

8.75% SENIOR SECURED NOTES DUE 2019 AND 12.25% SENIOR NOTES DUE 2020 STANDSTILL AND DEFERRAL AGREEMENT

STANDSTILL AND DEFERRAL AGREEMENT, dated as of 14 December 2017 (this “Agreement”), by and among Elli Finance (UK) Plc, a public limited company organised under the laws of England and Wales (the “Senior Secured Notes Issuer”), Elli Investments Limited, a non-cellular company limited by shares organised under the laws of Guernsey (“Senior Notes Issuer” and, together with the Senior Secured Notes Issuer, the “Issuers”), Elli Acquisition Limited (“EAL”) a non-cellular company limited by shares organised under the laws of Guernsey, the Guarantors listed on Exhibit A hereto (the “Guarantors”) and H/2 Credit Manager LLC for and on behalf of certain investment funds managed by it or its affiliates (such investment funds, each, an “Initial Holder” and collectively, the “Initial Holders”). Capitalised terms used and not otherwise defined herein shall have the meanings ascribed to them in the Indentures (as defined below).

WHEREAS, the Holders are the beneficial owners of: (a) 8.75% Senior Secured Notes due 2019 (the “Senior Secured Notes”) issued by the Senior Secured Notes Issuer pursuant to that certain Indenture, dated as of June 28, 2012 (as amended, restated, supplemented or otherwise modified from time to time, the “Senior Secured Notes Indenture”), among the Senior Secured Notes Issuer, as issuer, certain of its subsidiaries and affiliates, as guarantors, and Wilmington Trust, N.A. (as successor to The Bank of New York Mellon, London Branch), as trustee (in such capacity, the “Senior Secured Notes Trustee”) and Barclays Bank PLC as security agent (in such capacity, the “Senior Secured Notes Security Agent”); and/or (b) 12.25% Senior Notes due 2020 (the “Senior Notes” and, together with the Senior Secured Notes, “Notes”) issued by the Senior Notes Issuer pursuant to that certain Indenture, dated as of June 28, 2012 (as amended, restated, supplemented or otherwise modified from time to time, the “Senior Notes Indenture” and, together with the Senior Secured Notes Indenture, the “Indentures”), among the Senior Notes Issuer, as issuer, certain of its subsidiaries and affiliates, as guarantors, and The Bank of New York Mellon, London Branch, as trustee (in such capacity, the “Senior Notes Trustee” and, together with the Senior Secured Notes Trustee, the “Trustees”) and Barclays Bank PLC as security agent (in such capacity, the “Senior Notes Security Agent” and, together with the Senior Secured Notes Security Agent, the “Security Agents”).

WHEREAS, as of the date hereof, the Defaults and/or Events of Default listed on Exhibit C hereto may in the future occur under the Indentures (the “Subject Defaults”).

WHEREAS, the Holders have agreed on the terms of this Agreement to support and participate in proposed amendments and forbearances in relation to the Senior Secured Notes and the Senior Notes (the “Transaction,” and each other document necessary and/or desirable to implement the Transaction, collectively, the “Transaction Documents”); and (ii), and to this end, each Issuer has agreed to issue as soon as reasonably practicable (and provided that the prior written consent of the Majority Holders is obtained) one or more consent solicitation statements (the “Consent Solicitation Statement”) commencing a solicitation (the “Consent

Solicitation”) of consents of each Holder (as defined in each of the Indentures) of the Senior Secured Notes and the Senior Notes (collectively, “Noteholders”) to defer the payments of cash interest due under the Senior Secured Notes and the Senior Notes on 15 December 2017 (the “December Coupons”) until the earlier of: (i) 4 March 2018 upon which date the 30 calendar day grace period provided for in the Indentures will apply until 2 April 2018; and (ii) the occurrence of any other circumstances set out in the Consent Solicitation Statement providing for earlier termination of the deferral (for the avoidance of doubt, without any grace period) of the December Coupons (“December Coupon Deferral”). The Consent Solicitation will also provide that if the requisite percentage of Noteholders needed to amend the respective Indenture to reflect the December Coupon Deferral have agreed to thereto, then the applicable Indenture shall be so amended (the “Deferral Amendment”).

WHEREAS, the Holders desire to forbear, and to direct the Trustees and Security Agents to forbear, at all times from the Effective Date (as defined below) to, but not including, the Forbearance Expiration Date (as defined below), from taking or exercising any Enforcement Action (as defined below) in connection with the Subject Defaults.

NOW, THEREFORE, in consideration of the promises and the representations, warranties, covenants and agreements herein contained, and intending to be legally bound hereby, the Issuers, the Guarantors and the Holders hereby agree as follows:

ARTICLE I.

CONSENT SOLICITATION, SUPPORT AND AGREEMENT TO FORBEAR

Section 1.1 Consent solicitation and support.

(a) The Issuers will issue by no later than 20 December 2017, the Consent Solicitation Statement commencing the Consent Solicitation, provided, however, that such Consent Solicitation Statement shall not be issued without the prior written consent of the Majority Holders.

(b) Each of the Holders agrees that, unless the Forbearance Expiration Date has occurred, it shall, prior to 5:00 p.m. GMT five (5) Business Days after issuance of the Consent Solicitation, deliver its Consent pursuant to the Consent Solicitation.

(c) Each of the Holders agrees that, from the Effective Date up to the Forbearance Expiration Date (the “Support Period”), it shall vote its interests in any debt instruments of the Group in support of the Consent Solicitation to effect the December Coupon Deferrals or, if the requisite Noteholder consents are received thereto, the Deferral Amendment. The Consent Solicitation will also provide for the agreement of the Issuers and the Guarantors and the Noteholders that in the event the Deferral Amendment has been effected, but the Forbearance Expiration Date occurs, then the December Coupon Deferral shall nonetheless be deemed to terminate on the Forbearance Expiration Date and the December Coupons shall become immediately due and payable.

(d) Subject to Section 6.1 hereof, the Issuers shall be entitled to describe: (x) the terms of this Agreement; and (y) the aggregate principal amount of the Notes beneficially owned in the aggregate by the Holders in the Consent Solicitation and that the Holders support the Consent Solicitation. The Transaction Documents shall be in form and substance satisfactory to the Majority Holders.

(e) The date for Consent to be provided under the Consent Solicitation shall be no later than 5:00 p.m. GMT on 10 January 2018; provided, however, that such date may be extended (with the prior written consent of the Majority Holders) to a date not beyond 5:00 p.m. GMT on 19 January 2018.

(f) Each of the Holders agrees that, during the Support Period, it shall refrain, in relation to its interests in the Notes affected hereunder, from: (i) directly or indirectly, supporting or consenting to any alternative cash interest deferral proposal or consent solicitation relating to the December Coupons and/or the Transaction; and (ii) instructing any of the Trustees under the Indentures to take any action that is inconsistent with the terms and conditions of this Agreement; provided, however, that nothing in this paragraph shall restrict in any way any action being taken whether directly by a Holder or by or through a Trustee or the Security Agent with respect to the Rectification Proceedings.

Section 1.2 Forbearance.

(a) Each Holder hereby agrees to forbear, and agrees to direct the Trustees and the Security Agent to forbear, at all times from the Effective Date to, but not including, the Forbearance Expiration Date, from taking or exercising any Enforcement Action solely in connection with the Subject Defaults (the “Forbearance”).

(b) To the extent that any of the Trustee or Security Agent takes or exercises (or intends to take or exercise) any Enforcement Action (as defined below) in connection with the Subject Defaults at any time from the Effective Date to, but not including, the Forbearance Expiration Date, each Holder hereby agrees to deliver a letter to the Trustee and Security Agent directing the Trustee and Security Agent not to take or exercise any Enforcement Action prior to the Forbearance Expiration Date, which letter shall not be withdrawn or rescinded until the Forbearance Expiration Date; provided, however, that nothing in this paragraph shall restrict in any way any action being taken whether directly by a Holder or by or through a Trustee or the Security Agent with respect to the Rectification Proceedings.

(c) The agreement in this Section 1.2 is an agreement of forbearance only with respect to the Subject Defaults and does not constitute an agreement to forbear with respect to any other Defaults or Events of Default, whether presently existing or arising in the future. In the event of any Default or Event of Default, other than the Subject Defaults, the Holders, in addition to their right to terminate this Agreement, reserve all of their respective rights and remedies under this Agreement, the Intercreditor Agreement, each Indenture and each other agreement, document, note and instrument in respect thereof including, without limitation to the generality of the foregoing, the other Note Documents (collectively the

“Operative Documents”) or otherwise, including without limitation the rights asserted by the Security Agent in the Rectification Proceedings and all rights and claims under the two deeds of accession dated 18 November 2016 and executed by FSHC and the Security Agent, and as provided in Section 1.2(g) hereof.

(d) The Issuers and the Guarantors further acknowledge and agree to comply with, and procure that each other member of the Group complies with, the covenants, agreements and restrictions set forth in Exhibit D hereto from the Effective Date.

(e) The Issuers acknowledge and agree that, notwithstanding the Forbearance, the Forbearance shall not constitute a waiver of the occurrence and continuance of any Default or Event of Default, including, without limitation, any Subject Default or any rights of the Holders, the Trustees and/or the Security Agent in connection therewith. For the avoidance of doubt, in the event the Forbearance Expiration Date occurs for any reason, the Trustees, the Security Agent and the Holders may freely pursue all of their rights and remedies in respect of the Subject Defaults.

(f) The Forbearance and consents granted pursuant to this Agreement and/or the Consent Solicitation shall not be capable of being relied upon by the Sponsor Group.

(g) Nothing in this Agreement or in any Transaction Documents, shall operate as a forbearance or waiver in respect of, or have any prejudice to or effect whatsoever upon, any of the following: (i) the rights or claims of the Security Agent, or of any Holder of the Senior Secured Notes or the Senior Notes, under, in respect of or in connection with, those two deeds of accession both dated 18 November 2016 and executed by FSHC and the Security Agent, including, without limitation, any rights or claims directly or indirectly with respect to: (x) the Unreported Assets; and/or (y) any subsidiary of FSHC which owns, whether directly or indirectly, any of the Unreported Assets; or (ii) the contesting of FSHC's claim in the Rectification Proceedings or the making of any application whatsoever in such proceedings, in the case of any of the foregoing whether, by the Security Agent or for and on behalf of, or by, any holder of the Senior Secured Notes or Senior Notes.

Section 1.3 Accessions and Transfers.

(a) The Parties agree that an existing Noteholder (each, an “Acceding Noteholder”) can accede to this Agreement by delivering to the relevant Issuer a duly completed joinder notice to this Agreement substantially in the form set out at Exhibit E (a “Joinder Notice”). Notwithstanding anything else in this Agreement, other than the Issuers and the Guarantors, no past or current member of the Sponsor Group (or any Affiliate thereof) may accede to this Agreement as an Acceding Noteholder (defined below).

(b) Each Holder agrees that, during the Support Period, it shall not sell, assign, pledge, sub-participate, transfer or otherwise dispose of (each a “Transfer”), nor permit the Transfer to any person, of any interest in: (i) the Senior Secured Notes or the Senior Notes it beneficially owns; and (ii) any other indebtedness of the Group that it beneficially owns unless:

(x) such person is a Holder; or (y) unless and until such person delivers to the relevant Issuer a duly completed Joinder Notice (an “Acceding Transferee Noteholder” and together with any Acceding Existing Noteholder, an “Acceding Noteholder”).

(c) If, as a result of any Transfer in accordance with paragraph (b) above, any Holder ceases to beneficially own any Notes, such Holder will be released from any future obligations under this Agreement.

Section 1.4 Additional Notes Bound. Nothing in this Agreement shall be deemed to limit or restrict the ability or right of any Holder to acquire any additional Senior Secured Notes or Senior Notes (“Additional Notes”) or other additional indebtedness of the Group (“Additional Indebtedness”); provided, however, that in the event that any Holder acquires any interest in any such Additional Notes or Additional Indebtedness after the date hereof, such Additional Notes and Additional Indebtedness shall, notwithstanding anything to the contrary in their terms and conditions, immediately upon such acquisition become subject to the terms of this Agreement for the Support Period.

Section 1.5 Qualified Marketmaker. Notwithstanding anything to the contrary in this Agreement, a Qualified Marketmaker that acquires (in its capacity as a Qualified Marketmaker, and not for investment purposes) any Senior Secured Notes, Senior Notes or Additional Indebtedness not already subject to the terms of this Agreement shall not be required to execute and deliver a Joinder Notice or otherwise agree to be bound by the terms and conditions set forth in this Agreement in respect of such Senior Secured Notes, Senior Notes or Additional Indebtedness if and for so long as those Senior Secured Notes, Senior Notes or Additional Indebtedness are held by the Qualified Marketmaker solely with the purpose and intent of acting as a Qualified Marketmaker for such Senior Secured Notes, Senior Notes or Additional Indebtedness. For the purposes of this Section “Qualified Marketmaker” means an entity that: (a) holds itself out to the public or the applicable private markets as standing ready in the ordinary course of business to purchase from customers and sell to customers fixed income instruments (or enter with customers into long and short positions in fixed income instruments), in its capacity as a dealer or market maker in fixed income instruments; and (b) is, in fact, regularly in the business of making a market in fixed income instruments against issuers or borrowers.

Section 1.6 Limitations. Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall require any Holder to incur any material out-of-pocket costs or expenses, unless a member of the Group has agreed to meet them and made arrangements reasonably satisfactory to the Holder Advisers for their payment.

ARTICLE II.

REPRESENTATIONS AND WARRANTIES OF THE ISSUERS AND GUARANTORS

The Issuers and Guarantors represent and warrant to the Holders as follows:

Section 2.1 Organisation and Standing of the Issuers and Guarantors. Each Issuer and each Guarantor is duly organised, validly existing and in good standing under the laws of the jurisdiction of its organisation and has all requisite power and authority to own and operate its properties, to carry on its business as now conducted and to enter into and, as applicable, perform its obligations hereunder. The list of Guarantors attached hereto as Exhibit A is a complete listing of all Guarantors for the Notes, and does not omit any party that is a “Guarantor” of the Senior Secured Notes or the Senior Notes.

Section 2.2 Due Authorisation and Enforceability. This Agreement has been duly and validly authorised by the Issuers and each Guarantor, has been duly executed and delivered by each Issuer and each Guarantor and, assuming due authorisation, execution and delivery by the Holders or any counterparty other than the Issuers and the Guarantors, is a valid and binding obligation of each Issuer and each Guarantor, enforceable against the Issuers and each Guarantor in accordance with its terms, subject as to enforceability to general principles of equity and to bankruptcy, insolvency, moratorium and other similar laws affecting the enforcement of creditors’ rights generally.

Section 2.3 Non-Contravention. The execution and delivery by each Issuer and each Guarantor of this Agreement do not and will not, with or without the giving of notice or the lapse of time, or both: (a) result in any violation of any terms of the charter or constitutional documents of an Issuer or Guarantor; (b) conflict with or result in a breach by an Issuer or Guarantor of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement or instrument to which an Issuer or any Guarantor is a party or by which an Issuer or any Guarantor or any of its properties or assets is bound or affected; or (c) violate or contravene any applicable law, rule or regulation or any decree, judgment or order of any court or governmental body having jurisdiction over an Issuer or any Guarantor or any of their properties or assets, except for such conflicts, breaches, defaults or violations as would not have a material adverse effect on the financial condition of the Issuers, each Guarantor and their respective subsidiaries, taken as a whole.

ARTICLE III.

REPRESENTATION OF THE INITIAL HOLDERS

Section 3.1 Ownership of Notes. Each Initial Holder, solely on its own behalf, represents and warrants as at the date of this Agreement and the Effective Date to the Issuers that the Initial Holders collectively are the beneficial owners of: (a) greater than fifty percent (50.00%) of the Senior Secured Notes; and (b) greater than seventy-five percent (75.00%) of the Senior Notes.

ARTICLE IV.

CONDITIONS PRECEDENT TO EFFECTIVENESS

Section 4.1 This Agreement shall become effective on the date on which the following conditions precedent shall have been satisfied or waived, as determined by the Holders (the “Effective Date”):

(a) The Issuers and the Initial Holders shall have received:

(i) this Agreement, duly executed and delivered by each of the Issuers, the Guarantors and the Initial Holders;

(ii) the confidentiality agreement duly executed and delivered by each of the Issuers, on the one hand, and H/2 Credit Manager LLC (on behalf of certain affiliated investment funds for which it or its affiliates serve as investment manager) on the other hand (the “Initial Holder Confidentiality Agreement”); and

(iii) those engagement letters duly executed and delivered by each of the Issuers and Ernst & Young LLP for the latter to perform contingency planning for the Group and due diligence for the Majority Holders.

(b) The Issuers and the Guarantors shall have taken all necessary steps to authorise the Transaction as well as all transactions contemplated thereby.

(c) The Issuers and the Guarantors shall have complied with subparagraphs i, j, k and q of paragraph 17 of Exhibit D hereto.

ARTICLE V.

DEFINITIONS

Section 5.1 Definitions. As used in this Agreement, in addition to the terms defined elsewhere, the following terms shall have the meanings set forth below, unless the context otherwise requires. Any capitalised terms used herein and not defined herein shall have the meanings set forth in the Senior Secured Notes Indenture.

(a) “Business Day” means each day that is not a Saturday, Sunday or other day on which banking institutions in London, United Kingdom, Ireland or New York City, United States of America, are authorised or required by law to close.

(b) “Confidentiality Agreements” means the confidentiality agreements: (i) referred to in Section 4.1(a)(ii); (ii) entered into between the Issuers and Weil, Gotshal & Manges (London) LLP on 1 December 2017; (ii) entered into between the Issuers and Blake

Morgan LLP on 6 December 2017; (iii) entered into between the Issuers and Ernst & Young LLP on 1 December 2017; (iv) entered into between the Issuers and Moelis & Company UK LLP on 1 December 2017; (v) entered into between the Issuers and Akin, Gump, Strauss, Hauer & Feld LLP on 5 September 2016; and (vi) any other confidentiality agreement entered into between any Holder and/or any Holder Advisers and a member of the Group.

(c) “Enforcement Action” means any enforcement-related right or remedy available to the Holders under either of the Indentures, including, without limitation: (i) accelerating (or causing the relevant Trustee or Security Agent to accelerate) the relevant Notes (and the relevant liens on properties granted pursuant to the Operative Documents (the “Notes Obligations”) related thereto); (ii) exercising (or causing the relevant Trustee or relevant Security Agent to exercise) any right of setoff; (iii) exercising (or causing the relevant Trustee or relevant Security Agent to exercise) collection rights; (iv) foreclosing or exercising other remedies in the nature of foreclosure (or causing the relevant Trustee or relevant Security Agent to foreclose or exercise such remedies) against the relevant Collateral; and (v) exercising (or causing the relevant Trustee or relevant Security Agent to exercise) any other enforcement remedies set forth in the Operative Documents (as defined above) or at law or in equity with respect to the relevant Notes (and the relevant Notes Obligations related thereto). For the avoidance of doubt: (i) the giving of notices and taking of other actions necessary or advisable to preserve the rights and remedies of the Trustees, the Security Agent and/or the Holders under the Transaction Documents; (ii) the taking of any action by the Trustees, Security Agent and/or the Holders in respect of the Rectification Proceedings; and/or (iii) the exercise of any purchase options by the Holders under the Indentures and/or the Intercreditor Agreement, in each case, shall not be deemed to be the taking of an Enforcement Action hereunder.

(d) “Forbearance Expiration Date” means the earliest to occur of:

- (i) 11:59 p.m. GMT on 2 April 2018;
- (ii) the commencement of any Insolvency Proceeding with respect to any member of the Group or any of the Unreported Asset Entities or otherwise involving the Unreported Assets;
- (iii) the date on which: (A) a Default or Event of Default that is not a Subject Default occurs; or (B) an Issuer or any of its affiliates takes any action to challenge the validity or enforceability of an Indenture, the other Operative Documents, this Agreement or any provision thereof or hereof (including by asserting such a challenge in writing, but excluding the Rectification Proceedings as they relate to claims raised therein prior to the date hereof);
- (iv) an occurrence of an event of default (howsoever described) under any Credit Facility;
- (v) the termination of any contract to which any member of the Group is a party which has or could have a Material Adverse Effect;

(vi) the failure of any representation or warranty made by an Issuer or any Guarantor under this Agreement to be true and complete at any time after the date of this Agreement;

(vii) any of the Milestones not being satisfied by the relevant Milestone Date, each as set out in Part B of Exhibit D;

(viii) the failure by any member of the Group (excluding any Representative of the Group) to pay any judgment aggregating in excess of £250,000;

(ix) (A) the taking of any action by any member of the Group or the Sponsor Group, or any inaction by any member of the Group, in each case directly or indirectly; or (B) the making of any oral or written public communication (including, but not limited to, any press release or media statement) by any member of the Group or the Sponsor Group that may: (x) frustrate, impede or interfere with this Agreement, the Consent Solicitation or the restructuring process; or (y) impugn the reputation of, or disparage, any Holder, its Affiliates or its Representatives, or call into question their efforts taken in connection with the restructuring process and/or related matters;

(x) any member of the Group fails to support or diligently pursue in good faith a Restructuring;

(xi) the refusal by any court to sanction any step or action required to implement the December Coupon Deferral or the Restructuring; and

(xii) failure by an Issuer or any Guarantor to timely comply with any term, condition or covenant set forth in this Agreement, including, without limitation, as set forth on Exhibit D hereto,

provided that, in relation to the events described in: (A) paragraphs (i) and (ii) above, the Forbearance Expiration Date shall occur immediately upon the occurrence of such event; and (B) paragraphs (iii) to (xii) (inclusive), the Forbearance Expiration Date shall occur at a time determined by Majority Holders, falling within the two (2) Business Days commencing upon the occurrence of the relevant event, and upon giving written notice to the Issuers that such right to terminate the Forbearance or the December Coupon Deferral has been exercised. For information purposes only, the Issuers will deliver a copy of the notice of termination to key regulators having oversight of the Group's activities.

(e) "FSHC" means FSHC Group Holdings Limited, a private limited company organised under the laws of England and Wales.

(f) "Group" means, for purposes of this Agreement, the Senior Notes Issuer and its subsidiaries, and any Representative of the Senior Notes Issuer or its subsidiaries.

(g) “Holder Advisers” shall mean those advisers identified by the Holders, which shall include without limitation, Moelis (as defined below), Weil, Gotshal & Manges (London) LLP (“Weil”), Akin Gump Strauss Hauer & Feld LLP, Blake Morgan LLP and Ernst & Young LLP, each subject to a Confidentiality Agreement.

(h) “Holdings” shall mean: (i) the Initial Holders; and (ii) each Acceding Noteholder.

(i) “Insolvency Proceeding” means any case or proceeding, application, meeting convened, resolution passed, proposal, corporate action or any other proceeding commenced by or against a Person under any national, supranational, state, provincial, federal or foreign law for, or any agreement of such Person to: (i) the entry of an order for relief under the United States Bankruptcy Code of 1986, as amended, the Insolvency Act 1986, or any other insolvency, debtor relief, bankruptcy, receivership, debt adjustment law or other similar law (whether national, supranational, state, provincial, federal or foreign); (ii) the appointment of a receiver, manager, controller, interim receiver, receiver and manager, trustee (including any trustee in bankruptcy), custodian conservator, administrator, examiner, sheriff, monitor, assignee, liquidator, provisional liquidator, sequestrator, administrative receiver, judicial manager, statutory manager or similar officer or fiduciary or other custodian for such Person or any part of its property; (iii) the giving of notice of the proposed appointment of an administrator to any member of the Group pursuant to schedule B1 of the Insolvency Act 1986; (iv) an assignment or trust mortgage for the benefit of creditors; (v) the winding up or strike off of the Person; (vi) the proposal or implementation of a scheme of arrangement; (vii) a suspension of payment, moratorium of any debts, official assignment, composition or arrangement with a Person’s creditors; or (viii) enforcement of any security, mortgage, pledge, assignment, assignation, lien or other security interest over any assets of any member of the Group (excluding any Representative of the Group).

(j) “Majority Holders” shall mean, on any date, Holders who hold: (i) greater than fifty percent (50.00%) of the aggregate principal amount of Senior Secured Notes held by all Holders on such date; and (ii) greater than fifty percent (50.00%) of the aggregate principal amount of Senior Notes held by all Holders on such date.

(k) “Material Adverse Effect” means in the opinion of the Majority Holders a material adverse effect on: (i) the business, operations, property, condition (financial or otherwise) or prospects of the Group (excluding any Representative of the Group); (ii) the ability of an Issuer or Guarantor to perform its obligations under an Indenture, the other Operative Documents, this Agreement or any provision thereof or hereof; or (iii) the validity or enforceability of the Operative Documents or the rights or remedies of any part to the Operative Documents (other than the Issuers, Guarantors or members of the Sponsor Group).

(l) “Moelis” means Moelis & Company UK LLP.

(m) “Rectification Proceedings” means proceedings between FSHC and Barclays Bank PLC with Claim No HC-2017-001662 before the English Courts (and any appeal therefrom).

(n) “Representative” means an employee, director, officer, agent, contractor, legal adviser, other professional adviser or financial adviser, and in relation to any entity, fund, partnership or undertaking, includes each member of its senior management.

(o) “Restructuring” means any restructuring, reorganisation, arrangement, composition or other insolvency proceeding amalgamation, demerger, merger or corporate reconstruction or other transaction or series of transactions pertaining to the Senior Secured Notes and/or the Senior Notes and/or any other outstanding financial indebtedness of the Group, in any case, which has been consented to in writing by the Majority Holders with respect to any member of the Group (excluding any Representative of the Group), and which has been approved by holders representing a minimum of seventy-five percent (75.00%) of the aggregate principal amount of the Senior Secured Notes and of holders representing a minimum of seventy-five percent (75.00%) of the aggregate principal amount of the Senior Notes.

(p) “Restructuring Agreement” means an agreement providing for the implementation of the Restructuring.

(q) “Restructuring Proposal Documents” means this Agreement, any Joinder Notice Letter and the Steps Plan.

(r) “Sponsor Group” means: (i) FSHC; (ii) FSHC's Affiliates; (iii) FSHC's direct or indirect shareholders (and their Affiliates, including but not limited to related funds and/or holding companies); (iv) FSHC's direct or indirect subsidiaries (and their related entities); and (v) any Representative of any of the foregoing, that in each case are not a member of the Group or Representatives of a member of the Group.

(s) “Steps Plan” means a document setting out the individual steps required for the implementation and completion of the Restructuring.

(t) “Unreported Assets” means the assets of the Unreported Assets Entities.

(u) “Unreported Assets Entities” means Brighterkind (PC) Limited and its subsidiaries.

ARTICLE VI.

MISCELLANEOUS

Section 6.1 Restrictions on Disclosures by the Group.

(a) Subject to the Initial Holder Confidentiality Agreement, and except with the consent of the relevant Holder (which consent may be requested of and confirmed by the Holder Advisers on behalf of the relevant Holder), the Issuers and Guarantors shall not, and the Issuers and the Guarantors hereby agree that they will not, disclose to any Holder any confidential or non-public information regarding the Issuers, the Guarantors, the Senior Secured Notes or the Senior Notes. The Issuers and Guarantors shall procure compliance by their respective Representatives with respect to this Article VI, and shall be responsible for any breach by such Representatives thereof.

(b) Each Issuer and each Guarantor shall not, and hereby agree that they shall not:

(i) (x) without the prior written consent of the Majority Holders, issue any press release or written public statement; or (y) without having first used commercially reasonable efforts to obtain the written or oral consent of the Majority Holders, make any oral public statement, in each case where such press release or public statement includes information or commentary pertaining to the restructuring process or any of the Holders; provided, however, that without the prior consent of the Majority Holders, an Issuer may issue a press release or written public statement, or make an oral public statement, that includes information or commentary pertaining to the restructuring process if: (A) such written or oral responses are accurate in all material respects; and (B) either (1) such disclosure's reference to the restructuring process is limited to confirming the continuation or discontinuation of discussions with the Majority Holders, or (2) such written or oral responses as are deemed necessary by an Issuers' Board of Directors and are protective of the value and/or continued operations of the Group's business; provided further, however, that if the Majority Holders determine that any Issuer disclosure under clause (B) of this paragraph (i) does not meet the standard set forth in clause (A) of this paragraph (i), then the Majority Holders shall have the right to issue a notice of the occurrence of a Forbearance Expiration Date pursuant to Section 5.1(d)(ix)(B);

(ii) without the prior written consent of the Majority Holders and any affected Holder, issue any press release or written public statement, make any oral public statement, or make any other disclosure to any Person that refers to, directly or indirectly, the Holders or creditors (collectively or individually) or their officers, directors, employees or agents, the amount of any Notes held by any Holder, or that characterises the actions, opinions, decisions or positions of any Holder or creditor in a manner that such Holder or creditor determines are not accurate in any material respect, in each case whether in connection with any press release published pursuant to paragraph 9 of Exhibit D or otherwise; and

(iii) except pursuant to paragraph 9 of Exhibit D and as otherwise agreed with the Holder Advisers, disclose this Agreement or any information regarding the Transactions contemplated hereby, to any other Person, including, for the avoidance of doubt: (x) any member of the

Sponsor Group; or (y) any of the past or current Affiliates or Representatives of any member of the Sponsor Group, provided that disclosure of this Agreement or any information regarding the Transactions contemplated hereunder to any Representative of the Group where in and where necessary in that person's capacity as a Representative of the Group shall not constitute a breach of this paragraph (iii), and provided, further, that the Issuers and Guarantors shall procure that such Representative shall only use such information for the purposes of furthering the restructuring process and shall, in any event, disclose such information only to such Persons and for such purposes as the Issuers and the Guarantors are permitted hereunder to disclose such information.

(c) This Section 6.1 shall not prohibit the Issuers or Guarantors from making disclosures required to comply with applicable law and/or any regulatory practice, pursuant to stock exchange or regulatory requirements (including any disclosures required under their debt documents); provided, however, that in the event of a material change in the Group's regulatory status, or one that is threatened, pending or reasonably foreseeable, the Group shall provide to the Holder Advisers copies of any related correspondence or materials received by the Group from, or sent by the Group to, any regulator, within one (1) Business Day of their receipt or transmission, as the case may be. In addition, nothing herein shall preclude the Holders from consulting (and/or sharing any documentation) with any regulatory authorities and/or their counsel regarding the status of any restructuring or matters related to the proposed Transaction, or disclosing to any such regulatory authority any Confidential Information (as defined in and as permitted by the Initial Holder Confidentiality Agreement), whether in connection with a change in the Group's regulatory status or otherwise.

Section 6.2 Prior Agreements. This Agreement and the other agreements contemplated hereby constitute the entire agreement between the parties concerning the subject matter hereof and supersede any prior representations, understandings or agreements. There are no representations, warranties, agreements, conditions or covenants, of any nature whatsoever (whether express or implied, written or oral) between the parties hereto with respect to such subject matter except as expressly set forth herein and in the other agreements contemplated hereby.

Section 6.3 Severability. The invalidity or unenforceability of any provision hereof shall in no way affect the validity or enforceability of any other provision or the validity and enforceability of this Agreement in any other jurisdiction.

Section 6.4 Governing Law. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

Section 6.5 Jurisdiction. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to non-contractual obligations arising out of or in connection with this Agreement and/or a dispute regarding the existence, validity or termination of this Agreement) (a "Dispute"). The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

Wilmslow
Cheshire
SK9 1BU
ben.taberner@fshc.co.uk
Attention: Ben Taberner

Elli Investments Limited
Old Bank Chambers
La Grande Rue
St Martin's
Guernsey
Channel Islands
GY4 6RT
ben.taberner@fshc.co.uk
Attention: the Directors

Copy to: Linklaters LLP
One Silk Street
London EC2Y 8HQ, UK
bruce.bell@linklaters.com
sarah.mook@linklaters.com
Attention: Bruce Bell, Sarah Mook

*On behalf of the
Initial Holders:*

Moelis & Company UK LLP.
First Floor, Condor House
10 St. Pauls Churchyard
London EC4M 8AL
matthew.prest@moelis.com
Attention: Matthew Prest

Copy to: Weil, Gotshal & Manges (London) LLP
110 Fetter Lane
London EC4A 1AY, UK
andrew.wilkinson@weil.com
Attention: Andrew Wilkinson

[No further text on this page.]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound hereby, have caused this Agreement to be executed by their respective duly authorised officers or directors, as of the date first above written.

ELLI FINANCE (UK) PLC

By: _____

Name:

Title:

ELLI INVESTMENTS LIMITED

By: _____

Name:

Title:

ALLIANCE CARE (DALES HOMES) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

BRIGHTERKIND (GRANBY CARE) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

BRIGHTERKIND HEALTH CARE GROUP LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

BRIGHTERKIND HEALTH CARE LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

BRIGHTERKIND JERSEY DEVELOPMENTS
LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

COUNTY HEALTHCARE LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

ELLI ACQUISITIONS LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

ELLI FINANCE (UK) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

ELLI GROUP (UK) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

ELLI INVESTMENTS LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FIFE NURSING HOMES LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FINO (JERSEY) NEWCO 1 LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FINO SENIORCO LIMITED

as Guarantor

By: _____

Director / Attorney-in-Fact / Authorised

Signatory

Name:

Date:

FOUR SEASONS (H2) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS (JB) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS (NO 10) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS (NO 7) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS 2000 LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS GROUP HOLDINGS LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS GROUP LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HEALTH CARE (CAPITAL)
LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HEALTH CARE (ENGLAND)
LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HEALTH CARE (NORTHERN IRELAND) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HEALTH CARE (SCOTLAND) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HEALTH CARE HOLDINGS LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HEALTH CARE LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HEALTH CARE PROPERTIES
(SPECIALIST) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HOMES NO 4 LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FOUR SEASONS HOMES NO 6 LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FSHC (UK) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FSHC DEVELOPMENTS (PROPERTIES) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FSHC PROPERTIES (CH2) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FSHC PROPERTIES (HOLDINGS) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

FSHC PROPERTIES (MANOR) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

GRANBY CARE LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE (BIR) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE (GRANBY ONE) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE (NO 12) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE (NO 13) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE (NO 14) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE (SP) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE HOMES NO 3 LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE PROPERTIES (FRENCHAY)
LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

HUNTERCOMBE PROPERTY LEASING LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

LEELAND LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

MERICOURT LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

PHF (CHP) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

PHF SECURITIES NO 1 LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

PHF SECURITIES NO 2 LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

PRINCIPAL HEALTHCARE FINANCE (UK) NO 1
LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

PRINCIPAL HEALTHCARE FINANCE (UK) NO 2
LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

PRINCIPAL HEALTHCARE FINANCE LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

PRINCIPAL HEALTHCARE LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

RHYME (JERSEY) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

SILVER SPRINGS LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

SISTINE PROPERTIES (WESTBURY) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

SPECIALITY CARE (REIT HOMES) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

TAMARIS HEALTHCARE (ENGLAND) LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

TAMULST CARE LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

THE HUNTERCOMBE GROUP (LEASECO)
LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

THE HUNTERCOMBE GROUP LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

WHITEFIELD NURSING HOME LIMITED

as Guarantor

By: _____

Name:

Title:

Date:

H/2 CREDIT MANAGER LLC, for and on
behalf of each of the Initial Holders

By: _____

Name:

Title:

EXHIBIT A

GUARANTORS:

ALLIANCE CARE (DALES HOMES) LIMITED

BRIGHTERKIND (GRANBY CARE) LIMITED

BRIGHTERKIND HEALTH CARE GROUP LIMITED

BRIGHTERKIND HEALTH CARE LIMITED

BRIGHTERKIND JERSEY DEVELOPMENTS LIMITED

COUNTY HEALTHCARE LIMITED

ELLI INVESTMENTS LIMITED

ELLI ACQUISITIONS LIMITED

ELLI FINANCE (UK) PLC

ELLI GROUP (UK) LIMITED

FINO (JERSEY) NEWCO 1 LIMITED

FINO SENIORCO LIMITED

HUNTERCOMBE (GRANBY ONE) LIMITED

FOUR SEASONS (H2) LIMITED

FOUR SEASONS (JB) LIMITED

FOUR SEASONS (NO 10) LIMITED

HUNTERCOMBE (NO 12) LIMITED

HUNTERCOMBE (NO 13) LIMITED

HUNTERCOMBE (NO 14) LIMITED

FOUR SEASONS (NO 7) LIMITED

FOUR SEASONS 2000 LIMITED

FOUR SEASONS GROUP HOLDINGS LIMITED

FOUR SEASONS GROUP LIMITED
FOUR SEASONS HEALTH CARE (CAPITAL) LIMITED
FOUR SEASONS HEALTH CARE (ENGLAND) LIMITED
FOUR SEASONS HEALTH CARE (NORTHERN IRELAND) LIMITED
FOUR SEASONS HEALTH CARE (SCOTLAND) LIMITED
FOUR SEASONS HEALTH CARE HOLDINGS LIMITED
FOUR SEASONS HEALTH CARE LIMITED
HUNTERCOMBE PROPERTIES (FRENCHAY) LIMITED
HUNTERCOMBE PROPERTY LEASING LIMITED
FOUR SEASONS HEALTH CARE PROPERTIES (SPECIALIST) LIMITED
FOUR SEASONS HOMES NO 4 LIMITED
FOUR SEASONS HOMES NO 6 LIMITED
HUNTERCOMBE (SP) LIMITED
FSHC (UK) LIMITED
FSHC DEVELOPMENTS (PROPERTIES) LIMITED
HUNTERCOMBE (BIR) LIMITED
FSHC PROPERTIES (CH2) LIMITED
FSHC PROPERTIES (HOLDINGS) LIMITED
GRANBY CARE LIMITED
THE HUNTERCOMBE GROUP LIMITED
FSHC PROPERTIES (MANOR) LIMITED
LEELAND LIMITED
MERICOURT LIMITED
PHF (CHP) LIMITED

PHF SECURITIES NO 1 LIMITED
PHF SECURITIES NO 2 LIMITED
PRINCIPAL HEALTHCARE FINANCE (UK) NO 1 LIMITED
PRINCIPAL HEALTHCARE FINANCE (UK) NO 2 LIMITED
PRINCIPAL HEALTHCARE FINANCE LIMITED (JERSEY)
PRINCIPAL HEALTHCARE LIMITED
RHYME (JERSEY) LIMITED
SILVER SPRINGS LIMITED
SISTINE PROPERTIES (WESTBURY) LIMITED
SPECIALITY CARE (REIT HOMES) LIMITED
TAMARIS HEALTHCARE (ENGLAND) LIMITED
TAMULST CARE LIMITED
THE HUNTERCOMBE GROUP (LEASECO) LIMITED
WHITEFIELD NURSING HOME LIMITED
FIFE NURSING HOMES LIMITED
HUNTERCOMBE HOMES NO. 3 LIMITED

EXHIBIT B
RESERVED.

EXHIBIT C

SUBJECT DEFAULTS

1. An Event of Default under Section 6.01(a)(1) of the Senior Secured Notes Indenture as a result of the Senior Secured Notes Issuer's failure to pay interest due under the Senior Secured Notes Indenture on 15 December 2017.
2. An Event of Default under Section 6.01(a)(1) of the Senior Notes Indenture as a result of the Senior Notes Issuer's failure to pay interest due under the Senior Notes Indenture on 15 December 2017.

EXHIBIT D

PART A – UNDERTAKINGS

During the Support Period:

1. The Issuers shall fully comply with the Confidentiality Agreement.
2. No member of the Group shall take any steps to cause an enforcement sale or otherwise sell, lease, transfer or dispose of any asset or any individual facility of any member of the Group (each, an “Asset Sale”), other than:
 - a. Asset Sales that satisfy all of the following conditions: (i) such Asset Sale is in the ordinary course of business; (ii) such Asset Sale is made on arm’s length terms and for arm’s length consideration; and (iii) the value of the asset that is the subject of such Asset Sale does not, when aggregated with all other Asset Sales and other transactions entered into pursuant to this paragraph 2a. and paragraphs 4 and 12 of this Exhibit D, exceed during the Support Period, a maximum aggregate amount of £250,000; or
 - b. Asset Sales that satisfy all of the following conditions: (i) such Asset Sale is of a non-operative home or vacant land; (ii) such Asset Sale is made on arm’s length terms, for arm’s length consideration and not to any member of the Sponsor Group; and (iii) the value of the asset that is the subject of such Asset Sale does not, when aggregated with all other Asset Sales and other transactions entered into pursuant to this paragraph 2b. of this Exhibit D, exceed during the Support Period, a maximum aggregate amount of £5,000,000.
3. The Group shall not enter into:
 - a. any amendment or variation of any arrangement existing on the Effective Date between any member of the Group and any of the Unreported Assets Entities;
 - b. any amendment or variation of any arrangement existing on the Effective Date between any member of the Group and any Affiliate other than any of the Unreported Assets Entities;
 - c. any other transaction of any nature with any member of the Unreported Assets Entities or regarding any of the Unreported Assets except for: (i)(x) cash-settled transactions relating to shared staff in the ordinary course of business; (y) payments that were made in error; and (z) costs and expenses, provided that such transactions between the Group and the Unreported Asset Entities with respect to (x), (y) and (z), in the aggregate, do not exceed a net payable amount of £200,000 at any time; and (ii) a transaction pursuant to and strictly in accordance with the terms of any agreement existing on the Effective Date and disclosed to the Holder Advisers pursuant to paragraph 17.k(i) of this Exhibit D, provided, however, that: (i) this paragraph 3c. and any disclosure made pursuant to paragraph 17.k(i) shall be without prejudice to each Holder’s rights against any of the Group entities and Unreported Assets entities and their Representatives with respect to any agreements, arrangements or transactions between any of

those entities; and (ii) no disclosure under 17.k(i) of any management agreement with Unreported Assets Entities shall restrict any Holder from any taking any action or making any application whether directly or otherwise in the Rectification Proceedings; or

d. without limiting the generality of paragraphs 3a – 3c above, any Affiliate Transaction (as defined in the Indentures but disregarding the £2 million threshold therein provided) other than: (i) Management Advances pursuant to Section 4.11(b)(C) of the Indentures to permit hardship allowances for employees of the Group not to exceed, in aggregate outstanding at any time, £750,000; (ii) intercompany loans between members of the Group pursuant to Section 4.11(b)(D) of the Indentures; (iii) payments with respect to directors' insurance premiums, director and secretarial fees pursuant to Section 4.11(b)(E) of the Indentures ("Director and Secretarial Expenses"); and (iv) payments on account of travel to third-party travel suppliers pursuant to Section 4.11(b)(H) of the Indentures paid pursuant to this clause (iv) during the Support Period, not to exceed in aggregate £100,000; provided, however, that no advances, loans or other payments are permitted to, or for the benefit of, any member of the Sponsor Group.

4. No member of the Group shall grant or agree to grant any encumbrances in respect of any liabilities or group shares, or enter into any trust, option, pre-emption, sub-participation, or other contractual arrangement which would impede it from complying with its obligations under this Agreement, other than encumbrances granted (i) in the ordinary course of business; (ii) for arm's length consideration; and (iii) in a total amount, when aggregated with all other transactions entered into pursuant to this paragraph 4 and paragraphs 2(a) and 12 of this Exhibit D, not to exceed during the Support Period £250,000.

5. Other than in connection with a Restructuring with the Holders, no member of the Group shall support, negotiate or prepare and cast any votes that are controlled by it in respect of all liabilities and group shares in favor of:

a. any attempt at restructuring, reorganisation, arrangement, composition or other insolvency proceeding in respect of any member of the Group or any amalgamation, demerger, merger or corporate reconstruction, including, for the avoidance of doubt, any exchange offer in relation to the Notes or Credit Facility;

b. any attempt by any Person to acquire all or substantially all the assets of any member of the Group;

c. subject to director duties, any application for relief under any applicable insolvency, bankruptcy or other similar law with respect to any member of the Group for all or substantially all of its assets; or

d. subject to director duties, the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any member of the Group or any of its assets.

6. No member of the Group shall invest in or acquire any share in, or any security issued by, or any asset, business or going concern, or the whole or substantially the whole of the assets or business of, any Person, or any interest therein or in the capital of any Person, or make any capital contribution to any Person (or agree to do any of the foregoing) or acquire or invest in any assets that constitute a division or operating unit of the business of any person (or agree to do any of the foregoing).

7. No member of the Group shall enter into any arrangement to acquire any interest in relation to any Credit Facility, Senior Secured Notes or Senior Notes or acquire or seek to acquire any indebtedness with respect to the Credit Facility, the Senior Secured Notes or the Senior Notes.

8. Except pursuant to the Transaction or paragraph 23 below, no member of the Group shall: (i) amend or vary the terms of any Credit Facility or any other indebtedness that is *pari passu* with or senior to the Senior Secured Notes; or (ii) without the Majority Holders' consent, repay or otherwise discharge or acquire any part of the Credit Facility or any other indebtedness that is *pari passu* with or senior to the Senior Secured Notes.

9. Subject to Section 6.1 of this Agreement, within one (1) Business Day of entry into this Agreement, the Issuers shall: (i) publically announce the existence of this Agreement in the form of press release agreed by the Issuers and the Majority Holders; and (ii) publish and maintain this Agreement on the Group's website.

10. No member of the Group shall: (i) issue or agree to issue additional shares of any class, or securities convertible into or exchangeable for, or rights, warrants or options to subscribe for or acquire any such shares or convertible securities; or (ii) purchase or redeem any of its own shares or other securities or reduce or make any other change to any part of its share capital; or (iii) enter into any agreement, commitment or arrangement in relation to (i) or (ii), provided, however, that nothing in this paragraph 10 shall restrict the dissolution of any Group entity (other than the Issuers and Guarantors) which is dormant and the assets of which, when aggregated with the assets of all other Group entities permitted to be dissolved under this proviso during the Support Period, do not exceed £20,000.

11. Other than Permitted Payments required to pay Director and Secretarial Expenses (as defined in paragraph 3 above), the Issuers and their Restricted Subsidiaries shall not make any Restricted Payments, any Permitted Payments or any Permitted Investments (each as defined in the Indentures) or pay any other amount account of fees, costs (including legal or financial advice costs), dividends, interest, principal or otherwise, to any shareholder of the Senior Notes Issuer or any other member of the Sponsor Group outside members of the Group.

12. Other than transactions that are directly revenue generating, earned in the ordinary course of business and consistent with past practices, no member of the Group shall, without the consent of the Majority Holders, incur any indebtedness or enter into any material transactions, other than indebtedness incurred or material transactions entered into: (i) in connection with routine, third-party expenses relating to (A) "care and facility" costs (e.g., food, medical supplies and laundry); and (B) central costs (e.g., central office costs and non-care home

wage costs), each of which are incurred in the ordinary course of business and consistent with past practices; (ii) as permitted by baskets provided for in this Exhibit D; or (iii) for arm's length consideration, not to exceed during the Support Period, an aggregate total amount of £1,000,000 in respect of such indebtedness and/or material transactions. For the avoidance of doubt, and subject in all cases to the terms of this Agreement, the Issuers shall and shall ensure that each other member of the Group shall: (A) only conduct its business in the ordinary course; and (B) use their commercially reasonable efforts to preserve any relationships with any persons, including but not limited to, material customers, suppliers and/or governmental authorities, with whom they have significant business relations.

13. No member of the Group shall change the composition of its Board of Directors or take (or consent to the taking of) any action setting or amending the compensation, terms and conditions of employment, any employment agreement, any consulting agreement, any incentive plan of, or any other action relating to employment or compensation matters (each and any such item being, "Economic Arrangements") with respect to any member of its Board of Directors. Notwithstanding the foregoing, until the implementation of a consensual restructuring with the Majority Holders and the Majority Holders' implementation of new management and/or employee ownership and reward programmes, no member of the Group shall take (or consent to the taking of) any Economic Arrangement with respect to any senior management of the Group (which shall include the division heads and all senior corporate executives). Notwithstanding the foregoing, nothing in this Agreement shall restrict the Group from amending compensation and incentive plans as part of its regular annual compensation review taking place in January 2018 with respect to Representatives of the Group, provided that any changes with respect to such compensation and incentive plans are consistent with the Group's usual review of such items and its standard practices, and are consistently exercised in the ordinary course of business.

14. No member of the Group shall amend or vote to amend the constitutional documents or any existing contracts, agreements or arrangements with any of the directors or senior executives of the Group.

15. The Group shall make such capital expenditures as are necessary to maintain current operations of the Group and in the ordinary course of business. In addition, the Group may make capital expenditures associated with growth and for purposes other than in the ordinary course of business up to £1,500,000 during the Support Period.

16. No member of the Group shall engage in business and other activities other than in the ordinary course of business.

17. Each member of the Group shall provide, and shall procure that each other member of the Group, provides the Holder Advisers with:

a. promptly upon request by any of the Holder Advisers (or if requested on or around the date of this Agreement, within one week of entry into this Agreement), access to all information, including, without limitation, management, financial statements, operating statements and metrics, tax books, facility level financial and operational reporting (historical

and forecast), information regarding liabilities (booked and contingent) and other information reasonably requested or otherwise required to perform their engagements;

b. within one week of entry into this Agreement, updated rolling 13 week cash flow forecasts containing weekly budgets for the applicable periods and variance reporting against such forecasts no later than Wednesday of each calendar week, in each case, in a form and with such detail reasonably satisfactory to the Holder Advisers;

c. [Reserved];

d. no later than two weeks following the signature of this Agreement, a fiscal year 2018 business plan in a form and with such detail reasonably satisfactory to the Holder Advisers;

e. [Reserved];

f. within one week of entry into this Agreement, access to information regarding leases and landlords, including, without limitation, property tape, facility level performance, financial statements by lease with projections for rent increases, variable rent, as well as historical and projected capital expenditure, with copies of lease and related leasing documents to be provided within fifteen (15) calendar days of entry into this Agreement;

g. promptly upon request by any of the Holder Advisers (or if requested on or around the date of this Agreement, within one week of entry into this Agreement), quantitative analysis of any Restructuring announced by any member or affiliate of the Group with reasonably requested details, including, without limitation, cash flow, rent, implied valuations, multiples, costs and cash on hand as it relates to the Group;

h. promptly upon request by any of the Holder Advisers (or if requested on or around the date of this Agreement, within one week of entry into this Agreement), any landlord restructuring proposals and high-level implementation plans, including copies of the related leases and/or ground leases;

i. on or prior to the Effective Date: (i) copies of the refinanced Credit Facility together with all exhibits and schedules thereto; and (ii) a chart setting forth the detailed organisation structure of the Group and all related entities, including lessee entities, lease guarantors and guarantors/security providers in respect of any funded indebtedness;

j. on or prior to the Effective Date, all available historical segment level financial statements and operating metrics for fiscal years 2016 and 2017 relating to the Group;

k. in each case subject to sub-paragraph s. below, (i) on or prior to the Effective Date, a copy of all management services and/or shared services agreements; (ii) within fifteen (15) Business Days after signing of this Agreement, details of any transactions entered into prior to the date of this Agreement between any Group entity and any member of the Sponsor Group (including for the avoidance of doubt any Unreported Assets Entities); and (iii)

promptly after its occurrence, details of any transactions entered into on or after the date of this Agreement between any Group entity and any member of the Sponsor Group (including for the avoidance of doubt any Unreported Assets Entities) provided, however, that only transactions in excess of £25,000 in value are required to be disclosed pursuant to subparagraphs (ii) or (iii) above;

l. promptly upon receipt, copies of, and/or information regarding, any alternative restructuring proposals or offers to purchase the Group or any material portion thereof (whether written or verbal) (including any proposals and plans prepared and valuations carried out in connection with the Issuers' proposed restructuring announced on 17 October 2017);

m. within one (1) Business Day of receipt, copies of all communications from the National Health Service, Care Quality Commission, Care Inspectorate, The Regulation and Quality Improvement Authority, The Association of Directors of Adult Services and any other regulator or authority having oversight of the Group's activities, and any local authorities, including, but not limited to, communications notifying or having the effect of imposing an embargo in relation to any of the Group's facilities, or of any other nature (including one that is threatened, pending or reasonably foreseeable), in each case which might be reasonably expected to have a material effect on a member of the Group's regulatory status;

n. prompt notification of any action, whether taken, threatened or pending, by a regulatory body, local authority or other person that would place special measures, embargoes or other limitations or requirements on any care home outside of the normal course of business. The Group will use commercially reasonable efforts to make such notification no less than twenty-one (21) calendar days in advance of such action taking effect;

o. (i) by no later than five (5) Business Days following the Effective Date, the details of (x) any actual Asset Sales completed since 30 September 2017, and (y) any Asset Sales pending or proposed for the period following the date of this Agreement (and, with respect to this clause (y), each member of the Group shall provide the Holder Advisers with updates to this list promptly in respect of both any newly proposed Asset Sales and progress on Asset Sales already disclosed throughout the Support Period); (ii) as soon as practicable, but in any event not later than fifteen (15) Business Days following the Effective Date, the details of any actual Asset Sales, asset transfers, other dispositions, and leasing transactions, in the period from 1 January 2016 through 30 September 2017); and (iii) as soon as practicable, but in any event not later than forty-five (45) Business Days following the Effective Date, the details of any actual Asset Sales, asset transfers, other dispositions, and leasing transactions, in the period from 1 January 2013 through 1 January 2016, in each case with: (A) any Affiliate of any member of the Group in any amount; and (B) any Person that is not an Affiliate of any member of the Group, if the fair market value or net cash proceeds are at least £250,000, and shall provide a general summary of the transaction which will identify each bidder, the eventual purchaser (where known), the vendor entity, the consideration paid or payable (including purchase price) and a summary of the marketing process undertaken;

p. immediately upon a member of the Group becoming aware of, any material changes or developments with respect to creditors of any Issuer or other members of the Group;

q. on or prior to the Effective Date, financial statements, including a balance sheet, income statement and cash flow statement, for the period ending September 30, 2017 with respect to the Group;

r. within one week following the Effective Date, a financial forecast, including key financial and operation metrics, including but not limited to EBITDA and cash, for Q4 FY 2017 with respect to the Group; and

s. all information described in the immediately foregoing paragraph a. through r., in each case, as it relates to the Unreported Asset Entities and the Unreported Assets, and/or such other information with respect thereto, in each case, as the Group or any member of the Group is able to provide.

18. Each member of the Group shall:

a. co-operate and actively assist the Majority Holders and the Holder Advisers to take all steps the Majority Holders deem necessary or advisable to implement the Restructuring by the date in paragraph (i) of the definition of Forbearance Expiration Date including (but not limited to), calling such meetings and passing such resolutions as may be necessary or desirable to authorise the entry by the Group Members into any document required or convenient to implement the Restructuring Implementation Document to which it is a party and execution and delivery thereof;

b. provide the Holders and the Holder Advisers with co-operation and access to key management of the Group at all times;

c. procure that any of its direct or indirect Subsidiaries execute and deliver all documents required or convenient to implement the Restructuring and shall procure that all its direct and indirect Subsidiaries take all such necessary or desirable action to implement the Restructuring in accordance with the terms of the Restructuring Proposal Documents;

d. endeavour to minimise any negative impact of the Restructuring on the business of the Group and, in so far as is within the control of the Group, the Unreported Assets Entities, including using its best endeavours to deal with any material contracts (including leases), licences, authorisations or financing documents which could be terminated or breached as a result of the transactions contemplated by the Restructuring Proposal Documents, and keeping the Holder Advisers informed in relation to such endeavours;

e. notify the Holder Advisers promptly after it receives any notice or other communication from a counterparty to a material contract (leases), licence, authorisation or financing document that such counterparty intends to terminate, or has terminated, such material contract, licence, authorisation or financing document;

f. without limiting the generality of the foregoing, provide all such assistance to: (x) the Holder Advisers as they reasonably require, including, but not limited to, participating in and assisting in the preparation of documentation required for any public auction process; and (y) the advisers to the Group for the preparation of any contingency planning report; and

g. satisfy or procure satisfaction of: (i) the conditions precedent set out in Section 4.1 of this Agreement as soon as reasonably practicable; and (ii) the Milestones by the relevant Milestone Dates, each as set out in Part B of this Exhibit D, provided, however, that there shall not be any failure to comply with this paragraph 18g if Milestone 3 is not achieved provided that the Issuers have used reasonable endeavours to satisfy or procure the satisfaction of Milestone 3.

19. [Reserved].

20. Upon request of a Majority Holder, the Issuers shall cause to be carried out, within seventy-five (75) calendar days of such request, an independent valuation in respect of a proposed sale or disposal, taking into account such circumstances including the method of enforcement and the circumstances giving rise to the proposed sale.

21. [Reserved].

22. [Reserved].

23. The Majority Holders may, upon ten (10) Business Days' written notice, require that the Credit Facility or any other indebtedness *pari passu* with or senior to the Senior Secured Notes be refinanced with an entity nominated by the Majority Holders, provided that the terms of such new indebtedness are no less favourable to the Issuer Group than the Credit Facility or other indebtedness (as the case may be) in place at the date of this Agreement.

24. The Issuers and the Guarantors, on the one hand, and the Majority Holders, on the other hand, shall agree to designate at least one and no more than two representatives each to provide a joint status update as to the progress of the Forbearance and the Consent Solicitation process during regularly scheduled teleconferences with a group of key stakeholders, to be mutually agreed by the Issuers, the Guarantors and the Majority Holders; provided, however, that the parties will conduct a joint status update including members of key regulatory bodies at such bodies' option no less than once per week during the period from the execution of this Agreement to the completion of the Consent Solicitation (the "Status Update"). At any time during the Support Period either the Issuers, the Guarantors or the Majority Holders may at any time, request upon one (1) Business Day's written notice, that the other party participate in a Status Update, and such party shall use reasonable efforts to make itself available during London business hours.

25. The Issuers and the Guarantors agree that, without the prior written consent of the Majority Holders, they shall not make any payments of principal or interest in respect of the Senior Secured Notes or the Senior Notes, unless such payments are made in respect of both the

Senior Secured Notes and the Senior Notes, in each case, in accordance with their respective entitlements.

26. Each member of the Group shall give written notice to the Holder Advisers of the occurrence of any event or circumstances falling within paragraph (d) of Section 5.1 immediately upon becoming aware of its occurrence.

27. Any other provisions as may be agreed between the Issuers and Guarantors and the Majority Holders in furtherance of the restructuring process.

PART B – MILESTONES

<i>Milestone Number</i>	<i>Milestone</i>	<i>Milestone Date</i>
1.	Issuance of a joint press release relating to the execution of the Agreement, such press release to be agreed with the Majority Holders	The Business Day following the Effective Date
2.	Subject to Section 1.1, issuance of Consent Solicitation Statement	20 December 2017
3.	Initial date for consent to be provided under the Consent Solicitation	10 January 2018
4.	Completion of contingency planning and provision of a contingency planning report, by the advisers to the Group, to the Majority Holders in form and substance satisfactory to the Majority Holders	10 January 2018
5.	Restructuring Agreement and Steps Plan to be executed by the Issuers and each other member of the Group, and consented to by the Majority Holders	7 February 2018

EXHIBIT E

FORM OF JOINDER NOTICE

BY EMAIL

Date:

To: [●]

Email: [●]

With copy to: [●]

From: [Name of Acceding Noteholder]

1. We refer to the Standstill and Deferral Agreement dated [●] 2017 between, amongst others, the Issuers and [●]. Terms defined in the Standstill and Deferral Agreement have the same meaning in this Joinder Notice unless the context otherwise requires.
2. This is a Joinder Notice. We hereby agree that, as an Acceding Noteholder, we will be bound by the terms of the Standstill and Deferral Agreement as a Holder, pursuant to the provisions of Section 1.3 (Accessions and Transfers).
3. [We hereby notify you that we have purchased Senior Secured Notes/[Senior Notes] in an aggregate principal amount of [●] and that the transfer became effective on [●].]
4. [As at the date of this Joinder Notice, the aggregate principal amount of the Senior Secured Notes subject to the Standstill and Deferral Agreement for which we have discretionary authority is €[●]/\$[●].] [As at the date of this Joinder Notice, the aggregate principal amount of the Senior Notes subject to the Standstill and Deferral Agreement for which we have discretionary authority is €[●]/\$[●].]
5. We represent and warrant that we are not and have never been a member of the Sponsor Group.
6. This Joinder Notice and any non-contractual obligations arising out of or in connection with it are governed by English law. The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Joinder Notice (including a dispute relating to non-contractual obligations arising out of or in connection with this Joinder Notice and/or a dispute regarding the existence, validity or termination of this Joinder Notice) (a “Dispute”). The Acceding Noteholder agrees that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly will not argue to the contrary.

7. This Joinder Notice may only be disclosed in accordance with Section 6.1 (Disclosure) of the Standstill and Deferral Agreement.

Yours faithfully,

.....

[Name of Acceding Noteholder]