



## Compliance Certificate

To: The Law Debenture Trust Corporation plc as Security Trustee, ACF Facility Agent, Eversholt Funding plc (Finco), Bond Trustee, each Rating Agency and each Secured Creditor

From: Eversholt Rail (UK) Ltd as Security Group Agent

13 February 2017

Dear Sirs

**Common Terms Agreement dated 4<sup>th</sup> November 2010 between, among others, Finco, the Obligors and The Law Debenture Trust Corporation plc (the "Security Trustee") (the "Common Terms Agreement")**

Capitalised terms not defined in this certificate have the meaning given to them in the Master Definitions Agreement.

1 We refer to the Common Terms Agreement. This is a Compliance Certificate.

2 We confirm that:

the historical ratios (together the "**Historical Ratios**") are as detailed in the tables below:

<b>TESTS</b>	<b>Historical for Relevant Period ending 31 December 2016 (30 June 2016)</b>
Leverage Test	4.98 (4.96)
Interest Cover Test	2.96 (3.24)

3 We confirm that:

the NPV Test is as detailed in the table below:

<b>TEST</b>	<b>As at the Calculation Date 31 December 2016 (30 June 2016)</b>
NPV Test	43.5% (43.1%)

4 We confirm that:

the forward ratios (together the "**Forward Ratios**" and together with the Historical Ratios, the "**Financial Ratios**") are as detailed in the tables below:

<b>TESTS</b>	<b>Forward looking for Relevant Forward Period beginning 1 January 2017 (1 July 2016)</b>
Leverage Test	5.49 (5.78)
Interest Cover Test	2.61 (2.35)



5 We confirm that the Historical Ratios have been calculated using the most recently available financial information required to be provided by the Obligors under Paragraph 1 (*Financial Statements*) of Part 1 (*Information Covenants*) of Schedule 2 (*Covenants*) of the Common Terms Agreement and delivered together with this Compliance Certificate.

6 We confirm that the Forward Ratios:

- (a) have been made on the basis of assumptions made in good faith and arrived at after due and careful consideration;
- (b) have been prepared on a consistent basis with the most recently available financial information required to be produced by the Obligors under Paragraph 1 (*Financial Statements*) of Part 1 (*Information Covenants*) of Schedule 2 (*Covenants*) of the Common Terms Agreement and delivered together with this Compliance Certificate; and
- (c) are consistent with the Applicable Accounting Principles (insofar as such Applicable Accounting Principles reasonably apply to such calculations and projections).

7 We set out below the computation of the Financial Ratios set out in the tables in paragraphs 2, 3 and 4 above for your information:

(a) NPV Test

	<b>As at the Calculation Date 31 December 2016 (30 June 2016)</b>
<b>NPV Test = Consolidated Net Debt divided by NPV of Capital Rentals</b>	
Consolidated Net Debt	£1,466.6m (£1,428.5m)
NPV of Capital Rentals	£3,373.6m (£3,312.2m)
Discount percentage used to calculate present value (then current weighted average cost of the Senior Debt including hedging arrangements)	6.04% (6.01%)

(b) Leverage Test

	<b>Historical for Relevant Period ending 31 December 2016 (30 June 2016)</b>
<b>Leverage Test = Consolidated Net Debt divided by Consolidated EBITDA</b>	
Consolidated Net Debt	£1,466.6m (£1,428.5m)
Consolidated EBITDA	£294.5m (£288.1m)
	<b>Forward looking for Relevant Forward Period beginning 1 January 2017 (1 July 2016)</b>
<b>Leverage Test = Consolidated Net Debt divided by Consolidated EBITDA</b>	
Consolidated Net Debt	£1,665.8m (£1,705.1m)
Consolidated EBITDA	£303.5m (£294.9m)

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(c) Interest Cover Test

	<b>Historical for Relevant Period ending</b>
<b>Interest Cover Test = Consolidated Adjusted EBITDA divided by Net Interest Payable</b>	<b>31 December 2016 (30 June 2016)</b>
Consolidated Adjusted EBITDA	£262.2m (£287.8m)
Net Interest Payable	£88.7m (£88.9m)
	<b>Forward looking for Relevant Forward Period beginning 1 January 2017 (1 July 2016)</b>
<b>Interest Cover Test = Consolidated Adjusted EBITDA divided by Net Interest Payable</b>	
Consolidated Adjusted EBITDA	£275.9m (£239.4m)
Net Interest Payable	£105.6m (£101.9m)

8 We also confirm that:

- (a) no Credit Downgrade, Default or Trigger Event has occurred and is continuing;
- (b) this Compliance Certificate is accurate in all material respects; and
- (c) the current balance of the accounts set out below are as follows (after deductions from the Lock-Up Account and the Bond Defeasance Account Mandatory Prepayment Amounts Ledger):

Bond Defeasance Account	£ Nil
Disposal Proceeds Account	£ Nil
Acquisition Claim Account	£ Nil
Insurance Proceeds Account	£ Nil
Lock-Up Account	£ Nil; and

- (d) Retained Excess Cashflow<sup>1</sup>

From 30 June 2016	£6.0m
Distributions in the period	£(44.5)m
Current Period	£2.8m
Retained Excess Cashflow C/fwd	£Nil

<sup>1</sup> – As a result of the refinancing in November 2013 the restriction in para 22(b), Part 1 of Schedule 2 Part 3 of the Common Terms Agreement is no longer applicable.

9 No personal liability shall attach to or be incurred by any director of the Security Group Agent in respect of the giving of this Compliance Certificate.

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Yours faithfully,



Director



Director

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