of the date hereof, by Subsidiary Guarantors in favor of U.S. Agent, U.S. L/C Issuer and U.S. Lenders, as amended, restated, supplemented or otherwise modified from time to time.

“Subsidiary Guarantor” means any Subsidiary that is a party to the Subsidiary Guarantee Agreement as of the Closing Date and each other Person which delivers a joinder agreement to the Subsidiary Guarantee Agreement pursuant to Section 6.12(a) hereof, together with the respective successors and assignee of each of the foregoing entities, unless and until released in accordance with the terms of this Agreement or the Subsidiary Guarantee Agreement.

“Supermajority Lenders” means, as of any date of determination, Lenders having more than 66-2/3% of the Aggregate Commitments or, if the commitment of each Lender to make Loans and the obligation of each L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, Lenders holding in the aggregate more than 66-2/3% of the Total Outstandings (with the aggregate amount of each Lender’s risk participation and funded participation in L/C Obligations and U.S. Swing Line Loans being deemed “held” by such Lender for purposes of this definition); provided that the Commitment of, and the portion of the Total Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of

making a determination of Supermajority Lenders. For purposes of determining Supermajority Lenders, any amounts denominated in Canadian Dollars shall be translated into the U.S. Dollar Equivalent at the Exchange Rate in effect on the date of determination thereof.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“TARGET Day” means any day on which the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) payment system (or, if such payment system ceases to be operative, such other payment system (if any) determined by the U.S. Agent to be a suitable replacement) is open for the settlement of payments in Euro.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Total Canadian Outstandings” means the aggregate Outstanding Amount of all Canadian Loans and all Canadian L/C Obligations.

“Total Outstandings” means the aggregate Outstanding Amount of all Loans and all L/C Obligations.

“Total U.K. Borrower Outstandings” means the aggregate Outstanding Amount of all U.S. Revolving B Credit Loans made to the U.K. Borrower.

“Total U.S. Outstandings” means the aggregate Outstanding Amount of all U.S. Revolving A Credit Loans, U.S. Revolving B Credit Loans, U.S. Swing Line Loans and U.S. L/C Obligations.

“Total U.S. Revolving A Credit Outstandings” means the aggregate Outstanding Amount of all U.S. Revolving A Credit Loans, U.S. Swing Line Loans and U.S. L/C Obligations.

“Total U.S. Revolving B Credit Outstandings” means the aggregate Outstanding Amount of all U.S. Revolving B Credit Loans.

“Transtar Acquisition” means the purchase by the U.S. Borrower of 100% of the outstanding Equity Interests of Transtar Intermediate Holdings #2, Inc., pursuant to the Transtar Stock Purchase Agreement.

“Transtar Loan Parties” means, collectively, Transtar Intermediate Holdings #2, Inc., Transtar Metals Holdings, Inc., Transtar Inventory Corp., Transtar Metals Corp. and Transtar Marine Corp., and their successors.

“Transtar Stock Purchase Agreement” means that certain Stock Purchase Agreement, dated as of August 12, 2006, among Transtar Holdings #2, LLC, as seller, and the U.S. Borrower, as buyer.

“Treasury Management Obligations” means all obligations, liabilities and indebtedness of any Loan Party to any Lender or any Affiliate of any Lender with respect to treasury management, depository, cash management or similar services provided to any such Loan Party by such Lender or its Affiliate.

“Type” means, with respect to a Committed Loan, its character as a Base Rate Loan or a Eurodollar Rate Loan or a Canadian Prime Rate Loan or an Acceptance.

“UCC” means the Uniform Commercial Code as in effect in any applicable jurisdiction.

“U.K. Borrower” means A.M. Castle Metals UK, Limited.

“U.K. Borrowing Base Assets” means, at any time, the sum, expressed in U.S. Dollars, of (a) 80% of U.K. Borrower’s Eligible Accounts at such time, *plus* (b) 50% of the Book Value of U.K. Borrower’s Eligible Inventory, with the amounts referred to in clauses (a) and (b) above determined by reference to the most recent Borrowing Base Certificate and applicable financial statements delivered to U.S. Agent by U.S. Borrower.

“U.K. Guarantee” means the Guarantee Agreement, dated as of the First Amendment Effective Date, by U.S. Borrower, the Subsidiary Guarantors from time to time party thereto and U.K. Subsidiary Guarantors from time to time party thereto in favor of U.S. Agent and U.S. Revolving B Credit Lenders, as amended, restated, supplemented or otherwise modified from time to time.

“U.K. Qualifying Lender” means a U.S. Revolving B Credit Lender that is beneficially entitled to interest payable in respect of an advance under a Loan Document and is (a) a Person (i) that is a bank (as defined for the purpose of section 879 of the United Kingdom Income Tax Act 2007) making an advance under a Loan Document or (ii) in respect of an advance made under a Loan Document by a Person that was a bank (as defined for the purpose of section 879 of the United Kingdom Income Tax Act 2007) at the time such advance was made, and that, in each case, is subject to United Kingdom corporation tax as respects all payments of interest made with respect to such advance; (b) a Person that has delivered a U.K. Tax Confirmation to the U.K. Borrower and is (i) a company resident in the United Kingdom for United Kingdom tax purposes, or (ii) a partnership, each member of which is a company resident in the United Kingdom for United Kingdom tax purposes or (iii) a company not resident in the United Kingdom for United Kingdom tax purposes that carries on a trade in the United Kingdom through a permanent establishment and brings into account interest payable in respect of such advance in computing its chargeable profits (for the purposes of section 11(2) of the United Kingdom Income and Corporation Taxes Act 1988); or (c) a U.K. Treaty Lender.

“U.K. Security Documents” means each debenture or other security document, by or between U.K. Borrower and U.S. Agent, for the benefit of U.S. Agent and U.S. Revolving B Credit Lenders, as any of the foregoing may be amended, restated or otherwise modified from time to time.

“U.K. Subsidiary Guarantor” means any Subsidiary of the U.K. Borrower that is incorporated under the laws of England and Wales that delivers a joinder agreement to the U.K. Guarantee pursuant to Section 6.12(b) hereof, together with its successors and assignee, unless and until released in accordance with the terms of this Agreement or the U.K. Guarantee.

“U.K. Taxes” means Taxes imposed by the United Kingdom.

“U.K. Tax Confirmation” means confirmation by a U.S. Revolving B Credit Lender that the Person beneficially entitled to interest payable to such U.S. Revolving B Credit Lender giving the confirmation in respect of an advance under a Loan Document is (a) a company resident in the United Kingdom for United Kingdom tax purposes, or (b) a partnership, each member of which is a company resident in the United Kingdom for United Kingdom tax purposes or (c) a company not resident in the United Kingdom for United Kingdom tax purposes that carries on a trade in the United Kingdom through a permanent establishment and that brings into account interest payable in respect of such advance in computing its chargeable profits for the purposes of section 11(2) of the United Kingdom Income and Corporation Taxes Act 1988.

“U.K. Treaty Lender” means a U.S. Revolving B Credit Lender that (a) is treated as a resident of a U.K. Treaty State (in accordance with the provisions of the relevant double taxation agreement), (b) does not carry on a business in the United Kingdom through a permanent establishment with which such Person’s participation in the relevant Loan is effectively connected and (c) is entitled under the relevant double taxation agreement to payment of interest in respect of a Credit Extension without deduction or withholding for any U.K. Taxes and for these purposes it shall be assumed that there are satisfied (i) any relevant conditions contained in the relevant double taxation agreement to the extent they relate to the relevant Borrower and (iii) any necessary procedural formalities.

“U.K. Treaty State” means a jurisdiction having a double taxation agreement with the United Kingdom that makes provision for full exemption from U.K. Taxes on interest.

“Undrawn Availability” means, as of any date of determination thereof, an amount equal to (a) the lesser of (i) the U.S. Borrowing Base or (ii) the Aggregate U.S. Commitments, plus (b) the sum of (i) all cash on deposit by any Loan Party with any bank or other financial institution as of the last day of the immediately preceding calendar month, plus (ii) Undrawn Canadian Availability, minus (c) the sum of (i) the outstanding principal balances of U.S. Revolving A Credit Loans, U.S. Revolving B Credit Loans and U.S. Swing Line Loans and the face amount of all outstanding U.S. Letters of Credit, plus (ii) all amounts due and owing to Borrowers’ and their Subsidiaries’ trade creditors which are outstanding beyond normal trade terms, plus (iii) all fees and expenses relating to the Acquisition and the other transactions contemplated by this Agreement to occur on the Closing Date which have not been paid.

“Undrawn Canadian Availability” means, as of any date of determination thereof, an amount equal to (a) the lesser of (i) the Canadian Borrowing Base or (ii) the Aggregate Canadian Commitments, minus (b) the sum of the outstanding principal balances of Canadian Committed Loans and the face amount of all outstanding Canadian Letters of Credit.

“Unfunded Pension Liability” means the excess of a Pension Plan’s benefit liabilities under Section 4001(a)(16) of ERISA, over the current value of that Pension Plan’s assets, determined in accordance with the assumptions used for funding the Pension Plan pursuant to Section 412 of the Code for the applicable plan year.

“United States” and “U.S.” mean the United States of America.

“Unreimbursed Amount” has the meaning specified in Section 2.04(c)(i).

“U.S. Agent” means Bank of America, in its capacity as administrative agent for U.S. Lenders hereunder, together with its successors and assigns.

“U.S. Agent’s Office” means, with respect to any currency, U.S. Agent’s address and, as appropriate, account as set forth on Schedule 10.02 with respect to such currency, or such other address or account with respect to such currency as U.S. Agent may from time to time notify U.S. Borrower, U.K. Borrower and U.S. Lenders.

“U.S. Borrower” has the meaning specified in the introductory paragraph hereto.

“U.S. Borrowing” means a Borrowing comprised of U.S. Loans.

“U.S. Borrowing Base” means, at any time, the sum, expressed in U.S. Dollars, of:

- (a) 80% of U.S. Borrower’s and each Subsidiary Guarantors’ (other than the Transtar Loan Parties’) Eligible Accounts at such time; *plus*
- (b) 85% of the Transtar Loan Parties’ Eligible Accounts at such time; *plus*
- (c) 50% of the Book Value of U.S. Borrower’s and each Subsidiary Guarantors’ (other than the Transtar Loan Parties’) Eligible Inventory; *plus*
- (d) 65% of the Book Value of the Transtar Loan Parties’ Eligible Inventory that is comprised of DPS OPCO Inventory; *plus*
- (e) 50% of the Book Value of the Transtar Loan Parties’ Eligible Inventory that is comprised of JDE OPCO Inventory; *plus*
- (f) 90% of the scrap value (determined in accordance with the Transtar Loan Parties’ past practices utilizing customary reserve percentages as outlined in the Project Transtar ABL report dated August 4, 2006 prepared by KPMG LLP) of the Transtar Loan Parties’ Eligible Inventory that is comprised of INCO Inventory; *plus*
- (g) (i) from July 29, 2007 through and including July 28, 2008, 10% of the Net PP&E of U.S. Borrower and each Subsidiary Guarantor, and (ii) from and after July 29, 2008, 0% of the Net PP&E of U.S. Borrower and each Subsidiary Guarantor; *plus*
- (h) the U.K. Borrowing Base Assets (in an amount not to exceed the Total U.K. Borrower Outstandings); *minus*

(i) the outstanding principal amount of (i) all secured Indebtedness of U.S. Borrower, its domestic Subsidiaries and U.K. Borrower, (ii) all Indebtedness of Castle Metals de Mexico, S.A. de C.V. and (iii) all Indebtedness of A.M. Castle Metals Materials (Shanghi) Ltd., other than (A) the U.S. Obligations, (B) with respect to Castle Metals de Mexico, S.A. de C.V., Indebtedness owing to any Person that is not a Lender or an Affiliate of a Lender and (C) with respect to A.M. Castle Metals Materials (Shanghi) Ltd., Indebtedness owing to any Person that is not a Lender or an Affiliate of a Lender; *minus*

(j) at such time as U.S. Borrower's Obligations are not Secured, the sum of (x) 50% of U.S. Borrower's, U.K. Borrower's, each Subsidiary Guarantors' and each U.K. Subsidiary Guarantors' aggregate accounts payable (other than accounts payable, if any, that serve as the basis for causing all or any part of any Account of U.S. Borrower, U.K. Borrower, any Subsidiary Guarantor or any U.K. Subsidiary Guarantor to fail to qualify as an Eligible Account), *plus* (y) the outstanding principal amount of (i) all unsecured Indebtedness of U.S. Borrower, its domestic Subsidiaries and U.K. Borrower, (ii) all Indebtedness of Castle Metals de Mexico, S.A. de C.V. and (iii) all Indebtedness of A.M. Castle Metals Materials (Shanghi) Ltd., other than (A) the U.S. Obligations, (B) with respect to Castle Metals de Mexico, S.A. de C.V., Indebtedness owing to any Person that is not a Lender or an Affiliate of a Lender and (C) with respect to A.M. Castle Metals Materials (Shanghi) Ltd., Indebtedness owing to any Person that is not a Lender or an Affiliate of a Lender,

with the amounts referred to in clauses (a), (b), (c), (d), (e), (f), (g) and (h) above determined by reference to the most recent Borrowing Base Certificate and applicable financial statements delivered to U.S. Agent by U.S. Borrower.

“U.S. Business Day” means any day other than a Saturday, Sunday, or other day on which commercial banks are authorized to close under the Laws of, or are in fact closed, in the State where U.S. Agent's Office with respect to Obligations denominated in U.S. Dollars is located and: (a) if such day relates to any interest rate settings as to a Eurodollar Rate Loan denominated in U.S. Dollars, any fundings, disbursements, settlements and payments in U.S. Dollars in respect of any such Eurodollar Rate Loan, or any other dealings in U.S. Dollars to be carried out pursuant to this Agreement in respect of any such Eurodollar Rate Loan, means any such day on which dealings in U.S. Dollar deposits are conducted by and between banks in the London interbank eurodollar market; (b) if such day relates to any interest rate settings as to a Eurodollar Rate Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Eurodollar Rate Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Eurodollar Rate Loan, means a TARGET Day; (c) if such day relates to any interest rate settings as to a Eurodollar Rate Loan denominated in a currency other than U.S. Dollars or Euro, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the London or other applicable offshore interbank market for such currency; and (d) if such day relates to any fundings, disbursements, settlements and payments in a currency other than U.S. Dollars or Euro in respect of a Eurodollar Rate Loan denominated in a currency other than U.S. Dollars or Euro, or any other dealings in any currency other than U.S. Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Eurodollar Rate Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.

“U.S. Commitment” means, as to each U.S. Lender, its obligation to (a) make U.S. Revolving A Credit Loans to U.S. Borrower pursuant to Section 2.01(a), (b) make U.S. Revolving B Credit Loans to U.S. Borrower and U.K. Borrower pursuant to Section 2.01(b), (c) purchase participations in U.S. L/C Obligations, and (d) purchase participations in U.S. Swing Line Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such U.S. Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

“U.S. Committed Borrowing” means a borrowing consisting of simultaneous U.S. Committed Loans of the same Type, in the same currency and, in the case of Eurodollar Rate Loans, having the same Interest Period made by each of the Lenders pursuant to Section 2.01.

“U.S. Committed Loan” means a U.S. Revolving A Credit Loan or a U.S. Revolving B Credit Loan.

“U.S. Dollar Equivalent” means (a) with respect to any amount denominated in U.S. Dollars, such amount, and (b) with respect to any amount denominated in any Alternative Currency or Canadian Dollars, the equivalent amount thereof in U.S. Dollars as determined by the Agents or the L/C Issuers, as the case may be, at such time on the basis of the Exchange Rate for the purchase of U.S. Dollars with such Alternative Currency or Canadian Dollars, as applicable.

“U.S. Dollars” and the symbol “US \$” mean the lawful currency of the United States.

“U.S. L/C Credit Extension” means, with respect to any U.S. Letter of Credit, the issuance thereof or extension of the expiry date thereof, or the increase of the amount thereof.

“U.S. L/C Issuer” means Bank of America in its capacity as issuer of U.S. Letters of Credit hereunder, or any successor issuer of U.S. Letters of Credit hereunder.

“U.S. L/C Obligations” means, as at any date of determination, the aggregate amount available to be drawn under all outstanding U.S. Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings in respect of U.S. Letters of Credit. For purposes of computing the amount available to be drawn under any U.S. Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

“U.S. L/C Sublimit” means an amount equal to U.S. \$20,000,000. The U.S. L/C Sublimit is part of, and not in addition to, the Aggregate U.S. Revolving A Credit Commitments.

“U.S. Lender” means any Lender that has a U.S. Commitment or any portion of the Total U.S. Outstandings and, as the context requires, includes U.S. Swing Line Lender.

“U.S. Letter of Credit” means any letter of credit issued by U.S. L/C Issuer hereunder and shall include the Existing Letters of Credit. A U.S. Letter of Credit may be a commercial letter of

credit or a standby letter of credit. A U.S. Letter of Credit may be denominated in U.S. Dollars or an Alternative Currency.

“U.S. Loan” means an extension of credit by a U.S. Lender to U.S. Borrower or U.K. Borrower under Article II in the form of a U.S. Committed Loan or a U.S. Swing Line Loan.

“U.S. Obligations” means all Obligations relating to U.S. Loans or U.S. Letters of Credit or Swap Contracts between U.S. Borrower or U.K. Borrower and any U.S. Lender or any Affiliate of any U.S. Lender or Treasury Management Obligations of a Loan Party to a U.S. Lender or Affiliate of a U.S. Lender.

“U.S. Revolving A Credit Commitment” means, as to each U.S. Revolving A Credit Lender, its obligation to (a) make U.S. Revolving A Credit Loans to U.S. Borrower pursuant to Section 2.01(a), (b) purchase participations in U.S. L/C Obligations, and (c) purchase participations in U.S. Swing Line Loans, in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

“U.S. Revolving A Credit Facility” means, at any time, the aggregate amount of the U.S. Revolving A Credit Lenders’ U.S. Revolving A Credit Commitments.

“U.S. Revolving A Credit Lender” means any U.S. Lender that has a U.S. Revolving A Credit Commitment or any portion of the Total U.S. Revolving A Credit Outstandings and, as the context requires, include U.S. Swing Line Lender. The U.S. Revolving A Credit Lenders on the First Amendment Effective Date are listed on Schedule 2.01 under the caption “U.S. Revolving A Credit Lenders”.

“U.S. Revolving A Credit Loan” has the meaning specified in Section 2.01(a). All U.S. Revolving A Credit Loans shall be denominated in U.S. Dollars.

“U.S. Revolving B Credit Commitment” means, as to each U.S. Revolving B Credit Lender, its obligation to make U.S. Revolving B Credit Loans to U.S. Borrower or U.K. Borrower pursuant to Section 2.01(b) in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Lender’s name on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto as applicable, as such amount may be adjusted from time to time in accordance with this Agreement.

“U.S. Revolving B Credit Facility” means, at any time, the aggregate amount of the U.S. Revolving B Credit Lenders’ U.S. Revolving B Credit Commitments.

“U.S. Revolving B Credit Lender” means any U.S. Lender that has a U.S. Revolving B Credit Commitment or any portion of the Total U.S. Revolving B Credit Outstandings. The U.S. Revolving B Credit Lenders on the First Amendment Effective Date are listed on Schedule 2.01 under the caption “U.S. Revolving B Credit Lenders”.

“U.S. Revolving B Credit Loan” has the meaning specified in Section 2.01(b). U.S. Revolving B Credit Loans may be denominated in U.S. Dollars or Alternative Currencies.

“U.S. Security Agreement” means the Amended and Restated Security Agreement, dated as of September 5, 2006, among U.S. Borrower, certain of its Subsidiaries and Collateral Agent, as amended, restated, supplemented or otherwise modified from time to time.

“U.S. Security Documents” means each of the “Security Documents”, as such term is defined in the Collateral Agency and Intercreditor Agreement.

“U.S. Supermajority Lenders” means, as of any date of determination, U.S. Lenders holding more than 66-2/3% of the sum of (a) Total U.S. Outstandings (with the aggregate amount of each U.S. Revolving A Credit Lender’s risk participation and funded participation in U.S. L/C Obligations and U.S. Swing Line Loans being deemed “held” by such U.S. Revolving A Credit Lender for purposes of this definition) and (b) the aggregate unused U.S. Commitments; provided that the U.S. Commitment of, and the portion of the Total U.S. Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of U.S. Supermajority Lenders.

“U.S. Swing Line” means the revolving credit facility made available by U.S. Swing Line Lender pursuant to Section 2.05.

“U.S. Swing Line Borrowing” means a borrowing of a U.S. Swing Line Loan pursuant to Section 2.05.

“U.S. Swing Line Lender” means Bank of America in its capacity as provider of U.S. Swing Line Loans, or any successor U.S. swing line lender hereunder.

“U.S. Swing Line Loan” has the meaning specified in Section 2.05. All U.S. Swing Line Loans shall be denominated in U.S. Dollars.

“U.S. Swing Line Loan Notice” means a notice of a U.S. Swing Line Borrowing pursuant to Section 2.05, which, if in writing, shall be substantially in the form of Exhibit C.

“U.S. Swing Line Sublimit” means an amount equal to the lesser of (a) \$15,000,000 and (b) the Aggregate U.S. Revolving A Credit Commitments. The U.S. Swing Line Sublimit is part of (although uncommitted), and not in addition to, the Aggregate U.S. Revolving A Credit Commitments.

“Voting Stock” means capital stock of any class of a corporation having power under ordinary circumstances to vote for the election of members of the board of directors of such corporation, or persons performing similar functions.

“Wholly-Owned” means when applied to a Subsidiary, any Subsidiary 100% of the Voting Stock or other equity interests of which is owned by U.S. Borrower and/or its Wholly-Owned Subsidiaries, other than directors’ qualifying shares or, in the case of Subsidiaries organized under the laws of a jurisdiction other than the United States or a state thereof, nominal shares held by foreign nationals in accordance with local law.

1.02 Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “herein,” “hereof” and “hereunder,” and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing, re-enacting or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified, supplemented or re-enacted from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including;” the words “to” and “until” each mean “to but excluding;” and the word “through” means “to and including.”

(c) Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03 Accounting Terms.

(a) Generally. All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein.

(b) Changes in GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either a Borrower or Required Lenders shall so request, Agents, Lenders and Borrowers shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP

prior to such change therein and (ii) Borrowers shall provide to Agents and Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.04 Rounding. Any financial ratios required to be maintained by Borrowers pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05 Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Central time (daylight or standard, as applicable).

1.06 Letter of Credit Amounts. Unless otherwise specified herein the amount of a Letter of Credit at any time shall be deemed to be the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

1.07 Change of Currency.

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

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

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Agents may from time to time specify to be appropriate to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

1.08 Currencies; Exchange Rates.

(a) If, at any time, any amount denominated in Canadian Dollars is required pursuant to any Loan Document to be expressed in U.S. Dollars, then such amount shall be expressed at

the U.S. Dollar Equivalent determined by U.S. Agent based on the Exchange Rate then in effect, unless the Exchange Rate is required to be determined as of another date. If, at any time, any amount denominated in U.S. Dollars is required pursuant to any Loan Document to be expressed in Canadian Dollars, then such amount shall be expressed at the Canadian Dollar Equivalent determined by U.S. Agent based on the Exchange Rate then in effect, unless the Exchange Rate is required to be determined as of another date. Any such determinations by U.S. Agent shall be conclusive absent manifest error.

(b) The U.S. Agent or the U.S. L/C Issuer, as applicable, shall determine the Exchange Rates as of each Revaluation Date to be used for calculating U.S. Dollar Equivalent amounts of Credit Extensions and Outstanding Amounts denominated in Alternative Currencies. Such Exchange Rates shall become effective as of such Revaluation Date and shall be the Exchange Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Borrowers hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than U.S. Dollars) for purposes of the Loan Documents shall be such U.S. Dollar Equivalent amount as so determined by the Agents or the L/C Issuers, as applicable.

(c) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a required minimum or multiple amount, is expressed in U.S. Dollars, but such Borrowing, Loan or Letter of Credit is denominated in an Alternative Currency, such amount shall be the relevant Alternative Currency Equivalent of such U.S. Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the U.S. Agent or the U.S. L/C Issuer, as the case may be.

1.09 Pension Protection Act of 2006. In the event that compliance with the provisions of the Pension Protection Act of 2006 by U.S. Borrower and its Subsidiaries results in non-cash charges which are reflected on U.S. Borrower's balance sheets or income statements, such charges shall be disregarded for purposes of calculating Adjusted Consolidated Net Worth, the ratio of Consolidated Debt to Consolidated Total Capitalization and the ratio of Net Working Capital to Consolidated Debt hereunder.

ARTICLE II

THE COMMITMENTS AND CREDIT EXTENSIONS

2.01 The Loans.

(a) U.S. Revolving A Credit Loans. Subject to the terms and conditions set forth herein, each U.S. Revolving A Credit Lender severally agrees to make loans (each such loan, a "U.S. Revolving A Credit Loan") to U.S. Borrower from time to time, on any U.S. Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such U.S. Revolving A Credit Lender's U.S. Revolving A Credit Commitment; provided, however, that after giving effect to any U.S. Committed Borrowing, (i) the Total U.S. Revolving A Credit Outstandings shall not exceed the lesser of (x) the Aggregate U.S. Revolving A Credit Commitments, or (y) the amount (if any) by which the U.S. Borrowing Base exceeds the Total U.S. Revolving B Credit Outstandings, and (ii) the aggregate Outstanding Amount of the

U.S. Revolving A Credit Loans of any U.S. Revolving A Credit Lender, plus such U.S. Revolving A Credit Lender's Applicable Percentage of the Outstanding Amount of all U.S. L/C Obligations, plus such U.S. Revolving A Credit Lender's Applicable Revolving Credit/Committed Loan Percentage of the Outstanding Amount of all U.S. Swing Line Loans shall not exceed such U.S. Revolving A Credit Lender's U.S. Revolving A Credit Commitment. Within the limits of each U.S. Revolving A Credit Lender's U.S. Revolving A Credit Commitment, and subject to the other terms and conditions hereof, U.S. Borrower may borrow under this Section 2.01(a), prepay under Section 2.06, and reborrow under this Section 2.01(a). U.S. Revolving A Credit Loans shall be denominated in U.S. Dollars and may be comprised of Base Rate Loans or Eurodollar Rate Loans, as further provided herein.

(b) U.S. Revolving B Credit Loans. Subject to the terms and conditions set forth herein, each U.S. Revolving B Credit Lender severally agrees to make loans (each such loan, a "U.S. Revolving B Credit Loan") to U.S. Borrower and U.K. Borrower from time to time, on any U.S. Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such U.S. Revolving B Credit Lender's U.S. Revolving B Credit Commitment; provided, however, that after giving effect to any U.S. Committed Borrowing, (i) the Total U.S. Revolving B Credit Outstandings shall not exceed the lesser of (x) the Aggregate U.S. Revolving B Credit Commitments, or (y) the amount (if any) by which the U.S. Borrowing Base exceeds the Total U.S. Revolving A Credit Outstandings, and (ii) the aggregate Outstanding Amount of the U.S. Revolving B Credit Loans of any U.S. Revolving B Credit Lender shall not exceed such U.S. Revolving B Credit Lender's U.S. Revolving B Credit Commitment. Within the limits of each U.S. Revolving B Credit Lender's U.S. Revolving B Credit Commitment, and subject to the other terms and conditions hereof, U.S. Borrower and U.K. Borrower may borrow under this Section 2.01(b), prepay under Section 2.06, and reborrow under this Section 2.01(b). U.S. Revolving B Credit Loans shall be denominated in U.S. Dollars or Alternative Currencies and may be comprised of Base Rate Loans or Eurodollar Rate Loans, as further provided herein.

(c) Canadian Committed Loans. Subject to the terms and conditions set forth herein, each Canadian Lender severally agrees to make loans (each such loan, a "Canadian Committed Loan") to Canadian Borrower from time to time, on any Canadian Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Canadian Lender's Canadian Commitment; provided, however, that after giving effect to any Canadian Committed Borrowing, (i) the Total Canadian Outstandings shall not exceed the lesser of (x) the Aggregate Canadian Commitments, or (y) the Canadian Borrowing Base, and (ii) the aggregate Outstanding Amount of the Canadian Committed Loans of any Canadian Lender, plus such Canadian Lender's Applicable Revolving Credit/Committed Loan Percentage of the Outstanding Amount of all Canadian L/C Obligations shall not exceed such Canadian Lender's Canadian Commitment. Within the limits of each Canadian Lender's Canadian Commitment, and subject to the other terms and conditions hereof, Canadian Borrower may borrow under this Section 2.01(c), prepay under Section 2.06, and reborrow under this Section 2.01(c). Canadian Committed Loans shall be either (A) denominated in U.S. Dollars and comprised entirely of Base Rate Loans or Eurodollar Rate Loans, as further provided herein, or (B) denominated in Canadian Dollars and comprised entirely of Canadian Prime Rate Loans or Acceptances, as further provided herein.

2.02 Borrowings, Conversions and Continuations of Committed Loans.

(a) Each Committed Borrowing (other than Acceptances), each conversion of Committed Loans (other than Acceptances) from one Type to the other, and each continuation of Eurodollar Rate Loans shall be made upon the applicable Borrower's irrevocable written Committed Loan Notice to the applicable Agent, which may be given by facsimile. Each such notice must be received by the applicable Agent not later than 10:00 A. M. (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurodollar Rate Loans denominated in U.S. Dollars or of any conversion of Eurodollar Rate Loans denominated in U.S. Dollars to Base Rate Committed Loans, (ii) four Business Days prior to the requested date of any Borrowing of, or continuation of Eurodollar Rate Loans denominated in Alternative Currencies, (iii) one Business Day prior to the requested date of any Canadian Borrowing of Base Rate Committed Loans or Canadian Prime Rate Loans and (iv) on the requested date of any U.S. Borrowing of Base Rate Committed Loans. Each such written Committed Loan Notice must be appropriately completed and signed by a Responsible Officer of the applicable Borrower. Each Borrowing of, conversion to or continuation of Eurodollar Rate Loans shall be in a principal amount of U.S. \$500,000 or a whole multiple of U.S. \$100,000 in excess thereof. Except as provided in Sections 2.03(c) and 2.04(c), each Borrowing of or conversion to Base Rate Committed Loans or Canadian Prime Rate Loans shall be in a principal amount of U.S. \$500,000 or a whole multiple of U.S. \$100,000 in excess thereof with respect to Base Rate Committed Loans or Cdn. \$500,000 or a whole multiple of Cdn. \$100,000 in excess thereof with respect to Canadian Prime Rate Loans. Each Committed Loan Notice shall specify (i) whether the applicable Borrower is requesting a Committed Borrowing, a conversion of Committed Loans from one Type to the other, or a continuation of Eurodollar Rate Loans, (ii) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (iii) the principal amount of Committed Loans to be borrowed, converted or continued, (iv) the Class and Type of Committed Loans to be borrowed or to which existing Committed Loans are to be converted, (v) if applicable, the duration of the Interest Period with respect thereto and (vi) if applicable, the currency of the Committed Loans to be borrowed. If the applicable Borrower fails to specify a currency in a Committed Loan Notice requesting a Borrowing, then the Committed Loans so requested shall be made in U.S. Dollars, in the case of U.S. Committed Loans, or Canadian Dollars in the case of Canadian Committed Loans. If the applicable Borrower fails to specify a Type of Committed Loan in a Committed Loan Notice or if the applicable Borrower fails to give a timely notice requesting a conversion or continuation, then the applicable Committed Loans shall be made as, or converted to, Base Rate Loans; provided, however, that in the case of a failure to timely request a continuation of Committed Loans denominated in an Alternative Currency, such Committed Loans shall be continued as Eurodollar Rate Loans in their original currency with an Interest Period of one month. Any such automatic conversion to Base Rate Loans shall be effective as of the last day of the Interest Period then in effect with respect to the applicable Eurodollar Rate Loans. If a Borrower requests a Borrowing of, conversion to, or continuation of Eurodollar Rate Loans in any such Committed Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. Canadian Prime Rate Borrowings may only be converted into a Borrowing by way of Acceptances in accordance with Section 2.03. This Section 2.02(a) shall not be construed to permit any conversion of the currency in which a Borrowing is denominated.

(b) Following receipt of a Committed Loan Notice, the applicable Agent shall promptly notify each applicable Lender of the amount (and currency) of its Applicable Percentage of the applicable Committed Loans, and if no timely notice of a conversion or continuation is provided by the applicable Borrower, the applicable Agent shall notify each

applicable Lender of the details of any automatic conversion to Base Rate Loans or continuation of Committed Loans denominated in Alternative Currencies, in each case as described in the preceding subsection. In the case of a Committed Borrowing, each applicable Lender shall make the amount of its Committed Loan available to the applicable Agent in Same Day Funds at the applicable Agent's Office for the applicable currency not later than 1:00 p.m. in the case of any Committed Loan denominated in U.S. Dollars or Canadian Dollars, and not later than the Applicable Time specified by the U.S. Agent in the case of any Committed Loan denominated in an Alternative Currency, in each case on the Business Day specified in the applicable Committed Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the applicable Agent shall make all funds so received available to the applicable Borrower in like funds as received by the applicable Agent either by (i) crediting the account of the applicable Borrower on the books of Bank of America or Bank of America Canada, as the case may be, with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the applicable Agent by the applicable Borrower; provided, however, that if, on the date the Committed Loan Notice with respect to such Borrowing is given by a Borrower, there are L/C Borrowings of such Borrower outstanding, then the proceeds of such Borrowing first, shall be applied to the payment in full of any such L/C Borrowings, and second, shall be made available to the applicable Borrower as provided above.

(c) Except as otherwise provided herein, a Eurodollar Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurodollar Rate Loan. During the existence of an Event of Default no Loans may be requested as, converted to or continued as Eurodollar Rate Loans or a Borrowing by way of Acceptances without the consent of Required Lenders, and Required Lenders may demand that (i) any or all of the then outstanding Eurodollar Rate Loans denominated in U.S. Dollars be converted immediately to Base Rate Committed Loans, (ii) all Acceptances be converted immediately upon their maturity to Canadian Prime Rate Loans and (iii) any or all of the then outstanding Committed Loans that are denominated in an Alternative Currency be prepaid, or redenominated into U.S. Dollars in the amount of the U.S. Dollar Equivalent thereof, on the last day of the then current Interest Period with respect thereto, and each Borrower agrees to pay all amounts due under Section 3.05 in accordance with the terms thereof due to any such conversion.

(d) Each Agent shall promptly notify the applicable Borrower and the applicable Lenders of the interest rate applicable to any Interest Period for Eurodollar Rate Loans upon determination of such interest rate.

(e) After giving effect to all Committed Borrowings, all conversions of Committed Loans from one Type to the other, and all continuations of Committed Loans as the same Type, there shall not be more than (i) eight Interest Periods in effect with respect to Eurodollar Rate Loans to U.S. Borrower and U.K. Borrower, collectively, (ii) three Interest Periods in effect with respect to Eurodollar Rate Loans to Canadian Borrower and (iii) three Borrowings in effect by way of Acceptances.

2.03 Acceptances.

(a) Acceptance Commitment. Subject to the terms and conditions set forth herein, each Canadian Lender severally agrees that Canadian Borrower may, at any time and from time to time during the Availability Period, issue Acceptances denominated in Canadian Dollars, in minimum denominations of Cdn. \$100,000 or a whole multiple thereof and in minimum

aggregate face amounts in connection with any Notice of Drawing of Cdn. \$1,000,000 or any greater whole multiple of Cdn. \$100,000, each in accordance with the provisions of this Section 2.03 and in an aggregate face amount that will not result in (i) such Lender's Applicable Percentage of Total Canadian Outstandings exceeding such Lender's Canadian Commitment, (ii) the Total Canadian Outstandings exceeding the Aggregate Canadian Commitments, or (iii) the Total Canadian Outstandings exceeding an amount that equals the Canadian Borrowing Base then in effect; provided that at all times the outstanding aggregate face amount of all Acceptances made by a Canadian Lender shall equal its Applicable Revolving Credit/Committed Loan Percentage of the outstanding face amount of all Acceptances made by all Canadian Lenders. For purposes of this Agreement, the full face value of an Acceptance, without discount, shall be used when calculations are made to determine the outstanding amount of a Canadian Lender's Acceptances; provided that in computing the face amount of Acceptances outstanding, the face amount of an Acceptance in respect of which the Obligations with respect to such Acceptance have been cash collateralized by Canadian Borrower and received by Canadian Lender that created the same in accordance with the terms of this Agreement shall not be included.

(b) Terms of Acceptance. Each Draft shall be accepted by a Canadian Lender, upon the written request of Canadian Borrower given in accordance with paragraph (c), by the completion and acceptance by such Canadian Lender of a Draft (i) payable in Canadian Dollars, drawn by Canadian Borrower on such Canadian Lender in accordance with this Agreement, to the order of such Canadian Lender and (ii) maturing prior to the Maturity Date on a day not less than 28 days nor more than 180 days after the date of such Draft (and in integral maturities of one month, two months, three months or six months, or, from time to time, such other nonstandard periods as Canadian Agent and the affected Canadian Lender(s) may agree), excluding days of grace, all as specified in the relevant Notice of Drawing to be delivered under paragraph (c) of this Section; provided that any maturity date that would otherwise fall on a day that is not a Canadian Business Day shall be extended to the next succeeding Canadian Business Day in accordance with the provisions of Section 2.13(a) mutatis mutandis.

(c) Notice of Drawing and Discount of Acceptances.

(i) With respect to each requested acceptance of Drafts, Canadian Borrower shall give Canadian Agent a Notice of Drawing, substantially in the form of Exhibit G (a "Notice of Drawing") (which shall be irrevocable and may be given by facsimile) to be received prior to 11:00 A. M., at least one day that is both a Canadian Business Day and a U.S. Business Day prior to the date of the requested acceptance, specifying:

- A. the date on which such Drafts are requested to be accepted as Acceptances, which shall be a day that is both a Canadian Business Day and a U.S. Business Day;
- B. the aggregate face amount of such Acceptances;
- C. the proposed maturity date of such Acceptances;
- D. whether Canadian Lenders must purchase or arrange for the purchase of the Acceptances;

E. the principal amount of the Canadian Prime Rate Loans, if any, to be converted to such Acceptances;

F. the Canadian Availability (after giving effect to such Acceptances); and

G. such additional information as Canadian Agent or any Canadian Lender may reasonably from time to time request to be included in such notices.

H. In the event that any Notice of Drawing fails to satisfy the requirements set forth in clauses A., B. and C. above, any requested Canadian Committed Loan in the form of an Acceptance shall be made as or converted to a Canadian Prime Rate Loan.

(ii) Upon receipt of a Notice of Drawing Canadian Agent shall promptly notify each Canadian Lender of the contents thereof and of such Canadian Lender's ratable share of the Acceptances requested thereunder. The aggregate face amount of the Drafts to be accepted by a Canadian Lender shall be determined by Canadian Agent by reference to the respective Applicable Revolving Credit/Committed Loan Percentage of Canadian Lenders; provided that, if the face amount of an Acceptance which would otherwise be accepted by a Canadian Lender is not Cdn.\$100,000, or a whole multiple thereof, the face amount shall be increased or reduced by Canadian Agent, in its sole discretion, to Cdn.\$100,000, or the nearest integral multiple thereof, as appropriate.

(iii) On each date upon which Acceptances are to be accepted, Canadian Agent shall advise Canadian Borrower of the applicable Discount Rate for each of the Canadian Lenders. Not later than 10:00 A. M., on such date each Canadian Lender shall, subject to the fulfillment of the applicable conditions precedent specified in Section 4.02 and subject to each Non-Acceptance Canadian Lender's making Acceptance Equivalent Loans pursuant to paragraph (i) of Section 2.03(i), (A) on the basis of the information supplied by Canadian Agent, as aforesaid, complete a Draft or Drafts of Canadian Borrower by filling in the amount, date and maturity date thereof in accordance with the applicable Notice of Drawing, (B) duly accept such Draft or Drafts, (C) discount such Acceptance or Acceptances at the applicable Discount Rate, (D) give Canadian Agent facsimile notice of such Canadian Lender's acceptance of such Draft or Drafts and confirming the amount paid to Canadian Agent for the account of Canadian Borrower and (E) (except to the extent such Discount Proceeds are being applied to repay maturing Acceptances in accordance with Section 2.03(e) or Canadian Prime Rate Loans to be converted in accordance with Section 2.03(c)(i)) remit to Canadian Agent in Canadian Dollars in Same Day Funds an amount equal to the Discount Proceeds less the Acceptance Fee. Upon receipt by Canadian Agent of such sums from Canadian Lenders, Canadian Agent shall make the aggregate amount thereof available to Canadian Borrower either by (i) crediting the account of Canadian Borrower on the books of Bank of America Canada with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) Canadian Agent by Canadian Borrower; provided, however, that if, on the date the Notice of Drawing is given by Canadian Borrower, there are L/C Borrowings of Canadian Borrower outstanding, then such funds first, shall be applied to the payment in full of any

such L/C Borrowings, and second, shall be made available to Canadian Borrower as provided above.

(iv) Each extension of credit hereunder through the acceptance of Drafts shall be made simultaneously and pro rata by Canadian Lenders in accordance with their respective Canadian Commitments.

(d) Sale of Acceptances. Canadian Borrower shall have the right to sell any Acceptance. Canadian Lenders shall purchase or arrange for the purchase of all of the Acceptances in the market and each Canadian Lender shall (except to the extent such Discount Proceeds are being applied to repay maturing Acceptances in accordance with Section 2.03(e) or Canadian Prime Rate Loans to be converted in accordance with Section 2.03(c)(i)) provide to Canadian Agent the Discount Proceeds for the account of Canadian Borrower. The Acceptance Fee in respect of such Acceptances may, at the option of Canadian Lender, be set off against the discount proceeds payable by Canadian Lender hereunder.

(e) Acceptance Obligation. Canadian Borrower is obligated, and hereby unconditionally agrees, to pay to each Canadian Lender the face amount of each Acceptance accepted by such Canadian Lender in accordance with a Notice of Drawing pursuant to paragraph (c) on the maturity date thereof, or on such earlier date as may be required pursuant to provisions of this Agreement. With respect to each Acceptance which is outstanding hereunder, Canadian Borrower shall notify Canadian Agent prior to 11:00 A. M. one Canadian Business Day prior to the maturity date of such Acceptance (which notice shall be irrevocable) of Canadian Borrower's intention to issue Acceptances on such maturity date to provide for the payment of such maturing Acceptance and shall deliver a Notice of Drawing to Canadian Agent or that Canadian Borrower intends to repay the maturing Acceptances on the maturity date. Any repayment of an Acceptance must be made in accordance with Section 2.13(a) on the maturity date of such Acceptance. If Canadian Borrower fails to provide such notice to Canadian Agent or Canadian Borrower fails to repay the maturing Acceptances, or if a Default or an Event of Default has occurred and is continuing on such maturity date, Canadian Borrower's obligations in respect of the maturing Acceptances shall be deemed to have been converted on the maturity date thereof into a Canadian Prime Rate Loan in an amount equal to the face amount of the maturing Acceptances. Canadian Borrower waives presentment for payment and any other defense to payment of any amounts due to a Canadian Lender in respect of any Acceptances accepted by such Canadian Lender under this Agreement which might exist solely by reason of those Acceptances being held, at the maturity thereof, by that Canadian Lender in its own right and Canadian Borrower agrees not to claim any days of grace if that Canadian Lender, as holder, sues Canadian Borrower on those Acceptances for payment of the amounts payable by Canadian Borrower thereunder.

(f) Supply of Drafts and Power of Attorney. To facilitate availment of the Borrowings by way of Acceptances, Canadian Borrower hereby appoints each Canadian Lender as its attorney to sign and endorse on its behalf (for the purpose of acceptance and purchase of Acceptances pursuant to this Agreement), in handwriting or by facsimile or mechanical signature as and when deemed necessary by such Canadian Lender, blank forms of Acceptances. In this respect, it is each Canadian Lender's responsibility to maintain an adequate supply of blank forms of Acceptances for acceptance under this Agreement. Canadian Borrower recognizes and agrees that all Acceptances signed and/or endorsed on its behalf by a Canadian Lender shall bind Canadian Borrower as fully and effectually as if signed in the handwriting of and duly issued by the proper signing officers of Canadian Borrower. Each Canadian Lender is hereby authorized

(for the purpose of acceptance and purchase of Acceptances pursuant to this Agreement) to issue such Acceptances endorsed in blank in such face amounts as may be determined by such Canadian Lender; provided that the aggregate amount thereof is equal to the aggregate amount of Acceptances required to be accepted and purchased by such Canadian Lender in accordance with the applicable Notice of Drawing. No Canadian Lender shall be liable for any damage, loss or other claim arising by reason of any loss or improper use of any such instrument except the gross negligence or willful misconduct of Canadian Lender or its officers, employees, agents or representatives. On request by Canadian Borrower, a Canadian Lender shall cancel all forms of Acceptances which have been pre-signed or pre-endorsed by or on behalf of Canadian Borrower and which are held by such Canadian Lender and have not yet been issued in accordance herewith. Each Canadian Lender further agrees to retain such records in the manner and/or the statutory periods provided in the various Canadian provincial or federal statutes and regulations which apply to such Canadian Lender. Each Canadian Lender shall maintain a record with respect to Acceptances held by it in blank hereunder, voided by it for any reason, accepted and purchased by it hereunder, and cancelled at their respective maturities. Each Canadian Lender agrees to provide such records to Canadian Borrower at Canadian Borrower's expense upon request. Drafts drawn by Canadian Borrower to be accepted as Acceptances shall be signed by a duly authorized officer or officers of Canadian Borrower or by its attorney-in-fact including any attorney-in-fact appointed pursuant to this Section 2.03(f). Canadian Borrower hereby authorizes and requests each Canadian Lender in accordance with each Notice of Drawing received from Canadian Borrower pursuant to paragraph (c) to take the measures with respect to a Draft or Drafts of Canadian Borrower then in possession of such Canadian Lender specified in paragraph (c)(iii) of this Section. In case any authorized signatory of Canadian Borrower whose signature shall appear on any Draft shall cease to have such authority before the acceptance of a Draft with respect to such Draft, the obligations of Canadian Borrower hereunder and under such Acceptance shall nevertheless be valid for all purposes as if such authority had remained in force until such creation.

(g) Exculpation. No Canadian Lender shall be responsible or liable for its failure to accept a Draft if the cause of such failure is, in whole or in part, due to the failure of Canadian Borrower to provide the Drafts or the power of attorney described in paragraph (f) above to such Canadian Lender on a timely basis nor shall any Canadian Lender be liable for any damage, loss or other claim arising by reason of any loss or improper use of any such Draft except loss or improper use arising by reason of the gross negligence or willful misconduct of such Canadian Lender.

(h) Rights of Canadian Lender as to Acceptances. Neither Canadian Agent nor any Canadian Lender shall have any responsibility as to the application of the proceeds by Canadian Borrower of any discount of any Acceptances. For greater certainty, each Canadian Lender may, at any time, purchase Acceptances issued by Canadian Borrower and may at any time and from time to time hold, sell, rediscount or otherwise dispose of any or all Acceptances accepted and/or purchased by it.

(i) Acceptance Equivalent Loans. Whenever Canadian Borrower delivers a Notice of Drawing to Canadian Agent under this Agreement requesting Canadian Lenders to accept Drafts, a Canadian Lender, other than a Schedule I Lender, which cannot or does not accept Drafts (a "Non-Acceptance Canadian Lender") shall, in lieu of accepting Drafts, make an Acceptance Equivalent Loan. On each date on which Drafts are to be accepted, subject to the same terms and conditions applicable to the acceptance of Drafts, any Non-Acceptance Canadian Lender that makes an Acceptance Equivalent Loan, upon delivery by Canadian Borrower of an

executed Discount Note payable to the order of such Non-Acceptance Canadian Lender, will remit to Canadian Agent in Same Day Funds for the account of Canadian Borrower the Acceptance equivalent discount proceeds in respect of the Discount Notes issued by Canadian Borrower to the Non-Acceptance Canadian Lender. Each Non-Acceptance Canadian Lender may agree, in lieu of receiving any Discount Notes, that such Discount Notes may be uncertificated and the applicable Acceptance Equivalent Loan shall be evidenced by a loan account which such Non-Acceptance Canadian Lender shall maintain in its name, subject to Section 2.12, and reference to such uncertificated Discount Notes elsewhere in this Agreement shall be deemed to include reference to the relevant Acceptance Equivalent Loan or loan account, as applicable.

(j) Terms Applicable to Discount Notes. The term “Acceptance” when used in this Agreement shall be construed to include Discount Notes and all terms of this Agreement applicable to Acceptances shall apply equally to Discount Notes evidencing Acceptance Equivalent Loans with such changes as may in the context be necessary (except that no Discount Note may be sold, rediscounted or otherwise disposed of by the Non-Acceptance Canadian Lender making Acceptance Equivalent Loans). For greater certainty:

(i) a Discount Note shall mature and be due and payable on the same date as the maturity date for Acceptances specified in the applicable Notice of Drawing;

(ii) an Acceptance Fee will be payable in respect of a Discount Note and shall be calculated at the same rate and in the same manner as the Acceptance Fee in respect of an Acceptance;

(iii) a discount applicable to a Discount Note shall be calculated in the same manner and at the Discount Rate that would be applicable to Acceptances accepted by a Lender that is not a Schedule I Lender pursuant to the applicable Notice of Drawing;

(iv) an Acceptance Equivalent Loan made by a Non-Acceptance Canadian Lender will be considered to be part of a Non-Acceptance Canadian Lender’s outstanding Acceptances for all purposes of this Agreement; and

(v) Canadian Borrower shall deliver Discount Notes to each Non-Acceptance Canadian Lender and grants to each Non-Acceptance Canadian Lender a power of attorney in respect of the completion and execution of Discount Notes, each in accordance with Section 2.03(f).

(k) Prepayment of Acceptances and Discount Notes. No Acceptance or Discount Note may be repaid or prepaid prior to the maturity date of such Acceptance or Discount Note, except in accordance with the provisions of Article VIII.

(l) Depository Bills and Notes Act. At the option of Canadian Borrower and any Canadian Lender, Acceptances and Discount Notes under this Agreement to be accepted by such Canadian Lender may be issued in the form of depository bills and depository notes, respectively, for deposit with The Canadian Depository for Securities Limited pursuant to the Depository Bills and Notes Act (Canada). All depository bills and depository notes so issued shall be governed by the Depository Bills and Notes Act (Canada) and the provisions of this Section 2.03.

(m) Circumstances Making Acceptances Unavailable. If Canadian Agent or Required Canadian Lenders determines in good faith, which determination shall be final,

conclusive and binding upon Canadian Borrower, and notifies Canadian Borrower that, by reason of circumstances affecting the money market there is no market for Acceptances or the demand for Acceptances is insufficient to allow the sale or trading of the Acceptances created hereunder, then:

(i) the right of Canadian Borrower to request the acceptance and purchase of Acceptances shall be suspended until Canadian Agent or Required Canadian Lenders determines that the circumstances causing such suspension no longer exist and Canadian Agent so notifies Canadian Borrower; and

(ii) any Notice of Drawing in respect of an Acceptance which is outstanding shall be cancelled and such notice shall (at the option of Canadian Borrower) be deemed to be a request for a Borrowing of or conversion to a Canadian Prime Rate Loan in principal amount equal to the Discount Proceeds that would have been payable in respect of the requested Acceptance less the Acceptance Fee that would have been payable in respect thereof.

Canadian Agent shall promptly notify Canadian Borrower of the suspension of Canadian Borrower's right to request acceptance and purchase of Acceptances and of the termination of any such suspension.

2.04 Letters of Credit.

(a) The Letter of Credit Commitment.

(i) Subject to the terms and conditions set forth herein, (A) U.S. L/C Issuer and Canadian L/C Issuer agree, in reliance upon the agreements of the other Lenders set forth in this Section 2.04, (1) from time to time on any Business Day during the period from the Closing Date until the L/C Expiration Date, to issue Letters of Credit for the account of U.S. Borrower and Canadian Borrower, or their respective Subsidiaries, respectively, and to amend or extend Letters of Credit previously issued by them, in accordance with subsection (b) below, and (2) to honor drawings under the Letters of Credit; (B) U.S. Revolving A Credit Lenders severally agree to participate in U.S. Letters of Credit issued for the account of U.S. Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any U.S. L/C Credit Extension with respect to any U.S. Letter of Credit, (x) the Total U.S. Revolving A Credit Outstandings shall not exceed the lesser of (I) the Aggregate U.S. Revolving A Credit Commitments, or (II) the amount (if any) by which the U.S. Borrowing Base exceeds the Total U.S. Revolving B Credit Outstandings, (y) the aggregate Outstanding Amount of the U.S. Revolving A Credit Loans of any Lender, plus such Lender's Applicable Revolving Credit/Committed Loan Percentage of the Outstanding Amount of all U.S. L/C Obligations, plus such U.S. Lender's Applicable Revolving Credit/Committed Loan Percentage of the Outstanding Amount of all U.S. Swing Line Loans shall not exceed such U.S. Lender's U.S. Revolving A Credit Commitment and (z) the Outstanding Amount of the U.S. L/C Obligations shall not exceed the U.S. L/C Sublimit; and (C) Canadian Lenders severally agree to participate in Canadian Letters of Credit issued for the account of Canadian Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any Canadian L/C Credit Extension with respect to any Canadian Letter of Credit, (x) the Total Canadian Outstandings shall not exceed the lesser of (I) the Aggregate Canadian Commitments, or (II) the Canadian Borrowing Base,

(y) the aggregate Outstanding Amount of the Canadian Committed Loans of any Canadian Lender, plus such Canadian Lender's Applicable Revolving Credit/Committed Loan Percentage of the Outstanding Amount of all Canadian L/C Obligations shall not exceed such Canadian Lender's Commitment, and (z) the Outstanding Amount of the Canadian L/C Obligations shall not exceed the Canadian L/C Sublimit. Each request by a Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by such Borrower that the applicable L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, each Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly each Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto, shall constitute U.S. Letters of Credit issued at the request of U.S. Borrower, and from and after the Closing Date shall be subject to and governed by the terms and conditions hereof.

(ii) Neither L/C Issuer shall issue any Letter of Credit, if:

A. subject to Section 2.04(b)(iv), the expiry date of such requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless Required U.S. Revolving A Credit Lenders have approved such expiry date; or

B. the expiry date of such requested Letter of Credit would occur after the L/C Expiration Date, unless, in the case of a U.S. Letter of Credit, all U.S. Revolving A Credit Lenders or, in the case of a Canadian Letter of Credit, all Canadian Lenders, have approved such expiry date.

(iii) Neither L/C Issuer shall be under any obligation to issue any Letter of Credit if:

A. any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the applicable L/C Issuer from issuing such Letter of Credit, or any Law applicable to such L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the applicable L/C Issuer shall prohibit, or request that such L/C Issuer refrain from, the issuance of letters of credit generally or such Letter of Credit in particular or shall impose upon such L/C Issuer with respect to such Letter of Credit any restriction, reserve or capital requirement (for which such L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon such L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which such L/C Issuer in good faith deems material to it;

B. the issuance of such Letter of Credit would violate one or more policies of the applicable L/C Issuer applicable to letters of credit generally;

C. except as otherwise agreed by the applicable Agent and the applicable L/C Issuer, such Letter of Credit is in an initial stated amount less than (i) U.S. \$100,000, in the case of a commercial U.S. Letter of Credit, or U.S.

\$100,000, in the case of a standby U.S. Letter of Credit or (ii) Cdn. \$100,000 in the case of a commercial Canadian Letter of Credit or Cdn. \$100,000 in the case of a standby Canadian Letter of Credit;

D. any U.S. Letter of Credit is to be denominated in a currency other than U.S. Dollars or an Alternative Currency, or any Canadian Letter of Credit is to be denominated in a currency other than U.S. Dollars or Canadian Dollars;

E. a default of any Lender's obligations to fund under Section 2.04(c) exists or any Lender is at such time a Defaulting Lender hereunder, unless the applicable L/C Issuer has entered into satisfactory arrangements with the applicable Borrower or such Lender to eliminate such L/C Issuer's risk with respect to such Lender; or

F. unless specifically provided for in this Agreement, such Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder.

(iv) Neither L/C Issuer shall amend any Letter of Credit if such L/C Issuer would not be permitted at such time to issue such Letter of Credit in its amended form under the terms hereof.

(v) Neither L/C Issuer shall be under any obligation to amend any Letter of Credit if (A) such L/C Issuer would have no obligation at such time to issue such Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of such Letter of Credit does not accept the proposed amendment to such Letter of Credit.

(vi) U.S. L/C Issuer shall act on behalf of U.S. Lenders and Canadian L/C Issuer shall act on behalf of Canadian Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and each L/C Issuer shall have all of the benefits and immunities (A) provided to Agents in Article IX with respect to any acts taken or omissions suffered by either L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" or "Agent" as used in Article IX included each L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit.

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of U.S. Borrower delivered to U.S. L/C Issuer (with a copy to U.S. Agent) or upon the request of Canadian Borrower delivered to Canadian L/C Issuer (with a copy to Canadian Agent) in the form of a L/C Application, appropriately completed and signed by a Responsible Officer of the applicable Borrower. Such L/C Application must be received by the applicable L/C Issuer and the applicable Agent not later than 10:00 A. M. at least two Business Days (or such later date and time as the applicable Agent and the applicable L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a

request for an initial issuance of a Letter of Credit, such L/C Application shall specify in form and detail satisfactory to the applicable L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount thereof; (C) in the case of U.S. Letters of Credit, whether the Letter of Credit is to be denominated in U.S. Dollars or an Alternative Currency, (D) in the case of Canadian Letters of Credit, whether the Letter of Credit is to be denominated in U.S. Dollars or Canadian Dollars, (E) the expiry date thereof; (F) the name and address of the beneficiary thereof; (G) the documents to be presented by such beneficiary in case of any drawing thereunder; (H) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; and (I) such other matters as the applicable L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such L/C Application shall specify in form and detail satisfactory to the applicable L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the applicable L/C Issuer may require. Additionally, the applicable Borrower shall furnish to the applicable L/C Issuer and the applicable Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as such L/C Issuer or such Agent may reasonably require.

(ii) Promptly after receipt of any L/C Application at the address set forth in Section 10.02 for receiving L/C Applications and related correspondence, the applicable L/C Issuer will confirm with the applicable Agent (by telephone or in writing) that the applicable Agent has received a copy of such L/C Application from the applicable Borrower and, if not, such L/C Issuer will provide the applicable Agent with a copy thereof. Unless (x) in the case of U.S. Letters of Credit, the U.S. L/C Issuer has received written notice from any U.S. Lender, U.S. Agent or any Loan Party, or (y) in the case of Canadian Letters of Credit, Canadian L/C Issuer has received written notice from any Canadian Lender, Canadian Agent or any Loan Party, in either case at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, the applicable L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of Borrower requesting the Letter of Credit or enter into the applicable amendment, as the case may be, in each case in accordance with such L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each U.S. Lender, in the case of a U.S. Letter of Credit, and each Canadian Lender, in the case of a Canadian Letter of Credit, shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the applicable L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Applicable Revolving Credit/Committed Loan Percentage times the amount of such Letter of Credit.

(iii) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, U.S. L/C Issuer, in the case of a U.S. Letter of Credit, will also deliver to U.S. Borrower and U.S. Agent and Canadian L/C Issuer, in the case of a Canadian Letter of Credit, will also deliver to Canadian Borrower and Canadian Agent a true and complete copy of such Letter of Credit or amendment.

(iv) If a Borrower so requests in any applicable L/C Application, the applicable L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an “Auto-Extension Letter of Credit”); provided that any such Auto-Extension Letter of Credit must permit the applicable L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the “Non-Extension Notice Date”) in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the applicable L/C Issuer, the applicable Borrower shall not be required to make a specific request to such L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, U.S. Lenders, in the case of a U.S. Letter of Credit, and Canadian Lenders, in the case of a Canadian Letter of Credit, shall be deemed to have authorized (but may not require) the applicable L/C Issuer to permit the extension of such Letter of Credit at any time to an expiry date not later than the L/C Expiration Date; provided, however, that the applicable L/C Issuer shall not permit any such extension if (A) such L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.04(a) or otherwise), or (B) it has received notice (which may be by telephone or in writing) on or before the day that is five Business Days before the Non-Extension Notice Date (1) from, in the case of a U.S. Letter of Credit, U.S. Agent that Required U.S. Lenders have elected not to permit such extension or, in the case of a Canadian Letter of Credit, Canadian Agent that Required Canadian Lenders have elected not to permit such extension or (2) in the case of a U.S. Letter of Credit from U.S. Agent, any U.S. Lender or U.S. Borrower, or in the case of a Canadian Letter of Credit, from Canadian Agent, any Canadian Lender or Canadian Borrower, that one or more of the applicable conditions specified in Section 4.02 is not then satisfied and directing the applicable L/C Issuer not to permit such extension.

(v) If a Borrower so requests in any applicable Letter of Credit Application, the applicable L/C Issuer may, in its sole and absolute discretion, agree to issue a Letter of Credit that permits the automatic reinstatement of all or a portion of the stated amount thereof after any drawing thereunder (each, an “Auto-Reinstatement Letter of Credit”). Unless otherwise directed by the applicable L/C Issuer, the applicable Borrower shall not be required to make a specific request to such L/C Issuer to permit such reinstatement. Once an Auto-Reinstatement Letter of Credit has been issued, except as provided in the following sentence, U.S. Lenders, in the case of a U.S. Letter of Credit, and Canadian Lenders, in the case of a Canadian Letter of Credit, shall be deemed to have authorized (but may not require) the applicable L/C Issuer to reinstate all or a portion of the stated amount thereof in accordance with the provisions of such Letter of Credit. Notwithstanding the foregoing, if such Auto-Reinstatement Letter of Credit permits the applicable L/C Issuer to decline to reinstate all or any portion of the stated amount thereof after a drawing thereunder by giving notice of such non-reinstatement within a specified number of days after such drawing (the “Non-Reinstatement Deadline”), the applicable L/C Issuer shall not permit such reinstatement if it has received a notice (which may be by telephone or in writing) on or before the day that is five Business Days before the Non-Reinstatement Deadline (A) in the case of a U.S. Letter

of Credit, from U.S. Agent that U.S. Required Lenders have elected not to permit such reinstatement, or in the case of a Canadian Letter of Credit, from Canadian Agent that Required Canadian Lenders have elected not to permit such reinstatement or (B) in the case of a U.S. Letter of Credit, from U.S. Agent, any U.S. Lender or U.S. Borrower, or, in the case of a Canadian Letter of Credit, from Canadian Agent, any Canadian Lender or Canadian Borrower, that one or more of the applicable conditions specified in Section 4.02 is not then satisfied (treating such reinstatement as an L/C Credit Extension for purposes of this clause) and, in each case, directing the applicable L/C Issuer not to permit such reinstatement.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the applicable L/C Issuer shall, in the case of a U.S. Letter of Credit, notify U.S. Borrower and U.S. Agent thereof, or, in the case of a Canadian Letter of Credit, notify Canadian Borrower and Canadian Agent thereof. In the case of a U.S. Letter of Credit denominated in an Alternative Currency, the U.S. Borrower shall reimburse the U.S. L/C Issuer in such Alternative Currency unless (A) the U.S. L/C Issuer (at its option) shall have specified in such notice that it will require reimbursement in U.S. Dollars, or (B) in the absence of any such requirement for reimbursement in U.S. Dollars, the U.S. Borrower shall have notified the U.S. L/C Issuer promptly following receipt of the notice of drawing that the U.S. Borrower will reimburse the U.S. L/C Issuer in U.S. Dollars (such reimbursement may be through the Borrowing of Committed Loans as described below). In the case of any such reimbursement in U.S. Dollars of a drawing under a U.S. Letter of Credit denominated in an Alternative Currency, the U.S. L/C Issuer shall notify the U.S. Borrower of the U.S. Dollar Equivalent of the amount of the drawing promptly following the determination thereof. Not later than 11:00 a.m. on the date of any payment by the applicable L/C Issuer under a Letter of Credit to be reimbursed in U.S. Dollars or Canadian Dollars, or the Applicable Time on the date of any payment by the U.S. L/C Issuer under a Letter of Credit to be reimbursed in an Alternative Currency (each such date, an “Honor Date”), the applicable Borrower shall reimburse the applicable L/C Issuer through the applicable Agent in an amount equal to the amount of such drawing and in the applicable currency. If the applicable Borrower has not otherwise reimbursed the applicable L/C Issuer, then on the date of payment, U.S. Agent shall promptly notify each U.S. Revolving A Credit Lender, in the case of a U.S. Letter of Credit, or Canadian Agent shall notify each Canadian Lender, in the case of a Canadian Letter of Credit, of the Honor Date, the amount and currency of the drawing (the “Unreimbursed Amount”), and the amount of such Lender’s Applicable Revolving Credit/Committed Loan Percentage thereof. In such case, on the Honor Date, the applicable Borrower shall be deemed to have requested a Committed Borrowing of Base Rate Loans, in the case of a U.S. Letter of Credit denominated in U.S. Dollars or an Alternative Currency or a Canadian Letter of Credit denominated in U.S. Dollars, or Canadian Prime Rate Loans, in the case of a Canadian Letter of Credit denominated in Canadian Dollars, to be disbursed in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans or Canadian Prime Rate Loans, as applicable, but subject to the amount of the unutilized portion of the Aggregate Commitments and the conditions set forth in Section 4.02 (other than the delivery of a Committed Loan Notice). Any notice given by either L/C Issuer or either Agent pursuant to this Section 2.04(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each U.S. Revolving A Credit Lender or Canadian Lender, as applicable, shall upon any notice pursuant to Section 2.03(c)(i) make funds available to the applicable Agent for the account of the applicable L/C Issuer, in U.S. Dollars or Canadian Dollars, as applicable, at the applicable Agent's Office in an amount equal to its Applicable Revolving Credit/Committed Loan Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the applicable Agent, whereupon, subject to the provisions of Section 2.04(c)(iii), each Lender that so makes funds available shall be deemed to have made a Base Rate Committed Loan or a Canadian Prime Rate Loan, as applicable, to the applicable Borrower in such amount. The applicable Agent shall remit the funds so received to the applicable L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced (i) by a Committed Borrowing of Base Rate Loans in the case of a U.S. Letter of Credit, or (ii) by a Committed Borrowing of Canadian Prime Rate Loans in the case of a Canadian Letter of Credit because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, the applicable Borrower shall be deemed to have incurred from the applicable L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each U.S. Revolving A Credit Lender's or each Canadian Lender's, as applicable, payment to Agent for the account of L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.04.

(iv) Until each Lender funds its Committed Loan or L/C Advance pursuant to this Section 2.04(c) to reimburse L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Lender's Applicable Revolving Credit/Committed Loan Percentage of such amount shall be solely for the account of the applicable L/C Issuer.

(v) Each U.S. Revolving A Credit Lender's and each Canadian Lender's obligation to make Committed Loans or L/C Advances to reimburse the applicable L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.04(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Lender may have against the applicable L/C Issuer, the applicable Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Lender's obligation to make Committed Loans pursuant to this Section 2.04(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the applicable Borrower of a Committed Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of any Borrower to reimburse the applicable L/C Issuer for the amount of any payment made by the applicable L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Lender fails to make available to U.S. Agent, in the case of a U.S. Letter of Credit, or Canadian Agent, in the case of a Canadian Letter of Credit, for the account of the applicable L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.04(c) by the time specified in Section 2.04(c)(ii), the applicable L/C Issuer shall be entitled to recover from such

Lender (acting through the applicable Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to such L/C Issuer at a rate per annum equal to the applicable Overnight Rate from time to time in effect, plus any administrative, processing or similar fees customarily charged by such L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Committed Loan included in the relevant Committed Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of the applicable L/C Issuer submitted to any Lender (through the applicable Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations.

(i) At any time after either L/C Issuer has made a payment under any Letter of Credit and has received from any Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.04(c), if the applicable Agent receives for the account of such L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the applicable Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the applicable Agent), the applicable Agent will distribute to such Lender its Applicable Revolving Credit/Committed Loan Percentage thereof in the same funds as those received by Agent.

(ii) If any payment received by an Agent for the account of a L/C Issuer pursuant to Section 2.04(c)(i) is required to be returned under any of the circumstances described in Section 10.05 (including pursuant to any settlement entered into by such L/C Issuer in its discretion), each U.S. Revolving A Credit Lender, in the case of a U.S. Letter of Credit, and each Canadian Lender, in the case of a Canadian Letter of Credit, shall pay to the applicable Agent for the account of the applicable L/C Issuer its Applicable Revolving Credit/Committed Loan Percentage thereof on demand of such Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Obligations Absolute. The obligation of a Borrower to reimburse the applicable L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

(i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;

(ii) the existence of any claim, counterclaim, setoff, defense or other right that such Borrower or any Subsidiary may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;

(iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;

(iv) any payment by a L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by a L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law;

(v) any adverse change in the relevant exchange rates or in the availability of the relevant currency to a Borrower or any Subsidiary or in the relevant currency markets generally; or

(vi) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, a Borrower or any Subsidiary.

Each Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with such Borrower's instructions or other irregularity, such Borrower will immediately notify the applicable L/C Issuer. Each Borrower shall be conclusively deemed to have waived any such claim against the applicable L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuers. Each Lender and each Borrower agree that, in paying any drawing under a Letter of Credit, the applicable L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuers, Agents, any of their respective Related Parties nor any correspondent, participant or assignee of any L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of Lenders or Required Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. Each Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude any Borrower's pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuers, Agents, any of their respective Related Parties nor any correspondent, participant or assignee of a L/C Issuer, shall be liable or responsible for any of the matters described in clauses (i) through (vi) of Section 2.04(e); provided, however, that anything in such clauses to the contrary notwithstanding, a Borrower may have a claim against the applicable L/C Issuer, and the applicable L/C Issuer may be liable to a Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by such Borrower which such Borrower proves were caused by

such L/C Issuer's willful misconduct or gross negligence or such L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, each L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and L/C Issuers shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason.

(g) Cash Collateral. (i) Upon the request of U.S. Agent, in the case of a U.S. Letter of Credit, or Canadian Agent, in the case of a Canadian Letter of Credit, (A) if the applicable L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (B) if, as of the L/C Expiration Date, any L/C Obligation for any reason remains outstanding, U.S. Borrower, in the case of a U.S. Letter of Credit, or Canadian Borrower, in the case of a Canadian Letter of Credit, shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all U.S. L/C Obligations and/or Canadian L/C Obligations, as applicable.

(ii) In addition, if the U.S. Agent notifies the U.S. Borrower at any time that the Outstanding Amount of all U.S. L/C Obligations at such time exceeds 105% of the U.S. L/C Credit Sublimit or if the Canadian Agent notifies the Canadian Borrower at any time that the Outstanding Amount of all Canadian L/C Obligations at such time exceeds 105% of the Canadian L/C Sublimit, as applicable, then in effect, then, within two Business Days after receipt of such notice, the applicable Borrower shall Cash Collateralize the applicable L/C Obligations in an amount equal to the amount by which the Outstanding Amount of such L/C Obligations exceeds the U.S. L/C Sublimit or the Canadian L/C Sublimit, as applicable.

(iii) The applicable Agent may, at any time and from time to time after the initial deposit of Cash Collateral, request that additional Cash Collateral be provided in order to protect against the results of exchange rate fluctuations, provided that, with respect to any Letter of Credit, the amount of Cash Collateral securing such Letter of Credit shall not exceed 105% of the amount of such Letter of Credit (as determined in accordance with Section 1.06).

(iv) Sections 2.06 and 8.02(c) set forth certain additional requirements to deliver Cash Collateral hereunder. For purposes hereof, "Cash Collateralize" means to pledge and deposit with or deliver to the applicable Agent, for the benefit of the applicable L/C Issuer and the applicable Lenders, as collateral for the L/C Obligations, cash or deposit account balances pursuant to documentation in form and substance satisfactory to the applicable Agent and the applicable L/C Issuer (which documents are hereby consented to by the applicable Lenders). Derivatives of such term have corresponding meanings. U.S. Borrower hereby grants to U.S. Agent, for the benefit of U.S. L/C Issuer and U.S. Lenders, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. The Canadian Borrower hereby grants to Canadian Agent, for the benefit of Canadian L/C Issuer and Canadian Lenders, a security interest in all such cash, deposit accounts and all balances therein and all proceeds of the foregoing. Cash collateral shall be maintained in blocked, non-interest bearing deposit accounts at Bank of America or Bank of America Canada, as applicable.

All amounts of cash or deposit account balances under this clause (g), to the extent not applied to the Obligations in accordance with the terms of this Agreement, shall be returned to the applicable Borrower within three (3) Business Days after all L/C Borrowings of such Borrower have been paid, all Events of Default shall have been waived or cured and such Borrower has provided a written request for the return of such funds.

(h) Applicability of ISP and UCP. Unless otherwise expressly agreed by the applicable L/C Issuer and the applicable Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), (i) the rules of the ISP shall apply to each standby Letter of Credit, and (ii) the rules of the Uniform Customs and Practice for Documentary Credits, as most recently published by the International Chamber of Commerce (the “ICC”) at the time of issuance shall apply to each commercial Letter of Credit.

(i) L/C Fees. U.S. Borrower shall pay to U.S. Agent for the account of each U.S. Revolving A Credit Lender, and Canadian Borrower shall pay to Canadian Agent for the account of each Canadian Lender, in accordance with its Applicable Percentage a Letter of Credit fee (the “L/C Fee”) (i) for each commercial Letter of Credit equal to the Applicable Rate times the daily amount available to be drawn under such Letter of Credit, and (ii) for each standby Letter of Credit equal to the Applicable Rate times the daily amount available to be drawn under such Letter of Credit. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. L/C Fees shall be (i) due and payable on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the L/C Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Rate during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Lenders, while any Event of Default exists, all L/C Fees shall accrue at the Default Rate.

(j) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuers. The applicable Borrower shall pay directly to the applicable L/C Issuer for its own account a fronting fee (i) with respect to each commercial Letter of Credit, at the rate of 0.125%, computed on the amount of such Letter of Credit, and payable upon the issuance thereof, (ii) with respect to any amendment of a commercial Letter of Credit increasing the amount of such Letter of Credit, at a rate separately agreed between the applicable Borrower and the applicable L/C Issuer, computed on the amount of such increase, and payable upon the effectiveness of such amendment, and (iii) with respect to each standby Letter of Credit, at the rate per annum equal to 0.125%, computed on the daily amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable on the tenth Business Day after the end of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the L/C Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.06. In addition, each Borrower shall pay directly to the applicable L/C Issuer for its own account the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of such L/C Issuer relating to letters of credit as from time to

time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(k) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Documents, the terms hereof shall control.

(l) Letters of Credit Issued for Subsidiaries. Notwithstanding that a U.S. Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the applicable Borrower, shall be obligated to reimburse the applicable L/C Issuer hereunder for any and all drawings under such Letter of Credit. Each Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of such Borrower, and that such Borrower's business derives substantial benefits from the businesses of such Subsidiaries.

2.05 U.S. Swing Line Loans.

(a) The U.S. Swing Line. Subject to the terms and conditions set forth herein, U.S. Swing Line Lender agrees, in reliance upon the agreements of the other U.S. Revolving A Credit Lenders set forth in this Section 2.05, to make loans (each such loan, a "U.S. Swing Line Loan") to U.S. Borrower from time to time on any U.S. Business Day during the Availability Period in an aggregate amount not to exceed at any time outstanding the amount of the U.S. Swing Line Sublimit, notwithstanding the fact that such U.S. Swing Line Loans, when aggregated with the Applicable Revolving Credit/Committed Loan Percentage of the Outstanding Amount of U.S. Committed Loans and U.S. L/C Obligations of U.S. Lender acting as U.S. Swing Line Lender, may exceed the amount of such U.S. Lender's Commitment; provided, however, that after giving effect to any U.S. Swing Line Loan, (i) the Total U.S. Revolving A Credit Outstandings shall not exceed the lesser of (x) the Aggregate U.S. Revolving A Credit Commitments or (y) the amount (if any) by which the U.S. Borrowing Base exceeds the Total U.S. Revolving B Credit Outstandings, and (ii) the aggregate Outstanding Amount of the U.S. Revolving A Credit Loans of any U.S. Lender, plus such U.S. Lender's Applicable Revolving Credit/Committed Loan Percentage of the Outstanding Amount of all U.S. L/C Obligations, plus such U.S. Lender's Applicable Revolving Credit/Committed Loan Percentage of the Outstanding Amount of all U.S. Swing Line Loans shall not exceed such U.S. Lender's U.S. Revolving A Credit Commitment, and provided, further, that U.S. Borrower shall not use the proceeds of any U.S. Swing Line Loan to refinance any outstanding U.S. Swing Line Loan. Within the foregoing limits, and subject to the other terms and conditions hereof, U.S. Borrower may borrow under this Section 2.05, prepay under Section 2.06 and reborrow under this Section 2.05. Each U.S. Swing Line Loan shall be a Base Rate Loan. Immediately upon the making of a U.S. Swing Line Loan, each U.S. Revolving A Credit Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from U.S. Swing Line Lender a risk participation in such U.S. Swing Line Loan in an amount equal to the product of such U.S. Revolving A Credit Lender's Applicable Revolving Credit/Committed Loan Percentage times the amount of such U.S. Swing Line Loan.

(b) Borrowing Procedures. Each U.S. Swing Line Borrowing shall be made upon U.S. Borrower's irrevocable written Swing Line Loan Notice to U.S. Swing Line Lender and U.S. Agent, which may be given by facsimile. Each such written Swing Line Loan Notice must be received by U.S. Swing Line Lender and U.S. Agent not later than 1:00 p.m. on the requested borrowing date, and shall specify (i) the amount to be borrowed, which shall be a minimum of \$200,000, and (ii) the requested borrowing date, which shall be a U.S. Business Day. Each such written Swing Line Loan Notice must be appropriately completed and signed by a Responsible

Officer of U.S. Borrower. Promptly after receipt by U.S. Swing Line Lender of any Swing Line Loan Notice, U.S. Swing Line Lender will confirm with U.S. Agent (by telephone or in writing) that U.S. Agent has also received such Swing Line Loan Notice and, if not, U.S. Swing Line Lender will notify U.S. Agent (by telephone or in writing) of the contents thereof. Unless U.S. Swing Line Lender has received notice (by telephone or in writing) from U.S. Agent (including at the request of any U.S. Lender) prior to 2:00 p.m. on the date of the proposed U.S. Swing Line Borrowing (A) directing U.S. Swing Line Lender not to make such Swing Line Loan as a result of the limitations set forth in the proviso to the first sentence of Section 2.05(a), or (B) that one or more of the applicable conditions specified in Article IV is not then satisfied, then, subject to the terms and conditions hereof, U.S. Swing Line Lender will, not later than 3:00 p.m. on the borrowing date specified in such Swing Line Loan Notice, make the amount of its U.S. Swing Line Loan available to U.S. Borrower at its office by crediting the account of U.S. Borrower on the books of U.S. Swing Line Lender in Same Day Funds. U.S. Lenders agree that U.S. Swing Line Lender may agree to modify the borrowing procedures used in connection with the U.S. Swing Line in its discretion and without affecting any of the obligations of U.S. Lenders hereunder other than notifying U.S. Agent of a Swing Line Loan Notice.

(c) Refinancing of U.S. Swing Line Loans.

(i) U.S. Swing Line Lender at any time in its sole and absolute discretion may request, on behalf of U.S. Borrower (which hereby irrevocably authorizes U.S. Swing Line Lender to so request on its behalf), that each U.S. Revolving A Credit Lender make a Base Rate U.S. Revolving A Credit Loan in an amount equal to such U.S. Revolving A Credit Lender's Applicable Revolving Credit/Committed Loan Percentage of the amount of U.S. Swing Line Loans then outstanding. Such request shall be made in writing (which written request shall be deemed to be a Committed Loan Notice for purposes hereof) and in accordance with the requirements of Section 2.02, without regard to the minimum and multiples specified therein for the principal amount of Base Rate Loans, but subject to the unutilized portion of the Aggregate U.S. Revolving A Credit Commitments and the conditions set forth in Section 4.02. U.S. Swing Line Lender shall furnish U.S. Borrower with a copy of the applicable Committed Loan Notice promptly after delivering such notice to U.S. Agent. Each U.S. Revolving A Credit Lender shall make an amount equal to its Applicable Revolving Credit/Committed Loan Percentage of the amount specified in such Committed Loan Notice available to U.S. Agent in Same Day Funds for the account of U.S. Swing Line Lender at U.S. Agent's Office not later than 1:00 p.m. on the day specified in such Committed Loan Notice, whereupon, subject to Section 2.05(c)(ii), each U.S. Revolving A Credit Lender that so makes funds available shall be deemed to have made a Base Rate U.S. Revolving A Credit Loan to U.S. Borrower in such amount. U.S. Agent shall remit the funds so received to U.S. Swing Line Lender.

(ii) If for any reason any U.S. Swing Line Loan cannot be refinanced by such a Committed Borrowing in accordance with Section 2.05(c)(i), the request for Base Rate U.S. Revolving A Credit Loans submitted by U.S. Swing Line Lender as set forth herein shall be deemed to be a request by U.S. Swing Line Lender that each of the U.S. Revolving A Credit Lenders fund its risk participation in the relevant U.S. Swing Line Loan and each U.S. Revolving A Credit Lender's payment to U.S. Agent for the account of U.S. Swing Line Lender pursuant to Section 2.05(c)(i) shall be deemed payment in respect of such participation.

(iii) If any U.S. Revolving A Credit Lender fails to make available to U.S. Agent for the account of U.S. Swing Line Lender any amount required to be paid by such U.S. Revolving A Credit Lender pursuant to the foregoing provisions of this Section 2.05(c) by the time specified in Section 2.05(c)(i), U.S. Swing Line Lender shall be entitled to recover from such U.S. Revolving A Credit Lender (acting through U.S. Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to U.S. Swing Line Lender at a rate per annum equal to the applicable Overnight Rate from time to time in effect, plus any administrative, processing or similar fees customarily charged by U.S. Swing Line Lender in connection with the foregoing. If such U.S. Revolving A Credit Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Committed Loan included in the relevant Committed Borrowing or funded participation in the relevant U.S. Swing Line Loan, as the case may be. A certificate of U.S. Swing Line Lender submitted to any U.S. Revolving A Credit Lender (through U.S. Agent) with respect to any amounts owing under this clause (iii) shall be conclusive absent manifest error.

(iv) Each U.S. Revolving A Credit Lender's obligation to make U.S. Revolving A Credit Loans or to purchase and fund risk participations in U.S. Swing Line Loans pursuant to this Section 2.05(c) shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such U.S. Revolving A Credit Lender may have against U.S. Swing Line Lender, U.S. Borrower or any other Person for any reason whatsoever, (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each U.S. Revolving A Credit Lender's obligation to make U.S. Revolving A Credit Loans pursuant to this Section 2.05(c) is subject to the conditions set forth in Section 4.02. No such funding of risk participations shall relieve or otherwise impair the obligation of U.S. Borrower to repay U.S. Swing Line Loans, together with interest as provided herein.

(d) Repayment of Participations.

(i) At any time after any U.S. Revolving A Credit Lender has purchased and funded a risk participation in a U.S. Swing Line Loan, if U.S. Swing Line Lender receives any payment on account of such U.S. Swing Line Loan, U.S. Swing Line Lender will distribute to such U.S. Revolving A Credit Lender its Applicable Revolving Credit/Committed Loan Percentage thereof in the same funds as those received by U.S. Swing Line Lender.

(ii) If any payment received by U.S. Swing Line Lender in respect of principal or interest on any U.S. Swing Line Loan is required to be returned by U.S. Swing Line Lender under any of the circumstances described in Section 10.05 (including pursuant to any settlement entered into by U.S. Swing Line Lender in its discretion), each U.S. Revolving A Credit Lender shall pay to U.S. Swing Line Lender its Applicable Revolving Credit/Committed Loan Percentage thereof on demand of U.S. Agent, plus interest thereon from the date of such demand to the date such amount is returned, at a rate per annum equal to the applicable Overnight Rate. U.S. Agent will make such demand upon the request of U.S. Swing Line Lender. The obligations of U.S. Revolving A Credit Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(e) Interest for Account of U.S. Swing Line Lender. U.S. Swing Line Lender shall be responsible for invoicing U.S. Borrower for interest on the U.S. Swing Line Loans. Until each U.S. Revolving A Credit Lender funds its Base Rate U.S. Revolving A Credit Loan or risk participation pursuant to this Section 2.05 to refinance such U.S. Revolving A Credit Lender's Applicable Revolving Credit/Committed Loan Percentage of any U.S. Swing Line Loan, interest in respect of such Applicable Revolving Credit/Committed Loan Percentage shall be solely for the account of U.S. Swing Line Lender.

(f) Payments Directly to U.S. Swing Line Lender. U.S. Borrower shall make all payments of principal and interest in respect of the U.S. Swing Line Loans directly to U.S. Swing Line Lender.

2.06 Prepayments.

(a) Optional.

(i) Borrowers may, upon notice to U.S. Agent, in the case of U.S. Committed Loans, or to Canadian Agent, in the case of Canadian Committed Loans, at any time or from time to time voluntarily prepay Committed Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the applicable Agent not later than 10:00 A. M. (A) three Business Days prior to any date of prepayment of Eurodollar Rate Loans denominated in U.S. Dollars, (B) four Business Days prior to any date of prepayment of Eurodollar Rate Loans denominated in Alternative Currencies and (C) on the date of prepayment of Base Rate Committed Loans or Canadian Prime Rate Loans; (ii) any prepayment of Eurodollar Rate Loans shall be in a principal amount of \$1,000,000 or a whole multiple of \$500,000 in excess thereof; (iii) any prepayment of Base Rate Committed Loans shall be in a principal amount of U.S. \$500,000 or a whole multiple of \$100,000 in excess thereof and (iv) any prepayment of Canadian Prime Rate Loans shall be in a principal amount of Cdn. \$500,000 or a whole multiple of Cdn. \$100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment and the Class(es) and the Type(s) of Committed Loans and the Facility to be prepaid and, if Eurodollar Rate Committed Loans are to be prepaid, the Interest Period(s) of such Loans. U.S. Agent, in the case of prepayment of U.S. Committed Loans, and Canadian Agent, in the case of prepayment of Canadian Committed Loans (other than Acceptances or Discount Notes), will promptly notify each applicable Lender of its receipt of each such notice, and of the amount of such Lender's ratable portion of such prepayment (based on such Lender's Applicable Percentage in respect of the relevant Facility). If such notice is given by a Borrower, such Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurodollar Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Each such prepayment shall be applied to the Committed Loans of the applicable Lenders in accordance with their respective Applicable Percentages of the relevant Facility being prepaid.

(ii) U.S. Borrower may, upon notice to U.S. Swing Line Lender (with a copy to U.S. Agent), at any time or from time to time, voluntarily prepay U.S. Swing Line Loans in whole or in part without premium or penalty; provided that (i) such notice must be received by the U.S. Swing Line Lender and U.S. Agent not later than 1:00 p.m. on the date of the prepayment, and (ii) any such prepayment shall be in a minimum principal amount of U.S. \$100,000 or, if less, the entire principal amount thereof then outstanding. Each such notice shall specify the date and amount of such prepayment. If such notice is given by U.S. Borrower, U.S. Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein.

(b) Mandatory.

(i) If for any reason the Total U.S. Revolving A Credit Outstandings at any time exceed the lesser of (A) the Aggregate U.S. Revolving A Credit Commitments then in effect or (B) the amount (if any) by which the U.S. Borrowing Base exceeds the Total U.S. Revolving B Credit Outstandings, U.S. Borrower shall immediately prepay U.S. Revolving A Credit Loans and/or Cash Collateralize the U.S. L/C Obligations in an aggregate amount equal to such excess; provided, however, that (1) if such excess is the result of currency exchange rate fluctuations (as determined on any Revaluation Date), then U.S. Borrower shall have two Business Days after receipt of notice from U.S. Agent of such overadvance to make such prepayment and (2) U.S. Borrower shall not be required to Cash Collateralize the U.S. L/C Obligations pursuant to this Section 2.06(b)(ix) unless after the prepayment in full of the U.S. Revolving A Credit Loans the Total U.S. Revolving A Credit Outstandings exceed the lesser of (A) the Aggregate U.S. Revolving A Credit Commitments then in effect or (B) the amount (if any) by which the U.S. Borrowing Base exceeds the Total U.S. Revolving B Credit Outstandings.

(ii) If for any reason the Total Canadian Outstandings at any time exceed the lesser of (A) the Aggregate Canadian Commitments then in effect or (B) the Canadian Borrowing Base, Canadian Borrower shall immediately prepay Canadian Loans and/or Cash Collateralize the Canadian L/C Obligations in an aggregate amount equal to such excess; provided, however, that Canadian Borrower shall not be required to Cash Collateralize the Canadian L/C Obligations pursuant to this Section 2.06(b)(ii) unless after the prepayment in full of the Canadian Loans the Total Canadian Outstandings exceed the lesser of (A) the Aggregate Canadian Commitments then in effect or (ii) the Canadian Borrowing Base.

(iii) If for any reason the Total U.S. Revolving B Credit Outstandings at any time exceed the lesser of (A) the Aggregate U.S. Revolving B Credit Commitments then in effect or (B) the amount (if any) by which the U.S. Borrowing Base exceeds the Total U.S. Revolving A Credit Outstandings, U.S. Borrower and/or U.K. Borrower shall immediately prepay U.S. Revolving B Credit Loans in an aggregate amount equal to such excess; provided, however, that if such excess is the result of currency exchange rate fluctuations (as determined on any Revaluation Date), then the applicable Borrowers shall have

two Business Days after receipt of notice from U.S. Agent of such overadvance to make such prepayment.

2.07 Termination or Reduction of Commitments.

(a) Optional. U.S. Borrower may, upon notice to U.S. Agent and Canadian Borrower may, upon notice to Canadian Agent, terminate the Aggregate U.S. Revolving A Credit Commitments, the Aggregate U.S. Revolving B Credit Commitments or the Aggregate Canadian Commitments, as the case may be, or from time to time permanently reduce the Aggregate U.S. Revolving A Credit Commitments, the Aggregate U.S. Revolving B Credit Commitments or the Aggregate Canadian Commitments, as the case may be; provided that (i) any such notice shall be received by the applicable Agent not later than 10:00 a.m. five Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of \$1,000,000 or any whole multiple of \$500,000 in excess thereof, (iii) Borrowers shall not terminate or reduce the Aggregate U.S. Revolving A Credit Commitments, the Aggregate U.S. Revolving B Credit Commitments or the Aggregate Canadian Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total U.S. Revolving A Credit Outstandings would exceed the Aggregate U.S. Revolving A Credit Commitments, the Total U.S. Revolving B Credit Outstandings would exceed the Aggregate U.S. Revolving B Credit Outstandings or the Total Canadian Outstandings would exceed the Aggregate Canadian Commitments, (iv) if, after giving effect to any reduction of the Aggregate U.S. Revolving A Credit Commitments, the U.S. L/C Sublimit or the U.S. Swing Line Sublimit exceeds the amount of the Aggregate U.S. Revolving A Credit Commitments, such Sublimit shall be automatically reduced by the amount of such excess; and (v) if, after giving effect to any reduction of the Aggregate Canadian Commitments, the Canadian L/C Sublimit exceeds the amount of the Aggregate Canadian Commitments, such Sublimit shall be automatically reduced by the amount of such excess. The applicable Agent will promptly notify the applicable Lenders of any such notice of termination or reduction of the Aggregate U.S. Revolving A Credit Commitments, the Aggregate U.S. Revolving B Credit Commitments or the Aggregate Canadian Commitments. Any reduction of the Aggregate U.S. Revolving A Credit Commitments shall be applied to the U.S. Revolving A Credit Commitment of each U.S. Revolving A Credit Lender according to its Applicable Revolving Credit/Committed Loan Percentage, any reduction of the Aggregate U.S. Revolving B Credit Commitments shall be applied to the U.S. Revolving B Credit Commitment of each U.S. Revolving B Credit Lender according to its Applicable Revolving Credit/Committed Loan Percentage and any reduction of the Aggregate Canadian Commitments shall be applied to the Canadian Commitment of each Canadian Lender according to its Applicable Revolving Credit/Committed Loan Percentage. All fees accrued until the effective date of any termination of the Aggregate U.S. Revolving A Credit Commitments, the Aggregate U.S. Revolving B Credit Commitments or the Aggregate Canadian Commitments, as the case may be, shall be paid on the effective date of such termination.

(b) [Intentionally Omitted].

2.08 Repayment of Loans.

(a) U.S. Revolving A Credit Loans. U.S. Borrower shall repay to U.S. Revolving A Credit Lenders on the Maturity Date the aggregate principal amount of U.S. Revolving A Credit Loans outstanding to U.S. Borrower on such date.

(b) U.S. Revolving B Credit Loans. U.S. Borrower shall repay to U.S. Revolving B Credit Lenders on the Maturity Date the aggregate principal amount of U.S. Revolving B Credit Loans outstanding to U.S. Borrower on such date. U.K. Borrower shall repay to U.S. Revolving B Credit Lenders on the Maturity Date the aggregate principal amount of U.S. Revolving B Credit Loans outstanding to U.K. Borrower on such date.

(c) U.S. Swing Line Loans. U.S. Borrower shall repay to U.S. Swing Line Lender each U.S. Swing Line Loan on the earlier to occur of (i) demand by U.S. Swing Line Lender and (ii) the Maturity Date.

(d) Canadian Committed Loans. Canadian Borrower shall repay to Canadian Lenders on the Maturity Date the aggregate principal amount of Canadian Committed Loans outstanding to Canadian Borrower on such date.

2.09 Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurodollar Rate Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurodollar Rate for such Interest Period plus the Applicable Rate plus (in the case of a Eurodollar Rate Loan made to the U.K. Borrower of any Lender which is lent from a Lending Office in the United Kingdom or a Participating Member State) the Mandatory Cost; (ii) each Base Rate Committed Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate; (iii) each U.S. Swing Line Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Rate; and (iv) each Canadian Prime Rate Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Canadian Prime Rate plus the Applicable Rate.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) If any amount (other than principal of any Loan) payable by a Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Upon the request of Required Lenders, while any Event of Default exists, Borrowers shall pay interest on the principal amount of all outstanding Obligations

hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iv) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.10 Fees.

In addition to certain fees described in subsections (i) and (j) of Section 2.04:

(a) Commitment Fees. U.S. Borrower shall pay to U.S. Agent for the account of each U.S. Revolving A Credit Lender in accordance with its Applicable Revolving Credit/Committed Loan Percentage, a commitment fee equal to the Applicable Rate times the actual daily amount by which the Aggregate U.S. Revolving A Credit Commitments exceed the sum of (i) the Outstanding Amount of U.S. Revolving A Credit Loans and (ii) the Outstanding Amount of U.S. L/C Obligations. U.S. Borrower shall pay to U.S. Agent for the account of each U.S. Revolving B Credit Lender in accordance with its Applicable Revolving Credit/Committed Loan Percentage, a commitment fee equal to the Applicable Rate times the actual daily amount by which the Aggregate U.S. Revolving B Credit Commitments exceed the Outstanding Amount of U.S. Revolving B Credit Loans. Canadian Borrower shall pay to Canadian Agent for the account of each Canadian Lender in accordance with its Applicable Revolving Credit/Committed Loan Percentage, a commitment fee equal to the Applicable Rate times the actual daily amount by which the Aggregate Canadian Commitments exceed the sum of (i) the Outstanding Amount of Canadian Committed Loans and (ii) the Outstanding Amount of Canadian L/C Obligations. The commitment fees shall accrue at all times during the Availability Period, including at any time during which one or more of the conditions in Article IV is not met, and shall be due and payable quarterly in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date, and on the last day of the Availability Period. The commitment fees shall be calculated quarterly in arrears, and if there is any change in the Applicable Rate during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Rate separately for each period during such quarter that such Applicable Rate was in effect. For purposes of computing the commitment fee, U.S. Swing Line Loans shall not be counted towards or considered usage of the Aggregate U.S. Revolving A Credit Commitments.

(b) Agent's Fees. U.S. Borrower shall pay to U.S. Agent for Agent's own account, fees in the amounts and at the times specified in the letter agreement, dated October 24, 2007 (the "Agent Fee Letter"), among U.S. Borrower, U.S. Agent and Banc of America Securities LLC. Such fees shall be fully earned when paid and shall be nonrefundable for any reason whatsoever.

(c) **Lenders' Upfront Fee.** On the Closing Date, U.S. Borrower shall pay to U.S. Agent, for the account of each U.S. Lender an upfront fee in the amount specified in the Agent Fee Letter. On the Closing Date, Canadian Borrower shall pay to Canadian Agent, for the account of each Canadian Lender, an upfront fee in the amount specified in the Agent Fee Letter. Such upfront fees are for the credit facilities committed by Lenders under this Agreement and are fully earned on the date paid. The upfront fee paid to each Lender is solely for its own account and is nonrefundable for any reason whatsoever.

(d) **Acceptance Fees.** Canadian Borrower agrees to pay to each Canadian Lender a fee (the "Acceptance Fee") in advance, at a rate per annum equal to the Applicable Rate, on the date of acceptance of each Acceptance. All Acceptance Fees shall be calculated on the face amount of the Acceptance issued and computed on the basis of the actual number of days in the term thereof and a year of 365 or 366 days, as the case may be, and shall be payable in Canadian Dollars. The Acceptance Fee shall be in addition to any other fees payable to each Canadian Lender in connection with the issuance or discounting of such Acceptance.

2.11 Computation of Interest and Fees.

(a) All computations of interest for Base Rate Loans and Canadian Prime Rate Loans shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All computations of interest for Eurodollar Rate Loans denominated in Sterling shall be made on the basis of a year of 365 days and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year), or, in the case of interest in respect of Loans denominated in Alternative Currencies as to which market practice differs from the foregoing, in accordance with such market practice. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.13(a), bear interest for one day. Each determination by either Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error.

(b) With respect to Canadian Loans and fees relating thereto, unless otherwise stated herein, wherever reference is made to a rate of interest "per annum" or a similar expression, such interest shall be calculated on the basis of a calendar year of 365 days or 366 days, as the case may be, and using the nominal rate method of calculation, and shall not be calculated using the effective rate method of calculation or on any other basis that gives effect to the principle of deemed reinvestment of interest.

(c) For the purposes of the Interest Act (Canada) and disclosure thereunder, whenever interest to be paid with respect to Canadian Loans or fees relating thereto is to be calculated on the basis of a year of 360 days or any other period of time that is less than a calendar year, the yearly rate of interest to which the rate determined pursuant to such calculation is equivalent is the rate so determined multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by either 360 or such other period of time, as the case may be.

2.12 Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the applicable Agent in the ordinary course of business. The accounts or records maintained by each Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by Lenders to Borrowers and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of Borrowers hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of any Agent in respect of such matters, the accounts and records of such Agent shall control in the absence of manifest error. Upon the request of any Lender made through the applicable Agent, the applicable Borrower shall execute and deliver to such Lender (through the applicable Agent) a Note, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a), each Lender and each Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit and U.S. Swing Line Loans. In the event of any conflict between the accounts and records maintained by any Agent and the accounts and records of any Lender in respect of such matters, the accounts and records of such Agent shall control in the absence of manifest error.

2.13 Payments Generally; Agent's Clawback.

(a) General. All payments to be made by each Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein,

(i) all payments by U.S. Borrower or U.K. Borrower hereunder with respect to principal and interest on Committed Loans denominated in an Alternative Currency shall be made to the U.S. Agent, for the account of the applicable U.S. Lenders, at the applicable U.S. Agent's Office in such Alternative Currency and in Same Day Funds not later than the Applicable Time specified by the U.S. Agent on the dates specified herein and (ii) all other payments by Borrowers hereunder shall be made to the applicable Agent, for the account of the respective Lenders to which such payment is owed, at the applicable Agent's Office in U.S. Dollars, in the case of U.S. Borrower or the U.K. Borrower, or U.S. Dollars or Canadian Dollars, as the case may be, in the case of Canadian Borrower and in Same Day Funds not later than 11:00 A. M. on the date specified herein. Without limiting the generality of the foregoing, U.S. Agent may require that any payments due under this Agreement be made in the United States unless such requirement would subject the applicable Borrower to adverse tax consequences. U.S. Agent will promptly distribute to each U.S. Lender and Canadian Agent shall distribute to each Canadian Lender its Applicable Percentage (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by either Agent (i) after 11:00 A. M., in the case of U.S. Dollars or Canadian Dollars, or (ii) after the Applicable Time specified by the U.S. Agent in the case of payments in an Alternative Currency, shall in each case be deemed received on the next succeeding Business Day and any applicable interest or

fee shall continue to accrue. If any payment to be made by a Borrower shall come due on a day other than a U.S. Business Day, in the case of U.S. Borrower or U.K. Borrower, or a Canadian Business Day, in the case of Canadian Borrower, payment shall be made on the next following U.S. Business Day or Canadian Business Day, as the case may be, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(ii) Funding by Lenders; Presumption by Agents. Unless the applicable Agent shall have received notice from a Lender prior to the proposed date of any Committed Borrowing of Eurodollar Rate Loans (or, in the case of any Committed Borrowing of Base Rate Loans or Canadian Prime Rate Loans, prior to 11:00 A. M. on the date of such Committed Borrowing) that such Lender will not make available to the applicable Agent such Lender's share of such Committed Borrowing, the applicable Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Committed Borrowing of Base Rate Loans or Canadian Prime Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the applicable Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Committed Borrowing available to the applicable Agent, then the applicable Lender and the applicable Borrower severally agree to pay to the applicable Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the applicable Borrower to but excluding the date of payment to the applicable Agent, at (A) in the case of a payment to be made by such Lender, the applicable Overnight Rate, plus any administrative, processing or similar fees customarily charged by U.S. Agent in connection with the foregoing; (B) in the case of a payment to be made by U.S. Borrower or U.K. Borrower, in lieu of the rate applicable pursuant to Section 2.09, the interest rate applicable to Base Rate Loans, and (C) in the case of a payment to be made by Canadian Borrower, in lieu of the rate applicable pursuant to Section 2.09, the interest rate applicable to Canadian Prime Rate Loans in the case of Canadian Loans denominated in Canadian Dollars, or the interest rate applicable to Base Rate Loans in the case of Canadian Loans denominated in U.S. Dollars. If the applicable Borrower and the applicable Lender shall pay such interest to the applicable Agent for the same or an overlapping period, the applicable Agent shall promptly remit to the applicable Borrower the amount of such interest paid by such Borrower for such period. If such Lender pays its share of the applicable Committed Borrowing to the applicable Agent, then the amount so paid shall constitute such Lender's Committed Loan included in such Committed Borrowing. Any payment by the applicable Borrower shall be without prejudice to any claim such Borrower may have against such Lender that shall have failed to make such payment to the applicable Agent.

(iii) Payments by a Borrower; Presumptions by Agents. Unless the applicable Agent shall have received notice from the applicable Borrower prior to the date on which any payment is due to such Agent for the account of the applicable Lenders or the applicable L/C Issuer hereunder that such Borrower will not make such payment, such Agent may assume that such Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the applicable Lenders or the applicable L/C Issuer, as the case may be, the amount due. In such event, if such Borrower has not in fact made such payment, then each of the applicable Lenders or the applicable L/C Issuer, as the case may be, severally agrees to repay to the applicable Agent forthwith on demand the amount so distributed to such

Lender or such L/C Issuer, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the applicable Agent, at the Overnight Rate A notice of the applicable Agent to any Lender or the applicable Borrower with respect to any amount owing under this subsection (a) shall be conclusive, absent manifest error.

(b) **Failure to Satisfy Conditions Precedent.** If any Lender makes available to the applicable Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the applicable Borrower by the applicable Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, such Agent shall promptly return such funds (in like funds as received from such Lender) to such Lender, without interest.

(c) **Obligations of Lenders Several.** The obligations of U.S. Lenders hereunder to make U.S. Committed Loans, to fund participations in U.S. Letters of Credit and U.S. Swing Line Loans and to make payments under Section 10.04(c) are several and not joint. The obligations of Canadian Lenders hereunder to make Canadian Committed Loans, to fund participations in Canadian Letters of Credit and to make payments under Section 10.04(c) are several and not joint. The failure of any Lender to make any Committed Loan, to fund any such participation or to make any payment under Section 10.04(c) on any date required hereunder shall not relieve any other Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Committed Loan, purchase its participation or to make its payment under Section 10.04(c).

(d) **Funding Source.** Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.14 Sharing of Payments.

(a) **U.S. Lenders.** If any U.S. Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the U.S. Committed Loans made by it, or the participations in U.S. L/C Obligations or in U.S. Swing Line Loans held by it resulting in such U.S. Lender's receiving payment of a proportion of the aggregate amount of such U.S. Committed Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the U.S. Lender receiving such greater proportion shall (a) notify U.S. Agent of such fact, and (b) purchase (for cash at face value) participations in the U.S. Committed Loans and subparticipations in U.S. L/C Obligations and U.S. Swing Line Loans of the other U.S. Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by U.S. Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective U.S. Committed Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by U.S. Borrower or U.K. Borrower pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a U.S. Lender as consideration for the assignment of or sale of a participation in any of its U.S. Committed Loans or subparticipations in U.S. L/C Obligations or U.S. Swing Line Loans to any assignee or participant, other than to U.S. Borrower, U.K. Borrower or any Subsidiary thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable Law, that any U.S. Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

(b) **Canadian Lenders.** If any Canadian Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Canadian Committed Loans made by it, or the participations in Canadian L/C Obligations or Obligations in respect of Acceptances held by it resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Canadian Committed Loans or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Canadian Lender receiving such greater proportion shall (a) notify Canadian Agent of such fact, and (b) purchase (for cash at face value) participations in the Canadian Committed Loans and subparticipations in Canadian L/C Obligations and Obligations in respect of Acceptances of the other Canadian Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by Canadian Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Canadian Committed Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by Canadian Borrower pursuant to and in accordance with the express terms of this Agreement or (y) any payment obtained by a Canadian Lender as consideration for the assignment of or sale of a participation in any of its Canadian Committed Loans or subparticipations in Canadian L/C Obligations or in Acceptance Obligations to any assignee or participant, other than to Canadian Borrower or any Subsidiary thereof (as to which the provisions of this Section shall apply).

Each Loan Party consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Canadian Lender acquiring a participation pursuant to the foregoing arrangements may exercise against such Loan Party rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of such Loan Party in the amount of such participation.

ARTICLE III
TAXES, YIELD PROTECTION AND ILLEGALITY

3.01 Taxes.

(a) Payments Free of Taxes. Any and all payments by a Borrower to or on account of any obligation of a Borrower hereunder or under any other Loan Document shall be made free and clear of and without deduction or withholding for any Indemnified Taxes or Other Taxes, provided that if a Borrower shall be required by any applicable law to deduct any Indemnified Taxes or Other Taxes from such payments, then, (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section), the applicable Agent, Lender or L/C Issuer, as the case may be, receives an amount equal to the sum it would have received had no such deductions been made, (ii) the applicable Borrower shall make such deductions, and (iii) the applicable Borrower shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) Payment of Other Taxes by Borrowers. Without limiting the provisions of subsection (a) above, Borrowers shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) Indemnification by Borrowers. Each Borrower shall indemnify each Agent, each Lender and each L/C Issuer, within 10 days after demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by such Agent, such Lender or such L/C Issuer, as the case may be, on or with respect to any payment by or on account of any obligation of a Borrower hereunder and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the applicable Borrower by a Lender or a L/C Issuer (with a copy to the applicable Agent), or by the applicable Agent on its own behalf or on behalf of a Lender or a L/C Issuer, shall be conclusive absent manifest error. Notwithstanding the foregoing, no Borrower shall be required to make any payments or reimburse any Agent, any Lender or any L/C Issuer under this Section 3.01 with respect to any Taxes, Other Taxes or other amounts imposed on and paid by such Agent, such Lender or such L/C Issuer more than nine (9) months before the date on which a request for payment or reimbursement is delivered to such Borrower (except that, if the Indemnified Taxes or Other Taxes giving rise to such payment or reimbursement is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

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

(e) Status of U.S. Lenders. Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which U.S. Borrower or U.K. Borrower is resident for tax purposes, or any treaty to which such jurisdiction is a party,

with respect to payments hereunder or under any other Loan Document shall deliver to the applicable Borrower (with a copy to U.S. Agent) and any relevant Governmental Authority, at the time or times prescribed by applicable law or reasonably requested by the applicable Borrower or U.S. Agent, such properly completed and executed documentation prescribed by applicable law as will permit (subject to any other requirements being met) such payments to be made without withholding or at a reduced rate of withholding. In addition, any U.S. Lender, if requested by U.S. Borrower, U.K. Borrower or U.S. Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by such Borrower or U.S. Agent as will enable such Borrower or U.S. Agent to determine whether or not such U.S. Lender is subject to backup withholding or information reporting requirements.

Without limiting the generality of the foregoing, in the event that U.S. Borrower or U.K. Borrower is resident for tax purposes in the United States, any Foreign Lender shall deliver to such Borrower and U.S. Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a U.S. Lender under this Agreement (and from time to time thereafter upon the request of the applicable Borrower or U.S. Agent, but only if such Foreign Lender is legally entitled to do so), whichever of the following is applicable:

(i) duly completed copies of Internal Revenue Service Form W-8BEN claiming eligibility for benefits of an income tax treaty to which the United States is a party,

(ii) duly completed copies of Internal Revenue Service Form W-8ECI,

(iii) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate to the effect that such Foreign Lender is not (A) a “bank” within the meaning of Section 881(c)(3)(A) of the Code, (B) a “10 percent shareholder” of the applicable Borrower within the meaning of Section 881(c)(3)(B) of the Code, or (C) a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code and (y) duly completed copies of Internal Revenue Service Form W-8BEN, or

(iv) any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in United States Federal withholding tax duly completed together with such supplementary documentation as may be prescribed by applicable law to permit the applicable Borrower to determine the withholding or deduction required to be made.

(f) Treatment of Certain Refunds. If an Agent, any Lender or a L/C Issuer determines, in its sole discretion, that it has received a refund or credit of any Taxes or Other Taxes as to which it has been indemnified by a Borrower or with respect to which a Borrower has paid additional amounts pursuant to this Section, it shall pay to such Borrower an amount equal to such refund or credit (but only to the extent of indemnity payments made, or additional amounts paid, by such Borrower under this Section with respect to the Taxes or Other Taxes giving rise to such refund or credit), net of all reasonable out-of-pocket expenses of the applicable Agent, such Lender or the applicable L/C Issuer, as the case may be, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or credit), provided that such Borrower, upon the request of the applicable Agent, such Lender or the applicable L/C Issuer, agrees to repay the amount paid over to such Borrower (plus any penalties,

interest or other charges imposed by the relevant Governmental Authority) to the applicable Agent, such Lender or the applicable L/C Issuer in the event the applicable Agent, such Lender or the applicable L/C Issuer is required to repay such refund or credit to such Governmental Authority. This subsection shall not be construed to require either Agent, any Lender or either L/C Issuer to make available its tax returns (or any other information relating to its taxes that it deems confidential) to any Borrower or any other Person.

3.02 Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Eurodollar Rate Loans, or to determine or charge interest rates based upon the Eurodollar Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, U.S. Dollars or any Alternative Currency in the applicable interbank market, then, on notice thereof by such Lender to the applicable Borrower through the applicable Agent, any obligation of such Lender (a) to make or continue Eurodollar Rate Loans in the affected currency or currencies or (b) in the case of Eurodollar Rate Loans denominated in U.S. Dollars, to convert Base Rate Committed Loans to Eurodollar Rate Loans, shall be suspended until such Lender notifies the applicable Agent and the applicable Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, the applicable Borrower shall, upon demand from such Lender (with a copy to the applicable Agent), prepay or, if applicable and such Loans are Eurodollar Rate Loans denominated in U.S. Dollars, convert all such Eurodollar Rate Loans of such Lender to Base Rate Loans, either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such Eurodollar Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such Eurodollar Rate Loans. Upon any such prepayment or conversion, the applicable Borrower shall also pay accrued interest on the amount so prepaid or converted and all amounts due under Section 3.05 in accordance with the terms thereof due to such prepayment or conversion.

3.03 Inability to Determine Rates. If an Agent determines in connection with any request for a Eurodollar Rate Loan or a conversion to or continuation thereof that (a) deposits are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount and Interest Period of such Eurodollar Rate Loan, (b) adequate and reasonable means do not exist for determining the Eurodollar Base Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan, or (c) the Eurodollar Base Rate for any requested Interest Period with respect to a proposed Eurodollar Rate Loan does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the applicable Agent will promptly so notify Borrowers and each Lender. Thereafter, the obligation of Lenders to make or maintain Eurodollar Rate Loans in the affected currency or currencies shall be suspended until the applicable Agent (upon the instruction of Required Lenders) revokes such notice. Upon receipt of such notice, Borrowers may revoke any pending request for a Borrowing of, conversion to or continuation of Eurodollar Rate Loans in the affected currency or currencies or, failing that, will be deemed to have converted such request into a request for a Committed Borrowing of Base Rate Loans in the amount specified therein.

3.04 Increased Costs.

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

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with

or for the account of, or credit extended or participated in by, any Lender (except (A) any reserve requirement reflected in the Eurodollar Rate and (B) the requirements of the Bank of England and the Financial Services Authority or the European Central Bank reflected in the Mandatory Cost, other than as set forth below) or any L/C Issuer;

(ii) subject any Lender or any L/C Issuer to any Tax of any kind whatsoever with respect to this Agreement, any Letter of Credit, any participation in a Letter of Credit or any Eurodollar Rate Loan made by it, or change the basis of taxation of payments to such Lender or such L/C Issuer in respect thereof (except for Indemnified Taxes or Other Taxes covered by Section 3.01 and the imposition of, or any change in the rate of, any Excluded Tax payable by such Lender or L/C Issuer);

(iii) result in the failure of the Mandatory Cost, as calculated hereunder, to represent the cost to any Lender of complying with the requirements of the Bank of England and/or the Financial Services Authority or the European Central Bank in relation to its making, funding or maintaining Eurodollar Rate Loans; or

(iv) impose on any Lender or any L/C Issuer or any applicable interbank market any other condition, cost or expense affecting this Agreement or Eurodollar Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making or maintaining any Eurodollar Rate Loan (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or such L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or such L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or such L/C Issuer, U.S. Borrower and/or U.K. Borrower (if such Lender or L/C Issuer is a U.S. Lender or U.S. L/C Issuer) or Canadian Borrower (if such Lender or L/C Issuer is a Canadian Lender or Canadian L/C Issuer) will pay to such Lender or such L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or such L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

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

(c) **Certificates for Reimbursement.** A certificate of a Lender or a L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or such L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the applicable Borrower shall be conclusive absent manifest error. The applicable Borrower shall pay such Lender or such L/C Issuer, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) **Delay in Requests.** Failure or delay on the part of any Lender or any L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or such L/C Issuer's right to demand such compensation, provided that no Borrower shall be required to compensate a Lender or a L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or such L/C Issuer, as the case may be, notifies the applicable Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or such L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

3.05 Compensation for Losses. Upon demand of any Lender (with a copy to the applicable Agent) from time to time, U.S. Borrower and/or U.K. Borrower (in the case of a U.S. Committed Loan) or Canadian Borrower (in the case of a Canadian Committed Loan) shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan or Canadian Prime Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the applicable Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan or Canadian Prime Rate Loan on the date or in the amount notified by Borrower;

(c) any failure by any Borrower to make payment of any Loan or drawing under any Letter of Credit (or interest due thereon) denominated in a particular currency on its scheduled due date or any payment thereof in a different currency, other than what is compensated by interest payments; or

(d) any assignment of a Eurodollar Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by a Borrower pursuant to Section 10.13.

including any loss of anticipated profits, any foreign exchange losses and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained. The applicable Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing. Notwithstanding the foregoing, no Borrower shall be required to make any payments or reimburse any Lender under this Section 3.05 with respect to any loss, cost or expense

expense incurred by and known to such Lender more than nine (9) months before the date on which a request for payment or reimbursement is delivered to such Borrower. For purposes of calculating amounts payable by the applicable Borrower to Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurodollar Rate Loan made by it at the Eurodollar Base Rate used in determining the Eurodollar Rate for such Loan by a matching deposit or other borrowing in the offshore interbank eurodollar market for such currency for a comparable amount and for a comparable period, whether or not such Eurodollar Rate Loan was in fact so funded.

3.06 Mitigation Obligations. If any Lender requests compensation under Section 3.04, or a Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, or if any Lender gives a notice pursuant to Section 3.02, then such Lender shall use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (ii) in each case, would not subject such Lender to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender. Borrowers hereby agree to pay all reasonable costs and expenses incurred by any Lender in connection with any such designation or assignment.

3.07 Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if a Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01 (or if a Lender otherwise fails to timely complete any procedural formalities necessary to allow U.K. Borrower to obtain an exemption from withholding of U.K. Taxes) or if any Lender gives notice pursuant to Section 3.02 with respect to an occurrence or state of affairs not applicable to all Lenders, the applicable Borrower may replace such Lender in accordance with Section 10.13.

3.08 Survival. All of Borrowers' obligations under this Article III shall survive termination of the Aggregate Commitments and repayment of all other Obligations hereunder.

ARTICLE IV

CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01 Conditions of Initial Credit Extension. The obligation of each L/C Issuer and each Lender to make its initial Credit Extension hereunder is subject to satisfaction of the following conditions precedent:

(a) Agents' receipt of the following, each of which shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date) and each in form and substance satisfactory to Agents and each of the Lenders:

(i) executed counterparts of this Agreement, the Collateral Agency and Intercreditor Agreement, all Collateral Documents, the Subsidiary Guarantee

and the Parent Guarantee, sufficient in number for distribution to Agents, each Lender and Borrowers;

(ii) a Note executed by the applicable Borrower in favor of each Lender requesting a Note;

(iii) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as Agents may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;

(iv) such documents and certifications as Agents may reasonably require to evidence that each Loan Party is duly organized or formed, and that each Loan Party is validly existing, in good standing and qualified to engage in business in each jurisdiction listed on the Schedule of Documents prepared by Agents' counsel in connection with this Agreement;

(v) a favorable opinion of United States and Canadian counsel to the Loan Parties acceptable to Agents addressed to the applicable Agent and each applicable Lender, as to the matters set forth concerning the Loan Parties and the Loan Documents in form and substance satisfactory to Agents;

(vi) a certificate of a Responsible Officer of each Loan Party either (A) stating that all consents, licenses and approvals required in connection with the execution, delivery and performance by such Loan Party and the validity against such Loan Party of the Loan Documents to which it is a party have been obtained and are in full force and effect and attaching to such certificate a listing of all such consents, licenses and approvals, or (B) stating that no such consents, licenses or approvals are so required;

(vii) a certificate signed by a Responsible Officer of each Borrower certifying (A) that the conditions specified in Sections 4.02(a) and (b) have been satisfied, and (B) that there has been no event or circumstance since the date of the Audited Financial Statements that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect;

(viii) evidence that all insurance required to be maintained pursuant to the Loan Documents has been obtained and is in effect;

(ix) a duly completed Compliance Certificate as of the last day of the fiscal quarter of U.S. Borrower ended June 30, 2006, signed by a Responsible Officer of U.S. Borrower;

(x) evidence that Bank of America has been appointed as Collateral Agent under the Collateral Agency and Intercreditor Agreement;

(xi) a certificate of U.S. Borrower confirming that all conditions precedent to the Transtar Acquisition have been satisfied or waived by the applicable Persons;

(xii) evidence that all commitments under the Financing Agreement, dated as of December 14, 2004, as amended, among Transtar Inventory Corp., Transtar Metals Corp., U.S. Bank National Association, as Agent, and the other lenders party thereto (the "Existing Credit Facilities Agreement") have been or concurrently with the Closing Date are being terminated, and all outstanding amounts thereunder paid in full and all Liens securing obligations under the Existing Credit Facilities Agreement have been or concurrently with the Closing Date are being released;

(xiii) Borrowing Base Certificates of each Borrower dated as of June 30, 2006;

(xiv) evidence that after giving effect to the U.S. Revolving A Credit Loans on the Closing Date Undrawn Availability is not less than \$15,000,000;

(xv) evidence that (i) the Consolidated EBITDA of U.S. Borrower and its Subsidiaries (with Subsidiaries being determined after giving effect to the consummation of the Acquisition) for the 12 months ended June 30, 2006 was not less than \$105,000,000, and (ii) the ratio of Consolidated Debt to Consolidated EBITDA of U.S. Borrower and its Subsidiaries (with Subsidiaries being determined after giving effect to the consummation of the Acquisition and with EBITDA being calculated for the 12 months ended June 30, 2006) as of the Closing Date is not greater than 2.75 to 1.0; and

(xvi) such other assurances, certificates, documents, consents or opinions as Agents, L/C Issuers, U.S. Swing Line Lender or Required Lenders reasonably may require.

(b) Any fees required to be paid on or before the Closing Date shall have been paid.

(c) Borrowers shall have paid all fees, charges and disbursements of counsel to Agents (directly to such counsel if required by either Agent) to the extent invoiced prior to or on the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between Borrowers and Agents).

(d) The Closing Date shall have occurred on or before September 30, 2006.

Without limiting the generality of the provisions of Section 9.04, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved

by or acceptable or satisfactory to a Lender unless Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.02 Conditions to all Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension is subject to the following conditions precedent:

(a) The representations and warranties of Borrowers and each other Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct on and as of the date of such Credit Extension, except to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct as of such earlier date, and except that for purposes of this Section 4.02, the representations and warranties contained in subsections (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (b) and (a), respectively, of Section 6.06.

(b) No Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The applicable Agent and, if applicable, the applicable L/C Issuer or U.S. Swing Line Lender shall have received a Request for Credit Extension in accordance with the requirements hereof.

(d) In the case of a Credit Extension to be denominated in an Alternative Currency, there shall not have occurred any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls which in the reasonable opinion of U.S. Agent, the Required U.S. Revolving B Credit Lenders (in the case of any U.S. Committed Loans to be denominated in an Alternative Currency) or U.S. L/C Issuer (in the case of any U.S. Letter of Credit to be denominated in an Alternative Currency) would make it impracticable for such Credit Extension to be denominated in the relevant Alternative Currency.

Each Request for Credit Extension submitted by a Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

Borrowers represent and warrant to Agents and Lenders that:

5.01 Existence, Qualification and Power. Each Loan Party and each Subsidiary thereof (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of organization or formation, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) execute, deliver and perform its obligations under the Loan Documents to which it is a party, (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or

license, and; except in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02 Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party, have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) violate any Law, except, in the cases of clauses (b) and (c), as could not reasonably be expected to have a Material Adverse Effect. Each Loan Party and each Subsidiary thereof is in compliance with all Contractual Obligations referred to in clause (b)(i), except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.03 Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document except those that either (a) have been obtained and are in full force and effect, or (b) are not required to be obtained or made prior to the date this representation or warranty is made.

5.04 Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms except as enforceability may be limited by applicable Debtor Relief Laws and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

5.05 Financial Statements; No Material Adverse Effect; No Internal Control Event.

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present in all material respects the financial condition of U.S. Borrower and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of U.S. Borrower and its Subsidiaries as of the date thereof, including liabilities for taxes, material commitments and Indebtedness.

(b) The unaudited consolidated balance sheets of U.S. Borrower and its Subsidiaries dated June 30, 2006, and the related consolidated statements of income or operations, shareholders' equity and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present in all material respects the financial condition of U.S. Borrower and its Subsidiaries as of the date thereof and their results of

operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Since the date of the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

(d) Since the date of the Audited Financial Statements, no Internal Control Event has occurred.

5.06 Litigation. There are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of Borrowers after, in the case of the representation and warranty under this Section 5.06 as of the Closing Date only, due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against a Borrower or any of its Subsidiaries or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby, or (b) except as specifically disclosed in Schedule 5.06, either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect, and there has been no material adverse change in the status, or financial effect on any Loan Party or any Subsidiary thereof, of the matters described on Schedule 5.06.

5.07 No Default. No Borrower nor any Subsidiary is in default under or with respect to any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.08 Ownership of Property; Liens. Each Borrower and each Subsidiary has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The property of each Borrower and its Subsidiaries is subject to no Liens, other than Liens permitted by Section 7.04.

5.09 Environmental Compliance. Each Borrower and its Subsidiaries conduct in the ordinary course of business a review of the effect of existing Environmental Laws and claims alleging potential liability or responsibility for violation of any Environmental Law on their respective businesses, operations and properties, and as a result thereof each Borrower has reasonably concluded that, except as specifically disclosed in Schedule 5.09, such Environmental Laws and claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.10 Insurance. The properties of each Borrower and its Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of a Borrower, in such amounts (after giving effect to any self-insurance compatible with the following standards), with such deductibles and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the applicable Borrower or the applicable Subsidiary operates.

5.11 Taxes. Each Borrower and its Subsidiaries have filed all Federal, governmental, state, provincial, and other material tax returns and reports required to be filed, and have paid all Federal, governmental, state, provincial, and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP. There is no proposed tax assessment against a Borrower or any Subsidiary that would, if made, have a Material Adverse Effect.

5.12 ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other Federal or state Laws. Each Plan that is intended to qualify under Section 401(a) of the Code has received a favorable determination letter from the IRS or an application for such a letter is currently being processed by the IRS with respect thereto and, to the best knowledge of U.S. Borrower, nothing has occurred which would prevent, or cause the loss of, such qualification. U.S. Borrower and each ERISA Affiliate have made all required contributions to each Plan subject to Section 412 of the Code, and no application for a funding waiver or an extension of any amortization period pursuant to Section 412 of the Code has been made with respect to any Plan.

(b) There are no pending or, to the best knowledge of Borrowers, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could be reasonably be expected to have a Material Adverse Effect. There has been no prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred or is reasonably expected to occur; (ii) no Pension Plan has any Unfunded Pension Liability; (iii) no Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability under Title IV of ERISA with respect to any Pension Plan (other than premiums due and not delinquent under Section 4007 of ERISA); (iv) no Borrower nor any ERISA Affiliate has incurred, or reasonably expects to incur, any liability (and no event has occurred which, with the giving of notice under Section 4219 of ERISA, would result in such liability) under Section 4201 or 4243 of ERISA with respect to a Multiemployer Plan; and (v) no Borrower nor any ERISA Affiliate has engaged in a transaction that could be subject to Section 4069 or 4212(c) of ERISA, except, in each case referred to in clauses (i) through (v) to the extent such occurrence could not reasonably be expected to have a Material Adverse Effect.

5.13 Subsidiaries. As of the Closing Date, U.S. Borrower has no Subsidiaries other than those specifically disclosed in Part (a) of Schedule 5.13, and all of the outstanding Equity Interests in such Subsidiaries have been validly issued, are fully paid and nonassessable (to the extent applicable) and are owned by a Loan Party in the amounts specified on Part (a) of Schedule 5.13 free and clear of all Liens, except Liens arising under the Collateral Documents and as set forth on Part (a) of Schedule 5.13. U.S. Borrower has no equity investments in any other corporation or entity other than those specifically disclosed in Part(b) of Schedule 5.13. All of the outstanding Equity Interests in U.S. Borrower have been validly issued and are fully paid and nonassessable.

5.14 Margin Regulations; Investment Company Act; Energy Policy Act of 2005.

(a) No Borrower is engaged and will not engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock.

(b) None of any Borrower, any Person Controlling any Borrower, or any Subsidiary (i) is a “holding company,” or a “subsidiary company” of a “holding company,” or an “affiliate” of a “holding company” or of a “subsidiary company” of a “holding company,” within the meaning of the Energy Policy Act of 2005, or (ii) is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

5.15 Disclosure. Each Borrower has disclosed to Agents and Lenders all agreements, instruments and corporate or other restrictions to which it or any of its Subsidiaries is subject, and all other matters known to it, that, individually or in the aggregate, could reasonably be expected to result in a Material Adverse Effect. No report, financial statement, certificate or other information furnished (whether in writing or orally) by or, to the best knowledge of such Loan Party, on behalf of any Loan Party to Agents or any Lender in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, with respect to projected financial information, each Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

5.16 Compliance with Laws. Each Borrower and each Subsidiary is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.17 Intellectual Property; Licenses, Etc. Each Borrower and its Subsidiaries own, or possess the right to use, all of the trademarks, service marks, trade names, copyrights, patents, patent rights, franchises, licenses and other intellectual property rights that are reasonably necessary for the operation of their respective businesses, without conflict with the rights of any other Person. To the best knowledge of each Borrower, no slogan or other advertising device, product, process, method, substance, part or other material now employed, or now contemplated to be employed, by Borrowers or any Subsidiary infringes upon any rights held by any other Person. No claim or litigation regarding any of the foregoing is pending or, to the best knowledge of each Borrower, threatened, which, either individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

5.18 Compliance with Other Senior Debt Documents. As of the First Amendment Effective Date the incurrence of the Obligations is in full compliance with the Credit Documents (as defined in the Collateral Agency and Intercreditor Agreement) and the Collateral Agency and Intercreditor Agreement.

5.19 Solvency. Each Loan Party is, individually and together with its Subsidiaries on a consolidated basis, Solvent.

5.20 Taxpayer Identification Number. U.S. Borrower's true and correct U.S. taxpayer identification number is set forth on Schedule 10.02.

5.21 U.K. Borrower and U.K. Subsidiary Guarantors.

(a) Each of U.K. Borrower and each U.K. Subsidiary Guarantor (individually, a "U.K. Loan Party" and collectively, the "U.K. Loan Parties") is subject to commercial Laws with respect to its obligations under this Agreement and the other Loan Documents to which it is a party (collectively, the "U.K. Loan Party Documents"), and the execution, delivery and performance by each U.K. Loan Party of the U.K. Loan Party Documents constitute and will constitute private and commercial acts and not public or governmental acts. No U.K. Loan Party nor any of its property has any immunity from jurisdiction of any court or from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution, execution or otherwise) under the laws of the jurisdiction in which such U.K. Loan Party is registered in respect of its obligations under the U.K. Loan Party Documents.

(b) The U.K. Loan Party Documents are in proper legal form under the Laws of the jurisdiction in which the applicable U.K. Loan Party is registered for the enforcement thereof against such U.K. Loan Party under the Laws of such jurisdiction, and to ensure the legality, validity, enforceability, priority or admissibility in evidence of the U.K. Loan Party Documents. It is not necessary to ensure the legality, validity, enforceability, priority or admissibility in evidence of the U.K. Loan Party Documents that the U.K. Loan Party Documents be filed, registered or recorded with, or executed or notarized before, any court or other authority in the jurisdiction in which the applicable U.K. Loan Party is organized and existing or that any registration charge or stamp or similar tax be paid on or in respect of the U.K. Loan Party Documents or any other document, except for (i) any such filing, registration, recording, execution or notarization as has been made or is not required to be made until the U.K. Loan Party Document or any other document is sought to be enforced, (ii) any charge or tax as has been timely paid and (iii) any registration required to be made as specifically contemplated by any legal opinion delivered in relation to the U.K. Borrower or U.K. Subsidiary Guarantors.

(c) Except as has been disclosed to U.S. Agent, (i) U.K. Borrower is not required to make a deduction for or on account of U.K. Taxes from any payment of interest it makes to a Person which is, at the time the payment is made, a Qualifying U.K. Lender in respect of an advance made by that Person under this Agreement (provided all necessary procedural formalities have been fulfilled) and (ii) it is not necessary that any Other Taxes which are U.K. Taxes be paid on or in relation to the Loan Documents or the transactions contemplated by the Loan Documents.

(d) The execution, delivery and performance of the U.K. Loan Party Documents executed by each U.K. Loan Party are, under applicable foreign exchange control regulations of the jurisdiction in which such U.K. Loan Party is organized and existing, not subject to any notification or authorization except (i) such as have been made or obtained or (ii) such as cannot be made or obtained until a later date (provided that any notification or authorization described in clause (ii) shall be made or obtained as soon as is reasonably practicable).

ARTICLE VI
AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, Borrowers covenant and agree that:

6.01 Corporate Existence. Borrowers will maintain and preserve, and will cause each Subsidiary to maintain and preserve, its corporate, limited liability company or partnership existence and right to carry on its business and maintain, preserve, renew and extend all of its rights, powers, privileges and franchises necessary to the proper conduct of its business; provided, however, that the foregoing shall not prevent any transaction permitted by Section 7.05, Section 7.06 or Section 7.07, or the termination of the corporate or partnership existence of any Subsidiary (other than U.K. Borrower or Canadian Borrower) or of any right, power, privilege or franchise of any Subsidiary (other than U.K. Borrower or Canadian Borrower) if, in the reasonable good faith opinion of the Board of Directors of U.S. Borrower, such termination is in the best interests of U.S. Borrower, is not disadvantageous to any Agent or Lender or L/C Issuer, and is not otherwise prohibited by this Agreement.

6.02 Insurance. Borrowers will, and will cause each Subsidiary to, maintain insurance coverage with financially sound and reputable insurers in such forms and amounts, with such deductibles and against such risks as are required by law or sound business practice and are customary for corporations engaged in the same or similar businesses and owning and operating similar properties as Borrowers and their Subsidiaries.

6.03 Taxes, Claims for Labor and Materials. Borrowers will, and will cause each Subsidiary to, file timely all tax returns required to be filed in any jurisdiction and pay and discharge all taxes, assessments, fees and other governmental charges or levies imposed upon Borrowers or any Subsidiary or upon any of their respective properties, including leased properties (but only to the extent required to do so by the applicable lease), assets, income or franchises, prior to the date on which penalties attach thereto, and all lawful claims which, if unpaid, might become a Lien upon any of their respective properties or assets not permitted by Section 7.04, provided that no Borrower nor any Subsidiary shall be required to pay any such tax, assessment, fee, charge, levy or claim, the payment of which is being contested in good faith and by proper proceedings that will stay the collection thereof or the forfeiture or sale of any property and with respect to which adequate reserves are maintained in accordance with GAAP.

6.04 Maintenance of Properties. Borrowers will maintain, preserve and keep, and will cause each Subsidiary to maintain, preserve and keep, its properties (whether owned in fee or a leasehold interest), other than any property which is obsolete or, in the good faith judgment of the applicable Borrower, no longer necessary for the operation of the business of such Borrower or any Subsidiary, in good repair and working order, ordinary wear and tear excepted, and from time to time will make all necessary repairs, replacements, renewals and additions thereto so that the business carried on in connection therewith may be properly conducted.

6.05 Maintenance of Records. Borrowers will keep, and will cause each Subsidiary to keep, at all times proper books of record and account in which full, true and correct entries will be made of all dealings or transactions of or in relation to the business and affairs of Borrowers or such Subsidiary in accordance with GAAP consistently applied throughout the period involved

(except for such changes as are disclosed in such financial statements or in the notes thereto and concurred in by U.S. Borrower's independent certified public accountants), and Borrowers will, and will cause each Subsidiary to, provide reasonable protection against loss or damage to such books of record and account.

6.06 Financial Information and Reports. Borrowers will furnish to the Agents (with sufficient copies for each Lender) the following:

(a) As soon as available and in any event within 45 days after the end of each of the first three quarterly accounting periods of each fiscal year of U.S. Borrower, a consolidated balance sheet of U.S. Borrower and its Subsidiaries as of the end of such period and consolidated statements of income and cash flows of U.S. Borrower and its Subsidiaries for the periods beginning on the first day of such fiscal year and the first day of such quarterly accounting period (for the statements of income) and ending on the date of such balance sheet, setting forth in comparative form the corresponding consolidated figures for the corresponding periods of the preceding fiscal year, all in reasonable detail, prepared in accordance with GAAP consistently applied throughout the periods involved and certified by the chief financial officer or chief accounting officer of U.S. Borrower (i) outlining the basis of presentation, and (ii) stating that the information presented in such financial statements contains all adjustments (consisting of only normal recurring adjustments) necessary to present fairly the consolidated financial position of U.S. Borrower and its Subsidiaries as of such dates and the consolidated results of their operations and cash flows for the periods then ended, except that such financial statements condense or omit certain footnotes pursuant to the rules and regulations of the SEC. Delivery within the time period specified above of copies of U.S. Borrower's Quarterly Reports on Form 10-Q prepared in compliance with the requirements therefor and filed with the SEC shall be deemed to satisfy the requirements of this Section 6.06(a).

(b) As soon as available and in any event within 90 days after the last day of each fiscal year, a consolidated balance sheet of U.S. Borrower and its Subsidiaries as of the end of such fiscal year and the related consolidated statements of income, reinvested earnings and cash flows for such fiscal year, in each case setting forth in comparative form figures for the preceding fiscal year, all in reasonable detail, prepared in accordance with GAAP consistently applied throughout the period involved (except for changes disclosed in such financial statements or in the notes thereto and concurred in by U.S. Borrower's independent certified public accountants) and accompanied by a report as to the consolidated balance sheet and the related consolidated statements of income, reinvested earnings and cash flows unqualified as to scope of audit or with respect to the absence of any material misstatement and unqualified as to going concern by a firm of independent public accountants of recognized national standing selected by U.S. Borrower, to the effect that such financial statements have been prepared in conformity with GAAP and present fairly, in all material respects, the consolidated financial position and results of operations and cash flows of U.S. Borrower and its Subsidiaries and that the examination of such financial statements by such accounting firm has been made in accordance with generally accepted auditing standards. Delivery within the time period specified above of U.S. Borrower's Annual Report on Form 10-K for such fiscal year (together with U.S. Borrower's annual report to shareholders prepared pursuant to Rule 14a-3 under the Exchange Act) prepared in compliance with the requirements

therefor and filed with the SEC, together with the accountants certificate described in this Section 6.06(b), shall be deemed to satisfy the requirements of this Section 6.06(b).

(c) Together with the consolidated financial statements delivered pursuant to paragraphs (a) and (b) of this Section 6.06, a Compliance Certificate of the chief financial officer, chief accounting officer or treasurer of U.S. Borrower, (i) to the effect that such officer has re-examined the terms and provisions of this Agreement and that on the date such calculations were made, during the periods covered by such financial reports and as of the end of such periods Borrowers are not, or were not, in default in the fulfillment of any of the terms, covenants, provisions and conditions of this Agreement and that no Default or Event of Default is occurring or has occurred as of the date of such certificate, during the periods covered by such financial statements and as of the end of such periods, or if such officer is aware of any Default or Event of Default, such officer shall disclose in such statement the nature thereof, its period of existence and what action, if any, Borrowers have taken or propose to take with respect thereto, and (ii) stating whether Borrowers are in compliance with Sections 7.01 through 7.10 and setting forth, in sufficient detail, the information and computations required to establish whether or not Borrowers were in compliance with the requirements of Sections 7.01 through 7.08 during the periods covered by the financial statements then being furnished and as of the end of such periods.

(d) Together with the financial reports delivered pursuant to paragraph (b) of this Section 6.06, a letter of U.S. Borrower's independent certified public accountants stating that they have reviewed this Agreement and stating whether, in making their audit, they have become aware of any condition or event that then constitutes a Default or an Event of Default, and, if they are aware that any such condition or event then exists, specifying the nature and period of the existence thereof (it being understood that such accountants shall not be liable, directly or indirectly, for any failure to obtain knowledge of any Default or Event of Default unless such accountants should have obtained knowledge thereof in making an audit in accordance with generally accepted auditing standards or did not make such an audit).

(e) As soon as available and in any event within 30 days after the end of each month, a Borrowing Base Certificate for each Borrower setting forth (i) the Eligible Accounts of such Borrower as of the end of such month, (ii) the Eligible Inventory of such Borrower as of the end of such month and (iii) the Net PP&E of such Borrower as of the end of the most recently completed fiscal quarter; provided, that each Borrower shall be permitted to deliver updated Borrowing Base Certificates to the Agents at any time.

(f) Concurrently with notice filed with the SEC, notice of (i) the filing of any suit, action, claim or counterclaim against U.S. Borrower or any Subsidiary in which the amount claimed as damages against U.S. Borrower or any Subsidiary exceeds \$5,000,000 after deducting the amount which U.S. Borrower reasonably believes is covered by insurance, and (ii) the entering of any judgment or decree against U.S. Borrower or any Subsidiary if the aggregate amount of all judgments and decrees then outstanding against U.S. Borrower and all Subsidiaries exceeds \$2,500,000 after deducting the amount U.S. Borrower or any Subsidiary (x) is insured therefor and with respect to which the insurer has assumed responsibility in writing and (y) is otherwise indemnified therefor if the terms of such indemnification are satisfactory to U.S. Agent.

(g) As soon as available, copies of each financial statement, notice, report and proxy statement which U.S. Borrower furnishes to its shareholders generally; within 15 days of filing, copies of each registration statement and periodic report (without exhibits and other than registration statements relating to employee benefit plans) which U.S. Borrower files with the SEC, and any similar or successor agency of the Federal government administering the Securities Act, the Exchange Act or the Trust Indenture Act of 1939, as amended; without duplication, within 15 days of filing, copies of each report (other than reports relating solely to the issuance of, or transactions by others involving, its securities) relating to U.S. Borrower or its securities which U.S. Borrower files with any securities exchange on which any of U.S. Borrower's securities may be registered; copies of any orders applicable to a Borrower or a Subsidiary in any material proceedings to which a Borrower or any Subsidiary is a party, issued by any governmental agency, federal or state, having jurisdiction over a Borrower or any Subsidiary and, at any time as U.S. Borrower is not a reporting company under Section 13 or 15(d) of the Exchange Act or has not complied with the requirements for the exemption from registration under the Exchange Act set forth in Rule 12g-3-2(b), such financial or other information as either Agent may reasonably request.

(h) As soon as available, a copy of each other report submitted to U.S. Borrower or any Subsidiary by independent accountants retained by U.S. Borrower or any Subsidiary in connection with any special audit made by them of the books of U.S. Borrower or any Subsidiary.

(i) Promptly following any change in the composition of U.S. Borrower's Subsidiaries from that set forth in Schedule 5.13, as theretofore updated pursuant to this paragraph, and also at the time of delivery of the financial statements referred to in Section 6.06(b), an updated list setting forth the information specified in Schedule 5.13.

(j) Such additional information as either Agent may reasonably request concerning Borrowers and their Subsidiaries, including, but not limited to, accounts receivable agings, accounts payable schedules and inventory reports.

(k) To the extent not otherwise provided herein, all information required to be delivered by Borrowers or any of their Subsidiaries to the Other Senior Creditors pursuant to the terms of any one or more agreements between or among any one or more of them and Borrowers or any Subsidiary at the same time and in the same manner as delivered to such Persons.

Borrowers hereby acknowledge that (a) Agents will make available to Lenders and L/C Issuers materials and/or information provided by or on behalf of Borrowers hereunder (collectively, "Borrower Materials") by posting Borrower Materials on IntraLinks or another similar electronic system (the "Platform") and (b) certain of the Lenders may be "public-side" Lenders (i.e., Lenders that do not wish to receive material non-public information with respect to Borrowers or their securities) (each, a "Public Lender"). Borrowers hereby agree that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" so long as U.S. Borrower is the issuer of any outstanding debt or equity securities that are registered or issued pursuant to a private offering or is actively contemplating issuing any such securities which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," Borrowers shall be deemed to have authorized Agents, L/C Issuers and Lenders to

treat such Borrower Materials as not containing any material non-public information with respect to Borrowers or their securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.07); (y) all Borrower Materials marked “PUBLIC” are permitted to be made available through a portion of the Platform designated “Public Investor;” and (z) Agents shall be entitled to treat any Borrower Materials that are not marked “PUBLIC” as being suitable only for posting on a portion of the Platform not designated “Public Investor.

6.07 Notices. Promptly notify the Agents and each Lender:

(a) of the occurrence of any Default;

(b) of any matter that has resulted or could reasonably be expected to result in a Material Adverse Effect, including (i) breach or non-performance of, or any default under, a Contractual Obligation of any Borrower or any Subsidiary; (ii) any dispute, litigation, investigation, proceeding or suspension between the Borrower or any Subsidiary and any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting any Borrower or any Subsidiary, including pursuant to any applicable Environmental Laws;

(c) of any material change in accounting policies or financial reporting practices by any Borrower or any Subsidiary; and

(d) of the occurrence of any Internal Control Event.

Each notice pursuant to this Section shall be accompanied by a statement of a Responsible Officer of U.S. Borrower setting forth details of the occurrence referred to therein and stating what action Borrowers have taken and propose to take with respect thereto. Each notice pursuant to Section 6.07(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.08 Inspection of Properties and Records.

(a) Inspection Generally. Borrowers will allow, and will cause each Subsidiary to allow, any representative of either Agent, to visit and inspect any of its properties, to examine (and, if at the time thereof any Default or Event of Default has occurred and is continuing, make copies and extracts of) its books of record and account and to discuss its affairs, finances and accounts with its officers and its present and former public accountants (and by this provision Borrowers authorize such accountants to discuss with Agents Borrowers’ and any Subsidiary’s affairs, finances and accounts), all at such reasonable times and upon such reasonable notice and as often as either Agent may reasonably request and, if at the time thereof any Default or Event of Default has occurred and is continuing, at Borrowers’ expense. Any Lender or its representatives may accompany either Agent or any representative of either Agent on any such visit or inspection, at the sole cost and expense of such Lender.

(b) Collateral Monitoring and Review. At any time (but if no Event of Default has occurred and is continuing, not more than once per calendar year) upon the reasonable request of the U.S. Agent, permit each Agent or professionals (including, without limitation, internal and third party consultants, accountants and appraisers) retained by such Agent or its professionals to conduct evaluations and appraisals (and issue reports in respect thereof) of (i) the Borrowers’

practices in the computation of the U.S. Borrowing Base and Canadian Borrowing Base and (ii) the assets included in the U.S. Borrowing Base and Canadian Borrowing Base, and pay the reasonable fees and expenses in connection therewith (including, without limitation, the reasonable and customary fees and expenses associated with such reviews, as forth in Section 10.04).

6.09 ERISA.

(a) All assumptions and methods used to determine the actuarial valuation of employee benefits, both vested and unvested, under any Plan subject to Title IV of ERISA, and each such Plan, whether now existing or adopted after the date hereof, will comply in all material respects with ERISA.

(b) U.S. Borrower will not at any time permit any Plan to:

(i) engage in any “prohibited transactions” as such term is defined in Section 4975 of the Code or in Section 406 of ERISA;

(ii) incur any “accumulated funding deficiency” as such term is defined in Section 302 of ERISA, whether or not waived; or

(iii) be terminated under circumstances which are likely to result in the imposition of a Lien on the property of U.S. Borrower or any ERISA Affiliate pursuant to Section 4068 of ERISA;

if the event or condition described in clauses (i), (ii) or (iii) above is likely to subject U.S. Borrower or an ERISA Affiliate to liabilities which, individually or in the aggregate, would have a Material Adverse Effect.

(c) Upon the request of U.S. Agent, U.S. Borrower will furnish a copy of the annual report of each Plan (Form 5500) required to be filed with the Internal Revenue Service.

(d) Within 5 days after obtaining knowledge of any event specified in clauses (I) through (VII) below that would result in a Material Adverse Effect, Borrowers will give Agents written notice of (I) a reportable event with respect to any Plan; (II) the institution of any steps by any of Borrowers, any ERISA Affiliate or the PBGC to terminate any Plan; (III) the institution of any steps by any of Borrowers or any ERISA Affiliate to withdraw from any Plan; (IV) a prohibited transaction in connection with any Plan; (V) any material increase in the contingent liability of U.S. Borrower or any Subsidiary with respect to any post-retirement welfare liability; (VI) the incurrence of any unfunded liability by a Non-U.S. Plan; or (VII) the taking of any action by the Internal Revenue Service, the Department of Labor or the PBGC with respect to any of the foregoing.

6.10 Compliance with Laws.

(a) Each Borrower will comply, and will cause each Subsidiary to comply, with all laws, rules and regulations, including Environmental Laws, relating to its or their respective businesses, other than laws, rules and regulations the failure to comply with which or the sanctions and penalties resulting therefrom, individually or in the aggregate, would not have a Material Adverse Effect.

(b) Promptly upon the occurrence thereof, Borrowers will give Agents notice of the institution of any proceedings against, or the receipt of written notice of potential liability or responsibility of, a Borrower or any Subsidiary for violation, or the alleged violation, of any Environmental Law which violation would give rise to a Material Adverse Effect.

6.11 Maintenance of Most Favored Lender Status. Borrowers hereby acknowledge and agree that if a Borrower or any Subsidiary shall enter into or be a party to a Revolving Loan Facility which contains for the benefit of any lender or other Person any Financial Covenants or events of default in respect thereof that are more favorable to such lender than the Financial Covenants and Events of Default in respect of such Financial Covenants contained in this Agreement then, and in each and any such event, the Financial Covenants and Events of Default in this Agreement shall be and shall be deemed to be, notwithstanding Section 10.01 and without any further action on the part of a Borrower or any other Person being necessary or required, amended to permanently afford (until so amended or waived pursuant to Section 10.01) Agents and Lenders the same benefits and rights as so afforded to any such lender or Person (such deemed amendment may be the addition of one or more new Financial Covenants and Events of Default in respect thereto addressing matters not addressed by the then existing Financial Covenants and Events of Default in respect thereto set forth herein, as well as modifications to such Financial Covenants and Events of Default in respect thereto that are more favorable to such lender or Person). Borrowers will promptly deliver to Agents a copy of each Revolving Loan Facility entered into after the Closing Date. Without limiting the effectiveness of the first sentence of this Section 6.11, Borrowers agree, no later than forty-five (45) days following the date a Borrower or any Subsidiary shall have granted any such lender or Person any such benefits or rights, to enter into such documentation as Agents may reasonably request to evidence the amendments provided for in this Section 6.11.

6.12 Subsequent Guarantors.

(a) U.S. Borrower covenants that at all times the assets of U.S. Borrower and all Subsidiary Guarantors shall constitute at least 95% of Consolidated Total Assets (excluding, for the purposes of this calculation, the assets of Foreign Subsidiaries of U.S. Borrower (except (i) with respect to the Canadian Borrower, so long as the assets of the Canadian Borrower do not constitute more than 20% of Consolidated Total Assets, (ii) with respect to Castle Metals de Mexico, S.A. de C.V., so long as the assets of Castle Metals de Mexico, S.A. de C.V. do not constitute more than 5% of Consolidated Total Assets and (iii) with respect to any other Foreign Subsidiaries, so long as the assets of all such Foreign Subsidiaries do not constitute more than 30% of Consolidated Total Assets)) and U.S. Borrower and the Subsidiary Guarantors shall have contributed at least 95% of Consolidated EBITDA (excluding, for the purposes of this calculation, the EBITDA of Foreign Subsidiaries of U.S. Borrower (except (i) with respect to the Canadian Subsidiary, so long as the assets of the Canadian Subsidiary do not constitute more than 20% of Consolidated Total Assets, (ii) with respect to Castle Metals de Mexico, S.A. de C.V., so long as the assets of Castle Metals de Mexico, S.A. de C.V. do not constitute more than 5% of Consolidated Total Assets and (iii) with respect to any other Foreign Subsidiaries, so long as the assets of all such Foreign Subsidiaries do not constitute more than 30% of Consolidated Total Assets)) for the four quarters then most recently ended. To the extent necessary to permit U.S. Borrower to comply with the foregoing, U.S. Borrower will cause one or more Significant Subsidiaries to become Subsidiary Guarantors and U.S. Borrower will cause each such Significant Subsidiary to deliver to U.S. Agent (a) a joinder agreement to the Subsidiary Guarantee Agreement, which joinder agreement is to be in the form of Exhibit A to the

Subsidiary Guarantee Agreement; (b) an opinion of counsel to such Person with respect to the Subsidiary Guarantee Agreement and such joinder agreement which is in form and substance reasonably acceptable to U.S. Agent; and (c) all applicable U.S. Security Documents and any other documents as may be necessary or appropriate to permit U.S. Borrower to be in compliance with its obligations set forth in this Section 6.12(a). The Subsidiary Guarantors shall be permitted to guaranty all Other Senior Debt. In addition, at such time as any Significant Subsidiary becomes a party to the Subsidiary Guarantee Agreement, as contemplated by this Section 6.12(a), U.S. Borrower will cause such Significant Subsidiary to become a party to the U.K. Guarantee, and U.S. Borrower will cause each such Significant Subsidiary to deliver to U.S. Agent (i) a joinder agreement to the U.K. Guarantee, which joinder agreement is to be in the form of Exhibit A to the U.K. Guarantee; and (ii) an opinion of counsel to such Person with respect to the U.K. Guarantee and such joinder agreement which is in form and substance reasonably acceptable to U.S. Agent.

(b) U.S. Borrower and U.K. Borrower may, at their option, cause one or more Subsidiaries of the U.K. Borrower that are incorporated in England and Wales to become U.K. Subsidiary Guarantors, provided all such guarantees are made in compliance with all applicable laws and regulations in any relevant jurisdiction concerning financial assistance by a company for the acquisition or subscription for shares or concerning the protection of shareholders' capital, and, in connection therewith, U.S. Borrower and U.K. Borrower will cause each such Subsidiary to deliver to U.S. Agent (i) a joinder agreement to the U.K. Guarantee, which joinder agreement is to be in the form of Exhibit A to the U.K. Guarantee; and (ii) an opinion of counsel to such Person with respect to the U.K. Guarantee and such joinder agreement which is in form and substance reasonably acceptable to U.S. Agent. Each such U.K. Subsidiary Guarantor shall provide evidence of compliance with the procedures set out in Sections 155-158 of the Companies Act 1985 for permitting the financial assistance constituted by this Agreement and/or under the other Loan Documents, including: (A) certified copies of the relevant directors' statutory declarations and auditors' reports; (B) certified copies of the up-to-date register of directors; (C) a letter from the auditors addressed to the Loan Parties for the purpose of Section 155 (2) of the Companies Act 1985; and (D) confirmation that the relevant directors' statutory declarations have been/will be filed at Companies House, England and Wales.

6.13 Collateral Covenant. At any time on or after the Closing Date, at U.S. Borrower's expense:

(a) U.S. Borrower will, and will cause each Subsidiary Guarantor to, execute and deliver, within forty-five (45) days after any request therefor by U.S. Agent, all further instruments and documents and take all further action that may be necessary, in order to give effect to, and to aid in the exercise and enforcement of the Liens, rights and remedies of U.S. Agent, U.S. Lenders and Collateral Agent under this Agreement, the U.S. Security Documents and each other instrument and agreement executed in connection with any of the foregoing.

(b) U.S. Borrower will, and will cause each Subsidiary Guarantor to, take any and all steps, and execute and deliver one or more U.S. Security Documents to insure that all property of U.S. Borrower and the Subsidiary Guarantors (other than Excluded Collateral) will be subject to Liens in favor of Collateral Agent pursuant to one or more U.S. Security Documents in form reasonably satisfactory to U.S. Agent.

(c) Canadian Borrower will execute and deliver, within forty-five (45) days after any request therefor by Canadian Agent, all further instruments and documents and take all further action that may be necessary, in order to give effect to, and to aid in the exercise and enforcement of the Liens, rights and remedies of Canadian Agent and Canadian Lenders under this Agreement, the Canadian Security Documents and each other instrument and agreement executed in connection with any of the foregoing.

(d) Canadian Borrower will take any and all steps, and execute and deliver one or more Canadian Security Documents to insure that all property of Canadian Borrower will be subject to Liens in favor of Canadian Agent pursuant to one or more Canadian Security Documents in form reasonably satisfactory to Canadian Agent.

(e) Each of U.K. Borrower and U.K. Subsidiary Guarantors may, at its option, pledge its Accounts and Inventory pursuant to U.K. Security Documents in form reasonably satisfactory to U.S. Agent, provided any such security is created in compliance with all applicable laws and regulations in any relevant jurisdiction concerning financial assistance by a company for the acquisition of or subscription for shares or concerning the protection of shareholders' capital. During such times as U.K. Borrower and U.K. Subsidiary Guarantors have so pledged Accounts and Inventory, within forty-five (45) days after any request therefor by U.S. Agent, U.K. Borrower and U.K. Subsidiary Guarantors will execute and deliver all further instruments and documents and take all further action that may be necessary, in order to give effect to, and to aid in the exercise and enforcement of the Liens, rights and remedies of U.S. Agent and U.S. Lenders under this Agreement, the U.K. Security Documents and each other instrument and agreement executed in connection with any of the foregoing.

6.14 Compliance with Terms of Leaseholds. Make all payments and otherwise perform all obligations in respect of all leases of real property to which any Loan Party or any of its Subsidiaries is a party, keep such leases in full force and effect and not allow such leases to lapse or be terminated or any rights to renew such leases to be forfeited or cancelled, notify the Agents of any default by any party with respect to such leases and cooperate with the Agents in all respects to cure any such default, and cause each of its Subsidiaries to do so, except, in any case, where the failure to do so, either individually or in the aggregate, could not be reasonably likely to have a Material Adverse Effect.

6.15 Material Contracts. Perform and observe all the terms and provisions of each Material Contract to be performed or observed by it, maintain each such Material Contract in full force and effect, enforce each such Material Contract in accordance with its terms, take all such action to such end as may be from time to time requested by the Agents and, upon request of the Agents, make to each other party to each such Material Contract such demands and requests for information and reports or for action as any Loan Party or any of its Subsidiaries is entitled to make under such Material Contract, and cause each of its Subsidiaries to do so, except, in any case, where the failure to do so, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

6.16 Use of Proceeds. Borrowers will use the proceeds of the Credit Extensions for general corporate purposes (including, without limitation, the acquisition of any Equity Interest or other assets) not in contravention of any Law or of any Loan Document.

6.17 Security Interests. Borrowers agree to, and to cause each other Loan Party to, (a) defend the Collateral against all claims and demands of all Persons at any time claiming the same or any interest therein (other than pursuant to the Collateral Agency and Intercreditor Agreement), (b) comply with the requirements of all state, provincial, territorial and federal laws in order to grant to Collateral Agent and/or Agents and Lenders valid and perfected first priority security interests in the Collateral (subject to Permitted Encumbrances), and (c) do whatever Agents may reasonably request, from time to time, to effect the purposes of this Agreement and the other Loan Documents, including filing notices of liens, PPSA, CC or UCC financing statements or applications for registration, fixture filings and amendments, renewals and continuations thereof; cooperating with Agents' representatives; and keeping stock records.

6.18 Bank Accounts. In order to facilitate the administration of the credit facilities provided under this Agreement, U.S. Borrower will maintain and will cause its domestic Subsidiaries to maintain its primary operating accounts with Bank of America or one or more other U.S. Lenders and Canadian Borrower will maintain its primary operating accounts with Bank of America Canada or one or more other Canadian Lenders, unless, in each case, such Borrower requires services not provided by such Lenders.

ARTICLE VII

NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, Borrowers agree that:

7.01 Adjusted Consolidated Net Worth. U.S. Borrower will not permit its Adjusted Consolidated Net Worth (calculated on the last day of each fiscal quarter) to be less than \$149,180,000 plus the cumulative sum of (x) 40% of Consolidated Net Income (but only if a positive number), plus (y) 75% of the Net Cash Proceeds received by U.S. Borrower from the issuance of Equity Interests by U.S. Borrower for (i) each completed fiscal year of U.S. Borrower ending after December 31, 2005, and (ii) the period from the beginning of the then current fiscal year through the end of the then most recently ended fiscal quarter which shall have been completed (if any shall have been completed) in such then current fiscal year; provided, that at any time U.S. Borrower or any Subsidiary incurs additional Indebtedness, immediately following and after giving effect to the incurrence of such additional Indebtedness, the Adjusted Consolidated Net Worth shall not be less than the minimum Adjusted Consolidated Net Worth that would have been permitted as of the last day of the then most recently ended fiscal quarter.

7.02 Consolidated Debt. U.S. Borrower will not permit the ratio (calculated on the last day of each fiscal quarter) of Consolidated Debt to Consolidated Total Capitalization to exceed 0.55 to 1.0; provided, that at any time U.S. Borrower or any Subsidiary incurs additional Indebtedness, immediately following and after giving effect to the incurrence of such additional Indebtedness, the ratio of Consolidated Debt to Consolidated Total Capitalization shall not exceed 0.55 to 1.0 as of the then most recently ended fiscal quarter.

7.03 Net Working Capital. U.S. Borrower will not permit the ratio (calculated on the last day of each fiscal quarter) of Net Working Capital to Consolidated Debt to be less than 1.0 to 1.0.

7.04 Liens. Borrowers will not, and will not permit any Subsidiary to, permit to exist, create, assume or incur, directly or indirectly, any Lien on their properties or assets, whether now owned or hereafter acquired, except:

(a) Liens on property created substantially contemporaneously or within 180 days of the acquisition thereof to secure or provide for all or a portion of the purchase price of such property, provided that (i) such Liens do not extend to other property of a Borrower or any Subsidiary, (ii) the aggregate principal amount of Indebtedness secured by each such Lien does not exceed 80% of the purchase price at the time of acquisition of the property subject to such Lien, and (iii) the Indebtedness secured by such Liens is otherwise permitted by Section 7.02 and Section 7.03;

(b) Liens on assets existing at the time such assets are acquired by U.S. Borrower or a Subsidiary; provided that (i) no such Lien is created in contemplation of or in connection with such acquisition, (ii) no such Lien shall apply to any other property or assets of U.S. Borrower or any Subsidiary other than improvements and accessions to the subject assets and proceeds thereof and (iii) no such Lien shall secure obligations other than those which it secures on the date of such acquisition and permitted extensions, renewals and replacements thereof;

(c) Liens for taxes, assessments or governmental charges not then due and delinquent or the validity of which is being contested in good faith by appropriate proceedings and as to which the applicable Borrower has established adequate reserves therefor on its books in accordance with GAAP;

(d) Liens arising in connection with court proceedings, provided the execution of such Liens is effectively stayed, such Liens are being contested in good faith by appropriate proceedings and U.S. Borrower has established adequate reserves therefor on its books in accordance with GAAP;

(e) Liens arising in the ordinary course of business and not incurred in connection with the borrowing of money (including mechanic's and materialmen's liens and minor survey exceptions on real property) that in the aggregate do not materially interfere with the conduct of the business of the applicable Borrower or any Subsidiary or materially impair the value of the property or assets subject to such Liens;

(f) Liens in connection with workers' compensation, unemployment insurance or other social security laws to secure the public or statutory obligations of the applicable Borrower or any Subsidiary;

(g) Liens securing Indebtedness of a Subsidiary to a Borrower;

(h) Liens existing on property or assets of Borrowers or any Subsidiary as of the date of this Agreement that are described in the attached Schedule 7.04;

(i) Liens in favor of Collateral Agent to secure the obligations and liabilities of U.S. Borrower and the Subsidiary Guarantors under this Agreement and the Other Senior Debt as provided in the U.S. Security Documents and the Collateral Agency and Intercreditor Agreement;

(j) (i) Liens attaching solely to the property and assets of Canadian Borrower to secure Debt of Canadian Borrower and no other Debt, and (ii) Liens attaching solely to the property and assets of U.K. Borrower and U.K. Subsidiary Guarantors to secure Debt of U.K. Borrower and no other Debt;

(k) Liens attaching solely to the property and assets of any Foreign Subsidiary which is not a Loan Party securing Indebtedness for borrowed money of any such Foreign Subsidiary of not more than U.S. \$35,000,000 in the aggregate at any time outstanding for all such Foreign Subsidiaries;

(l) (i) If the obligations of U.S. Borrower under this Agreement are not Secured, Liens not otherwise permitted by paragraphs (a) through (k) of this Section 7.04 created, assumed or incurred subsequent to the Closing Date to secure Indebtedness, provided that at the time of creating, assuming or incurring such additional Indebtedness and after giving effect thereto and to the application of the proceeds therefrom the sum (without duplication) of the aggregate principal amount of outstanding Consolidated Indebtedness secured by Liens permitted by this Section 7.04(l) does not exceed 10% of Adjusted Consolidated Net Worth and (ii) if the obligations of U.S. Borrower under this Agreement are Secured, Existing First Priority Liens (as such term is defined in the Collateral Agency and Intercreditor Agreement) and Future Acquired Liens (as such term is defined in the Collateral Agency and Intercreditor Agreement).

7.05 Merger or Consolidation. Borrowers will not, and will not permit any Subsidiary to, merge, amalgamate or consolidate with, or convey, transfer or lease all or substantially all of its assets in a single transaction or series of transactions to, any Person (other than Dispositions permitted under Section 7.06 and sales, transfers and other dispositions permitted under Section 7.07), except that:

(a) U.S. Borrower may merge into or consolidate with, or sell all or substantially all of its assets to, any Person or permit any Person to merge into or consolidate with it, provided that immediately after giving effect thereto, (A) U.S. Borrower is the successor corporation or, if U.S. Borrower is not the successor corporation, the successor corporation is a solvent corporation organized under the laws of a state of the United States of America or the District of Columbia and expressly assumes in writing U.S. Borrower's obligations under this Agreement; and (B) there shall exist no Default or Event of Default.

(b) Canadian Borrower may merge into or consolidate with, or sell all or substantially all of its assets to, any Person or permit any Person to merge into or consolidate with it, provided that immediately after giving effect thereto, (A) Canadian Borrower is the successor corporation or, if Canadian Borrower is not the successor corporation, the successor corporation is a solvent corporation organized under the laws of Canada or a province thereof and expressly assumes in writing Canadian Borrower's obligations under this Agreement; and (B) there shall exist no Default or Event of Default.

(c) Any Subsidiary (other than Canadian Borrower or U.K. Borrower) may (i) merge into U.S. Borrower or a Wholly-Owned Subsidiary, (ii) convey, transfer or lease all or any part of its assets to U.S. Borrower or a Wholly-Owned Subsidiary, and (iii) merge with any Person which, as a result of such merger, becomes a Wholly-Owned

Subsidiary; provided in each instance set forth in clauses (i) through (iii) that immediately before and after giving effect thereto, there shall exist no Default or Event of Default; provided, however, that if (A) any Subsidiary Guarantor merges into any other Person in compliance with the terms hereof or conveys or transfers all or any part of its assets in compliance with the terms hereof and following such conveyance or transfer such Subsidiary Guarantor no longer constitutes a Significant Subsidiary or (B) any U.K. Subsidiary Guarantor merges into any other Person in compliance with the terms hereof or conveys or transfers all or any part of its assets in compliance with the terms hereof then, at the request of the U.S. Borrower and the U.K. Borrower, U.S. Agent will promptly take all necessary action to cause such Subsidiary Guarantor or U.K. Subsidiary Guarantor, as applicable, to be released from the Subsidiary Guarantee Agreement and/or the U.K. Guarantee, as applicable, as of the time of such sale, conveyance or transfer; provided, that at the time any Subsidiary Guarantor or U.K. Subsidiary Guarantor, as applicable, is no longer party to the Subsidiary Guarantee Agreement or the U.K. Guarantee, the U.S. Borrower shall provide a new Borrowing Base Certificate which does not include the assets of such Subsidiary Guarantor or U.K. Subsidiary Guarantor.

(d) U.K. Borrower may merge into or consolidate with, or sell all or substantially all of its assets to, any Person or permit any Person to merge into or consolidate with it, provided that immediately after giving effect thereto, (A) U.K. Borrower is the successor corporation or, if U.K. Borrower is not the successor corporation, the successor corporation is a solvent corporation organized under the laws of the United Kingdom and expressly assumes in writing U.K. Borrower's obligations under this Agreement; and (B) there shall exist no Default or Event of Default.

7.06 Sale of Assets. Borrowers will not, and will not permit any Subsidiary to, sell, lease, transfer or otherwise dispose of, including by way of merger or amalgamation (collectively a "Disposition"), any assets, including capital stock or equity interests of Subsidiaries, in one or a series of transactions, other than in the ordinary course of business, to any Person, except to U.S. Borrower or a Wholly-Owned Subsidiary, (i) if, in any fiscal year, after giving effect to such Disposition, the aggregate net book value of assets subject to Dispositions during such fiscal year would exceed \$5,000,000, or (ii) if a Default or Event of Default exists or would exist. Notwithstanding the foregoing, U.S. Borrower may, or may permit a Subsidiary to, make a Disposition and the assets subject to such Disposition shall not be subject to or included in the foregoing limitation and computation contained in clause (i) of the preceding sentence to the extent that the net proceeds from such Disposition are (1) reinvested in productive assets of U.S. Borrower or a Subsidiary of at least equivalent value within 180 days of the date of such Disposition, or (2) subject to the provisions of Section 2.06(b)(ii), applied to the payment or prepayment of outstanding senior Indebtedness.

If U.S. Borrower or any Significant Subsidiary gives notice that it intends to sell, lease, transfer or otherwise dispose of any assets in compliance with the terms of this Section 7.06, U.S. Agent, pursuant to the terms of the Collateral Agency and Intercreditor Agreement, will promptly take such action requested by U.S. Borrower to instruct Collateral Agent to release such assets from the Liens granted pursuant to the U.S. Security Documents as of the time of such sale, lease, transfer or other disposition made in compliance with the terms of this Section 7.06.

7.07 Disposition of Stock of Subsidiary. U.S. Borrower will not permit any Subsidiary to issue its capital stock or other equity interests, or any warrants, rights or options to purchase, or securities convertible into or exchangeable for, such capital stock or other equity

interests, to any Person other than U.S. Borrower or a Wholly-Owned Subsidiary. U.S. Borrower will not, and will not permit any Subsidiary to, sell, transfer or otherwise dispose of (other than to U.S. Borrower or a Wholly-Owned Subsidiary) any capital stock or other equity interests (including any warrants, rights or options to purchase, or securities convertible into or exchangeable for, capital stock or other equity interests) or Indebtedness of any Subsidiary, unless, as to any Subsidiary other than Canadian Borrower or U.K. Borrower:

(a) simultaneously therewith all Investments in such Subsidiary owned by U.S. Borrower and every other Subsidiary are disposed of as an entirety;

(b) such Subsidiary does not have any continuing Investment in U.S. Borrower or any other Subsidiary not being simultaneously disposed of; and

(c) such sale, transfer or other disposition is permitted by Section 7.06;

provided, however, that if U.S. Borrower gives notice that it intends to sell, transfer or otherwise dispose of the capital stock of a Subsidiary Guarantor or a U.K. Subsidiary Guarantor in compliance with the terms of this Section 7.07, U.S. Agent will promptly take all necessary action to cause such Person to be released from the Subsidiary Guarantee Agreement and/or U.K. Guarantee, as applicable, and shall, or shall instruct Collateral Agent to, release the assets of such Person from the Liens granted pursuant to the U.S. Security Documents or U.K. Security Documents, as applicable, in each case, as of the time of any sale, transfer or other disposition made in compliance with the terms of this Section 7.07.

7.08 Investments. Borrowers will not, and will not permit any Subsidiary to make or hold any Investments, except:

(a) Investments held by Borrowers and their Subsidiaries in the form of Cash Equivalents;

(b) Short-term Investments of Foreign Subsidiaries acquired by Foreign Subsidiaries in the ordinary course of business and of a credit quality similar to Cash Equivalents;

(c) advances to officers, directors and employees of Borrowers and their Subsidiaries in an aggregate amount not to exceed \$1,000,000 at any time outstanding, for travel, entertainment, relocation and analogous ordinary business purposes;

(d) (i) Investments by Borrowers and their Subsidiaries in their respective Subsidiaries outstanding on the date hereof, (ii) additional Investments by Borrowers and their Subsidiaries in Loan Parties, (iii) additional Investments by Subsidiaries of U.S. Borrower that are not Loan Parties in other Subsidiaries that are not Loan Parties and (iv) so long as no Default has occurred and is continuing or would result from such Investment, additional Investments (other than Guarantees) by the Loan Parties in wholly-owned Subsidiaries that are not Loan Parties in an aggregate amount invested from the date hereof not to exceed \$35,000,000;

(e) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course

of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;

(f) Guarantees by a Loan Party of the obligations, liabilities or indebtedness of another Loan Party;

(g) the Parent Guarantee Agreement, the Subsidiary Guarantee Agreement and the U.K. Guarantee;

(h) Guarantees by any Foreign Subsidiary (other than Canadian Borrower or U.K. Borrower) of the obligations, liabilities or indebtedness of any other Foreign Subsidiary (other than Canadian Borrower or U.K. Borrower);

(i) Guarantees by U.S. Borrower of the obligations, liabilities or indebtedness of any Subsidiary which is not a Loan Party not exceeding \$35,000,000 in the aggregate at any time outstanding;

(j) the Transtar Acquisition;

(k) Investments existing on the date hereof (other than those referred to in Section 7.08(d)(i));

(l) the purchase or other acquisition of all of the Equity Interests in, or all or substantially all of the property of, any Person that, upon the consummation thereof, will be wholly-owned directly by U.S. Borrower or one or more of its wholly-owned Subsidiaries (including as a result of a merger or consolidation); provided that, with respect to each purchase or other acquisition made pursuant to this Section 7.08(l):

(i) [Intentionally Omitted];

(ii) any such newly-created or acquired Subsidiary shall comply with the requirements of Section 6.12;

(iii) the lines of business of the Person to be (or the property of which is to be) so purchased or otherwise acquired shall be substantially the same lines of business as one or more of the principal businesses of U.S. Borrower and its Subsidiaries in the ordinary course;

(iv) the prior, effective consent or approval to such purchase shall have been granted by the Board of Directors or equivalent governing body of the acquiree;

(v) such purchase or other acquisition shall not include or result in any contingent liabilities that could reasonably be expected to be material to the business, financial condition, operations or prospects of U.S. Borrower and its Subsidiaries, taken as a whole (as determined in good faith by the board of directors (or the persons performing similar functions) of U.S. Borrower or such Subsidiary if the board of directors is otherwise approving such transaction and, in each other case, by a Responsible Officer);

(vi) the total cash and noncash consideration (including the fair market value of all Equity Interests issued or transferred to the sellers thereof (other than Equity Interests of U.S. Borrower), all indemnities, earnouts and other contingent payment obligations to (with the amount thereof being determined by reference to the amount reflected on U.S. Borrower's or the applicable Subsidiary's balance sheet as of the first date after the consummation of the applicable Investment), and the aggregate amounts paid or to be paid under noncompete, consulting and other affiliated agreements with, the sellers thereof and all assumptions of debt, liabilities and other obligations in connection therewith) paid by or on behalf of U.S. Borrower and its Subsidiaries for any such purchase or other acquisition, when aggregated with the total cash and noncash consideration paid by or on behalf of U.S. Borrower and its Subsidiaries for all other purchases and other acquisitions made by U.S. Borrower and its Subsidiaries pursuant to this Section 7.08(l) during the immediately preceding 12 months, shall not exceed \$75,000,000 (excluding the consideration paid in connection with the Metals Acquisition);

(vii) (A) immediately before and immediately after giving pro forma effect to any such purchase or other acquisition, no Default shall have occurred and be continuing and (B) immediately after giving effect to such purchase or other acquisition, U.S. Borrower and its Subsidiaries shall be in pro forma compliance with all of the covenants set forth in Sections 7.01, 7.02 and 7.03, such compliance to be determined on the basis of the financial information most recently delivered to the Agents and the Lenders pursuant to Section 6.06(a) or (b) as though such purchase or other acquisition had been consummated as of the first day of the fiscal period covered thereby; and

(viii) the U.S. Borrower shall have delivered to the Agents and each Lender, at least five Business Days (or in the case of the Metals Acquisition, one Business Day) prior to the date on which any such purchase or other acquisition is to be consummated, (A) updated Borrowing Base Certificates calculating Undrawn Availability after giving effect to any Borrowings to be incurred hereunder to finance such transaction and (B) a certificate of a Responsible Officer, in form and substance reasonably satisfactory to the Agents and the Required Lenders, certifying that all of the requirements set forth in this Section 7.08(l) have been satisfied or will be satisfied on or prior to the consummation of such purchase or other acquisition;

(m) Investments in promissory notes issued as all or a portion of the purchase price paid in connection with any Disposition permitted by Section 7.06 or any sale permitted by Section 7.07, not exceeding (i) \$10,000,000 in aggregate principal amount at any time outstanding with respect to Dispositions of U.S. Borrower's interests in joint ventures in existence on the Closing Date, or (ii) \$1,000,000 with respect to any other such Disposition or sale.

(n) Investments made after the Closing Date in joint ventures not exceeding \$30,000,000 in the aggregate at any time outstanding.

7.09 Leases. Borrowers will not, and will not permit any Subsidiary to, enter into or permit to exist any Capitalized Lease which requires the payment during the remaining term thereof by U.S. Borrower or any Subsidiary of Capitalized Lease Obligations which, after giving effect thereto, and to any other Capitalized Lease Obligations of U.S. Borrower and its Subsidiaries on a consolidated basis, exceed in the aggregate 10% of Consolidated Total Capitalization.

7.10 Transactions with Affiliates. Borrowers will not, and will not permit any Subsidiary to, enter into any transaction (including the furnishing of goods or services) with an Affiliate, except on terms and conditions no less favorable to the applicable Borrower or such Subsidiary than would be obtained in a comparable arm's-length transaction with a Person not an Affiliate, except for benefit and compensation plans and arrangements approved by a majority of the disinterested members of the Board of Directors of U.S. Borrower or any Subsidiary.

7.11 Off-Balance Sheet Liabilities. U.S. Borrower will not, and will not permit any Subsidiary to incur or suffer to exist any Off-Balance Sheet Liabilities, except for existing Off-Balance Sheet Liabilities described in the attached Schedule 7.11.

7.12 Nature of Business. Borrowers will not, and will not permit any Subsidiary to, engage in any business if, as a result thereof, the business then to be conducted by Borrowers and their Subsidiaries, taken as a whole, would be substantially changed from the business conducted on the Closing Date.

7.13 Accounting Changes. Borrowers will not, and will not permit any Subsidiary to, make any change in (a) accounting policies or reporting practices for purposes of this Agreement or SEC reporting requirements, except as required by GAAP, or (b) fiscal year.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

8.01 Events of Default. Any of the following shall constitute an "Event of Default":

(a) Non-Payment of Interest and Other Amounts. Any default by a Borrower in the payment of interest when due on any Loan or L/C Obligation, any fee due hereunder or any other amount (other than principal of any Loan or L/C Obligation) payable hereunder or under any other Loan Document and continuance of such default for a period of five Business Days;

(b) Non-Payment of Principal. Any default by a Borrower in the payment of the principal of any Loan or L/C Obligation when due and in the currency required hereunder, whether at maturity, upon acceleration of maturity or at any date fixed for payment;

(c) Cross-Default. (i) Any default in the payment of the principal of, or interest or premium on, any other Debt of a Borrower and its Subsidiaries aggregating in excess of \$3,000,000 as and when due and payable (whether by lapse of time, declaration, call for redemption or otherwise) and the continuation of such default beyond the period of grace, if any, allowed with respect thereto, or (ii) any default (other than a payment default) under any mortgages, agreements or other instruments of a Borrower and its Subsidiaries under or pursuant

to which Debt aggregating in excess of \$3,000,000 is issued and the continuation of such default beyond the period of grace, if any, allowed with respect thereto;

(d) Specific Covenants. Any default in the observance or performance of Sections 7.01 through 7.13 or in Section 8.04;

(e) Other Defaults. Any default in the observance or performance of (i) Section 6.06(e) which is not remedied within seven days after the date on which the Borrowers learn of such default, or (ii) any other covenant or provision of this Agreement or any other Loan Document which is not remedied within 30 days after the date on which the Borrowers learn of such default;

(f) Representations and Warranties. Any representation or warranty made by a Borrower in this Agreement or any other Loan Document, or made by a Borrower in any written statement or certificate furnished by a Borrower pursuant to this Agreement, proves incorrect in any material respect as of the date of the making or issuance thereof;

(g) Judgments. Any judgment, decree, writ or warrant of attachment or any similar process in an aggregate amount in excess of \$5,000,000 shall be entered or filed against a Borrower or any Subsidiary or against any property or assets of a Borrower or any Subsidiary and remain unpaid, unvacated, unbonded or unstayed (through appeal or otherwise) for a period of 60 days after a Borrower or any Subsidiary receives notice thereof, except for any judgment, decree, writ or warrant of attachment or any similar process to the extent that a Borrower or any Subsidiary (i) is insured therefor and with respect to which the insurer has assumed responsibility in writing, or (ii) is indemnified therefor, provided the terms of such indemnification are satisfactory to Required Lenders;

(h) Insolvency. A Borrower or any Subsidiary shall

(i) generally not pay its debts as they become due or admit in writing its inability to pay its debts generally as they become due;

(ii) file a petition in bankruptcy or for reorganization or for the adoption of an arrangement under the Federal Bankruptcy Code of the United States, or any similar applicable bankruptcy or insolvency law (or, with respect to Canadian Borrower, any other Debtor Relief Law), as now or in the future amended (herein collectively called "Bankruptcy Laws"); file an answer or other pleading admitting or failing to deny the material allegations of such a petition; fail to obtain the dismissal of such a petition within 60 days of its filing or be subject to an order for relief or a decree approving such a petition; or file an answer or other pleading seeking, consenting to or acquiescing in relief provided for under the Bankruptcy Laws;

(iii) make an assignment of all or a substantial part of its property for the benefit of its creditors;

(iv) seek or consent to or acquiesce in the appointment of a receiver, liquidator, custodian or trustee of it or for all or a substantial part of its property;

(v) be finally adjudicated bankrupt or insolvent;

(vi) be subject to the entry of a court order which shall not be vacated, set aside or stayed within 60 days of the date of entry, (A) appointing a receiver, liquidator, custodian or trustee of it or for all or a substantial part of its property, (B) for relief pursuant to an involuntary case brought under, or effecting an arrangement in, bankruptcy, (C) for a reorganization pursuant to the Bankruptcy Laws, or (D) for any other judicial modification or alteration of the rights of creditors; or

(vii) be subject to the assumption of custody or sequestration by a court of competent jurisdiction of all or a substantial part of its property, which custody or sequestration shall not be suspended or terminated within 60 days from its inception.

(i) Guarantor Obligations. Except as otherwise provided in this Agreement including, without limitation, in Section 6.12, Section 7.05, Section 7.06, Section 7.07 and Section 7.08, (i) the obligations of any Subsidiary Guarantor contained in the Subsidiary Guarantee Agreement, any of the Security Documents or the Collateral Agency and Intercreditor Agreement shall cease to be in full force and effect or shall be declared by a court or governmental authority of competent jurisdiction to be void, voidable or unenforceable against any such Subsidiary Guarantor; (ii) U.S. Borrower or any Subsidiary Guarantor shall contest the validity or enforceability of the Subsidiary Guarantee Agreement any of the U.S. Security Documents or the Collateral Agency and Intercreditor Agreement against any such Subsidiary Guarantor, or (iii) U.S. Borrower or any Subsidiary Guarantor shall deny that such Subsidiary Guarantor has any further liability or obligation under the Subsidiary Guarantee Agreement or any of the U.S. Security Documents; (iv) the obligations of any Loan Party contained in the U.K. Guarantee or any of the U.K. Security Documents shall cease to be in full force and effect or shall be declared by a court or governmental authority of competent jurisdiction to be void, voidable or unenforceable against any such Loan Party; (v) any Loan Party shall contest the validity or enforceability of the U.K. Guarantee or any of the U.K. Security Documents against any of the Loan Parties, or (vi) any Loan Party shall deny that any of the Loan Parties has any further liability or obligation under the U.K. Guarantee or any of the U.K. Security Documents; or

(j) Other Representations and Warranties. Any representation or warranty made in writing by or on behalf of U.S. Borrower, U.K. Borrower, any Subsidiary Guarantor or any U.K. Subsidiary Guarantor or by any officer of U.S. Borrower, U.K. Borrower, any Subsidiary Guarantor or any U.K. Subsidiary Guarantor in the Subsidiary Guarantee Agreement, the U.K. Guarantee, any U.S. Security Document, any U.K. Security Document or the Collateral Agency and Intercreditor Agreement or in any writing furnished in connection therewith or pursuant to the terms thereof proves to have been false or incorrect in any material respect on the date as of which made; or

(k) Collateral Documents. Except as otherwise provided in this Agreement, including, without limitation in Section 6.12, Section 7.05, Section 7.06, Section 7.07 and Section 7.08 (i) any Collateral Document shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared by any court or governmental authority of competent jurisdiction to be void, voidable or unenforceable against the grantor thereunder; or (ii) the validity or enforceability of any Collateral Document against the grantor thereof shall be contested by such grantor; or

(l) Receivables Purchase Agreement. U.S. Borrower or any Subsidiary shall enter into a Receivables Purchase Agreement; or

(m) Intercreditor Agreement. Any default by U.S. Borrower or any Subsidiary Guarantor in the performance or observance of any covenant or provision of the Collateral Agency and Intercreditor Agreement, the Subsidiary Guarantee Agreement or any of the U.S. Security Documents and such default shall continue for more than thirty (30) days after the first date on which a Senior Officer (as defined in the Collateral Agency and Intercreditor Agreement) shall have become aware of such default.

8.02 Remedies Upon Event of Default. If any Event of Default occurs and is continuing, Agents shall, at the request of, or may, with the consent of, Required Lenders, take any or all of the following actions:

(a) declare the commitment of each Lender to make Loans and purchase Acceptances and any obligation of L/C Issuers to make L/C Credit Extensions to be terminated, whereupon such commitments and obligations shall be terminated;

(b) declare the unpaid principal amount of all outstanding Loans and all Obligations in respect of Acceptances, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by Borrowers;

(c) require that Borrowers Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(d) exercise on behalf of themselves, the Lenders and the L/C Issuers all rights and remedies available to them, the Lenders and the L/C Issuers under the Loan Documents;

provided, however, that upon the occurrence of an Event of Default described in Section 8.01(h), the obligation of each Lender to make Loans and any obligation of each L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans, all Acceptance Exposure and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of Borrowers to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of either Agent or any Lender.

8.03 Application of Funds.

(a) U.S. Obligations. After the exercise of remedies provided for in Section 8.02 (or after the U.S. Loans have automatically become immediately due and payable and the U.S. L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the U.S. Obligations shall be applied by U.S. Agent in the following order:

First, to payment of that portion of the U.S. Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to U.S. Agent and amounts payable under Article III) payable to U.S. Agent in its capacity as such;

Second, to payment of that portion of the U.S. Obligations constituting fees, indemnities and other amounts (other than principal, interest and L/C Fees) payable to U.S. Lenders and U.S. L/C

Issuer (including fees, charges and disbursements of counsel to U.S. Lender and U.S. L/C Issuer) and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the U.S. Obligations constituting accrued and unpaid L/C Fees and interest on the U.S. Loans, L/C Borrowings and other U.S. Obligations, ratably among U.S. Lenders and U.S. L/C Issuer in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the U.S. Obligations constituting unpaid principal of the U.S. Loans, and L/C Borrowings, ratably among U.S. Lenders and U.S. L/C Issuer in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to U.S. Agent for the account of U.S. L/C Issuer, to Cash Collateralize that portion of U.S. L/C Obligations comprised of the aggregate undrawn amount of U.S. Letters of Credit;

Sixth, to payment of that portion of the U.S. Obligations constituting amounts payable by U.S. Borrower or U.K. Borrower in connection with any Swap Contract between such Borrower and any U.S. Lender or any Affiliate of any U.S. Lender and all amounts constituting Treasury Management Obligations of a Loan Party to a U.S. Lender or an Affiliate of a U.S. Lender;

Seventh, to Canadian Agent for application to Canadian Obligations in the order set forth in Section 8.03(b); and

Last, the balance, if any, after all of the U.S. Obligations and Canadian Obligations have been paid in full, to U.S. Borrower or as otherwise required by Law.

Subject to Section 2.04(c), amounts used to Cash Collateralize the aggregate undrawn amount of U.S. Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such U.S. Letters of Credit as they occur; provided, however, that if U.S. Borrower is required to Cash Collateralize any U.S. L/C Obligations following an Event of Default, such amount (to the extent not already applied as provided herein, and not otherwise required to be maintained as Cash Collateral pursuant to the terms of this Agreement in the absence of such Event of Default) shall be returned to U.S. Borrower after such Event of Default has been cured or waived so long as no other Default then exists. If any amount remains on deposit as Cash Collateral after all U.S. Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other U.S. Obligations, if any, in the order set forth above.

Notwithstanding anything in this Section 8.03(a) to the contrary, amounts received from the U.K. Borrower with respect to the U.S. Obligations shall only be applied to satisfy U.S. Obligations of the U.K. Borrower.

(b) Canadian Obligations. After the exercise of remedies provided for in Section 8.02 (or after the Canadian Loans have automatically become immediately due and payable and the Canadian L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Canadian Obligations shall be applied by Canadian Agent in the following order:

First, to payment of that portion of the Canadian Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to Canadian Agent and amounts payable under Article III) payable to Canadian Agent in its capacity as such;

Second, to payment of that portion of the Canadian Obligations constituting fees, indemnities and other amounts (other than principal, interest and L/C Fees) payable to Canadian Lenders and Canadian L/C Issuer (including fees, charges and disbursements of counsel to Canadian Lenders and Canadian L/C Issuer) and amounts payable under Article III, ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Canadian Obligations constituting accrued and unpaid L/C Fees and interest on the Canadian Loans, L/C Borrowings and other Canadian Obligations, ratably among Canadian Lenders and Canadian L/C Issuer in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Canadian Obligations constituting unpaid principal of the Canadian Loans, and L/C Borrowings, ratably among Canadian Lenders and Canadian L/C Issuer in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to Canadian Agent for the account of Canadian L/C Issuer, to Cash Collateralize that portion of Canadian L/C Obligations comprised of the aggregate undrawn amount of Canadian Letters of Credit and all amounts constituting Treasury Management Obligations of Canadian Borrower to a Canadian Lender or an Affiliate of a Canadian Lender;

Sixth, to payment of that portion of the Canadian Obligations constituting amounts payable by Canadian Borrower in connection with any Swap Contract between Canadian Borrower and any Canadian Lender or any Affiliate of any Canadian Lender; and

Last, the balance, if any, after all of the Canadian Obligations have been paid in full, to Canadian Borrower or as otherwise required by Law.

Subject to Section 2.04(c), amounts used to Cash Collateralize the aggregate undrawn amount of Canadian Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Canadian Letters of Credit as they occur; provided, however, that if Canadian Borrower is required to Cash Collateralize any Canadian L/C Obligations following an Event of Default, such amount (to the extent not already applied as provided herein, and not otherwise required to be maintained as Cash Collateral pursuant to the terms of this Agreement in the absence of such Event of Default) shall be returned to Canadian Borrower after such Event of Default has been cured or waived so long as no other Default then exists. If any amount remains on deposit as Cash Collateral after all Canadian Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Canadian Obligations, if any, in the order set forth above.

8.04 Notice of Default. With respect to Defaults, Events of Default or claimed defaults, Borrowers will give the following notices:

(a) Borrowers promptly will furnish to U.S. Agent, Canadian Agent, U.S. L/C Issuer, U.S. Swing Line Lender, Canadian L/C Issuer and each Lender written notice of the occurrence of a Default or an Event of Default. Such notice shall specify the nature of such default, the period of existence thereof and what action Borrowers have taken or are taking or propose to take with respect thereto.

(b) If U.S. Agent, Canadian Agent, any Lender or the holder of any other evidence of Debt of a Borrower or any Subsidiary gives any notice or takes any other action with respect to a claimed default, Borrowers will forthwith give written notice thereof to U.S. Agent, Canadian Agent, U.S. L/C Issuer, U.S. Swing Line Lender, Canadian L/C Issuer and each Lender, describing the notice or action and the nature of the claimed default.

8.05 Collection Allocation Mechanism for U.S. Obligations.

(a) On the CAM Exchange Date, the U.S. Lenders shall automatically and without further action be deemed to have exchanged interests in the Specified Obligations under each of the U.S. Revolving A Credit Facility (and participation interests in U.S. Letters of Credit) and the U.S. Revolving B Credit Facility such that, in lieu of the interest of each U.S. Lender in the Specified Obligations under each such Facility in which it shall participate as of such date (including the principal, reimbursement, interest and fee obligations of each Loan Party in respect of each such Facility) and, if such U.S. Lender holds a U.S. Revolving A Credit Commitment as of such date, such U.S. Lender's participation interests in U.S. Letters of Credit, such U.S. Lender shall own an interest equal to such U.S. Lender's CAM Percentage in the Specified Obligations under each of the U.S. Revolving A Credit Facility and the U.S. Revolving B Credit Facility (including the principal, reimbursement, interest and fee obligations of each Loan Party in respect of each such Facility) and hold a participation interest in each U.S. Letter of Credit equal to its CAM Percentage thereof. Each U.S. Lender, each Participant, each Loan Party and the U.S. Agent hereby consents and agrees to the CAM Exchange. Each U.S. Lender and each Loan Party hereby agrees from time to time to execute and deliver to the U.S. Agent all such promissory notes and other instruments and documents as the U.S. Agent shall reasonably request to evidence and confirm the respective interests and obligations of the U.S. Lenders after giving effect to the CAM Exchange, and each U.S. Lender agrees to surrender any promissory notes originally received by such U.S. Lender to the U.S. Agent against delivery of any promissory notes so executed and delivered; provided, however, that the failure of any Loan Party to execute and deliver or of any U.S. Lender to accept any such promissory note, instrument or document shall not affect the validity or effectiveness of the CAM Exchange. On the CAM Exchange Date, each U.S. Lender whose funded Exposures after giving effect to the CAM Exchange shall exceed its funded Exposures before giving effect thereto shall pay to the U.S. Agent the amount of such excess in the applicable currency or currencies (or, if requested by the U.S. Agent, in U.S. Dollars), and the U.S. Agent shall pay to each of the U.S. Lenders, out of the amount so received by it, the amount by which such U.S. Lender's funded Exposures before giving effect to the CAM Exchange exceeds such funded Exposures after giving effect to the CAM Exchange.

(b) Each U.S. Lender's obligation to exchange its interests pursuant to the CAM Exchange shall be absolute and unconditional and shall not be affected by any circumstance including, without limitation, (i) any setoff, counterclaim, recoupment, defense or other right which such U.S. Lender may have against any other U.S. Lender, any Loan Party or any other Person for any reason whatsoever, (ii) the occurrence or continuance of a Default, (iii) any adverse change in the condition (financial or otherwise) of the U.S. Borrower or any of its Subsidiaries or any other Person, (iv) any breach of this Agreement by any Loan Party, any U.S. Lender or any other Person, or (v) any other circumstance, happening or event whatsoever, whether or not similar to any of the foregoing.

(c) For purposes of this Section 8.05:

(i) “CAM Exchange” means the exchange of the U.S. Lenders’ interests provided in this Section 8.05.

(ii) “CAM Exchange Date” means the date on which an Event of Default under Section 8.01(h) shall occur.

(iii) “CAM Exchange Percentage” means, as to each U.S. Lender, a fraction, expressed as decimal, of which (a) the numerator shall be the aggregate U.S. Dollar Equivalent of the sum of (i) the Specified Obligations owed to such U.S. Lender and (ii) such U.S. Lender’s participations in undrawn amounts of U.S. Letters of Credit, in each case immediately prior to the CAM Exchange Date and (b) the denominator shall be the aggregate U.S. Dollar Equivalent of the sum of (i) the Specified Obligations owed to all the U.S. Lenders and (ii) the aggregate undrawn amount of all outstanding U.S. Letters of Credit, in each case immediately prior to the CAM Exchange Date.

(iii) “Exposure” means, with respect to any U.S. Lender, the sum at such time, without duplication, of such U.S. Lender’s (i) Applicable Percentage of the Total U.S. Revolving A Credit Outstandings (including any participation interests in U.S. Letters of Credit and U.S. Swing Line Loans) plus (ii) Applicable Percentage of the Total U.S. Revolving B Credit Outstandings. For purposes hereof, Exposure shall be expressed in U.S. Dollars.

(iv) “Specified Obligations” means U.S. Obligations consisting of principal of and interest on the U.S. Loans, reimbursement obligations in respect of U.S. Letters of Credit and fees.

ARTICLE IX

AGENTS

9.01 Appointment and Authorization of Agents. Each of U.S. Lenders and U.S. L/C Issuer hereby irrevocably appoints Bank of America to act on its behalf as U.S. Agent hereunder and under the other Loan Documents and authorizes U.S. Agent to take such actions on its behalf and to exercise such powers as are delegated to U.S. Agent by the terms hereof and thereof, together with such actions and powers as are reasonably incidental thereto. Each of Canadian Lenders and Canadian L/C Issuer hereby appoints Bank of America Canada to act on its behalf as Canadian Agent hereunder and under the other Loan Documents and authorizes Canadian Agent to take such actions on its behalf and to exercise such powers as are delegated to Canadian Agent by the terms hereof and thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of Agents, Lenders and L/C Issuers, and no Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions.

9.02 Rights as a Lender. The Persons serving as Agents hereunder shall have the same rights and powers in their capacity as a Lender as any other Lender and may exercise the same as though they were not Agents and the term “Lender” or “Lenders” shall, unless otherwise

expressly indicated or unless the context otherwise requires, include the Persons serving as Agents hereunder in its individual capacity. Such Persons and their Affiliates may accept deposits from, lend money to, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with Borrowers or any Subsidiary or other Affiliate thereof as if such Persons were not Agents hereunder and without any duty to account therefor to Lenders.

9.03 Exculpatory Provisions. Agents shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents. Without limiting the generality of the foregoing, Agents:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that Agents are required to exercise as directed in writing by Required Lenders (or such other number or percentage of Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that neither Agent shall be required to take any action that, in its opinion or the opinion of its counsel, may expose such Agent to liability or that is contrary to any Loan Document or applicable Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to Borrowers or any of their Affiliates that is communicated to or obtained by the Person serving as Agent or any of its Affiliates in any capacity.

(d) Agents shall not be liable for any action taken or not taken by them (i) with the consent or at the request of Required Lenders (or such other number or percentage of Lenders as shall be necessary, or as the applicable Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 8.02 and 10.01) or (ii) in the absence of its own gross negligence or willful misconduct. Agents shall be deemed not to have knowledge of any Default unless and until written notice describing such Default is given to Agents by Borrowers, a Lender or a L/C Issuer. Agents shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or sufficiency of any Collateral, or (vi) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to Agents.

9.04 Reliance by Agents. Agents shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument,

document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. Agents also may rely upon any statement made to them orally or by telephone and believed by them to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or a L/C Issuer, Agents may presume that such condition is satisfactory to such Lender or such L/C Issuer unless the applicable Agent shall have received notice to the contrary from such Lender or such L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. Agents may consult with legal counsel (who may be counsel for Borrowers), independent accountants and other experts selected by them, and shall not be liable for any action taken or not taken by them in accordance with the advice of any such counsel, accountants or experts.

9.05 Delegation of Duties. Agents may perform any and all of their duties and exercise their rights and powers hereunder or under any other Loan Document by or through any one or more sub agents appointed by the applicable Agent. Agents and any such sub agent may perform any and all of their duties and exercise their rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub agent and to the Related Parties of each Agent and any such sub agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as an Agent.

9.06 Resignation of an Agent. An Agent may at any time give notice of its resignation to Lenders, the other Agent, L/C Issuers and Borrowers. Upon receipt of any such notice of resignation, the applicable Required Lenders shall have the right, in consultation with Borrowers, to appoint a successor, which in the case of U.S. Agent, shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States and in the case of Canadian Agent shall be a bank with an office in Canada that accepts deposits. If no such successor shall have been so appointed by the applicable Required Lenders and shall have accepted such appointment within 30 days after the retiring Agent gives notice of its resignation, then the retiring Agent may on behalf of the applicable Lenders and the applicable L/C Issuer, appoint a successor Agent meeting the qualifications set forth above; provided that if the retiring Agent shall notify Borrowers and Lenders that no qualifying Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice and (1) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by Agent on behalf of Lenders or L/C Issuers under any of the Loan Documents, the retiring Agent shall continue to hold such collateral security until such time as a successor Agent is appointed) and (2) all payments, communications and determinations provided to be made by, to or through the retiring Agent shall instead be made by or to each Lender and L/C Issuer directly, until such time as the applicable Required Lenders appoint a successor Agent as provided for above in this Section. Upon the acceptance of a successor's appointment as Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by Borrowers to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrowers and such successor. After the retiring Agent's resignation hereunder and under the other Loan Documents, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting as Agent.

Any resignation by Bank of America as U.S. Agent pursuant to this Section shall also constitute its resignation as U.S. L/C Issuer and U.S. Swing Line Lender. Any resignation by Bank of America Canada as Canadian Agent pursuant to this Section shall also constitute its resignation as Canadian L/C Issuer. Upon the acceptance of a successor's appointment as Agent hereunder, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer and Swing Line Lender, (b) the retiring L/C Issuer and Swing Line Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents, and (c) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to the retiring L/C Issuer to effectively assume the obligations of the retiring L/C Issuer with respect to such Letters of Credit.

9.07 Non-Reliance on Agents and Other Lenders. Each Lender and each L/C Issuer acknowledges that it has, independently and without reliance upon either Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and each L/C Issuer also acknowledges that it will, independently and without reliance upon either Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08 No Other Duties, Etc. Anything herein to the contrary notwithstanding, none of the Bookrunners, Arrangers or any Lender holding a title listed on the cover page hereof shall have any powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except in its capacity, as applicable, as Agent, a Lender or L/C Issuer hereunder.

9.09 Agents May File Proofs of Claim. In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, Agents (irrespective of whether the principal of any Loan or L/C Obligation or any Acceptance shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether Agents shall have made any demand on Borrowers) shall be entitled and empowered, by intervention in such proceeding or otherwise

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations, Acceptances and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of Lenders, L/C Issuers and Agents (including any claim for the reasonable compensation, expenses, disbursements and advances of Lenders, L/C Issuers and Agents and their respective agents and counsel and all other amounts due Lenders, L/C Issuer and Agent under Sections 2.04(i) and (j), 2.10 and 10.04) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, receiver and manager, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and each L/C Issuer to make such payments to Agents and, in the event that Agents shall consent to the making of such payments directly to Lenders and L/C Issuers, to pay to Agents any amount due for the reasonable compensation, expenses, disbursements and advances of Agents and their agents and counsel, and any other amounts due Agents under Sections 2.10 and 10.04. Nothing contained herein shall be deemed to authorize Agents to authorize or consent to or accept or adopt on behalf of any Lender or any L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or to authorize Agents to vote in respect of the claim of any Lender or any L/C Issuer in any such proceeding.

9.10 Guaranty Matters. Each U.S. Lender and U.S. L/C Issuer hereby irrevocably authorizes U.S. Agent to, so long as no Default or Event of Default shall have occurred or be continuing, and U.S. Agent shall, upon the request of U.S. Borrower so long as no Default or Event of Default shall have occurred and be continuing, release any Subsidiary Guarantor from its obligations under the Subsidiary Guarantee Agreement if such Person ceases to be a Significant Subsidiary as a result of a transaction permitted hereunder. Each U.S. Lender and U.S. L/C Issuer hereby irrevocably authorizes U.S. Agent to, so long as no Default or Event of Default shall have occurred or be continuing, and U.S. Agent shall, upon the request of U.S. Borrower so long as no Default or Event of Default shall have occurred and be continuing, release any Subsidiary Guarantor or U.K. Subsidiary Guarantor from its obligations under the U.K. Guarantee if such Person ceases to be a Subsidiary as a result of a transaction permitted hereunder. Upon request by U.S. Agent at any time, each U.S. Lender and U.S. L/C Issuer will confirm in writing U.S. Agent's authority to release any Subsidiary Guarantor or U.K. Subsidiary Guarantor from its obligations under the Subsidiary Guarantee Agreement or U.K. Guarantee, as applicable, pursuant to this Section 9.10.

9.11 Collateral Matters.

(a) Each Lender and each L/C Issuer hereby irrevocably authorizes and directs each Agent to enter into the Collateral Documents for the benefit of such Lender and such L/C Issuer. Each U.S. Lender and U.S. L/C Issuer hereby irrevocably authorizes U.S. Agent to enter into the Collateral Agency and Intercreditor Agreement for the benefit of such U.S. Lender and U.S. L/C Issuer. Each Lender and each L/C Issuer hereby agrees, and each holder of any Note by the acceptance thereof will be deemed to agree, that, except as otherwise set forth in Section 10.01, any action taken by Required Lenders, in accordance with the provisions of this Agreement or the Collateral Documents, and the exercise by Required Lenders of the powers set forth herein or therein, together with such other powers as are reasonably incidental thereto, shall be authorized and binding upon all of Lenders and L/C Issuers. Agents are hereby authorized (but not obligated) on behalf of all of Lenders and L/C Issuers, without the necessity of any notice to or further consent from any Lender or any L/C Issuer from time to time prior to, an Event of Default, to take any action with respect to any Collateral or Collateral Documents which may be necessary to perfect and maintain perfected the Liens upon the Collateral granted pursuant to the Collateral Documents.

(b) Each U.S. Lender and U.S. L/C issuer hereby irrevocably authorize U.S. Agent, at its option and in its discretion,

(i) to authorize Collateral Agent to release any Lien on any property granted to or held by Collateral Agent under any U.S. Security Document (A) upon termination of the Aggregate U.S. Commitments and payment in full of all U.S. Obligations (other than contingent indemnification obligations) and the expiration or termination of all U.S. Letters of Credit, (B) that is sold or to be sold as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document, (C) subject to Section 10.01, if approved, authorized or ratified in writing by U.S. Supermajority Lenders, or (D) in connection with any foreclosure sale or other disposition of Collateral after the occurrence of an Event of Default;

(ii) to authorize Collateral Agent to subordinate any Lien on any property granted to or held by Collateral Agent under any U.S. Security Document to the holder of any Lien on such property that is permitted by this Agreement or any other Loan Document;

(iii) to release any Lien on any property granted to or held by U.S. Agent under any U.K. Security Document (A) upon termination of the Aggregate U.S. Revolving B Credit Commitments and payment in full of all U.S. Obligations (other than contingent indemnification obligations) of U.K. Borrower and the U.K. Subsidiary Guarantors, (B) that is sold or to be sold as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document, (C) subject to Section 10.01, if approved, authorized or ratified in writing by U.S. Supermajority Lenders, (D) in connection with any foreclosure sale or other disposition of Collateral after the occurrence of an Event of Default or (E) upon request of the U.K. Borrower so long as (1) no Default or Event of Default exists and (2) the U.K. Borrower prepays the Total U.K. Borrower Outstandings to the extent necessary to be in compliance with Section 2.05(b) (after taking into account any reduction of the U.S. Borrowing Base resulting from such release); and

(iv) to subordinate any Lien on any property granted to or held by U.S. Agent under any U.K. Security Document to the holder of any Lien on such property that is permitted by this Agreement or any other Loan Document.

Upon request by U.S. Agent at any time, each U.S. Lender and U.S. L/C Issuer will confirm in writing U.S. Agent's authority to, and to so authorize Collateral Agent to, release or subordinate its interest in particular types or items of Collateral pursuant to this Section 9.11(b).

(c) Each Canadian Lender and Canadian L/C issuer hereby irrevocably authorize Canadian Agent, at its option and in its discretion,

(i) to release any Lien on any property granted to or held by Canadian Agent under any Loan Document (A) upon termination of the Aggregate Canadian Commitments and payment in full of all Canadian Obligations (other than contingent indemnification obligations) and the expiration or termination of all Canadian Letters of Credit, (B) that is sold or to be sold as part of or in connection with any sale or other disposition permitted hereunder or under any other Loan Document, (C) subject to Section 10.01, if approved, authorized or ratified in writing by Canadian Supermajority Lenders, or (D) in connection with any foreclosure sale or other disposition of Collateral after the occurrence of an Event of Default; and

(ii) to subordinate any Lien on any property granted to or held by Canadian Agent under any Loan Document to the holder of any Lien on such property that is permitted by this Agreement or any other Loan Document.

Upon request by Canadian Agent at any time, each Canadian Lender and Canadian L/C Issuer will confirm in writing Canadian Agent's authority to release or subordinate its interest in particular types or items of Collateral pursuant to this [Section 9.11\(c\)](#).

(d) Subject to clauses (b) and (c) above, each Agent shall (and is hereby irrevocably authorized by each Lender and each L/C Issuer), to execute such documents as may be necessary to evidence the release or subordination of the Liens granted to such Agent for the benefit of such Agent and the applicable Lenders and the applicable L/C Issuer herein or pursuant hereto upon the applicable Collateral; provided that (i) such Agent shall not be required to execute any such document on terms which, in such Agent's opinion, would expose such Agent to or create any liability or entail any consequence other than the release or subordination of such Liens without recourse or warranty and (ii) such release or subordination shall not in any manner discharge, affect or impair the Obligations or any Liens upon (or obligations of Borrowers or any other Loan Party in respect of) all interests retained by a Borrower or any other Loan Party, including the proceeds of the sale, all of which shall continue to constitute part of the Collateral. In the event of any sale or transfer of Collateral, or any foreclosure with respect to any of the Collateral, the applicable Agent shall be authorized to deduct all expenses reasonably incurred by the applicable Agent from the proceeds of any such sale, transfer or foreclosure.

(e) Agents shall have no obligation whatsoever to any Lender, any L/C Issuer or any other Person to assure that the Collateral exists or is owned by a Borrower or any other Loan Party or is cared for, protected or insured or that the Liens granted to Agents herein or in any of the Collateral Documents or pursuant hereto or thereto have been properly or sufficiently or lawfully created, perfected, protected or enforced or are entitled to any particular priority, or to exercise or to continue exercising at all or in any manner or under any duty of care, disclosure or fidelity any of the rights, authorities and powers granted or available to Agents in this [Section 9.11](#) or in any of the Collateral Documents, it being understood and agreed that in respect of the Collateral, or any act, omission or event related thereto, each Agent may act in any manner it may deem appropriate, in its sole discretion, given such Agent's own interest in the Collateral as one of Lenders and that such Agent shall have no duty or liability whatsoever to Lenders or L/C Issuer.

(f) Each Lender and each L/C Issuer hereby appoints each other Lender as agent for the purpose of perfecting Lenders' and L/C Issuers' security interest in assets which, in accordance with the applicable PPSA, the CC, Article 9 of the UCC or other applicable Law can be perfected only by possession. Should any Lender or either L/C Issuer (other than an Agent) obtain possession of any such Collateral, such Lender or L/C Issuer shall notify Agents thereof, and, promptly upon Agents' request therefor shall deliver such Collateral to Agents or in accordance with Agents' instructions.

(g) U.S. Agent hereby agrees that at such time as Required U.S. Lenders have received evidence reasonably satisfactory to them that U.S. Borrower's unsecured debt obligations are Investment Grade and this Agreement is then in effect U.S. Agent will on behalf of U.S. Lenders deliver to Collateral Agent a notice stating that U.S. Borrower's unsecured debt obligations are Investment Grade. U.S. Lenders hereby consent and agree to the giving of such notice by U.S. Agent and agree to execute and deliver any documentation related thereto as may

be required under the Collateral Agency and Intercreditor Agreement. U.S. Lenders agree that prior to providing any notice or determination to U.S. Agent or Collateral Agent regarding the characterization of U.S. Borrower's unsecured debt obligations as Investment Grade pursuant to clause (ii) of the definition of Investment Grade, each U.S. Lender will consult with each other U.S. Lender regarding such characterization of U.S. Borrower's unsecured debt obligations. At such time as Canadian Agent receives evidence reasonably satisfactory to it that each of the conditions set forth in Section 13.5 of the Collateral Agency and Intercreditor Agreement have been satisfied, Canadian Agent shall, at Canadian Borrower's expense, cause to be prepared and executed and delivered to Canadian Borrower such discharges, releases, terminations or other documents and instruments as shall be reasonably necessary in order to release all of Canadian Agent's Liens in the Collateral of Canadian Borrower. Canadian Lenders hereby consent and agree to such discharge and release of Canadian Agent's Liens in the Collateral of Canadian Borrower. At such time as U.S. Agent receives evidence reasonably satisfactory to it that each of the conditions set forth in Section 13.5 of the Collateral Agency and Intercreditor Agreement have been satisfied, U.S. Agent shall, at U.K. Borrower's expense, cause to be prepared and executed and delivered to U.K. Borrower such discharges, releases, terminations or other documents and instruments as shall be reasonably necessary in order to release all of U.S. Agent's Liens in the Collateral of U.K. Borrower and the U.K. Subsidiary Guarantors. U.S. Lenders hereby consent and agree to such discharge and release of U.S. Agent's Liens in the Collateral of U.K. Borrower and U.K. Subsidiary Guarantors.

(h) Notwithstanding anything to the contrary in this Agreement or any other Loan Document, in the event that any term or provision of the Collateral Agency and Intercreditor Agreement conflicts with any term or provision of this Agreement or any other Loan Document, the relevant terms and provisions of the Collateral Agency and Intercreditor Agreement shall supersede the relevant term or provision of this Agreement or any such other Loan Document and govern and control the subject matter of such conflicting term or provision of this Agreement or such other Loan Document.

(i) Each U.S. Lender acknowledges and agrees that (i) U.S. Agent will be executing the Collateral Agency and Intercreditor Agreement as U.S. Agent on behalf of U.S. Lenders (and each U.S. Lender hereby authorizes and directs the U.S. Agent to so execute the Collateral Agency and Intercreditor Agreement), (ii) that the U.S. Agent and U.S. Lenders will be bound by all of the terms and provisions of the Collateral Agency and Intercreditor Agreement, (iii) that U.S. Agent will take any action and perform any obligation it may have under the Collateral Agency and Intercreditor Agreement in accordance with the terms and conditions thereof, including any action required to be taken or obligation to be performed by a "Secured Party" or a holder of "Additional Future Debt" or a "Secured Obligation" (as each such term is defined in the Collateral Agency and Intercreditor Agreement) and (iv) any request, demand, authorization, direction, notice, consent, waiver or other action permitted or required or permitted to be made or given by U.S. Agent under the Collateral Agency and Intercreditor Agreement as a "Secured Party" or by holders of "Bank Credit Agreement Debt" thereunder shall be made or given by U.S. Agent on behalf of U.S. Lenders as directed by each U.S. Lender so that the direction of each U.S. Lender to U.S. Agent is separately taken into account in connection with any such request, demand, authorization, direction, notice, consent, waiver or other action.

9.12 Canadian Agent Matters. For greater certainty, and without limiting the powers of Agents or any other Person acting as an agent, attorney-in-fact or mandatary for Agents under this Agreement or under any of the other Loan Documents, each Canadian Lender, hereby (a) irrevocably constitutes, to the extent necessary, Canadian Agent as the holder of an

irrevocable power of attorney (fondé de pouvoir within the meaning of Article 2692 of the Civil Code of Québec) for the purposes of holding any Liens, including hypothecs, granted or to be granted by Canadian Borrower on movable or immovable property pursuant to the laws of the Province of Quebec to secure obligations of Canadian Borrower under any bond issued by Canadian Borrower; and (b) appoints and agrees that Canadian Agent, acting as agent for Canadian Lenders shall be the holder and depository of the bonds and debentures issued by Canadian Borrower for the benefit of Canadian Lenders, may act as the bondholder or debentureholder and mandatary with respect to any bond that may be issued and pledged from time to time for the benefit of Canadian Lenders.

The said constitution of the fondé de pouvoir (within the meaning of Article 2692 of the Civil Code of Quebec) as the holder of such irrevocable power of attorney and of Canadian Agent as bondholder or debentureholder and mandatary with respect to any bond or debenture that may be issued and pledged from time to time for the benefit of Canadian Lenders shall be deemed to have been ratified and confirmed by any Assignee by the execution of an Assignment and Assumption.

Notwithstanding the provisions of Section 32 of An Act respecting the special powers of legal persons (Quebec), Canadian Agent may purchase, acquire and be the holder of any bond or debenture issued by Canadian Borrower. Canadian Borrower hereby acknowledges that any such bond or debenture shall constitute a title of indebtedness, as such term is used in Article 2692 of the Civil Code of Quebec.

Canadian Agent in its capacity as fondé de pouvoir shall have the same rights, powers and immunities as the Agents as stipulated in this Article IX, which shall apply mutatis mutandis. Without limitation, the provisions of this Article IX shall apply mutatis mutandis to the resignation and appointment of a successor to Canadian Agent acting as fondé de pouvoir.

Notwithstanding the provisions of Section 10.14, the provisions of this Section 9.12 shall be governed by the laws of the Province of Quebec and the federal laws of Canada applicable therein.

9.13 Authorizations and Directions. The authorizations and directions granted by the Lenders hereunder are granted solely in their capacities as a Lender under this Agreement and not in the capacity of an Other Senior Creditor.

ARTICLE X

MISCELLANEOUS

10.01 Amendments, Etc. No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by a Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by Required Lenders and Borrowers or the applicable Loan Party, as the case may be, and acknowledged by Agents, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

(a) waive any condition set forth in Section 4.01 without the written consent of each Lender; provided, however, in the sole discretion of Agents, only a waiver by Agents shall be required with respect to immaterial matters or items specified in Section 4.01(a)(iii) or (iv) with respect to which Borrowers have given assurances satisfactory to Agents that such items shall be delivered promptly following the Closing Date;

(b) without limiting the generality of clause (a) above, waive any condition set forth in Section 4.02 as to any Credit Extension under a particular Facility without the written consent of the Required U.S. Revolving A Credit Lenders, the Required U.S. Revolving B Credit Lenders or the Required Canadian Lenders, as the case may be;

(c) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;

(d) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender entitled to such payment;

(e) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iv) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document, without the written consent of each Lender entitled to such amount; provided, however, that only the consent of Supermajority Lenders shall be necessary (i) to amend the definition of "Default Rate" or to waive any obligation of Borrowers to pay interest or L/C Fees at the Default Rate or (ii) to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Borrowing or to reduce any fee payable hereunder;

(f) change Section 2.14 or Section 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender;

(g) increase the advance rates or components of the U.S. Borrowing Base or Canadian Borrowing Base if such increase would increase the amount available for borrowing hereunder by a Borrower or include additional categories of Collateral set forth in the definition of U.S. Borrowing Base or Canadian Borrowing Base if such inclusion would increase the amount available for borrowing hereunder by a Borrower, in each case (i) without the written consent of each Lender if there are less than six U.S. Lenders or (ii) without the consent of Supermajority Lenders if there are six or more U.S. Lenders;

(h) change (i) any provision of this Section 10.01 or the definition of "Required Lenders" or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder (other than the definitions specified in clause (ii) of this Section 10.1(h)), without the written consent of each Lender or (ii) the definition of "Required U.S. Revolving A Credit Lenders," "Required U.S. Revolving B Credit Lenders" or "Required Canadian Lenders" without the written consent of each Lender under the applicable Facility;

(i) (i) except as provided in Section 9.10, release any Subsidiary Guarantor from the Subsidiary Guarantee Agreement, release any U.K. Subsidiary Guarantor from the U.K. Guarantee or release U.S. Borrower from either the Parent Guarantee Agreement or the U.K. Guarantee or, (ii) except as otherwise provided in Section 9.11 (a) consent to the release of the Liens on all or substantially all of the Collateral subject to the U.S. Security Documents in any transaction or series of related transactions, except as required by the Collateral Agency and Intercreditor Agreement or otherwise in accordance with the terms of any Loan Document, without the written consent of each U.S. Lender, (b) release of the Liens on all or substantially all of the Collateral subject to the U.K. Security Documents in any transaction or series of related transactions, except in accordance with the terms of any Loan Document, without the written consent of each U.S. Lender or (c) release of the Liens on all or substantially all of the Collateral subject to the Canadian Security Documents in any transaction or series of related transactions, except in accordance with the terms of any Loan Document, without the written consent of each Canadian Lender;

(j) amend the provisions of Section 9.11(i)(iv); or

(k) amend the definition of “Alternative Currency” without the consent of each U.S. Revolving B Credit Lender;

and, provided further, that (i) no amendment, waiver or consent shall, unless in writing and signed by L/C Issuers in addition to Lenders required above, affect the rights or duties of L/C Issuers under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it; (ii) no amendment, waiver or consent shall, unless in writing and signed by U.S. Swing Line Lender in addition to Lenders required above, affect the rights or duties of U.S. Swing Line Lender under this Agreement; (iii) no amendment, waiver or consent shall, unless in writing and signed by Agents in addition to Lenders required above, affect the rights or duties of Agents under this Agreement or any other Loan Document; and (iv) the Agent Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto. Notwithstanding anything to the contrary herein, no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder, except that the Commitment of such Lender may not be increased or extended without the consent of such Lender.

10.02 Notices; Effectiveness; Electronic Communications.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by telecopier as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to Borrowers, Agents, L/C Issuers or U.S. Swing Line Lender, to the address, telecopier number, electronic mail address or telephone number specified for such Person on Schedule 10.02; and

(ii) if to any other Lender, to the address, telecopier number, electronic mail address or telephone number specified in its Administrative Questionnaire.

Notices sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices sent by telecopier shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next business day for the recipient). Notices delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to Lenders and L/C Issuers hereunder may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved by Agents, provided that the foregoing shall not apply to notices to any Lender or any L/C Issuer pursuant to Article II if such Lender or such L/C Issuer, as applicable has notified the Agents that it is incapable of receiving notices under such Article by electronic communication. Agents or Borrowers may, in their discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by them, provided that approval of such procedures may be limited to particular notices or communications. Unless Agents otherwise prescribe, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), provided that if such notice or other communication is not sent during the normal business hours of the recipient, such notice or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient, and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor.

(c) The Platform. THE PLATFORM IS PROVIDED "AS IS" AND "AS AVAILABLE." THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall either Agent or any of its Related Parties (collectively, the "Agent Parties") have any liability to Borrowers, any Lender, L/C Issuers or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of Borrowers' or Agents' transmission of Borrower Materials through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to Borrowers, any Lender, L/C Issuers or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages). Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the "Private Side Information" or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in

accordance with such Public Lender's compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the "Public Side Information" portion of the Platform and that may contain material non-public information with respect to the Company or its securities for purposes of United States Federal or state securities laws.

(d) Change of Address, Etc. Each of Borrowers, Agents, L/C Issuers and U.S. Swing Line Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, telecopier or telephone number for notices and other communications hereunder by notice to Borrowers, Agents, L/C Issuers and U.S. Swing Line Lender. In addition, each Lender agrees to notify Agents from time to time to ensure that Agents have on record (i) an effective address, contact name, telephone number, telecopier number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender.

(e) Reliance by Agents, L/C Issuers and Lenders. Agents, L/C Issuers and Lenders shall be entitled to rely and act upon any notices (including telephonic Committed Loan Notices and Swing Line Loan Notices) purportedly given by or on behalf of Borrowers even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. Borrowers shall indemnify Agents, L/C Issuers, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of a Borrower. All telephonic notices to and other telephonic communications with Agents may be recorded by Agents, and each of the parties hereto hereby consents to such recording.

10.03 No Waiver; Cumulative Remedies. No failure by any Lender, any L/C Issuer or Agents to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

10.04 Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses.

(i) U.S. Borrower shall pay (i) all reasonable out of pocket expenses incurred by U.S. Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for U.S. Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution and delivery of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by U.S. L/C Issuer in connection with the issuance, amendment, renewal or extension of any U.S. Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by U.S. Agent, any U.S. Lender or U.S. L/C Issuer (including the fees,

charges and disbursements of any counsel for U.S. Agent, any U.S. Lender or U.S. L/C Issuer), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such out of pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit. U.S. Agent will provide to U.S. Borrower written invoices for all amounts payable under this clause (i) at the time any such payment is requested.

(ii) Canadian Borrower shall pay (i) all reasonable out of pocket expenses incurred by Canadian Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for Canadian Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution and delivery of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out of pocket expenses incurred by Canadian L/C Issuer in connection with the issuance, amendment, renewal or extension of any Canadian Letter of Credit or any demand for payment thereunder and (iii) all out of pocket expenses incurred by Canadian Agent, any Canadian Lender or Canadian L/C Issuer (including the fees, charges and disbursements of any counsel for Canadian Agent, any Canadian Lender or Canadian L/C Issuer), and shall pay all fees and time charges for barristers, solicitors or attorneys who may be employees of Canadian Agent, any Canadian Lender or Canadian L/C Issuer, in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such out of pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit. Canadian Agent will provide to Canadian Borrower written invoices for all amounts payable under this clause (ii) at the time any such payment is requested.

(iii) U.K. Borrower shall pay all out-of-pocket expenses incurred by U.S. Agent or any U.S. Lender (including the fees, charges and disbursements of any counsel for U.S. Agent or any U.S. Lender), in connection with the enforcement or protection of its rights in either case against U.K. Borrower or any U.K. Subsidiary Guarantor (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made to U.K. Borrower hereunder, including all such out of pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans. U.S. Agent will provide to U.K. Borrower written invoices for all amounts payable under this clause (iii) at the time any such payment is requested.

(b) Indemnification by Borrowers.

(i) U.S. Borrower shall indemnify U.S. Agent (and any sub-agent thereof), each U.S. Lender and U.S. L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called a “U.S. Indemnitee”) against, and hold each U.S. Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any U.S. Indemnitee), incurred by any U.S. Indemnitee or asserted against any U.S. Indemnitee by any third party or by a Borrower or any other Loan Party arising out of, in connection

with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of U.S. Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by U.S. L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by Borrowers or any of their Subsidiaries, or any Environmental Liability related in any way to Borrowers or any of their Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by a Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnitee; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by Borrowers or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(ii) Canadian Borrower shall indemnify Canadian Agent (and any sub-agent thereof), each Canadian Lender and Canadian L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called a "Canadian Indemnitee" and collectively with the U.S. Indemnitees, the "Indemnitees") against, and hold each Canadian Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any Canadian Indemnitee), incurred by any Canadian Indemnitee or asserted against any Canadian Indemnitee by any third party or by a Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, or the consummation of the transactions contemplated hereby or thereby, or, in the case of Canadian Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by Canadian L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by Borrowers or any of their Subsidiaries, or any Environmental Liability related in any way to Borrowers or any of their Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by Borrowers or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not

caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnitee; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by Borrowers or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if Borrowers or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(iii) U.K. Borrower shall indemnify each U.S. Indemnitee against, and hold each U.S. Indemnitee harmless from, any and all losses, claims, damages, liabilities and related expenses (including the fees, charges and disbursements of any counsel for any U.S. Indemnitee), incurred by any U.S. Indemnitee or asserted against any U.S. Indemnitee by any third party or by a Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of U.S. Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents, in each case solely as related to U.K. Borrower or its Subsidiaries, (ii) any Loan made to U.K. Borrower or the use or proposed use of the proceeds therefrom, (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by U.K. Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to U.K. Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by U.K. Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto, in all cases, whether or not caused by or arising, in whole or in part, out of the comparative, contributory or sole negligence of the Indemnitee; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by Borrowers or any other Loan Party against an Indemnitee for breach in bad faith of such Indemnitee's obligations hereunder or under any other Loan Document, if U.K. Borrower or such Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction.

(c) Reimbursement by Lenders.

(i) To the extent that U.S. Borrower or U.K. Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to U.S. Agent (or any sub-agent thereof), U.S. L/C Issuer or any Related Party of any of the foregoing, each U.S. Lender severally agrees to pay to U.S. Agent (or any such sub-agent), U.S. L/C Issuer or such Related Party, as the case may be, such U.S. Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided

that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against U.S. Agent (or any such sub-agent) or U.S. L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for U.S. Agent (or any such sub-agent) or U.S. L/C Issuer in connection with such capacity. The obligations of U.S. Lenders under this subsection (c) are subject to the provisions of Section 2.13(d).

(ii) To the extent that Canadian Borrower for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to Canadian Agent (or any sub-agent thereof), Canadian L/C Issuer or any Related Party of any of the foregoing, each Canadian Lender severally agrees to pay to Canadian Agent (or any such sub-agent), Canadian L/C Issuer or such Related Party, as the case may be, such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought) of such unpaid amount, provided that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against Canadian Agent (or any such sub-agent) or Canadian L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for Canadian Agent (or any such sub-agent) or Canadian L/C Issuer in connection with such capacity. The obligations of Canadian Lenders under this subsection (c) are subject to the provisions of Section 2.13(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, Borrowers shall not assert, and hereby waive, any claim against any U.S. Indemnitee or Canadian Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby, other than direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section shall survive the resignation of each Agent, the L/C Issuers and the U.S. Swing Line Lender, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

10.05 Payments Set Aside.

(a) To the extent that any payment by or on behalf of U.S. Borrower or U.K. Borrower is made to U.S. Agent, U.S. L/C Issuer or any U.S. Lender, or U.S. Agent, U.S. L/C Issuer or any U.S. Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by U.S. Agent, U.S. L/C

Issuer or such U.S. Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (i) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (ii) each U.S. Lender and U.S. L/C Issuer severally agrees to pay to U.S. Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by U.S. Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect, in the applicable currency of such recovery or payment. The obligations of U.S. Lenders and U.S. L/C Issuer under clause (ii) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

(b) To the extent that any payment by or on behalf of Canadian Borrower is made to Canadian Agent, Canadian L/C Issuer or any Canadian Lender, or Canadian Agent, Canadian L/C Issuer or any Canadian Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by Canadian Agent, Canadian L/C Issuer or such Canadian Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (i) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (ii) each Canadian Lender and Canadian L/C Issuer severally agrees to pay to Canadian Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by Canadian Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the Canadian Prime Rate from time to time in effect. The obligations of Canadian Lenders and Canadian L/C Issuer under clause (ii) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

10.06 Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that, except as contemplated by Section 7.05, no Borrower nor any other Loan Party may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of Agents, L/C Issuers and each Lender and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of Agents, L/C Issuers and Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment and the Loans (including for purposes of this subsection (b), participations in L/C Obligations and in U.S. Swing Line Loans) at the time owing to it); provided that any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

A. in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility and the Loans at the time owing to it under such Facility or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

B. in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Commitment (which for this purpose includes Loans outstanding thereunder) or, if the Commitment is not then in effect, the principal outstanding balance of the Loans of the assigning Lender subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the applicable Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000, in the case of any assignment in respect of the U.S. Revolving A Credit Facility or the U.S. Revolving B Credit Facility, or \$1,000,000, in the case of any assignment in respect of the Canadian Committed Loan Facility, unless each of the U.S. Agent, in the case of the U.S. Revolving A Credit Facility and the U.S. Revolving B Credit Facility, or Canadian Agent, in the case of the Canadian Credit Facility, and, so long as no Event of Default has occurred and is continuing, U.S. Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met;

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned, except that this clause (ii) shall not (A) apply to the U.S. Swing Line Lender's rights and obligations in respect of U.S. Swing Line Loans or (B) prohibit any Lender from assigning all or a portion of its rights and obligations among separate Facilities on a non-pro rata basis;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

A. the consent of U.S. Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund (it being understood that it is reasonable for the U.S. Borrower to withhold consent if the assignment would cause the U.S. Borrower or any of its Subsidiaries to incur liabilities pursuant to Section 3.01 which it would not incur but for such assignment);

B. the consent of the U.S. Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of (i) any U.S. Revolving A Credit Commitment or (ii) any U.S. Revolving B Credit Commitment if such assignment is to a Person that is not a Lender with a Commitment in respect of the applicable Facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender;

C. the consent of the Canadian Agent (such consent not to be unreasonably withheld or delayed) shall be required for assignments in respect of any Canadian Commitment if such assignment is to a Person that is not a Lender with a Commitment in respect of the applicable Facility, an Affiliate of such Lender or an Approved Fund with respect to such Lender;

D. the consent of the U.S. L/C Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment that increases the obligation of the assignee to participate in exposure under one or more U.S. Letters of Credit (whether or not then outstanding);

E. the consent of the Canadian L/C Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment that increases the obligation of the assignee to participate in exposure under one or more Canadian Letters of Credit (whether or not then outstanding); and

F. the consent of the U.S. Swing Line Lender (such consent not to be unreasonably withheld or delayed) shall be required for any assignment in respect of the U.S. Revolving A Credit Facility.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the applicable Agent an Assignment and Assumption, together with a processing and recordation fee in the amount of \$2,500; provided, however, that the applicable Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it shall not be a Lender, shall deliver to the applicable Agent an Administrative Questionnaire.

(v) No Assignment to Borrower. No such assignment shall be made to a Borrower or any of any Borrower's Affiliates or Subsidiaries.

(vi) No Assignment to Natural Persons. No such assignment shall be made to a natural person.

Subject to acceptance and recording thereof by the applicable Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05 and 10.04 with respect to facts and

circumstances occurring prior to the effective date of such assignment. Upon request, the applicable Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section. Upon the request of Borrowers, and following the effectiveness of any Assignment, the assignor Lender will cancel and return to Borrowers any Note held by such assignor Lender.

(c) Register. Canadian Agent shall furnish to U.S. Agent a copy of each Assignment and Assumption with respect to a Canadian Commitment. U.S. Agent, acting solely for this purpose as an agent of Borrowers, shall maintain at U.S. Agent's Office a copy of each Assignment and Assumption delivered to it and a register for the recordation of the names and addresses of Lenders, and the Commitments of, and principal amounts of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive, and Borrowers, Agents and Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by each of Borrowers and any Lenders, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, Borrowers (except as set forth below) or Agents, sell participations to any Person (other than a natural person or Borrower or any of Borrowers' Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations and/or U.S. Swing Line Loans) owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) Borrowers, Agents, L/C Issuers and Lenders shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement. Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 that affects such Participant. Subject to subsection (e) of this Section, Borrowers agree that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section. To the extent permitted by law, each Participant also shall be entitled to the benefits of Section 10.08 as though it were a Lender, provided such Participant agrees to be subject to Section 2.14 as though it were a Lender. Each Lender agrees to promptly notify Borrowers of any sale of a participation to a Participant, which notice shall include the identity of the Participant and the principal amount thereof.

(e) Limitations upon Participant Rights. A Participant shall not be entitled to receive any greater payment under Section 3.01 or 3.04 than the applicable Lender would have been entitled to receive with respect to the participation sold to such Participant, unless the sale of the participation to such Participant is made with Borrower's prior written consent.

(f) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto. No such assignee or pledgee or other Person acquiring rights under this Agreement from a Canadian Lender pursuant to such security shall be entitled to the benefits of Sections 3.01 or 3.04.

(g) Electronic Execution of Assignments. The words “execution,” “signed,” “signature,” and words of like import in any Assignment and Assumption shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable Law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act.

(h) Deemed Consent of Borrowers. If the consent of a Borrower to an assignment to an Eligible Assignee is required hereunder (including a consent to an assignment which does not meet the minimum assignment threshold specified in Section 10.06(b)(i)(B)), such Borrower shall be deemed to have given its consent five Business Days after the date notice thereof has been delivered to such Borrower by the assigning Lender (through Agent) unless such consent is expressly refused by such Borrower prior to such fifth Business Day.

(i) Resignation as L/C Issuer or U.S. Swing Line Lender.

(i) (a) Notwithstanding anything to the contrary contained herein, if at any time Bank of America assigns all of its U.S. Revolving A Credit Commitment and U.S. Loans pursuant to subsection (b) above, Bank of America may, (i) upon 30 days’ notice to U.S. Borrower and U.S. Lenders, resign as U.S. L/C Issuer and/or (ii) upon 30 days’ notice to U.S. Borrower, resign as U.S. Swing Line Lender. In the event of any such resignation as U.S. L/C Issuer or U.S. Swing Line Lender, U.S. Borrower shall be entitled to appoint from among Lenders a successor U.S. L/C Issuer or U.S. Swing Line Lender hereunder; provided, however, that no failure by U.S. Borrower to appoint any such successor shall affect the resignation of Bank of America as U.S. L/C Issuer or U.S. Swing Line Lender, as the case may be. If Bank of America resigns as U.S. L/C Issuer, it shall retain all the rights, powers, privileges and duties of U.S. L/C Issuer hereunder with respect to all U.S. Letters of Credit outstanding as of the effective date of its resignation as U.S. L/C Issuer and all U.S. L/C Obligations with respect thereto (including the right to require U.S. Lenders to make Base Rate Committed Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.04(c)). If Bank of America resigns as U.S. Swing Line Lender, it shall retain all the rights of U.S. Swing Line Lender provided for hereunder with respect to U.S. Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require U.S. Revolving A Credit Lenders to make Base Rate Committed Loans or fund risk participations in outstanding U.S. Swing Line Loans pursuant to Section 2.05(c). Upon the appointment of a successor U.S. L/C Issuer and/or U.S. Swing Line Lender, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring U.S. L/C Issuer or U.S. Swing Line Lender, as the case may be, and (b) the successor U.S. L/C Issuer shall issue letters of credit in substitution for the U.S. Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such U.S. Letters of Credit.

(ii) (a) Notwithstanding anything to the contrary contained herein, if at any time Bank of America Canada assigns all of its Canadian Commitment and Canadian Loans pursuant to subsection (b) above, Bank of America Canada may, upon 30 days' notice to Canadian Borrower and Canadian Lenders, resign as Canadian L/C Issuer. In the event of any such resignation as Canadian L/C Issuer, Canadian Borrower shall be entitled to appoint from among Canadian Lenders a successor Canadian L/C Issuer hereunder; provided, however, that no failure by Canadian Borrower to appoint any such successor shall affect the resignation of Bank of America Canada as Canadian L/C Issuer. If Bank of America Canada resigns as Canadian L/C Issuer, it shall retain all the rights, powers, privileges and duties of Canadian L/C Issuer hereunder with respect to all Canadian Letters of Credit outstanding as of the effective date of its resignation as Canadian L/C Issuer and all Canadian L/C Obligations with respect thereto (including the right to require Canadian Lenders to make Canadian Prime Rate Loans or Base Rate Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). Upon the appointment of a successor Canadian L/C Issuer, (a) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Canadian L/C Issuer, and (b) the successor Canadian L/C Issuer shall issue letters of credit in substitution for the Canadian Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America Canada to effectively assume the obligations of Bank of America Canada with respect to such Canadian Letters of Credit.

(j) Canadian Lenders. Each Canadian Lender represents and warrants to Canadian Borrower that such Canadian Lender is a resident or deemed resident of Canada within the meaning of the Income Tax Act (Canada), for purposes of Part XIII of such Act. Each Canadian Lender covenants and agrees with Canadian Borrower that (i) unless an Event of Default has occurred and is continuing, such Canadian Lender will not assign all or any part of its Canadian Commitment or Canadian Loans (including for purposes of this subsection (j) participations in L/C Obligations) to an assignee, or sell any Participation in its Canadian Commitment or Canadian Loans (including for purposes of this subsection (j) participations in L/C Obligations) to any Person, that, in either event, is unable to make the representation and warranty set forth in the first sentence of this paragraph, and (ii) such Canadian Lender will promptly notify Canadian Borrower if such Canadian Lender at any time becomes unable to make the representation and warranty set forth in the first sentence of this paragraph.

(k) Collateral Agency and Intercreditor Agreement. Each assignee of any Lender and each Participant shall, upon the effective date of the applicable assignment or purchase, hold their Commitment and Loans, in the case of an assignee, or their participation interest, in the case of a Participant, subject to the terms of the Collateral Agency and Intercreditor Agreement, if then in effect.

10.07 Treatment of Certain Information; Confidentiality. Each of Agents, Lenders and L/C Issuers agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its and its Affiliates' respective partners, directors, officers, employees, agents, advisors and representatives (it being

understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority, purporting to have jurisdiction over it (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or (ii) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to a Borrower and its obligations, (g) with the consent of U.S. Borrower or (h) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to Agents, any Lender, L/C Issuers or any of their respective Affiliates on a nonconfidential basis from a source other than Borrowers. For purposes of this Section, “Information” means all information received from Borrowers or any Subsidiary relating to Borrowers or any Subsidiary or any of their respective businesses, other than any such information that is available to Agents, any Lender or L/C Issuers on a nonconfidential basis prior to disclosure by Borrowers or any Subsidiary and other than any such information received from Borrowers or any Subsidiary after the date hereof that is marked “PUBLIC” as provided in Section 6.06. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information. Each of Agents, Lenders and L/C Issuers acknowledges that (a) the Information may include material non-public information concerning Borrowers or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including Federal, provincial, territorial and state securities Laws.

10.08 Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, each L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable Law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, such L/C Issuer or any such Affiliate to or for the credit or the account of a Borrower or any other Loan Party against any and all of the obligations of Borrowers or such Loan Party now or hereafter existing under this Agreement or any other Loan Document to such Lender or such L/C Issuer or any such Affiliate, irrespective of whether or not such Lender or such L/C Issuer shall have made any demand under this Agreement or any other Loan Document and although such obligations of such Borrower or such Loan Party may be contingent or unmatured or are owed to a branch or office of such Lender or such L/C Issuer different from the branch or office holding such deposit or obligated on such indebtedness. The rights of each Lender, such L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, such L/C Issuer or their respective Affiliates may have. Each Lender and each L/C Issuer agrees to notify the applicable Borrower and the applicable Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.09 Interest Rate Limitations.

(a) Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the “Maximum Rate”). If either Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the applicable Borrower. In determining whether the interest contracted for, charged, or received by either Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

(b) If any provision of this Agreement or of any of the other Loan Documents would obligate any Canadian Borrower to make any payment of interest or other amount payable to any Canadian Lender in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by such Canadian Lender of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)) then, notwithstanding such provisions, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in a receipt by such Canadian Lender of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows: (1) firstly, by reducing the amount or rate of interest required to be paid to such Lender under Section 2.09, and (2) thereafter, by reducing any fees, commissions, premiums and other amounts required to be paid to such Canadian Lender which would constitute “interest” for purposes of Section 347 of the Criminal Code (Canada). Notwithstanding the foregoing, and after giving effect to all adjustments contemplated thereby, if a Canadian Lender shall have received an amount in excess of the maximum permitted by that section of the Criminal Code (Canada), Canadian Borrower shall be entitled, by notice in writing to such Lender from Canadian Borrower, to obtain reimbursement from such Canadian Lender in an amount equal to such excess and, pending such reimbursement, such amount shall be deemed to be an amount payable by such Canadian Lender to Canadian Borrower. Any amount or rate of interest referred to in this Section 10.09 shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term that the applicable Loan or Acceptance remains outstanding on the assumption that any charges, fees or expenses that fall within the meaning of “interest” (as defined in the Criminal Code (Canada)) shall, if they relate to a specific period of time, be pro-rated over that period of time and otherwise be pro-rated over the period from the Closing Date to the Maturity Date and, in the event of a dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by Canadian Agent shall be conclusive for the purposes of such determination.

10.10 Counterparts; Integration; Effectiveness. This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by Agents and when Agents shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this

Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

10.11 Survival of Representations and Warranties. All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by each Agent and each Lender, regardless of any investigation made by Agents or any Lender or on their behalf and notwithstanding that Agents or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

10.12 Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

10.13 Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if a Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, if any Lender is a Defaulting Lender or if any other circumstance exists hereunder that gives Borrowers the right to replace a Lender as a party hereto (including the failure of such Lender to timely complete any procedural formalities necessary to allow U.K. Borrower to obtain an exemption from withholding of U.K. Taxes), then Borrowers may, at their sole expense and effort, upon notice to such Lender and U.S. Agent and Canadian Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.06), all of its interests, rights and obligations under this Agreement and the related Loan Documents to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) Borrowers shall have paid to the applicable Agent the assignment fee specified in Section 10.06(b);

(b) such Lender shall have received payment of an amount equal to the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or Borrowers (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter; and

(d) such assignment does not conflict with applicable Laws.

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling Borrowers to require such assignment and delegation cease to apply.

10.14 Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF ILLINOIS.

(b) SUBMISSION TO JURISDICTION. EACH BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY SUBMITS, FOR ITSELF AND ITS PROPERTY, TO THE NONEXCLUSIVE JURISDICTION OF THE COURTS OF THE STATE OF ILLINOIS SITTING IN COOK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE NORTHERN DISTRICT OF ILLINOIS, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH ILLINOIS STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT ANY AGENT, ANY LENDER OR ANY L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST BORROWERS OR ANY OTHER LOAN PARTY OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. EACH BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN PARAGRAPH (B) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

10.15 Waiver of Right to Trial by Jury. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

10.16 No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby, Borrowers each acknowledge and agree, and acknowledge their respective Affiliates' understanding, that: (i) the credit facilities provided for hereunder and any related arranging or other services in connection therewith (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document) are an arm's-length commercial transaction between Borrowers and their respective Affiliates, on the one hand, and the Agents and the Arranger, on the other hand, and each of the Borrowers is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents (including any amendment, waiver or other modification hereof or thereof); (ii) in connection with the process leading to such transaction, the Agents and the Arranger each is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary, for Borrowers or any of their respective Affiliates, stockholders, creditors or employees or any other Person; (iii) neither the Agents nor the Arranger has assumed or will assume an advisory, agency or fiduciary responsibility in favor of any Borrower with respect to any of the transactions contemplated hereby or the process leading thereto, including with respect to any amendment, waiver or other modification hereof or of any other Loan Document (irrespective of whether the Agents or the Arranger has advised or is currently advising the Borrowers or any of their respective Affiliates on other matters) and neither the Administrative Agent nor the Arranger has any obligation to the Borrowers or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; (iv) the Agents and the Arranger and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrowers and their respective Affiliates, and neither either Agent nor the Arranger has any obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) the Agents and the Arranger have not provided and will not provide any legal, accounting, regulatory or tax advice with respect to any of the transactions contemplated hereby (including any amendment, waiver or other modification hereof or of any other Loan Document) and each Borrower has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate. Each Borrower hereby waives and releases, to the fullest extent permitted by law, any claims that it may have against the Agents and the Arranger with respect to any breach or alleged breach of agency or fiduciary duty.

10.17 USA PATRIOT Act Notice. Each Lender that is subject to the Act (as hereinafter defined) and U.S. Agent (for itself and not on behalf of any Lender) hereby notifies

Borrowers that pursuant to the requirements of the USA Patriot Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”), it is required to obtain, verify and record information that identifies Borrowers, which information includes the name and address of Borrowers and other information that will allow such Lender or such Agent, as applicable, to identify Borrowers in accordance with the Act.

10.18 Time of the Essence. Time is of the essence of the Loan Documents.

10.19 Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the applicable Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of each Borrower in respect of any such sum due from it to the applicable Agent or the applicable Lenders hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the “Judgment Currency”) other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the “Agreement Currency”), be discharged only to the extent that on the Business Day following receipt by the applicable Agent of any sum adjudged to be so due in the Judgment Currency, the applicable Agent may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the applicable Agent from any Borrower in the Agreement Currency, such Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the applicable Agent or the Person to whom such obligation was owing against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the applicable Agent in such currency, the applicable Agent agrees to return the amount of any excess to such Borrower (or to any other Person who may be entitled thereto under applicable law).

SCHEDULE 1.01B

MANDATORY COST FORMULAE

1. The Mandatory Cost (to the extent applicable) is an addition to the interest rate to compensate U.S. Lenders for the cost of compliance with:
 - (a) the requirements of the Bank of England and/or the Financial Services Authority (or, in either case, any other authority which replaces all or any of its functions); or
 - (b) the requirements of the European Central Bank.
2. On the first day of each Interest Period (or as soon as practicable thereafter) the U.S. Agent shall calculate, as a percentage rate, a rate (the "Additional Cost Rate") for each U.S. Lender, in accordance with the paragraphs set out below. The Mandatory Cost will be calculated by the U.S. Agent as a weighted average of the U.S. Lenders' Additional Cost Rates (weighted in proportion to the percentage participation of each U.S. Lender in the relevant Loan) and will be expressed as a percentage rate per annum. The U.S. Agent will, at the request of the U.S. Borrower, the U.K. Borrower or any U.S. Lender, deliver to the U.S. Borrower, the U.K. Borrower or such U.S. Lender as the case may be, a statement setting forth the calculation of any Mandatory Cost.
3. The Additional Cost Rate for any U.S. Lender lending from a Lending Office in a Participating Member State will be the percentage notified by that U.S. Lender to the U.S. Agent. This percentage will be certified by such U.S. Lender in its notice to the U.S. Agent as the cost (expressed as a percentage of such U.S. Lender's participation in all Loans made from such Lending Office) of complying with the minimum reserve requirements of the European Central Bank in respect of Loans made from that Lending Office.
4. The Additional Cost Rate for any Lender lending from a Lending Office in the United Kingdom will be calculated by the U.S. Agent as follows:
 - (a) in relation to any Loan in Sterling:

$$\frac{AB+C(B-D)+E \times 0.01}{100 - (A+C)} \text{ per cent per annum}$$

- (b) in relation to any Loan in any currency other than Sterling:

$$\frac{E \times 0.01}{300} \text{ per cent per annum}$$

Where:

"A" is the percentage of Eligible Liabilities (assuming these to be in excess of any stated minimum) which that U.S. Lender is from time to time required to maintain as an interest free cash ratio deposit with the Bank of England to comply with cash ratio requirements.

“B” is the percentage rate of interest (excluding the Applicable Rate, the Mandatory Cost and any interest charged on overdue amounts pursuant to the first sentence of Section 2.09(b) and, in the case of interest (other than on overdue amounts) charged at the Default Rate, without counting any increase in interest rate effected by the charging of the Default Rate) payable for the relevant Interest Period of such Loan.

“C” is the percentage (if any) of Eligible Liabilities which that U.S. Lender is required from time to time to maintain as interest bearing Special Deposits with the Bank of England.

“D” is the percentage rate per annum payable by the Bank of England to the U.S. Agent on interest bearing Special Deposits.

“E” is designed to compensate U.S. Lenders for amounts payable under the Fees Regulations and is calculated by the U.S. Agent as being the average of the most recent rates of charge supplied by the Lenders to the U.S. Agent pursuant to paragraph 7 below and expressed in pounds per £1,000,000.

5. For the purposes of this Schedule:

- (a) “Eligible Liabilities” and “Special Deposits” have the meanings given to them from time to time under or pursuant to the Bank of England Act 1998 or (as may be appropriate) by the Bank of England;
- (b) “Fees Regulations” means the FSA Supervision Manual or such other law or regulation as may be in force from time to time in respect of the payment of fees for the acceptance of deposits;
- (c) “Fee Tariffs” means the fee tariffs specified in the Fees Regulations under the activity group A.1 Deposit acceptors (ignoring any minimum fee or zero rated fee required pursuant to the Fees Regulations but taking into account any applicable discount rate); and
- (d) “Tariff Base” has the meaning given to it in, and will be calculated in accordance with, the Fees Regulations.

6. In application of the above formulae, A, B, C and D will be included in the formulae as percentages (*i.e.* 5% will be included in the formula as 5 and not as 0.05). A negative result obtained by subtracting D from B shall be taken as zero. The resulting figures shall be rounded to four decimal places.

7. If requested by the U.S. Agent, the U.S. Borrower or the U.K. Borrower, each U.S. Lender with a Lending Office in the United Kingdom or a Participating Member State shall, as soon as practicable after publication by the Financial Services Authority, supply to the U.S. Agent, the U.S. Borrower and the U.K. Borrower, the rate of charge payable by such Lender to the Financial Services Authority pursuant to the Fees Regulations in respect of the relevant financial year of the Financial Services Authority (calculated for this purpose by such U.S. Lender as being the average of the Fee Tariffs applicable to

such U.S. Lender for that financial year) and expressed in pounds per £1,000,000 of the Tariff Base of such U.S. Lender.

8. Each U.S. Lender shall supply any information required by the U.S. Agent for the purpose of calculating its Additional Cost Rate. In particular, but without limitation, each U.S. Lender shall supply the following information in writing on or prior to the date on which it becomes a U.S. Lender:
- (a) its jurisdiction of incorporation and the jurisdiction of the Lending Office out of which it is making available its participation in the relevant Loan; and
 - (b) any other information that the U.S. Agent may reasonably require for such purpose.

Each U.S. Lender shall promptly notify the U.S. Agent in writing of any change to the information provided by it pursuant to this paragraph.

9. The percentages or rates of charge of each U.S. Lender for the purpose of A, C and E above shall be determined by the U.S. Agent based upon the information supplied to it pursuant to paragraphs 7 and 8 above and on the assumption that, unless a U.S. Lender notifies the U.S. Agent to the contrary, each U.S. Lender's obligations in relation to cash ratio deposits, Special Deposits and the Fees Regulations are the same as those of a typical bank from its jurisdiction of incorporation with a Lending Office in the same jurisdiction as such U.S. Lender's Lending Office.
10. The U.S. Agent shall have no liability to any Person if such determination results in an Additional Cost Rate which over- or under-compensates any Lender and shall be entitled to assume that the information provided by any U.S. Lender pursuant to paragraphs 3, 7 and 8 above is true and correct in all respects.
11. The U.S. Agent shall distribute the additional amounts received as a result of the Mandatory Cost to the U.S. Lenders on the basis of the Additional Cost Rate for each Lender based on the information provided by each U.S. Lender pursuant to paragraphs 3, 7 and 8 above.
12. Any determination by the U.S. Agent pursuant to this Schedule in relation to a formula, the Mandatory Cost, an Additional Cost Rate or any amount payable to a U.S. Lender shall, in the absence of manifest error, be conclusive and binding on all parties hereto.

The U.S. Agent may from time to time, after consultation with the U.S. Borrower, the U.K. Borrower and the U.S. Lenders, determine and notify to all parties any amendments which are required to be made to this Schedule in order to comply with any change in law, regulation or any requirements from time to time imposed by the Bank of England, the Financial Services Authority or the European Central Bank (or, in any case, any other authority which replaces all or any of its functions) and any such determination shall, in the absence of manifest error, be conclusive and binding on all parties hereto.

SCHEDULE 2.01
COMMITMENTS
AND APPLICABLE PERCENTAGES

	U.S. Revolving A Credit Commitment	Applicable Percentage
U.S. Revolving A Credit Lenders		
Bank of America, N.A.	U.S. \$ 50,144,654	29.496855294%
JPMorgan Chase Bank, N.A.	U.S. \$ 37,421,384	22.012578824%
U.S. Bank National Association	U.S. \$ 29,937,107	17.610062941%
The Prudential Insurance Company of America	U.S. \$ 21,250,000	12.500000000%
Fifth Third Bank, Chicago	U.S. \$ 16,278,302	9.575471765%
The Northern Trust Company	U.S. \$ 14,968,553	8.805031176%
Total	U.S. \$170,000,000	100.000000000%
	U.S. Revolving B Credit Commitment	Applicable Percentage
U.S. Revolving B Credit Lenders		
Bank of America, N.A.	U.S. \$16,855,346	33.710691824%
JPMorgan Chase Bank, N.A.	U.S. \$12,578,616	25.157232704%
U.S. Bank National Association	U.S. \$10,062,893	20.125786164%
Fifth Third Bank, Chicago	U.S. \$ 5,471,698	10.943396226%
The Northern Trust Company	U.S. \$ 5,031,447	10.062893082%
Total	U.S. \$50,000,000	100.000000000%
	Commitment	Applicable Percentage
Canadian Lenders		
Bank of America, N.A. Canada Branch	Cdn. \$4,892,000	50.000000000%
JPMorgan Chase Bank, N.A., Toronto Branch	Cdn. \$4,892,000	50.000000000%
Total	Cdn. \$9,784,000	100.000000000%

EXHIBIT A
FORM OF U.S. COMMITTED LOAN NOTICE

Date: _____, _____

To: Bank of America, N.A., as U.S. Agent

Ladies and Gentlemen:

Reference is made to that certain Amended and Restated Credit Agreement, dated as of September 5, 2006 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "**Agreement**;" the terms defined therein being used herein as therein defined), among A. M. Castle & Co., a Maryland corporation ("**U.S. Borrower**"), A.M. Castle Metals UK, Limited ("**U.K. Borrower**"), A. M. Castle & Co. (Canada) Inc., a corporation organized under the laws of the Province of Ontario, Canada ("**Canadian Borrower**"), the Lenders from time to time party thereto, Bank of America, N.A., as U.S. Agent, U.S. L/C Issuer and U.S. Swing Line Lender, and Bank of America, N.A., Canada Branch, as Canadian Agent and Canadian L/C Issuer.

The undersigned hereby requests (select one):

_____ A Borrowing of [U.S. Revolving A Credit Loans][U.S. Revolving B Credit Loans]
_____ A conversion or continuation of [U.S. Revolving A Credit Loans][U.S. Revolving B Credit Loans]

1. On _____ (a Business Day).
2. In the currency of _____¹.
3. In the amount of _____.
4. Comprised of [Base Rate Loans] [Eurodollar Rate Loans].
5. For Eurodollar Rate Loans: with an Interest Period of _____ months.

The U.S. Committed Borrowing, if any, requested herein complies with the proviso to the first sentence of Section 2.01(a) or 2.01(b) of the Agreement, as applicable.

[A. M. CASTLE & CO.]
[A.M. CASTLE METALS UK, LIMITED]

By: _____

Name: _____

Title: _____

¹ In the case of U.S. Revolving B Credit Loans, select U.S. Dollars, Euro or Sterling

EXHIBIT H

FORM OF ASSIGNMENT AND ASSUMPTION

This Assignment and Assumption (this “Assignment and Assumption”) is dated as of the Effective Date set forth below and is entered into by and between [the][each] Assignor identified in item 1 below ([the][each, an] “Assignor”) and [the][each] Assignee identified in item 2 below ([the][each, an] “Assignee”). [It is understood and agreed that the rights and obligations of [the Assignors][the Assignees] hereunder are several and not joint.] Capitalized terms used but not defined herein shall have the meanings given to them in the Credit Agreement identified below (the “Credit Agreement”), receipt of a copy of which is hereby acknowledged by the Assignee. The Standard Terms and Conditions set forth in Annex 1 attached hereto are hereby agreed to and incorporated herein by reference and made a part of this Assignment and Assumption as if set forth herein in full.

For an agreed consideration, [the][each] Assignor hereby irrevocably sells and assigns to [the Assignee][the respective Assignees], and [the][each] Assignee hereby irrevocably purchases and assumes from [the Assignor][the respective Assignors], subject to and in accordance with the Standard Terms and Conditions and the Credit Agreement, as of the Effective Date inserted by the Administrative Agent as contemplated below (i) all of [the Assignor’s][the respective Assignors’] rights and obligations in [its capacity as a Lender][their respective capacities as Lenders] under the Credit Agreement and any other documents or instruments delivered pursuant thereto to the extent related to the amount and percentage interest identified below of all of such outstanding rights and obligations of [the Assignor][the respective Assignors] under the respective facilities identified below (including, without limitation, the Letters of Credit and the U.S. Swing Line Loans included in such facilities) and (ii) to the extent permitted to be assigned under applicable law, all claims, suits, causes of action and any other right of [the Assignor (in its capacity as a Lender)][the respective Assignors (in their respective capacities as Lenders)] against any Person, whether known or unknown, arising under or in connection with the Credit Agreement, any other documents or instruments delivered pursuant thereto or the loan transactions governed thereby or in any way based on or related to any of the foregoing, including, but not limited to, contract claims, tort claims, malpractice claims, statutory claims and all other claims at law or in equity related to the rights and obligations sold and assigned pursuant to clause (i) above (the rights and obligations sold and assigned by [the][any] Assignor to [the][any] Assignee pursuant to clauses (i) and (ii) above being referred to herein collectively as [the][an] “Assigned Interest”). Each such sale and assignment is without recourse to [the][any] Assignor and, except as expressly provided in this Assignment and Assumption, without representation or warranty by [the][any] Assignor.

- 1. Assignor[s]: _____

- 2. Assignee[s]: _____

[for each Assignee, indicate [Affiliate][Approved Fund] of [*identify Lender*]]

- 3. Borrower(s): A. M. Castle & Co., A.M. Castle Metals UK, Limited and A. M. Castle & Co. (Canada) Inc.

4. Agents: Bank of America, N.A., as the U.S. Agent under the Credit Agreement and Bank of America N.A. Canada Branch as the Canadian Agent under the Credit Agreement
5. Credit Agreement: Amended and Restated Credit Agreement, dated as of September 5, 2006, among A. M. Castle & Co., as U.S. Borrower, A.M. Castle Metals UK, Limited, as U.K. Borrower and A.M. Castle & Co. (Canada) Inc., as Canadian Borrower, the Lenders from time to time party thereto, and Bank of America, N.A., as U.S. Agent, U.S. L/C Issuer, and U.S. Swing Line Lender and Bank of America, N.A., Canada Branch, as Canadian Agent and Canadian L/C Issuer
6. Assigned Interest[s]:

Assignor[s]	Assignee[s]	Facility Assigned	Aggregate Amount of Commitment/ Loans for all Lenders	Amount of Commitment/Loans Assigned	Percentage Assigned of Commitment/ Loans	CUSIP Number
			\$ _____	\$ _____	_____%	
			\$ _____	\$ _____	_____%	
			\$ _____	\$ _____	_____%	

[7. Trade Date: _____]

Effective Date: _____, 20_____ [TO BE INSERTED BY THE APPLICABLE ADMINISTRATIVE AGENT AND WHICH SHALL BE THE EFFECTIVE DATE OF RECORDATION OF TRANSFER IN THE REGISTER THEREFOR.]

The terms set forth in this Assignment and Assumption are hereby agreed to:

ASSIGNOR

[NAME OF ASSIGNOR]

By: _____
Title: _____

ASSIGNEE

[NAME OF ASSIGNEE]

By: _____
Title: _____

Without limiting the generality of the foregoing, in the case of any Assignee of a U.S. Revolving B Credit Commitment that is not currently a U.S. Revolving B Credit Lender under the Credit Agreement, Assignee represents that it is a U.K. Qualifying Lender (as defined in the Credit Agreement).

[Consented to and] Accepted:

BANK OF AMERICA, N.A., as
U.S. Agent

By: _____
Title: _____

BANK OF AMERICA, N.A., CANADA
BRANCH, as Canadian Agent

By: _____
Name: _____
Title: _____

[Consented to:]

[A.M. CASTLE & CO.]²
[A.M. CASTLE & CO. (CANADA) INC.]

By: _____
Title: _____

² It shall be reasonable for the U.S. Borrower to withhold consent if this Assignment and Assumption would cause the U.S. Borrower or any of its Subsidiaries to incur liabilities pursuant to Section 3.01 of the Credit Agreement which it would not incur but for such assignment.

ANNEX 1 TO ASSIGNMENT AND ASSUMPTION
STANDARD TERMS AND CONDITIONS FOR
ASSIGNMENT AND ASSUMPTION

1. Representations and Warranties.

1.1. Assignor. [The][Each] Assignor (a) represents and warrants that (i) it is the legal and beneficial owner of [the][the relevant] Assigned Interest, (ii) [the][such] Assigned Interest is free and clear of any lien, encumbrance or other adverse claim and (iii) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby; and (b) assumes no responsibility with respect to (i) any statements, warranties or representations made in or in connection with the Credit Agreement or any other Loan Document, (ii) the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Loan Documents or any collateral thereunder, (iii) the financial condition of the Borrower, any of its Subsidiaries or Affiliates or any other Person obligated in respect of any Loan Document or (iv) the performance or observance by the Borrower, any of its Subsidiaries or Affiliates or any other Person of any of their respective obligations under any Loan Document.

1.2. Assignee. [The][Each] Assignee (a) represents and warrants that (i) it has full power and authority, and has taken all action necessary, to execute and deliver this Assignment and Assumption and to consummate the transactions contemplated hereby and to become a Lender under the Credit Agreement, (ii) it meets all the requirements to be an assignee under Section 10.06(b)(iii), (v) and (vi) of the Credit Agreement (subject to such consents, if any, as may be required under Section 10.06(b)(iii) of the Credit Agreement), (iii) from and after the Effective Date, it shall be bound by the provisions of the Credit Agreement as a Lender thereunder and, to the extent of [the][the relevant] Assigned Interest, shall have the obligations of a Lender thereunder, (iv) it is sophisticated with respect to decisions to acquire assets of the type represented by [the][such] Assigned Interest and either it, or the Person exercising discretion in making its decision to acquire [the][such] Assigned Interest, is experienced in acquiring assets of such type, (v) it has received a copy of the Credit Agreement, and has received or has been accorded the opportunity to receive copies of the most recent financial statements delivered pursuant to Section 6.06 thereof, as applicable, and such other documents and information as it deems appropriate to make its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, (vi) it has, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Assignment and Assumption and to purchase [the][such] Assigned Interest, and (vii) if it is a Foreign Lender, attached hereto is any documentation required to be delivered by it pursuant to the terms of the Credit Agreement (including Section 3.01(e)), duly completed and executed by [the][such] Assignee; and (b) agrees that (i) it will, independently and without reliance upon the Administrative Agent, [the][any] Assignor or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Loan Documents, (ii) it will perform in accordance with their terms all of the obligations which by the terms of the Loan Documents are required to be performed by it as a Lender and (iii) it will comply with Section 3.01(e) of the Credit Agreement.

2. Payments. From and after the Effective Date, the Administrative Agent shall make all payments in respect of [the][each] Assigned Interest (including payments of principal, interest, fees and other amounts) to [the][the relevant] Assignor for amounts which have accrued to but excluding the Effective Date and to [the][the relevant] Assignee for amounts which have accrued from and after the Effective Date.

3. Collateral Agency and Intercreditor Agreement. [The] [Each] Assignee acknowledges and agrees that from and after the Effective Date it will hold its Commitments and Loans subject to the terms of the Collateral Agency and Intercreditor Agreement, if then in effect.

4. General Provisions. This Assignment and Assumption shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. This Assignment and Assumption may be executed in any number of counterparts, which together shall constitute one instrument. Delivery of an executed counterpart of a signature page of this Assignment and Assumption by telecopy shall be effective as delivery of a manually executed counterpart of this Assignment and Assumption. This Assignment and Assumption shall be governed by, and construed in accordance with, the law of the State of Illinois.

EXHIBIT I
FORM OF BORROWING BASE CERTIFICATE

Date: _____,

To: Bank of America, N.A., as U.S. Agent
Bank of America, N.A., Canada Branch, as Canadian Agent

Ladies and Gentlemen:

Reference is made to that certain Amended and Restated Credit Agreement, dated as of September 5, 2006 (as amended, restated, extended, supplemented or otherwise modified in writing from time to time, the "**Agreement**;" the terms defined therein being used herein as therein defined), among A. M. Castle & Co., a Maryland corporation ("**U.S. Borrower**"), A.M. Castle Metals UK, Limited ("**U.K. Borrower**"), A. M. Castle & Co. (Canada) Inc., a corporation organized under the laws of the province of Ontario, Canada ("**Canadian Borrower**"), the Lenders from time to time party thereto, Bank of America, N.A., as U.S. Agent, U.S. L/C Issuer and U.S. Swing Line Lender, and Bank of America, N.A., Canada Branch, as Canadian Agent and Canadian L/C Issuer.

The undersigned Responsible Officer hereby certifies as of the date hereof that he/she is the _____ of the undersigned Borrower, and that, as such, he/she is authorized to execute and deliver this Certificate to Agents on the behalf of U.S. Borrower, and that, to the best of his/her knowledge and belief, the computations attached as Schedule 1 hereto are true and correct:

All items included in the Borrowing Base satisfy the eligibility requirements set forth in the Credit Agreement.

[A.M. CASTLE & CO.]
[A.M. CASTLE & CO. (CANADA) INC.]

By: _____
Name:
Title:

Schedule 1
Borrowing Base Calculation
A. M. Castle / Transtar

(\$ in thousands)

ACCOUNTS RECEIVABLE XX/XX/XX

A. M. Castle:

Accounts Receivable Balance		0
Less A. M. Castle A/R Ineligibles		0
Eligible A. M. Castle A/R Availability		0
Gross A. M. Castle A/R Availability	80%	0

Transtar:

Accounts Receivable Balance		0
Less Transtar A/R Ineligibles		0
Less SAB 101 Reserve		0
Eligible Transtar A/R Availability		0
Gross Transtar A/R Availability	85%	0
Less Foreign Credit Insurance Deductible		0
		0

Combined A/R Availability **0**

INVENTORY

A. M. Castle:

Gross A. M. Castle Inventory		0
Less A. M. Castle Ineligible Inventory		0
Eligible A. M. Castle Inventory		0
Gross A. M. Castle Inventory Availability	50%	0

Transtar

Gross Transtar Inventory		0
Less Transtar Ineligible Inventory		0
Eligible Transtar Inventory		0
Gross Transtar Inventory Availability	blended	0

Combined Inventory Availability **0**

PROPERTY, PLANT, & EQUIPMENT
(applicable until July 28, 2008)

A. M. Castle:

Book PP&E			0
PP&E Availability		10%	0

Transtar

Book PP&E			0
PP&E Availability		10%	0

Combined PP&E Availability			0
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U.K. BORROWING BASE ASSETS

U.K. Borrower:

Accounts Receivable Balance		0
Less U.K. Borrower A/R Ineligibles		0
Eligible U.K. Borrower A/R Availability		0
Gross U.K. Borrower A/R Availability	80%	0
Gross U.K. Borrower Inventory		0
Less U.K. Borrower Ineligible Inventory		0
Eligible U.K. Borrower Inventory		0
Gross U.K. Borrower Inventory Availability	50%	0
Total U.K. Borrowing Base Availability		0
(shall not exceed Total U.K. Borrower Outstandings)		
Final Adjusted availability		0

Outstanding Debt

Revolving Line of Credit		0
Prudential Private Placement		0
Standby & Trade L/Cs		0
Bankers Acceptances		0
Other Secured Indebtedness (SBC)		0
Total Outstanding Debt / Uses		0
Estimated Excess Availability		0

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U.K. GUARANTEE AGREEMENT

This U.K. GUARANTEE AGREEMENT (as the same may hereafter be amended, supplemented or otherwise modified, this “Guarantee”), dated as of January 2, 2008, is by A.M. CASTLE & CO., a Maryland corporation, KEYSTONE TUBE COMPANY, LLC, a Delaware limited liability company, TOTAL PLASTICS, INC., a Michigan corporation, PARAMONT MACHINE COMPANY, LLC, a Delaware limited liability company, ADVANCED FABRICATING TECHNOLOGY, LLC, a Delaware limited liability company, OLIVER STEEL PLATE CO., a Delaware corporation, DATAMET, INC., an Illinois corporation, TRANSTAR INVENTORY CORP., a Delaware corporation, TRANSTAR METALS CORP., a Delaware corporation, and TRANSTAR MARINE CORP., a Delaware corporation (each of whom, together with each other Person which from time to time becomes a Guarantor pursuant to Section 5 hereof, is referred to herein, individually, as a “Guarantor” and, collectively, as the “Guarantors”) in favor of U.S. Revolving B Credit Lenders (as defined in the Credit Agreement referred to below) and BANK OF AMERICA, N.A., as U.S. Agent for U.S. Revolving B Credit Lenders (together with its successors and assigns, herein referred to as “U.S. Agent”).

RECITALS:

WHEREAS, A.M. Castle Metals UK, Limited (“U.K. Borrower”) is a wholly-owned Subsidiary of A.M. Castle & Co. (together with its successors and assigns, “U.S. Borrower”);

WHEREAS, each other Guarantor is a direct or indirect Subsidiary of U.S. Borrower;

WHEREAS, U.S. Borrower, A. M. Castle & Co. (Canada) Inc., a corporation organized under the laws of the Province of Ontario, Canada (“Canadian Borrower”), the lenders from time to time party thereto, including U.S. Lenders, U.S. Agent and Bank of America, N.A., Canada Branch, entered into an Amended and Restated Credit Agreement, dated as of September 5, 2006 (as from time to time modified, amended, restated or supplemented, the “Credit Agreement”), pursuant to which the lenders party thereto have agreed to extend certain credit facilities to U.S. Borrower and Canadian Borrower;

WHEREAS, the First Amendment to the Credit Agreement, dated as of the date hereof, designates U.K. Borrower as a Borrower under the Credit Agreement;

WHEREAS, each Guarantor will receive substantial direct and indirect economic, financial and other benefits as a result of the credit facilities provided to U.K. Borrower pursuant to the Credit Agreement.

NOW THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each Guarantor hereby agrees as follows:

11. DEFINITIONS.

All capitalized terms used herein and not defined herein have the respective meanings given them in the Credit Agreement.

12. GUARANTEE.

12.1 Guarantee of Payment and Performance. Each Guarantor hereby absolutely, unconditionally and irrevocably, on a joint and several basis with each other Guarantor, guarantees to U.S. Agent and U.S. Revolving B Credit Lenders:

(a) the full and punctual payment by U.K. Borrower of the U.S. Obligations at any time payable under the Loan Documents in each case when and as the same shall become due and payable, whether at maturity, pursuant to mandatory or optional prepayment, by acceleration or otherwise, all in accordance with the terms and provisions of this Guarantee, the Credit Agreement and the other Loan Documents, including, without limitation, overdue interest, post-petition interest, indemnification payments and all of such obligations which would become due but for the operation of the automatic stay pursuant to Section 362(a) of the United States Bankruptcy Code and the operation of Sections 502(b) and 506(b) of the United States Bankruptcy Code; and

(b) the full and punctual performance by U.K. Borrower of all duties, agreements, covenants and obligations of U.K. Borrower contained in the Credit Agreement and the other Loan Documents,

and the full and prompt payment, on demand, of all reasonable costs and expenses incurred by (x) U.S. Agent in connection with the negotiation, preparation, execution and delivery of this Guarantee and (y) U.S. Agent, U.S. Revolving B Credit Lenders or any trustee or agent acting on behalf of U.S. Agent and/or U.S. Revolving B Credit Lenders in enforcing any of its rights and remedies under this Guarantee, the Credit Agreement or any of the other Loan Documents, including, but not limited to, all reasonable attorneys' fees and expenses (whether or not there is litigation), court costs and all costs in connection with any proceedings under any Debtor Relief Laws (collectively, the "Guarantied Obligations"), provided that the Guarantors shall not be liable for the reasonable fees and expenses of more than one separate firm of attorneys representing U.S. Agent (plus any special or local counsel retained by such firm).

12.2 Nature of Guarantee. This is a continuing, absolute and unconditional Guarantee of payment and performance and not merely of collection, and shall continue in full force and effect until such time as the Guarantied Obligations have been fully and irrevocably paid. This Guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any U.S. Revolving B Credit Lender or U.S. Agent.

12.3 Binding Nature of Certain Adjudications. Each Guarantor shall be conclusively bound by the final adjudication in any action or proceeding, legal or otherwise to which U.K. Borrower is a party, involving any controversy arising under, in connection with, or in any way related to, any of the Guarantied Obligations, and by a final judgment, award or decree entered therein.

12.4 No Duty to Pursue Others. Upon the occurrence and during the continuance of an Event of Default, U.S. Agent or any trustee or agent acting on behalf of U.S. Agent may proceed to enforce its rights and remedies directly against any one or more of the Guarantors without first proceeding against U.K. Borrower or any other Person liable for the Guarantied Obligations or any security for the Guarantied Obligations.

12.5 No Release of Guarantors. Each Guarantor's liability under this Guarantee shall not be limited, diminished or extinguished by, and each Guarantor shall not be entitled to raise as a defense, any:

- (a) invalidity, irregularity or unenforceability of the Guaranteed Obligations or of such Guarantor's obligations hereunder;
- (b) failure of such Guarantor to be given notice of default by U.K. Borrower;
- (c) reorganization, merger or consolidation of U.K. Borrower or any Guarantor into or with any other Person;
- (d) waiver of U.K. Borrower's defaults or extensions of due dates for payments or other accommodations, indulgences or forbearance granted to U.K. Borrower;
- (e) release of or non-perfection with respect to part or all of any security for the Guaranteed Obligations;
- (f) taking or accepting of any other security, collateral or guaranty of payment of any or all of the Guaranteed Obligations;
- (g) release of or settlement or compromise with any one or more Persons who constitute guarantors or the release of or settlement or compromise with any one or more Persons who are otherwise liable for the payment or performance of all or any portion of the Guaranteed Obligations and who are not primary obligors thereon;
- (h) any loss or impairment of any right of any Guarantor for subrogation, reimbursement or contributions;
- (i) assignment or other transfer by U.S. Agent or any U.S. Revolving B Credit Lender (or any trustee or agent acting on the behalf of U.S. Agent or any U.S. Revolving B Credit Lender, as the case may be) of any part of the Guaranteed Obligations, or any collateral or security securing any portion of the Guaranteed Obligations;
- (j) illegality or impossibility of performance on the part of U.K. Borrower or the Guarantors under the Credit Agreement or this Guarantee; or
- (k) other acts or omissions of U.S. Agent or any U.S. Revolving B Credit Lender which, in the absence of this Section, would operate so as to impair, diminish or extinguish any Guarantor's liability under this Guarantee.

12.6 Certain Waivers.

(a) **Waiver of Notice.** Each Guarantor hereby waives notice of (i) acceptance of this Guarantee, (ii) any amendment, extension or other modification of the Credit Agreement and/or any of the other Loan Documents, (iii) any loans or advances made by any U.S. Revolving B Credit Lenders to U.K. Borrower, (iv) the occurrence of a Default or Event of Default, (v) any transfer or other disposition of the Guaranteed Obligations pursuant to the Credit Agreement, and (vi) any other action at any time taken or omitted by U.S. Agent or any U.S. Revolving B Credit Lender or by any trustee or agent acting on behalf of U.S. Agent or any U.S. Revolving B Credit Lender, and generally, all demands and notices of every kind in connection with this Guarantee, the Credit Agreement and the other Loan Documents, except as provided herein and in the Credit Agreement.

(b) **Certain Other Waivers.** Each Guarantor hereby waives (i) diligence, presentment, demand for payment, protest or notice, whether of nonpayment, dishonor, protest or otherwise, (ii) all setoffs, counterclaims and claims of recoupment against the Guaranteed Obligations that may be available to U.K. Borrower or any other guarantor of the Guaranteed Obligations (it being understood that the waivers set forth anywhere in this Guarantee shall not preclude any action by such Guarantor, after payment in full of its obligations hereunder, to recover for any tortious action or omission by U.S. Agent or any U.S. Revolving B Credit Lender which resulted in injury to such Guarantor), (iii) any defense based upon or in any way related to any claim that any election of remedies by U.S. Agent or any U.S. Revolving B Credit Lender (or by any trustee or agent acting on behalf of U.S. Agent or any U.S. Revolving B Credit Lender) impaired, reduced, released or otherwise extinguished any rights such Guarantor might otherwise have had against U.K. Borrower or any security, (iv) any claim based upon or in any way related to any of the matters referred to in Section 2.5, and (v) any claim that this Guarantee should be strictly construed against U.S. Agent or any U.S. Revolving B Credit Lender.

12.7 Bankruptcy; Other Matters. In the event that, pursuant to any insolvency, bankruptcy, reorganization, receivership or other debtor relief law, or any judgment, order or decision thereunder, or for any other reason U.S. Agent or any U.S. Revolving B Credit Lender must rescind or restore any payment received by U.S. Agent or any U.S. Revolving B Credit Lender in connection with the Guaranteed Obligations, the Credit Agreement or any other Loan Document, or U.K. Borrower ceases to be liable to U.S. Agent or any U.S. Revolving B Credit Lender in respect of the Credit Agreement (other than by the full and irrevocable payment in full thereof), then any prior release or discharge from this Guarantee shall be without effect and this Guarantee and the obligations of each Guarantor hereunder shall remain in full force and effect.

12.8 Payments by Guarantors. If all or any part of the Guaranteed Obligations are not paid when due, whether at maturity, by reason of acceleration, or otherwise, and remain unpaid until the expiration of any applicable grace or cure period, or otherwise upon the occurrence and continuance of any Event of Default, the Guarantors shall, immediately upon demand by U.S. Agent (or any trustee or agent acting on behalf of U.S. Agent or any U.S. Revolving B Credit Lender), and without presentment, protest, notice of protest, notice of nonpayment, notice of intention to accelerate or acceleration or any other notice whatsoever, pay in immediately available funds, the amount due on the Guaranteed Obligations to U.S. Agent for distribution to U.S. Revolving B Credit Lenders. All obligations of the Guarantors under this Guarantee shall be performable and payable to U.S. Agent at its office at the address for notices provided for in the Credit Agreement. All payments hereunder shall be made without any counterclaim or setoff, free and clear of, and without reduction by reason of, any Indemnified Taxes which are now or may hereafter be imposed, levied or assessed by any country, political subdivision or taxing authority, all of which will be for the account of and paid by the Guarantors. If for any reason, any such reduction is made or any Indemnified Taxes are paid by U.S. Agent or U.S. Revolving B Credit Lenders, Guarantors will pay to U.S. Agent or such U.S. Revolving B Credit Lender such additional amounts as may be necessary to ensure that such Person receives the same net amount which it would have received had no reduction been made or Indemnified Taxes paid.

12.9 Failure to Pay Guaranteed Obligations. If any Guarantor fails to pay the Guaranteed Obligations as required by this Guarantee, then each of the Guarantors, as the principal obligor and not as a guarantor only, shall jointly and severally pay, on demand, all reasonable out-of-pocket costs and expenses incurred or expended by U.S. Agent and U.S. Revolving B Credit Lenders (and any trustee or agent acting on behalf of U.S. Agent and/or any U.S. Revolving B Credit Lender) in connection with the enforcement of, and the preservation of U.S. Agent's and U.S. Revolving B Credit Lenders' rights under and with respect to, this Guarantee, including, but not limited to, all reasonable attorneys' fees and

expenses (whether or not there is litigation), court costs and all costs incurred in connection with any proceedings under any Debtor Relief Laws, provided that the Guarantors shall not be liable for the reasonable fees and expenses of more than one separate firm of attorneys representing U.S. Agent (plus any special or local counsel retained by such firm). Until paid, all such amounts recoverable under this Section 2.9 shall bear interest from the time when such amounts become due until payment in full thereof at the Default Rate for Base Rate Loans.

12.10 Subordination of Affiliate Obligations. Each of the Guarantors agrees that all Affiliate Obligations (as defined below), interest thereon, and all other amounts due with respect thereto, are hereby subordinated as to time of payment and in all other respects to all the Guaranteed Obligations. Each Guarantor agrees that at all times during the existence of an Event of Default, such Guarantor shall not be entitled to enforce or receive any payment in respect thereof until all sums then due and owing to U.S. Agent and/or U.S. Revolving B Credit Lenders in respect of the Guaranteed Obligations shall have been paid in full. If any payment shall have been made to any Guarantor by U.K. Borrower or such indebted Person on any such Affiliate Obligation during any time that an Event of Default exists and there are Guaranteed Obligations outstanding, such Guarantor shall collect and receive all such payments as trustee for U.S. Agent and U.S. Revolving B Credit Lenders, to the extent of all amounts owing with respect to this Guarantee, and such amounts shall be immediately paid over to U.S. Agent (or any trustee or agent acting on behalf of U.S. Agent and/or U.S. Revolving B Credit Lenders), without affecting in any manner the liability of the Guarantors under the other provisions of this Guarantee. For purposes of this Section 2.10, “Affiliate Obligation” means any indebtedness of any kind of U.K. Borrower, or any Person obligated in respect of the Guaranteed Obligations, to the Guarantors.

12.11 Postponement of Subrogation Rights. No Guarantor will exercise any Subrogation Rights (as defined below) which it may acquire with respect to this Guarantee until the prior and indefeasible payment, in full and in cash, of all Guaranteed Obligations. Any amount paid to a Guarantor by or on behalf of U.K. Borrower or any other guarantor of the Guaranteed Obligations on account of any such Subrogation Rights prior to the payment in full of all Guaranteed Obligations shall immediately be paid over to U.S. Agent for the ratable benefit of U.S. Revolving B Credit Lenders and credited and applied against the Guaranteed Obligations whether matured or unmatured, in accordance with the terms of the Credit Agreement. In furtherance of the foregoing, for so long as any Guaranteed Obligations remain outstanding, (i) no Guarantor shall take any action or commence any proceeding against U.K. Borrower or any other guarantor of the Guaranteed Obligations (or any of their respective successors or assigns, whether in connection with a bankruptcy proceeding or otherwise), to recover any amounts in the respect of payments made under this Guarantee to U.S. Agent and/or U.S. Revolving B Credit Lenders, and (ii) each Guarantor hereby forbears realizing any benefit of and exercising any right to participate in any security which may be held by U.S. Agent or U.S. Revolving B Credit Lender or any agent or trustee acting on behalf of U.S. Agent and/or U.S. Revolving B Credit Lenders. For purposes of this Section 2.11, “Subrogation Right” means any right of contribution, subrogation, reimbursement, indemnity, or repayment, and any other “claim”, as that term is defined in the United States Bankruptcy Code (or other applicable law), which any Guarantor might now have or hereafter acquire against U.K. Borrower or any other guarantor of the Guaranteed Obligations that arises from the existence or performance of such Guarantor’s obligations under this Guarantee, and any right to participate in any security for the Guaranteed Obligations.

12.12 Limitation on Guaranteed Obligations. Notwithstanding anything in Section 2.1 or elsewhere in this Guarantee or any other Loan Document to the contrary, the obligations of the Guarantors under this Guarantee shall at each point in time be limited to an aggregate amount equal to the greatest amount that would not result in such obligations being subject to avoidance, or otherwise result in such obligations being unenforceable, at such time under applicable law (including, without limitation, to

the extent, and only to the extent, applicable to the Guarantors, Section 548 of the United States Bankruptcy Code and any comparable provisions of the law of any other jurisdiction, any capital preservation law of any jurisdiction and any other law of any jurisdiction that at such time limits the enforceability of the obligations of the Guarantors under this Guarantee). This Section 2.12 is intended solely to preserve the rights of U.S. Agent and U.S. Revolving B Credit Lenders hereunder to the maximum extent permitted by applicable law, and neither the Guarantors nor any other Person shall have any rights under this Section 2.12 that it would not otherwise have under applicable law.

12.13 Other Enforcement Rights. U.S. Agent and U.S. Revolving B Credit Lenders may proceed to protect and enforce this Guarantee by suit or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement contained herein or in execution or aid of any power herein granted or for the recovery of judgment for the obligations hereby guaranteed or for the enforcement of any other proper legal or equitable remedy available under applicable law.

12.14 U.K. Guarantee Limitations. In relation to a U.K. Subsidiary Guarantor, this Guarantee does not apply to any liability to the extent that it would result in this Guarantee constituting unlawful financial assistance within the meaning of Section 151 of the Companies Act 1985.

13. REPRESENTATIONS AND WARRANTIES.

Each Guarantor hereby represents and warrants to U.S. Agent and U.S. Revolving B Credit Lenders that:

13.1 Organization and Existence. The Guarantor is duly organized and existing in good standing under the laws of its jurisdiction of organization, is duly qualified to do business and is in good standing where the nature or extent of its businesses or properties requires it to be qualified to do business except where the failure to so qualify will not have a material adverse effect on the business, operations, profits, financial condition, properties or business prospects of such Guarantor or on its ability to perform its obligations hereunder and under the other Loan Documents. The Guarantor has the power and authority to own its properties and carry on its business as now being conducted.

13.2 Authorization. The Guarantor is duly authorized to execute and perform this Guarantee and this Guarantee has been properly authorized by all requisite action of such Guarantor. No consent, approval or authorization of, or declaration or filing with, any Governmental Authority or any other Person, is required in connection with the execution, delivery or performance of this Guarantee, except for those already duly obtained.

13.3 Due Execution. This Guarantee has been executed on behalf of such Guarantor by a Person duly authorized to do so.

13.4 Enforceability. This Guarantee constitutes the legal, valid and binding obligation of the Guarantor, enforceable against such Guarantor in accordance with its terms, except to the extent that the enforceability thereof against such Guarantor may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor's rights generally or by equitable principles of general application (regardless of whether such enforceability is considered in a proceeding in equity or at law).

13.5 Legal Restraints. The execution of this Guarantee by the Guarantor and the performance by such Guarantor of its obligations under this Guarantee, will not (i) violate or constitute a default under the certificate or articles of incorporation, bylaws or other organizational documents of such Guarantor as applicable, (ii) except as contemplated by the U.S. Security Documents, the U.K. Security

Documents and the granting of Liens to secure Other Senior Debt, result in any Lien being imposed on any of such Guarantor's property, or (iii) violate or constitute a default under any agreement to which the Guarantor is a party or any law, ordinance, governmental rule or regulation to which it is subject, except where such violation or default could not reasonably be expected to have a material adverse effect on the business, operations, profits, financial condition, properties or business prospects of such Guarantor or on its ability to perform its obligations hereunder and under the other Loan Documents.

13.6 No Material Proceedings. There are no proceedings, actions or investigations pending or, to the knowledge of the Guarantor, threatened against such Guarantor that, in the aggregate for all such proceedings, actions and investigations, could reasonably be expected to have a material adverse effect on the business, operations, profits, financial condition, properties or business prospects of such Guarantor or on its ability to perform its obligations hereunder and under the other Loan Documents.

13.7 Compliance with Laws. The Guarantor is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject, except for such failures to comply that, in the aggregate for all such failures, could not reasonably be expected to have a material adverse effect on the business, operations, profits, financial condition, properties or business prospects of such Guarantor or on its ability to perform its obligations hereunder and under the other Loan Documents.

13.8 No Defaults. The Guarantor has not breached or violated, or is not in default under, any agreement to which it is a party, and is not in default with respect to any of its obligations, except for such breaches, violations and defaults that, in the aggregate for all such breaches, violations and defaults, could not reasonably be expected to have a material adverse effect on the business, operations, profits, financial condition, properties or business prospects of such Guarantor or on its ability to perform its obligations hereunder and under the other Loan Documents.

13.9 Independent Credit Evaluation. Each Guarantor has independently, and without reliance on any information supplied by U.S. Agent or any U.S. Revolving B Credit Lender, taken, and will continue to take, whatever steps such Guarantor deems necessary to evaluate the financial condition and affairs of U.K. Borrower, and neither U.S. Agent nor any U.S. Revolving B Credit Lender shall have any duty to advise such Guarantor of information at any time known to U.S. Agent or any U.S. Revolving B Credit Lender regarding such financial condition or affairs.

13.10 No Representation By Agent. Neither U.S. Agent, any U.S. Revolving B Credit Lender nor any trustee or agent acting on its behalf has made any representation, warranty or statement to any Guarantor to induce such Guarantor to execute this Guarantee.

13.11 Survival. All representations and warranties made by the Guarantors herein shall survive the execution hereof and may be relied upon by U.S. Agent and U.S. Revolving B Credit Lenders as being true and accurate until the Guaranteed Obligations are fully and irrevocably paid.

14. COVENANTS.

14.1 Corporate Existence; Scope of Business; Compliance with Law; Preservation of Enforceability. Each Guarantor covenants that from the date hereof and until the Guaranteed Obligations are fully and irrevocably paid, such Guarantor shall

(a) preserve and maintain its existence in good standing and its right to transact business in those states in which it is now or hereafter doing business and obtain and maintain all licenses, except where the failure to obtain and maintain such licenses that, in the aggregate for

all such failures, could not reasonably be expected to have a material adverse effect on the business, operations, profits, financial condition, properties or business prospects of such Guarantor or on its ability to perform its obligations hereunder and under the other Loan Documents;

(b) comply, with all applicable laws, ordinances, governmental rules and regulations to which it is subject, except where such failure to comply could not reasonably be expected to have a material adverse effect on the business, operations, profits, financial condition, properties or business prospects of such Guarantor; or on its ability to perform its obligations hereunder and under the other Loan Documents; and

(c) take all action and obtain all consents and governmental approvals required so that its obligations under this Guarantee will at all times be legal, valid and binding and enforceable in accordance with the terms hereof.

14.2 Financial assistance in relation to U.K. Subsidiary Guarantors. A U.K. Subsidiary Guarantor shall provide evidence of compliance with the procedures set out in Sections 155-158 of the Companies Act 1985 for permitting the financial assistance constituted by this Guarantee.

15. ADDITIONAL GUARANTORS.

In accordance with Section 6.12 of the Credit Agreement, additional Persons may from time to time after the date of this Guarantee become Guarantors under this Guarantee by executing and delivering to U.S. Agent a joinder agreement (a “Joinder Agreement”) to this Guarantee in substantially the form attached as Exhibit A to this Guarantee. Effective from and after the date of the execution and delivery by any Person to U.S. Agent of a Joinder Agreement, such Person shall be, and shall be deemed for all purposes to be, a Guarantor under this Guarantee with the same force and effect, and subject to the same agreements, representations, guarantees, indemnities, liabilities and obligations, as if such Person were, effective as of such date, an original signatory to this Guarantee as a Guarantor. The execution and delivery of a Joinder Agreement by any Person shall not require the consent of any other Guarantor and all of the Guaranteed Obligations of each Guarantor under this Guarantee shall remain in force and effect notwithstanding the addition of any additional Guarantor to this Guarantee.

16. SUCCESSORS AND ASSIGNS.

This Guarantee shall bind the successors, assignees, trustees, and administrators of each Guarantor and shall inure to the benefit of U.S. Agent, each U.S. Revolving B Credit Lender, and their respective successors, transferees, participants and assignees.

17. CONTINUANCE OF GUARANTEE.

Each Guarantor is liable under this Guarantee for the full amount of the Guaranteed Obligations. U.S. Agent may release, settle with or compromise with any one or more Persons who are otherwise liable for the payment or performance of all or portions of the Guaranteed Obligations without impairing, diminishing or releasing any rights of U.S. Agent or U.S. Revolving B Credit Lenders hereunder against any Guarantor or any other Person liable for the Guaranteed Obligations. This Guarantee shall continue in full force and effect and shall bind each Guarantor notwithstanding the death or release of any other Person who is otherwise liable for the payment or performance of all or any portion of the Guaranteed Obligations.

18. AMENDMENTS AND WAIVERS.

No amendment to, waiver of, or departure from full compliance with any provision of this Guarantee, or consent to any departure by any Guarantor herefrom, shall be effective unless it is in writing and signed by authorized officers of each Guarantor directly affected thereby and U.S. Agent; *provided, however*, that any such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No failure by U.S. Agent to exercise, and no delay by U.S. Agent in exercising, any right, remedy, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by U.S. Agent of any right, remedy, power or privilege hereunder preclude any other exercise thereof, or the exercise of any other right, remedy, power or privilege.

19. RIGHTS CUMULATIVE.

Each of the rights and remedies of U.S. Agent and U.S. Revolving B Credit Lenders under this Guarantee shall be in addition to all of their other rights and remedies under applicable law, and nothing in this Guarantee shall be construed as limiting any such rights or remedies.

20. SERVICE OF PROCESS.

EACH GUARANTOR HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS UPON IT AND CONSENTS THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE BY REGISTERED MAIL (RETURN RECEIPT REQUESTED) DIRECTED TO IT AT ITS ADDRESS SET FORTH IN ANNEX 1 HERETO. SERVICE SO MADE SHALL BE DEEMED TO BE COMPLETED AS OF THE DATE THAT SUCH GUARANTOR SIGNS THE RETURN RECEIPT. NOTHING IN THIS SECTION SHALL AFFECT THE RIGHT OF U.S. AGENT OR ANY U.S. REVOLVING B CREDIT LENDER TO SERVE LEGAL PROCESS IN ANY OTHER MANNER PERMITTED BY LAW. EACH GUARANTOR THAT IS A FOREIGN SUBSIDIARY HEREBY APPOINTS U.S. BORROWER AS ITS AGENT TO RECEIVE ON BEHALF OF IT AND ITS PROPERTY SERVICE OF COPIES OF THE SUMMONS AND COMPLAINT AND ANY OTHER PROCESS WHICH MAY BE SERVED UPON SUCH GUARANTOR IN THE UNITED STATES IN CONNECTION WITH ANY LEGAL PROCEEDINGS IN THE COURTS OF THE STATE OF ILLINOIS OR THE UNITED STATES.

21. WAIVER OF JURY TRIAL.

EACH GUARANTOR HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES THE RIGHT TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS GUARANTEE. SEVERABILITY.

22. SEVERABILITY.

Any provision of this Guarantee which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or nonauthorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction unless the ineffectiveness of such provision would result in such a material change as to cause completion of the transactions contemplated hereby to be unreasonable.

23. GOVERNING LAW.

THIS GUARANTEE SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

24. SECTION HEADINGS.

Section headings are for convenience only and shall not affect the interpretation of this Guarantee.

25. LIMITATION OF LIABILITY.

NEITHER U.S. AGENT NOR ANY U.S. REVOLVING B CREDIT LENDER SHALL HAVE ANY LIABILITY WITH RESPECT TO, AND EACH OF THE GUARANTORS HEREBY WAIVES, RELEASES AND AGREES NOT TO SUE FOR, (a) ANY LOSS OR DAMAGE SUSTAINED BY ANY GUARANTOR THAT MAY OCCUR AS A RESULT OF, IN CONNECTION WITH, OR THAT IS IN ANY WAY RELATED TO, ANY ACT OR FAILURE TO ACT REFERRED TO IN SECTION 2.5 OR (b) ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES SUFFERED BY ANY GUARANTOR IN CONNECTION WITH ANY CLAIM RELATED TO THIS GUARANTEE.

26. ENTIRE AGREEMENT.

This Guarantee embodies the entire agreement among Guarantors, U.S. Agent and U.S. Revolving B Credit Lenders relating to the subject matter hereof and supersedes all prior agreements, representations and understandings, if any, relating to the subject matter hereof.

27. COMMUNICATIONS.

All notices and other communications to U.S. Agent and U.S. Revolving B Credit Lenders or Guarantors hereunder shall be in writing, shall be delivered in the manner and with the effect, as provided by the Credit Agreement, and shall be addressed to the Guarantors as set forth in Annex 1 hereto and to U.S. Agent and U.S. Revolving B Credit Lenders as set forth in the Credit Agreement.

28. DUPLICATE ORIGINALS.

Two or more duplicate counterpart originals hereof may be signed by the parties, each of which shall be an original but all of which together shall constitute one and the same instrument. Delivery of any executed signature page to this Guarantee by any Guarantor by facsimile transmission shall be as effective as delivery of a manually executed copy of this Guarantee by such Guarantor.

29. NOTICES.

Nothing in this Guarantee shall void or abrogate any obligation of U.K. Borrower, any Guarantor or U.S. Agent to give any notice specifically required to be given by such Person in any provision of any Loan Document.

30. TERMINATION.

Subject to Section 2.7, this Guarantee shall terminate and have no further force or effect upon payment in full of the Guaranteed Obligations and the termination of the Credit Agreement.

[Remainder of page intentionally left blank. Next page is signature page.]

IN WITNESS WHEREOF, each Guarantor has caused this Guarantee to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

A.M. CASTLE & CO.

By: /s/ Michael H. Goldberg
Name: Michael H. Goldberg
Title: President and Chief Executive Officer

KEYSTONE TUBE COMPANY, LLC

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

TOTAL PLASTICS, INC.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

PARAMONT MACHINE COMPANY, LLC

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

ADVANCED FABRICATING TECHNOLOGY, LLC

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

OLIVER STEEL PLATE CO.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Treasurer

DATAMET, INC.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President, Treasurer and Assistant Secretary

TRANSTAR INVENTORY CORP.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

TRANSTAR METALS CORP.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

TRANSTAR MARINE CORP.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

ANNEX 1
ADDRESSES OF GUARANTORS

<u>Guarantor</u>	<u>Jurisdiction of Organization</u>	<u>Address</u>
A.M. Castle & Co.	Maryland	A.M. Castle & Co. 3400 North Wolf Road Franklin Park, Illinois 60131
Datamet, Inc.	Illinois	Datamet, Inc. 3400 North Wolf Road Franklin Park, IL 60131
Keystone Tube Company, LLC	Delaware	Keystone Tube Company, LLC 13527 South Halsted Street Riverdale, IL 60827
Total Plastics, Inc.	Michigan	Total Plastics, Inc. 2810 North Burdick Street Kalamazoo, MI 49004
Paramont Machine Company, LLC	Delaware	Paramont Machine Company, LLC 963 Commercial Avenue SE New Philadelphia, OH 44663
Advanced Fabricating Technology, LLC	Delaware	Advanced Fabricating Technology, LLC 687 Bryne Industrial Drive Rockford, MI 49341
Oliver Steel Plate Co.	Delaware	Oliver Steel Plate Co. 7851 Bavaria Drive Twinsburg, OH 44087
Transtar Inventory Corp.	Delaware	Transtar Inventory Corp. 970 West 190th Street, Suite 700 Torrance, CA 90502
Transtar Metals Corp.	Delaware	Transtar Metals Corp. 970 West 190th Street, Suite 700 Torrance, CA 90502
Transtar Marine Corp.	Delaware	Transtar Marine Corp. 970 West 190th Street, Suite 700 Torrance, CA 90502

[FORM OF JOINDER AGREEMENT]

JOINDER AGREEMENT NO. ___ TO GUARANTEE AGREEMENT

Re: A. M. CASTLE & CO.

This Joinder Agreement is made as of ____, in favor of U.S. Agent and U.S. Revolving B Credit Lenders (as such terms are defined in the U.K. Guaranty, as hereinafter defined).

A. Reference is made to the U.K. Guarantee Agreement made as of January 2, 2008 (as such Guarantee may be supplemented, amended, restated or consolidated from time to time, the “U.K. Guarantee”) by certain Persons in favor of U.S. Agent and U.S. Revolving B Credit Lenders (as defined in the U.K. Guarantee), under which such Persons have guaranteed to U.S. Agent and U.S. Revolving B Credit Lenders the due payment and performance by A.M. Castle Metals UK, Limited (“U.K. Borrower”) of all its present and future indebtedness, liabilities and obligations to U.S. Agent and U.S. Revolving B Credit Lenders in connection with the Loan Documents.

B. Capitalized terms used but not otherwise defined in this Joinder Agreement have the respective meanings given to such terms in the U.K. Guarantee, including the definitions of terms incorporated in the U.K. Guarantee by reference to other agreements.

C. Section 5 of the U.K. Guarantee provides that additional Persons may from time to time after the date of the U.K. Guarantee become Guarantors under the U.K. Guarantee by executing and delivering to U.S. Agent a supplemental agreement to the U.K. Guarantee in the form of this Joinder Agreement.

For valuable consideration, the undersigned (“New Guarantor”) agrees as follows:

1. New Guarantor has received a copy of, and has reviewed, the U.K. Guarantee and the Loan Documents in existence on the date of this Joinder Agreement and is executing and delivering this Joinder Agreement to U.S. Agent pursuant to Section 5 of the U.K. Guarantee.

2. Effective from and after the date this Joinder Agreement is executed and delivered to U.S. Agent by New Guarantor (and irrespective of whether this Joinder Agreement has been executed and delivered by any other Person), New Guarantor is, and shall be deemed for all purposes to be, a Guarantor under the U.K. Guarantee with the same force and effect, and subject to the same agreements, representations, guarantees, indemnities, liabilities and obligations, as if New Guarantor was, effective as of the date of this Joinder Agreement, an original signatory to the U.K. Guarantee as a Guarantor. In furtherance of the foregoing, New Guarantor jointly and severally guarantees to U.S. Agent and U.S. Revolving B Credit Lenders in accordance with the provisions of the U.K. Guarantee the due and punctual payment and performance in full of each of the Guaranteed Obligations as each such Guaranteed Obligation becomes due from time to time (whether because of maturity, default, demand, acceleration or otherwise) and understands, agrees and confirms that U.S. Agent and U.S. Revolving B Credit Lenders may enforce the U.K. Guarantee and this Joinder Agreement against New Guarantor for the benefit of U.S. Agent and U.S. Revolving B Credit Lenders up to the full amount of the Guaranteed Obligations without proceeding against any other Guarantor, U.K. Borrower, any other Person or any collateral

securing the Guaranteed Obligations. The terms and provisions of the U.K. Guarantee are incorporated by reference in this Joinder Agreement.

3. Upon this Joinder Agreement bearing the signature of any Person claiming to have authority to bind New Guarantor coming into the hands of U.S. Agent or any U.S. Revolving B Credit Lender, and irrespective of whether this Joinder Agreement or the U.K. Guarantee has been executed by any other Person, this Joinder Agreement will be deemed to be finally and irrevocably executed and delivered by, and be effective and binding on, and enforceable against, New Guarantor free from any promise or condition affecting or limiting the liabilities of New Guarantor and New Guarantor shall be, and shall be deemed for all purposes to be, a Guarantor under the U.K. Guarantee. No statement, representation, agreement or promise by any officer, employee or agent of U.S. Agent or U.S. Revolving B Credit Lenders, forms any part of this Joinder Agreement or the U.K. Guarantee or has induced the making of this Joinder Agreement or the U.K. Guarantee by New Guarantor or in any way affects any of the obligations or liabilities of New Guarantor in respect of the Guaranteed Obligations.

4. This Joinder Agreement may be executed in counterparts. Each executed counterpart shall be deemed to be an original and all counterparts taken together shall constitute one and the same Joinder Agreement. Delivery of an executed signature page to this Joinder Agreement by New Guarantor by facsimile transmission shall be as effective as delivery of a manually executed copy of this Joinder Agreement by New Guarantor.

5. This Joinder Agreement is a contract made under, and will for all purposes be governed by and interpreted and enforced according to, the internal laws of the State of Illinois excluding any conflict of laws rule or principle which might refer these matters to the laws of another jurisdiction.

6. This Joinder Agreement and the U.K. Guarantee shall be binding upon New Guarantor and the successors of New Guarantor. New Guarantor may not assign any of its obligations or liabilities in respect of the Guaranteed Obligations.

IN WITNESS OF WHICH this Joinder Agreement has been duly executed and delivered by New Guarantor as of the date indicated on the first page of this Joinder Agreement.

[NEW GUARANTOR]

By: _____
Name: _____
Title: _____

<DOCUMENT>
<TYPE> EX-10.13
<FILENAME> c22750exv10w13.htm
<DESCRIPTION> First Amendment to Amended and Restated Collateral Agency and Intercreditor Agreement
<TEXT>

**FIRST AMENDMENT TO
COLLATERAL AGENCY AND INTERCREDITOR AGREEMENT**

THIS FIRST AMENDMENT TO COLLATERAL AGENCY AND INTERCREDITOR AGREEMENT (this "Amendment"), dated as of January 2, 2008, is by and among: (i) Bank of America, N.A. (in its individual capacity herein referred to as the "Collateral Agent Bank" and in its capacity as collateral agent herein referred to as the "Collateral Agent"), (ii) Bank of America, N.A., a national banking association, as U.S. Agent under the Bank Credit Agreement for the Bank Credit Agreement U.S. Lenders, (iii) The Prudential Insurance Company of America and Prudential Retirement Insurance and Annuity Company (together with their respective successors and assigns as Holders of Notes, the "Noteholders"), (iv) The Northern Trust Company, an Illinois banking corporation, as party to a Trade Agreement (together with its successors and assigns, "Northern"), (v) A. M. Castle & Co., a Maryland corporation (together with its successors and assigns, the "Company") and (vi) the Guarantors party hereto.

RECITALS

1. The Collateral Agent, the U.S. Agent, the Noteholders, Northern, the Company and the Guarantors entered into that certain Amended and Restated Collateral Agency and Intercreditor Agreement dated as of September 5, 2006 (the "Intercreditor Agreement"). Capitalized terms used herein which are not defined herein and which are defined in the Intercreditor Agreement shall have the same meanings as therein defined.

2. The parties have agreed to amend the Intercreditor Agreement as set forth herein.

NOW, THEREFORE, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Amendments to the Intercreditor Agreement. Effective upon satisfaction of the conditions precedent set forth in Section 2 below, the Intercreditor Agreement is hereby amended as follows:

(A) Section 1. The following definitions in Section 1 are hereby amended to read as follows:

Bank Credit Agreement Debt. Shall mean all indebtedness, obligations and liabilities of any of the Company and Guarantors to or for the benefit of U.S. Agent and Bank Credit Agreement U.S. Lenders (or their Affiliates) arising or incurred under the Bank Credit Agreement Documents or the Guaranties related thereto, existing on the date of this Agreement or arising hereafter, direct or indirect, joint or several, absolute or contingent, matured or unmatured, arising by contract, operation of law or otherwise, including, but not limited to, Post-Petition Interest. Notwithstanding the foregoing, Bank Credit Agreement Debt shall not include any obligations for the payment of principal in excess of \$240,000,000 (plus (i) the amount of any applicable fees and costs payable to U.S. Agent or the U.S. Bank Credit Agreement Lenders (or their Affiliates) under the Bank Credit Agreement Documents, (ii) all Bank Credit Agreement Swap Obligations, and (iii) all Bank Credit Agreement Treasury Management Obligations) plus the amount of any Additional Future Debt incurred under the Bank Credit Agreement.

Bank Credit Agreement Treasury Management Obligations. Shall mean all obligations, liabilities and indebtedness of any Obligor to any Bank Credit Agreement U.S. Lender or any Affiliate of any Bank Credit Agreement U.S. Lender with respect to any treasury management or similar services (i) provided to any such Obligor by such Bank Credit Agreement U.S. Lender or its Affiliate or (ii) guaranteed by any such Obligor.

Guarantors. Shall mean each of Datamet, Inc., an Illinois corporation, Keystone Tube Company, LLC, a Delaware limited liability company, Total Plastics, Inc., a Michigan corporation, Paramount Machine Company, LLC, a Delaware limited liability company, Advanced Fabricating Technology, LLC, a Delaware limited liability company, Oliver Steel Plate Co., a Delaware corporation, Transtar Inventory Corp., a Delaware corporation, Transtar Metals Corp., a Delaware corporation and Transtar Marine Corp., a Delaware corporation, and any other party that may from time to time hereafter execute and deliver a guaranty for the benefit of any one or more of the Secured Parties guarantying the Secured Obligations (collectively, the “**Guaranties**”). Notwithstanding the foregoing, the U.K. Borrower and its Subsidiaries shall not be required to become Guarantors for purposes of this Agreement.

Principal Obligations. Shall mean Note Principal Obligations in an amount not to exceed \$75,000,000, the outstanding principal amount of Bank Credit Agreement Debt (exclusive of Bank Credit Agreement Swap Obligations and Bank Credit Agreement Treasury Management Obligations) in an amount not to exceed \$240,000,000 and the outstanding principal amount of Trade Agreement Debt in an amount not to exceed \$10,000,000, and the outstanding principal amount of all Additional Future Debt.

Secured Parties. Shall mean the Collateral Agent for the ratable benefit of the Bank Credit Agreement U.S. Lenders and each of the holders of Note Debt, Bank Credit Agreement Debt, Trade Debt and Additional Future Debt.

(B) **Section 1.1.** The definition of “U.K. Borrower” is hereby added to Section 1 of the Intercreditor Agreement in the appropriate alphabetical order to read as follows:

U.K. Borrower. Shall mean A.M. Castle Metals UK, Limited.

(C) **Section 1.1.** The definition of “Stock Pledge Agreement” is hereby deleted from Section 1 of the Intercreditor Agreement.

(D) **Section 4.3.** Section 4.3 of the Intercreditor Agreement is hereby amended to read as follows:

4.3 Additional Collateral. Each of U.S. Agent, each Noteholder, Northern and each holder of Additional Future Debt hereby covenants and agrees that it will not take, hold or suffer to exist any security interest in or Lien on any assets as security for any of the Secured Obligations unless such security interest or Lien is granted in favor of, or otherwise made available to, the Collateral Agent for the benefit of U.S. Agent, the Noteholders, Northern and the holders of Additional Future Debt as contemplated by this Agreement. Notwithstanding anything contained herein, the U.S. Agent shall be permitted to take a security interest in and a Lien on the assets of the U.K. Borrower and its Subsidiaries as security for the obligations owing by such Persons under the Bank Credit Agreement Documents and the U.S. Agent shall not be required to make such security interest and Lien available to the Collateral Agent for the benefit of the Noteholders, Northern or the holders of any Additional Future Debt.

(E) Section 4.11. A new Section 4.11 is hereby added to the Intercreditor Agreement is hereby amended to read as follows:

30.3 Special Provisions Regarding Recoveries from the U.K. Borrower and its Subsidiaries. If any Secured Party receives any payment from, or proceeds of security interests in assets pledged for the benefit of such Secured Party by, the U.K. Borrower or any of its Subsidiaries (a “**U.K. Recovery**”) at any time after any amounts on account of the Secured Obligations have been received or recovered from the Company, the Guarantors or the Collateral and have been distributed to the Secured Parties in accordance with Section 4.1(b) or Section 4.2 (a “**Section 4.1 Distribution**”), then the Collateral Agent shall recalculate (a “**Recalculation**”) the proportionate shares of each Secured Creditor (as contemplated by Section 4.1(b)) in the assets distributed pursuant to such Section 4.1 Distribution assuming that the U.K. Recovery had occurred immediately prior to such Section 4.1 Distribution. If as a result of any Recalculation, and after taking into account any prior Recalculations, any Secured Party has received an amount in excess of the amount it would have received under Section 4.1(b) or Section 4.2 if such U.K. Recovery had occurred immediately prior to such Section 4.1 Distribution, such Secured Party will pay over to the other Secured Parties such amount as shall result in each Secured Party receiving in respect of the Secured Obligations owing to it its proportionate payment as contemplated by Section 4.1(b) or Section 4.2, as the case may be, after giving effect to the Recalculation; provided that if all or any part of such excess payment is thereafter recovered from such Secured Party, such payment shall be rescinded and the amount returned to the extent of such recovery, but without interest.

(F) Section 13.3. Section 13.3(b) of the Intercreditor Agreement is hereby amended to read as follows:

(b) No Secured Party may sell any Secured Obligation or any interest therein to any Affiliate of the Company (other than a sale which constitutes a payment under a Guaranty after an Event of Default), or accept any payment of a Secured Obligation from an Affiliate of the Company (other than payments under a Guaranty after an Event of Default), without the consent of the Majority Secured Parties; provided, however, that the U.S. Agent and Bank Credit Agreement U.S. Lenders may accept payments by the U.K. Borrower and/or its Subsidiaries of obligations owing by such Persons under the Bank Credit Agreement Documents at any time.

2. Conditions Precedent. This Amendment shall become effective upon receipt by the Collateral Agent of counterparts of this Amendment duly executed by the Collateral Agent, the Majority Secured Parties, the Company and the Guarantors.

3. First Amendment to the Bank Credit Agreement. Each of the Noteholders and Northern hereby acknowledge and consent to the changes in the Bank Credit Agreement effected by the First Amendment to Credit Agreement dated as of January 2, 2008.

4. Counterparts/Telecopy. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. This Amendment may be transmitted and/or signed by facsimile. The effectiveness of any such documents and signatures shall, subject to applicable Law, have the same force and effect as manually signed originals and shall be binding on all parties. The Collateral Agent may also require that any such documents and signatures be confirmed by a manually signed original thereof; provided, however, that the failure to request or deliver the same shall not limit the effectiveness of any facsimile document or signature.

5. Governing Law. THIS AMENDMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF ILLINOIS.

6. Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF each of the parties hereto has caused this Amendment to be duly executed on the date first above written.

COLLATERAL AGENT:

BANK OF AMERICA, N.A.

By: /s/Michael Brashler

Name: Michael Brashler

Title: Vice President

SECURED PARTIES:

BANK OF AMERICA, N.A.,
as U.S. Agent

By: /s/Michael Brashler

Name: Michael Brashler

Title: Vice President

THE NORTHERN TRUST COMPANY

By: /s/Keith Burson

Name: Keith Burson

Title: Vice President

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: /s/ G. Anthony Coletta

Name: G. Anthony Coletta

Title: Vice President

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

By: /s/ G. Anthony Coletta

Name: G. Anthony Coletta

Title: Vice President

COMPANY:

A.M. CASTLE & CO.

By: /s/ Michael H. Goldberg

Name: Michael H. Goldberg

Title: President and Chief Executive Officer

GUARANTORS:

DATAMET, INC.

By: /s/ Lawrence A. Boik

Name: Lawrence A. Boik

Title: Vice President, Treasurer and Assistant Secretary

KEYSTONE TUBE COMPANY, LLC

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

TOTAL PLASTICS, INC.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

PARAMONT MACHINE COMPANY, LLC

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

ADVANCED FABRICATING TECHNOLOGY, LLC

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

OLIVER STEEL PLATE CO.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Treasurer

TRANSTAR INVENTORY CORP.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

TRANSTAR METALS CORP.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

TRANSTAR MARINE CORP.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

<DOCUMENT>
<TYPE> EX-10.14
<FILENAME> c22750exv10w14.htm
<DESCRIPTION> Amendment No. 2 to Note Agreement
<TEXT>

January 2, 2008

A. M. Castle & Co.
3400 North Wolf Road
Franklin Park, Illinois 60131

Re: Amendment No. 2 to Note Agreement

Ladies and Gentlemen:

Reference is made to that certain Note Agreement dated as of November 17, 2005 (as amended by Amendment No. 1 thereto dated September 5, 2006, the "**Note Agreement**") between A.M. Castle & Co., a Maryland corporation (the "**Company**"), and The Prudential Insurance Company of America and Prudential Retirement Insurance and Annuity Company (collectively, the "**Purchasers**"). Capitalized terms used herein and not otherwise defined herein shall have the meanings assigned to such terms in the Note Agreement.

The Company has requested certain amendments to the Note Agreement as set forth below and the Purchasers are willing to agree to such amendments on the terms and conditions set for the herein. Accordingly, and in accordance with the provisions of paragraph 11C of the Note Agreement, the parties hereto agree as follows:

SECTION 1. Amendment. From and after the Effective Date (as defined in Section 3 hereof), the Note Agreement is hereby amended as follows:

1.1. Clauses (j) and (k) of paragraph 6D of the Note Agreement are amended and restated in their entireties to read as follows:

”(j) (i) Liens attaching solely to the property and assets of the Canadian Subsidiary to secure Debt of the Canadian Subsidiary and no other Debt, and (ii) Liens attaching solely to the property and assets of U.K. Subsidiary and U.K. Subsidiary Guarantors to secure Debt of U.K. Subsidiary and no other Debt;

(k) Liens attaching solely to the property and assets of any Foreign Subsidiary (other than Guarantors, the Canadian Subsidiary and the U.K. Subsidiary) securing Indebtedness for borrowed money of any such Foreign Subsidiary of not more than U.S. \$35,000,000 in the aggregate at any time outstanding for all such Foreign Subsidiaries; and”

1.2. Paragraph 6H of the Note Agreement is Amended in its entirety to read as follows:

“6H. Investments. The Company will not, and will not permit any Subsidiary to make or hold any Investments, except:

- (a) Investments held by the Company and its Subsidiaries in the form of Cash Equivalents;
- (b) Short-term Investments of Foreign Subsidiaries acquired by Foreign Subsidiaries in the ordinary course of business and of a credit quality similar to Cash Equivalents;
- (c) advances to officers, directors and employees of the Company and its Subsidiaries in an aggregate amount not to exceed \$1,000,000 at any time outstanding, for travel, entertainment, relocation and analogous ordinary business purposes;
- (d) (i) Investments by the Company and its Subsidiaries in their respective Subsidiaries outstanding on the date hereof, (ii) additional Investments by Company and its Subsidiaries in the Company, the Canadian Subsidiary, the U.K. Subsidiary, the U.K. Subsidiary Guarantors and the Guarantors, (iii) additional Investments by Subsidiaries of the Company that are not Guarantors in other Subsidiaries that are not Guarantors and (iv) so long as no Default has occurred and is continuing or would result from such Investment, additional Investments (other than Guaranties) by the Company and the Guarantors in wholly-owned Subsidiaries that are not Guarantors in an aggregate amount invested from the date hereof not to exceed \$35,000,000;
- (e) Investments consisting of extensions of credit in the nature of accounts receivable or notes receivable arising from the grant of trade credit in the ordinary course of business, and Investments received in satisfaction or partial satisfaction thereof from financially troubled account debtors to the extent reasonably necessary in order to prevent or limit loss;
- (f) Guarantees by the Company or a Guarantor of the obligations, liabilities or indebtedness of the Company, the Canadian Subsidiary, the U.K. Subsidiary or another Guarantor;
- (g) the Guaranty Agreement, the Guarantee by the Company of the Canadian Obligations (as defined in the Credit Agreement), the Guarantee by the Subsidiaries of the Bank Credit Agreement Debt (as defined in the Intercreditor Agreement), and Guarantees by a U.K. Subsidiary Guarantor of Debt of the U.K. Subsidiary;
- (h) Guarantees by any Foreign Subsidiary (other than the Canadian Subsidiary or the U.K. Subsidiary) of the obligations, liabilities or indebtedness of any other Foreign Subsidiary (other than the Canadian Subsidiary or the U.K. Subsidiary);
- (i) Guarantees by Company of the obligations, liabilities or indebtedness of any Subsidiary (other than the Guarantors, the Canadian Subsidiary and the U.K. Subsidiary) not exceeding \$35,000,000 in the aggregate at any time outstanding;

(j) the Transtar Acquisition;

(k) Investments existing on the date hereof (other than those referred to in paragraph 6H(d)(i));

(l) the purchase or other acquisition of all of the Equity Interests in, or all or substantially all of the property of, any Person that, upon the consummation thereof, will be wholly-owned directly by the Company or one or more of its Wholly-Owned Subsidiaries (including as a result of a merger or consolidation); provided that, with respect to each purchase or other acquisition made pursuant to this paragraph 6H(l):

(i) [Intentionally Omitted];

(ii) any such newly-created or acquired Subsidiary shall comply with the requirements of paragraph 5K;

(iii) the lines of business of the Person to be (or the property of which is to be) so purchased or otherwise acquired shall be substantially the same lines of business as one or more of the principal businesses of the Company and its Subsidiaries in the ordinary course;

(iv) the prior, effective consent or approval to such purchase shall have been granted by the Board of Directors or equivalent governing body of the acquiree;

(v) such purchase or other acquisition shall not include or result in any contingent liabilities that could reasonably be expected to be material to the business, financial condition, operations or prospects of the Company and its Subsidiaries, taken as a whole (as determined in good faith by the board of directors (or the persons performing similar functions) of the Company or such Subsidiary if the board of directors is otherwise approving such transaction and, in each other case, by a Responsible Officer);

(vi) the total cash and noncash consideration (including the fair market value of all Equity Interests issued or transferred to the sellers thereof (other than Equity Interests of the Company), all indemnities, earnouts and other contingent payment obligations to (with the amount thereof being determined by reference to the amount reflected on the Company's or the applicable Subsidiary's balance sheet as of the first date after the consummation of the applicable Investment), and the aggregate amounts paid or to be paid under noncompete, consulting and other affiliated agreements with, the sellers thereof and all assumptions of debt, liabilities and other obligations in connection therewith) paid by or on behalf of the Company and its Subsidiaries for any such purchase or other acquisition, when aggregated with the total cash and noncash consideration paid by or on behalf of the Company and its Subsidiaries for all other purchases and other acquisitions made by the Company and its Subsidiaries pursuant to this paragraph

6H(l) during the immediately preceding 12 months, shall not exceed \$75,000,000 (excluding the consideration paid in connection with the Metals Acquisition);

(vii) (A) immediately before and immediately after giving pro forma effect to any such purchase or other acquisition, no Default or Event of Default shall have occurred and be continuing and (B) immediately after giving effect to such purchase or other acquisition, the Company and its Subsidiaries shall be in pro forma compliance with all of the covenants set forth in paragraphs 6A, 6B and 6C, such compliance to be determined on the basis of the financial information most recently delivered to the holders of the Notes pursuant to paragraph 5F(a) or (b) as though such purchase or other acquisition had been consummated as of the first day of the fiscal period covered thereby; and

(viii) the Company shall have delivered to each holder of the Notes at least five Business Days (or, in the case of the Metals Acquisition, one Business Day) prior to the date on which any such purchase or other acquisition is to be consummated, (A) copies of the Borrowing Base Certificate delivered pursuant to Section 7.08(n)(viii) of the Credit Agreement and (B) a certificate of a Responsible Officer, in form and substance reasonably satisfactory to the Required Holder(s), certifying that all of the requirements set forth in this paragraph 6H(l) have been satisfied or will be satisfied on or prior to the consummation of such purchase or other acquisition;

(m) Investments in promissory notes issued as all or a portion of the purchase price paid in connection with any Disposition permitted by paragraph 6F or any sale permitted by paragraph 6G, not exceeding (i) \$10,000,000 in aggregate principal amount at any time outstanding with respect to Dispositions of the Company's interests in joint ventures in existence on September 5, 2006, or (ii) \$1,000,000 with respect to any other such Disposition or sale.

(n) Investments made after September 5, 2006 in joint ventures not exceeding \$30,000,000 in the aggregate at any time outstanding."

1.3. Paragraph 10 of the Note Agreement is amended by adding, or amending and restating, the following definitions as follows:

"Credit Agreement" shall mean the "Amended and Restated Credit Agreement", dated as of September 5, 2006, between the Company, the Canadian Subsidiary, the U.K. Subsidiary and the Banks, as amended by the First Amendment to Credit Agreement, dated January 2, 2008 (the **"First Amendment to Credit Agreement"**) as further amended, restated, supplemented or otherwise modified from time to time.

"Excluded Collateral" shall mean (i) any property (whether currently existing or subsequently acquired) subject to a Lien permitted under paragraph 6D, to the extent the agreement creating such Lien prohibits additional Liens on such property; (ii) cash

sufficient to secure the Company's or any of its Subsidiary's obligations to pay its workmen's compensation benefits including obligations to any Person providing surety, insurance, letters of credit or other credit support so long as such cash does not secure any obligation for any other purpose; (iii) all properties and assets of the Canadian Subsidiary and the Mexican Subsidiary and any successor holder of such assets; (iv) all property purchased with proceeds of the note issued pursuant to the Loan Agreement, dated as of November 1, 1994, between the Company and the City of Hammond, Indiana; (v) other property with a de minimis fair market value, that individually or in the aggregate with all other such property, is not material to the continued business operations of the Company or the Subsidiary which owns such property and a security interest therein is not perfected by filing a UCC financing statement; and (vi) any leasehold interest in any real property leased by the Company or any Subsidiary the termination of which would not result in a Material Adverse Effect.

"Metals Acquisition" means the acquisition by the Company, through a Wholly-Owned Subsidiary, of all of the Equity Interests of Metals UK Group Limited, Metals Group Limited, Aerospace Metals Europe Limited, AMESA Limited, Metals UK Limited, K.K.S. (Stainless Steel) Co. Limited, Metals Group, Inc., LOKS Plasma Services Limited, E. Harding & Sons Limited and Aerospace Metals Europe SA.

"U.K. Subsidiary" means A. M. Castle Metals UK, Limited.

"U.K. Subsidiary Guarantor" means any Subsidiary of the U.K. Subsidiary that is incorporated under the laws of England and Wales that Guaranties the obligations of the U.K. Subsidiary under the Credit Agreement.

SECTION 2. Representations and Warranties. The Company and each Guarantor represents and warrants that (a) each representation and warranty set forth in paragraph 8 of the Note Agreement and the other Transaction Documents to which it is a party, is true and correct as of the date of execution and delivery of this letter by the Company or such Guarantor with the same effect as if made on such date (except to the extent such representations and warranties expressly refer to an earlier date, in which case they were true and correct as of such earlier date and except that the representations and warranties contained in paragraph 8B of the Note Agreement shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of paragraph 5F of the Note Agreement); (b) both before and after giving effect to the amendments set forth in Section 1 hereof, no Event of Default or Default exists or has occurred and is continuing on the date hereof; and (c) both before and after giving effect to the amendments set forth in Section 1 hereof and the consummation of the transactions contemplated by the First Amendment to Credit Agreement, the amendment to the Trade Agreement referred to below and Metals Purchase Agreement (as defined below), the Company, individually and together with its Subsidiaries on a consolidated basis, is Solvent.

SECTION 3. Conditions Precedent. This amendments in Section 1 of this letter shall become effective on the date (the **"Effective Date"**) when each Purchaser shall have received original counterparts or, if satisfactory to such Purchaser, certified or other copies of all of the

following, each duly executed and delivered by the party or parties thereto, in form and substance satisfactory to such Purchaser, dated the date hereof unless otherwise indicated, and on the Effective Date in full force and effect:

- (i) counterparts to this letter executed by the Company and each Guarantor;
- (ii) counterparts to a First Amendment to the Intercreditor Agreement executed by the Collateral Agent, Bank of America, N.A., Northern Trust, the Company and the Guarantors;
- (iii) a favorable opinion of counsel and/or special counsel to the Company, and the Company, by its execution hereof, hereby requests and authorizes such counsel and/or special counsel to render such opinion and to allow each holder of the Notes to rely on such opinion, and understands and agrees that each Purchaser receiving such an opinion will be relying, and is hereby authorized to rely, on such opinion;
- (iv) a copy of the First Amendment to Credit Agreement and all instruments, documents and agreements delivered at the closing of and making of any loans thereunder, certified by an Officer's Certificate, dated the Effective Date, as correct and complete;
- (v) a copy of and amendment to Trade Agreement and all instruments, documents and agreements delivered at the closing thereof, certified by an Officer's Certificate, dated the Effective Date, as correct and complete;
- (vi) receipt by the Bank Agent of an executed undertaking from Addleshaw Goddard LLP ("AG") that obligates AG to transfer the sellers the purchase price for the acquisition contemplated by, and in accordance with the terms of, that certain purchase agreement by and among the Company or one of its Subsidiaries, as buyer, and Ian Griffiths and others, as sellers (the "**Metals Purchase Agreement**"), and a copy of such undertaking shall have been provided to each Purchaser; and
- (viii) such other certificates, documents and agreements as such Purchaser may reasonably request.

SECTION 4. Reference to and Effect on Note Agreement. Upon the effectiveness of the amendments to the Note Agreement made in this letter, each reference to the Note Agreement in any other document, instrument or agreement shall mean and be a reference to the Note Agreement as modified by this letter. Except as specifically set forth in Section 1 hereof, the Note Agreement shall remain in full force and effect and is hereby ratified and confirmed in all respects. The Company and each Guarantor hereby represents and warrants that all necessary or required consents to this letter have been obtained and are in full force and effect. Except as specifically stated in this letter, the execution, delivery and effectiveness of this letter shall not (a) amend the Note Agreement, any Note or any of the other Transaction Documents, (b) operate as a waiver of any right, power or remedy of the holder of any Note, (c) constitute a waiver of, or consent to any departure from, any provision of the Note Agreement, any Note or any of the

other Transaction Documents at any time or (d) be construed as a course of dealing or other implication that any holder of any Note has agreed to or is prepared to grant any consents or agree to any amendments to the Note Agreement, any Note or any of the other Transaction Documents in the future, whether or not under similar circumstances.

SECTION 5. Expenses. The Company hereby confirms its obligations under the Note Agreement, whether or not the transactions hereby contemplated are consummated, to pay, promptly after request by the holders of the Notes, all reasonable out-of-pocket costs and expenses, including attorneys' fees and expenses, incurred by any holder of the Notes in connection with this letter or the transactions contemplated hereby, in enforcing any rights under this letter, or in responding to any subpoena or other legal process or informal investigative demand issued in connection with this letter or the transactions contemplated hereby. The obligations of the Company under this Section 5 shall survive transfer by any holder of a Note of any Note and payment of any Note.

SECTION 6. Reaffirmation. Each Guarantor hereby ratifies and reaffirms all of its payment and performance obligations, contingent or otherwise, under the Guaranty Agreement to which it is a party and each of the other Transaction Documents to which it is a party. Each Guarantor hereby consents to the terms and conditions of this letter and reaffirms its obligations and liabilities under or with respect to the Note Agreement as amended by this letter.

SECTION 7. Collateral Documents. The Company and the Guarantors have heretofore executed and delivered certain Collateral Documents and concurrently herewith are executing the Collateral Document Amendments. The Company and the Guarantors hereby acknowledge and agree that the Liens created and provided for by the Collateral Documents, as amended by the Collateral Document Amendments, continue to secure, among other things, the obligations arising under the Note Agreement as amended hereby; and the Collateral Documents, as amended by the Collateral Document Amendments, and the rights and remedies of the holders of the Notes and Collateral Agent thereunder, the obligations of the Company and the Guarantors thereunder, and the Liens created and provided for thereunder remain in full force and effect and shall not be affected, impaired or discharged hereby. Nothing herein contained shall in any manner affect or impair the priority of the liens and security interests created and provided for by the Collateral Documents, as amended by the Collateral Document Amendments, as to the indebtedness which would be secured thereby prior to giving effect to this letter agreement.

SECTION 8. Governing Law. THIS LETTER SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF ILLINOIS, WITHOUT REGARD TO PRINCIPLES OF CONFLICT OF LAWS OF SUCH STATE WHICH WOULD OTHERWISE CAUSE THIS LETTER TO BE CONSTRUED OR ENFORCED OTHER THAN IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS.

SECTION 9. Counterparts; Section Titles. This letter may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so

A.M. Castle & Co.
January 2, 2008
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executed and delivered shall be deemed to be an original and all of which taken together shall constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this letter by facsimile shall be effective as delivery of a manually executed counterpart of this letter. The section titles contained in this letter are and shall be without substance, meaning or content of any kind whatsoever and are not a part of the agreement between the parties hereto.

[signature page follows]

Very truly yours,

**THE PRUDENTIAL INSURANCE COMPANY
OF AMERICA**

By: /s/ G. Anthony Coletta
Vice President

**PRUDENTIAL RETIREMENT INSURANCE
AND ANNUITY COMPANY**

By: Prudential Investment Management, Inc.,
as investment manager

By: /s/ G. Anthony Coletta
Vice President

Agreed and Accepted:

A. M. CASTLE & CO.

By: /s/ Lawrence A. Boik

Name: Lawrence A. Boik

Title: Vice President of Finance and Chief Financial Officer

GUARANTORS:

DATAMET, INC.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President, Treasurer and Assistant
Secretary

KEYSTONE TUBE COMPANY, LLC

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

TOTAL PLASTICS, INC.

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

PARAMONT MACHINE COMPANY, LLC

By: /s/ Lawrence A. Boik
Name: Lawrence A. Boik
Title: Vice President

**ADVANCED FABRICATING
TECHNOLOGY, LLC**

By: /s/ Lawrence A. Boik

Name: Lawrence A. Boik

Title: Vice President

OLIVER STEEL PLATE CO.

By: /s/ Lawrence A. Boik

Name: Lawrence A. Boik

Title: Treasurer

TRANSTAR INVENTORY CORP.

By: /s/ Lawrence A. Boik

Name: Lawrence A. Boik

Title: Vice President

TRANSTAR METALS CORP.

By: /s/ Lawrence A. Boik

Name: Lawrence A. Boik

Title: Vice President

TRANSTAR MARINE CORP.

By: /s/ Lawrence A. Boik

Name: Lawrence A. Boik

Title: Vice President